



ANNUAL BUDGET & PROGRAM OF SERVICES

FISCAL YEAR 2017-2018



CITY OF SUGAR LAND



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Annual Budget for October 1, 2017 - September 30, 2018

The budget will raise less revenue from property taxes than last year's budget by an amount of \$-234,139, which is a -0.58 percent decrease from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is \$355,747.

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

For:	Joe Zimmerman, Himesh Gandhi, Bridget Yeung, Steve Porter
Against:	Amy Mitchell, Mary Joyce, Carol McCutcheon
Present and Not Voting:	
Absent:	

Property Tax Rate Comparison

	2017-2018	2016-2017
Property Tax Rate:	\$0.31762/100	\$0.31595/100
Effective Tax Rate:	\$0.31293/100	\$0.30454/100
Effective Maintenance & Operations Tax Rate:	\$0.17351/100	\$0.16057/100
Rollback Tax Rate:	\$0.33352/100	\$0.32748/100
Debt Rate:	\$0.13841/100	\$0.14560/100

Total Debt obligation for City of Sugar Land secured by property taxes: \$17,374,700

Annual Budget for October 1, 2017 - September 30, 2018



List in order: (L to R)

- Bridget R. Yeung..... Council Member, District Two
- Himesh Gandhi.....Council Member, At Large Position One
- Steve R. Porter..... Council Member, District One
- Carol K. McCutcheon..... Council Member, District Four
- Joe R. Zimmerman..... Mayor
- Amy L. Mitchell..... Council Member, District Three
- Mary K. Joyce Council Member, At Large Position Two
- Presented by:
- Allen BogardCity Manager



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Sugar Land
Texas**

For the Fiscal Year Beginning

October 1, 2016

Executive Director



CITY OF SUGAR LAND

City Manager's Office

October 1, 2017

Honorable Mayor and Members of City Council:

In accordance with Texas Statute and the City of Sugar Land Charter, Section 6.03, the adopted budget including the amended budget for the fiscal year beginning October 1, 2017 is hereby presented. The budget for fiscal year 2018 complies with the City Council adopted Financial Management Policy Statements (FMPS). The final amended budget incorporates necessary revenue and expenditure adjustments from the adopted budget as a result of changing economic conditions, including the impact of Hurricane Harvey, adopted tax rate and the continued decline in sales tax. The budget continues to maintain robust City services for residents and visitors to Sugar Land, ensures continued financial strength by meeting all fund balance requirements, and is structurally balanced.

FY17 Accomplishments

The economic slowdown that began in FY16 has continued through the current year. Regional economic conditions, such as the slowdown in the Oil & Gas industry, and changes in consumer spending behavior have placed downward pressure on local businesses, resulting in reduced sales tax revenue to the City. As a result, the City has revised its sales tax estimate downward in anticipation of lower than expected collections. Despite these challenging economic conditions, the City was able to maintain its core service levels and complete major projects in this fiscal year.

In FY17, the City opened the Smart Financial Centre at Sugar Land, the Brazos River Park, and the Festival Site. The Smart Financial Centre at Sugar Land has been a bright spot for the City, bringing top names in entertainment to perform at the venue. In addition to improving the entertainment options within the City, the Smart Financial Centre at Sugar Land has enhanced the reputation of Sugar Land as a destination City. The venue has helped increase the Food & Entertainment sector, which has been boosted by sales tax received directly through ticket sales, as well as indirectly through increased activity at local restaurants. The City is proud to report that the first major event at the Festival Site was the July 4th Star Spangled Spectacular, which opened with tremendous success, hosting over 20,000 visitors to the event.

Another major regional event this year was Super Bowl LI, which was held at NRG Stadium in Houston. The Sugar Land Regional Airport saw a tremendous impact from the event, with 524 aircraft reservations. This increased traffic resulted in 116,705 gallons of fuel sales, as well as additional revenue from ramp fees and services. The Airport staff and volunteers worked tirelessly to ensure that the operation was successful, with many visitors promising return visits to the airport. Over the last few months, the City has seen a resulting increase in traffic and fuel sales at the airport; many as a result of their Super Bowl experiences.

Accountability initiatives, such as City Council Goal Measures, and departmental Performance Measures, have been implemented in the City. Recently, the City introduced its new Goal Measures Dashboard, which

enables citizens to go to the City's website and view interactive tools that describe visually, and contextually, how the City is performing within each of the City's priorities. Departmental assessments aimed at identifying operational efficiencies are continuing and have shown great success. These efficiencies range from details such as how the minutes of public meetings are recorded and even how fire personnel are allocated and deployed to maximize effectiveness.

This year the City was able to see results of a lower negotiated electricity rate, which will save the City over a million dollars in electricity costs in the upcoming FY18 budget. The lower rate was due to the City's active participation on the Texas Coalition for Affordable Power (TCAP) board, which resulted in the per kilowatt hour rate being cut nearly in half.

In November 2016, City Council approved an Ordinance that annexes nine Municipal Utility Districts (MUDs) located in the Greatwood and New Territory communities, effective December 12, 2017. At the same meeting, a budget amendment was approved for FY17 to allow preparations for the annexation to begin, including hiring of 38 General Fund and 14 Utility Fund positions, along with the purchase of vehicles and equipment that will be needed to serve these areas upon annexation. These preliminary expenditures are being paid from Debt Reduction Funds that have been set aside over the last ten years for this purpose. Since that time, the City has been working to fill and train these positions to ensure we are ready to serve the new residents upon annexation.

The recent instability in the economy has highlighted the need for the City to be less dependent on sales tax revenue, and transition to a more stable revenue stream. Over the years, the City has strengthened its finances through revisions to the Council adopted Financial Management Policy Statements that provide for less dependence on sales tax to fund operations, but there is more work to be done in the coming years. As the City matures, our financial strategies must adjust to ensure long-term fiscal health. The financial strength of the City continues to be recognized by outside rating agencies. The City's AAA bond rating was affirmed through multiple bond issues, with the rating agencies citing the City's financial stability and planning efforts as key components of the AAA rating. The City also received another clean audit opinion from its external auditors.

FY18 Budget Preparation and Priorities

The FY18 adopted budget as well as the final amended budget presented within this document highlight the City's commitment to financial integrity and long-term resiliency. It demonstrates the City's continued efforts to act in best interests of its residents by taking proactive, and fiscally conservative actions that maintain the organizations financial well-being. Unlike most years, this budget was confronted with dynamic events, including a natural disaster in the form of Hurricane Harvey. This natural disaster placed significant downward pressure on one of the City's largest revenue sources, sales tax. In addition to reducing sales tax revenue estimates, the budget also required an adjustment to reflect the revenues associated with the adopted tax rate. Maintaining a balanced budget requires that as revenues are reduced, recurring expenditures must also be reduced. The final amended budget included in this document incorporates this approach, and ensures the budget is structurally balanced.

To begin the annual budget process, a planning retreat is held in March of each year to review initial assumptions related to the preparation of the budget and receive input from City Council. This year's budget was impacted by many dynamic events that continued to evolve throughout the planning process, and ultimately continued through the adoption and amendment process. Early in the budget preparation phase, the two primary factors that influenced the budget preparation were the continued slowdown in the local

economy, as well as a movement in the State Legislature that is aimed at restricting the ability of local governments to operate. These factors necessitated a flexible and strategic approach to implementing the budget in FY18. The main objective of this budget was to complete the annexation of New Territory and Greatwood, which is being funded with money set aside during the last 10 years specifically for this purpose. At the same time, economic challenges were thrown at the City due to the decline in the oil and gas industry, leading to a reduction and prioritization of available resources. Ultimately, it was a combination of the economy, a natural disaster, and the adopted tax rate that shaped the final amended budget.

The property tax rate included in the adopted budget incorporated a shift in the property tax rate, moving one cent from debt service to operations and maintenance. As state law requires, a City's budget must be adopted prior to adoption of a tax rate. The City's budget was adopted; however, the tax rate adopted was lower than the rate necessary to support the adopted budget. The adopted tax rate fully supported the debt service requirements within the FY18 CIP; however, it reduced the revenues in the General Fund. As a result, the City adjusted the revenues within the budget to correspond to the actual tax rate adopted. The City recognized that within the long-range forecast both revenues and expenditures would need to be adjusted to reflect a more cautious tax revenue outlook.

Another major factor that shaped the final budget for the City was Hurricane Harvey. Just as the City was preparing its final budget work, to present the budget and the tax rate for adoption, the City was impacted by Hurricane Harvey. Hurricane Harvey made landfall on the Texas Gulf Coast on August 25, 2017. Within days of landfall, the City began receiving unprecedented torrential rainfall. As a result of this rainfall, many roadways into the City became impassable, and the City, along with the Houston Metro area and Fort Bend County, began to take appropriate precautions asking residents to either stay home or evacuate depending on their location. The City recognized that this event was going to place additional downward pressure on this year's sales tax revenue projections, which were already very conservative, as well as add uncertainty to the CIP. With sales tax ending FY17 lower than anticipated, and the anticipated loss in sales tax revenue from Hurricane Harvey, the City further reduced its sales tax forecast.

The impact of Hurricane Harvey didn't just create uncertainty with sales tax revenues, it also extended to uncertainty in expenditures, particularly within the CIP. While the City was beginning to understand the impact of where localized flooding occurred within the City, the full extent of the causes was unknown. The need for the City to study this event was evident; however, the budget as planned did not incorporate any funding. In order to study the impact of this flooding the City had to create capacity within the CIP to address future studies, as well as ensure capacity for future projects. This change required the reprioritization of existing projects.

The final amended budget for FY18 continues to incorporate strategic changes that are recommended to reduce the City's reliance on sales tax as a revenue stream for recurring operations. The City has historically transferred 10% of General Fund sales tax to support the Pay-As-You-Go (PAYG) capital improvement program. With the slowdown in the City's sales tax collections, the funding mechanism for supporting these recurring capital improvement costs has evaporated and highlighted the need to begin taking actions to implement a long-term solution. The FY18 budget incorporates the first steps in this strategy by forecasting no growth in the base sales tax estimates for the upcoming year, as well as transitioning recurring PAYG capital rehabilitation projects into departmental operating budgets using a phased approach. This will allow these projects to transition to a more stable funding source and ensure that critical maintenance items, such as road repairs, can continue when there is downturn in sales tax. Additionally, the parks bond projects approved by voters in 2013 were placed on hold – recognizing that, with a more cautious tax revenue

outlook, it is not possible in FY18 to fully fund the parks bond projects without utilizing funding that would otherwise go to fund needs within the City.

The major focus of the FY18 budget is the completion of the Annexation Service Delivery Plan that was presented to City Council in the Fall of 2016. This budget fully incorporates the annexation and represents the first annual budget incorporating annexation related expenses and revenues.

Maintain Core Service Levels

The budget has been developed to serve an estimated population of 117,868 as of January 1, 2018, a 34% increase from 2017, with no impact to existing residents. This population includes the Greatwood and New Territory communities, which will be annexed into the City on December 12, 2017. The final amended budget maintains robust service levels for operations and maintenance of infrastructure, but does include reductions necessary to balance the budget. These reductions include the elimination of the New Year's Eve and July 4th events, the elimination of three vacant positions, a reduced merit pool, a 10% reduction in travel training, and less funding for operational contingencies. Resources have been allocated to continue core services at existing levels. Additional resources, funded through annexation revenues, are being incorporated to ensure service levels are maintained based on increased workload associated with the expanded City limits and increased population from annexation.

Approximately half of the General Fund operating budget is used to fund a robust public safety program. Drivers of the budget include annexation related expenses (which are covered by debt reduction funds from the annexed areas), a 2% pool for merit increases for existing employees effective January 1, full year implementation of 2017 merit increases, a 4% increase in health benefits costs, and contractual costs such as landscaping, custodial services, and the Comcast franchise agreement.

Outside of increases due to annexation, there are no planned new positions or services incorporated in the budget. The budget for FY18 incorporates the addition of 19.5 new positions due to annexation. The growth in population from annexation triggers implementation of a new 311 Contact Center to improve customer service citywide. This Contact Center will be instrumental in addressing the needs of the newly annexed Greatwood and New Territory residents and will also help to enhance the service levels of our current residents by more quickly addressing their questions or concerns, as well as routing calls more efficiently and effectively to the appropriate staff members. The 311 Contact Center is staffed by five full time contact center ambassadors, a 311 contact center supervisor and a customer service manager, for a total of 7 full-time employees. 3 of the full-time positions were funded through annexation, while four of the positions were positions reallocated from other areas in the city. Additionally, an allocation of a portion of 2 existing staff members have self-selected to serve in the contact center ambassador role to supplement the contact center staffing levels during peak times for 8-10 hours per week. The contact center ambassadors are trained to handle a wide variety of inquiries and service requests that the City commonly receives, as well as knowledge of where to send customers if they cannot address their inquiry directly.

Implement Capital Projects

The City's first visitor center, anticipated to be complete by the early second quarter of FY18, is located in the historic Imperial District, sharing space with the Sugar Land Heritage Museum. The facility is to be staffed

with an existing employee plus 2 part-time positions added in the FY17 budget, all funded from the Tourism Fund which is supported by Hotel Occupancy Taxes paid by visitors to the City.

Capital Projects

The capital improvement program focuses on streets, sidewalks, drainage and utility infrastructure and includes resources that will maintain the longevity of these critical assets.

The capital project funds total \$21.6 million including issuance costs. The downturn in sales tax collections has caused the City to re-evaluate funding sources for Pay-As-You-Go capital projects. Recurring rehabilitation projects have been reallocated to the departmental operating budgets, so they can be funded from a more stable source of revenue- property taxes. As a result, the Capital Improvement Program funding was reduced as those projects were removed from the plan. The CIP program will continue to focus on capital asset construction and major reconstruction, including Street, Drainage, and Water/Wastewater improvements. Streets and Drainage continue to be priorities in FY18, with a total of \$6.3 million included in the budget. Funding for Utility projects continues to emphasize rehabilitation on lift stations, the collection system, and ground water storage tanks. Water and Wastewater CIP projects included in the FY18 budget total \$10.1 million. The final amended 2018-2022 Capital Improvement Program total is \$96.4 million, with some projects needing to shift within the five-year forecast based on funding capacity. The five-year program is 75.3% funded from the issuance of debt.

Employee Compensation and Benefits

The FY18 budget includes a compensation and benefits package for employees that allows the City to attract and retain a highly skilled workforce. The City recognizes pay for performance as a compensation guiding principle. While a 3% merit pool was planned in the adopted budget, the final amended budget incorporates a reduction in the merit pool to 2%. This will allow management to develop a merit matrix that rewards high and outstanding performance from employees. The City does not give cost of living adjustments, so the merit program is the primary way for employees to receive salary increases.

Based on the economic and financial forecasts facing the City over the next year, the Human Resources Department recommends adjusting the Public Safety and General/Management compensation plans effective January 1, 2018. The current compensation plans will remain effective until that date.

The City maintains a competitive health benefits offering for employees. Based on current trends, the City will be able to manage its benefits costs with only a 4% increase to the City. The Human Resources Department is working with the City's benefits consultant to develop a plan that incentivizes wellness for employees. This plan would allow employees to have little to no increase in their rate assuming they complete certain wellness related activities.

The City participates in the Texas Municipal Retirement System (TMRS) for full-time employees but does not participate in Social Security. TMRS calculates the City's required contributions based on an actuarial formula that looks at the City's pension liabilities compared to its pension assets. The City's calculated contribution rate for 2018 will be 15.27%, which is a slight increase from the 2017 rate of 14.99%. Changes to the funding ratio and contribution rate are largely due to changes in the assumptions used by the actuaries in calculating the current and future liabilities of the City's plan. The current contribution rates are set to achieve 100% funding, and funding currently stands at a healthy 86%.

Tax Rate and User Fees

The 2017 adopted tax rate is \$0.31762 per \$100 valuation, which is effectively a 1.5% increase over the 2016 rate. The homestead exemption remains at 10% for 2017, as does the optional exemption of \$70,000 for over 65/disabled.

In the Enterprise Funds there are no changes to water, wastewater, or surface water rates. This is consistent with the five-year forecast that has been shared with City Council for the last several years. In fact, the City has not adjusted water or wastewater rates since 2011, minimizing impact to customers while the surface water rates were being implemented. Solid Waste includes a 2.5% increase to residential rates based on the contract with Republic Services, which is based on a 2.5% CPI increase. The new rate will be effective in January 2018 and will increase from \$18.00 to \$18.45 per month with no changes to service levels.

The FMPS contains guidance on evaluating user fees for an annual CPI adjustment and for calculation of new fees. There are only two new fees included which are based on requests for expedited food permits, and late renewals of rental licenses. In FY18, an increase of 2.10% is incorporated in certain fees based on changes in the CPI between 2016 and 2017. The full cost of fire service shows a small increase from the current fee, going from \$17.09 to \$17.68 per month. Fee adjustments are effective January 2018.

Financial Summary

Based on the priorities addressed identified and discussed above, the FY18 proposed budget totals \$228.7 million. Of the total, \$207.1 million is for operations and \$21.6 million is for capital projects.

Fund	FY18 Budget
General Fund	\$86,293,697
Debt Service Funds	30,346,563
Utility & Surface Water Funds	41,364,782
Airport Fund	13,960,145
Solid Waste Fund	7,633,125
Corporations	11,219,506
Other Funds	16,291,195
Total Operating Funds	\$207,109,013
Capital Projects	21,605,556
Total Amended Budget	\$228,714,569

I encourage you to read further into the information describing the FY18 budget. The executive summary that follows this transmittal letter provides an overview of revenues and expenditures included in each of the operating funds and a description of the CIP and employee compensation plans.

Respectfully,

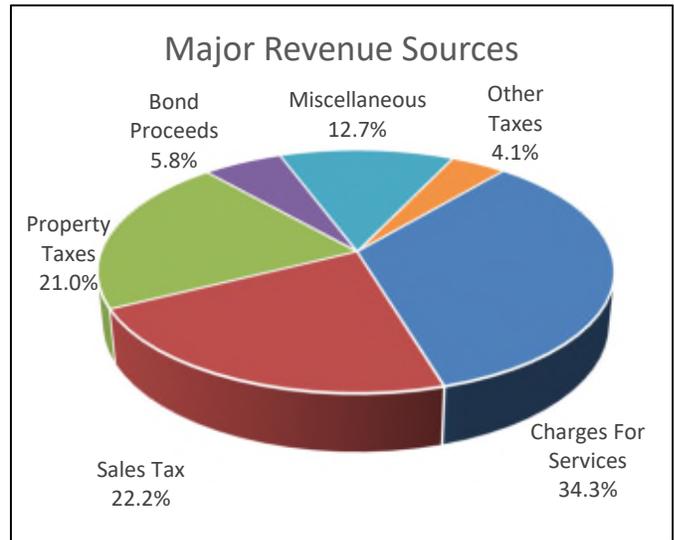


Allen Bogard
City Manager

Executive Summary

Major Revenue Sources

Major revenue sources for the City total \$218.2 million (excluding inter-fund transfers). The five primary revenue categories comprised of property taxes, sales tax, other taxes (franchise taxes and hotel occupancy taxes), charges for services, and bond proceeds, which represent 87% of total revenues for the City. Miscellaneous revenues include licenses and permits, fines and forfeitures, interest income, intergovernmental, and contributions, which make up the remaining 13%. The chart to the right illustrates the breakdown of the revenue sources.



Property Tax

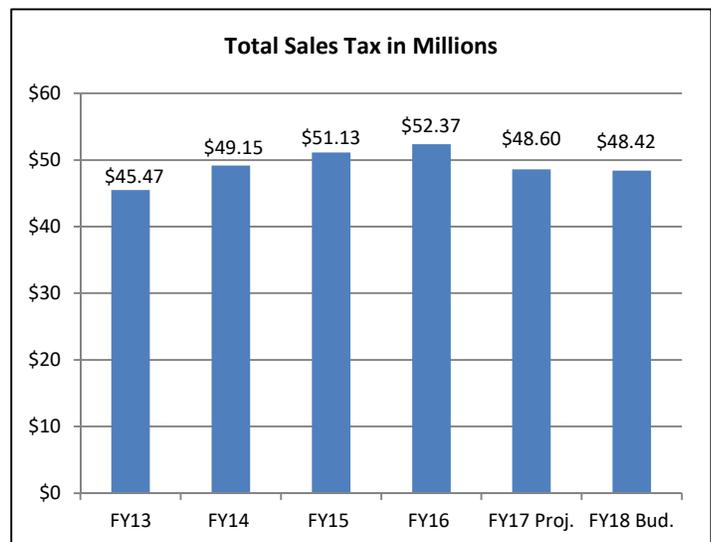
Revenues from ad valorem or property taxes represent 21.0% of overall revenues at \$45.79 million. Property tax revenues are based on a tax rate of \$0.31762 per \$100 of assessed valuation for the tax year 2017. Property tax collection is authorized by the State of Texas up to \$2.50 per \$100 of assessed valuation for maintenance and operations and debt service.

Sales Tax

Sales tax revenue, estimated at \$48.42 million, represents 22.2% of total revenues. The sales tax rate in Sugar Land is 8.25% for goods or services sold or delivered within the boundaries of the City. The tax is collected by businesses making the sale and is remitted to the State Comptroller of Public Accounts on a monthly, quarterly or annual basis. Of the 8.25% tax, the State retains 6.25% and distributes 2% to the City. Of the total 2% local share, 0.25% is allocated to the Sugar Land Development Corporation (SLDC) and 0.25% to the Sugar Land 4B Corporation (SL4B); the remaining 1.5% is deposited in the General Fund.

The sales tax budget for FY18 is \$48.42 million, which includes additional collections for utilities and retail as a result of the annexation of Greatwood and New Territory communities. The State allows cities to enter into incentive agreements with companies that locate within the City and report sales tax to the City for local collections. In turn, the City grants a portion of the collections to the company in the form of an incentive payment. The City currently has one active incentive agreement in place and is expected to payout \$213,698 in incentives in FY18.

Sales tax revenue estimates are prepared using a combination of forecasting methodologies. FY17 collections are expected to fall within the revised revenue estimates. The total budget for sales tax for FY18 is \$48.42 million, which is a 0.37% decrease over FY17 projections. The chart to the right illustrates the historical trend of sales tax collections in the City.



Other Taxes

Other Taxes represent 4.1% of City revenues at \$8.86 million and are comprised of franchise and hotel occupancy taxes. Franchise taxes are anticipated to total \$6.55 million. Franchise revenues are derived from non-exclusive franchise agreements the City has with utilities and the solid waste providers that use the City's right-of-way to conduct business. Besides defining the responsibilities of the utilities maintaining their assets, the agreements contain a franchise fee clause that requires the utilities and solid waste companies to compensate the City for use of right-of-way and streets. Generally, the fees are based on a percentage of gross receipts or a per-unit of usage charge (generated by customers located within the City's corporate limits) that range from 2% to 5%. Hotel occupancy taxes are anticipated to total \$2.31 million. Both franchise taxes and hotel occupancy taxes are estimated using trend analysis. Historic performance is analyzed and growth from new development is factored into the estimates when developing the budget.

Charges for Services

Charges for services represent 34.3% of total revenues at \$74.74 million and include fees for services in the General, Utilities, Airport, and Solid Waste Funds.

General Fund Charges for Services

Charges for services in the General Fund total \$3.92 million and are primarily derived from fees for services for fire protection in the City's extraterritorial jurisdiction, emergency medical services, parks and recreation activities and rentals, and administrative fees.

Fire protection fees total \$1,104,364 and represent 28.1% of charges for services. Fire protection fees are paid by Municipal Utility Districts (MUDs) within the City's extraterritorial jurisdiction (ETJ) and by Fort Bend County for areas outside the City but served by the Sugar Land Fire Department. Fire fees are adjusted each January based on an updated cost of fire service calculation as defined in the strategic partnership agreements between the City and the districts.

Park fees total \$610,897 and represent 15.6% of charges for services. Park fees are generated by facility usage cards, facility rentals, leisure classes, senior programs and camp programs.

EMS fees total \$1,530,187 and represent 39.0% of charges for services. EMS fees are paid by patients transported by City ambulances to a medical facilities for emergency treatment. The City's billing provider will bill private insurance on behalf of the patient.

Other charges for services total \$678,628 and represent 17.3% of charges for services. This includes false alarm charges, hazardous materials responses, and sale of property. With the exception of administrative fees, charges for services are budgeted based on historic collections, with growth factors included where appropriate.

Utility Charges for Services

Utility charges for services are anticipated to generate \$47.59 million. The City charges fees for the provision of water and wastewater services to residents and businesses located within the City. Customers are charged a base rate for water and wastewater, depending on the size of the meter installed, and a volume fee based on metered consumption. Volumetric revenues are budgeted based on estimated water consumption of 7.12 billion gallons for water and surface water and 4.36 billion gallons for wastewater. There are no changes to water, surface water or wastewater rates for FY18.

Surface Water Charges for Service

Surface Water charges for service are anticipated to generate \$1.15 million from non-city participants. Groundwater Reduction Plan (GRP) pumpage fees are established by ordinance by City Council. The FY18 budget maintains the GRP

pumpage of \$1.75 per 1,000 gallons of groundwater produced. The Utility Fund pays into the Surface Water Fund based on pumpage consistent with other GRP participants. There are no changes to the surface water rates for FY18.

Airport Charges for Services

Charges for services at the Airport are anticipated to total \$13.42 million. Budgeted fuel sales of \$12.04 million represent estimated fuel sales of 3,003,271 gallons. Aviation fuel is sold at cost plus markup. The remaining charges for services are derived from hangar and land leases, catering services, customs fees, fuel additive sales, and rental car fees. Fuel estimates are based on historic monthly fuel sales, with some growth anticipated due to international marketing of the airport. Other fees are budgeted based on historic collections.

Solid Waste Charges for Services

Charges for services in the Solid Waste Fund are anticipated to total \$8.0 million. The City contracts solid waste service and provides twice weekly automated trash collection and weekly automated recycling. Residents currently pay \$18.00 per month for this service. Effective January 1, 2018, the new rate will increase to \$18.45 per month, a 2.5% increase, based on the contract with Republic Services and Best Trash. The budget anticipates 35,210 households served during the fiscal year.

Bond Proceeds

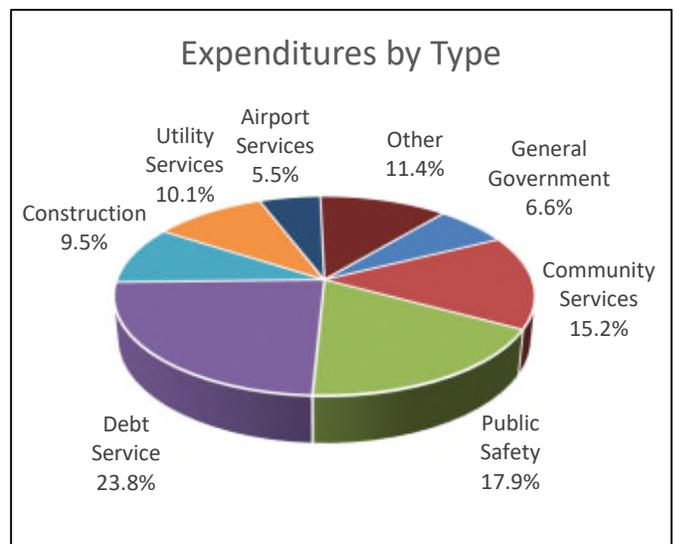
Bond proceeds of \$12.64 million represent 5.8% of total revenues. The proceeds will be used to fund the FY18 capital improvement projects and will be from property tax backed bonds and utility revenue bonds.

Miscellaneous Revenues

Miscellaneous revenues represent the remaining 12.6% of total revenues at \$27.70 million. Miscellaneous revenues include licenses and permits, fines and forfeitures, interest income, contributions, and intergovernmental revenues such as grants.

Expenditures by Type

The FY18 budget totals \$228.71 million (excluding inter-fund transfers). The chart at the right illustrates expenditures by type.



General Government expenditures represent 6.6% of overall expenditures at \$15.06 million. General Government expenditures are for administrative functions, including City Management, City Secretary, City Attorney, Human Resources, Information Technology, Communications, Strategic Initiatives, Economic Development, and Tourism.

Community Services expenditures represent 15.2% of total expenditures at \$34.71 million. Community Services expenditures include Parks, Public Works, Environmental & Neighborhood Services, and Community Development. Services provided include: park and recreation activities and facilities, right-of-way maintenance, streetlights, streets, sidewalks, traffic signals, drainage maintenance, code enforcement, engineering, planning, permits & inspections, animal services, fleet, and facilities maintenance among others.

Public Safety expenditures represent 17.9% of total expenditures at \$40.92 million and include the Police and Fire/EMS departments and public safety dispatch.

Debt Service represents 23.8% of total expenditures at \$54.53 million and includes principal and interest payments on debt issued through bonds, lease purchases, and other instruments. The City, through debt issued directly and debt assumed from MUDs, has 52 current issues including Property Tax-backed, debt pledged with hotel occupancy tax, Utility, Airport, Surface Water and Corporation debt. A portion of the tax rate is directed to the Debt Service Fund to meet debt backed by taxes. A transfer from the Tourism Fund to the Debt Service Fund covers its portion of debt pledged with hotel occupancy tax. Outstanding debt for Utilities and Airport is paid through user fees. Debt for the corporations is repaid with sales tax collections from the SLDC and SL4B. Surface Water debt is paid from GRP revenues. A separate fund accounts for Taxable Certificates of Obligation that are to be supported by lease revenues for the Smart Financial Centre at Sugar Land.

Construction represents 9.5% of total expenditures at \$21.61 million. Construction expenditures are related to capital improvement projects within the City. Capital projects are funded with sales tax from the City and economic development corporations, system revenues from Utilities and Airport Funds, grants, inter-local funding and debt. Project types include parks, streets, drainage, traffic, municipal, water, and wastewater.

Utility Services represent 10.1% of total expenditures at \$23.12 million. Utility Services expenditures are related to the operations, maintenance, and repair of water and wastewater infrastructure, as well as sanitation and recycling services. Utility services also include expenses related to surface water conversion.

Airport Services represent 5.5% of total expenditures at \$12.55 million. The fixed based operator at the airport is Global Select, which provides fuel and aviation customer services.

Other expenditures represent 11.4% of expenditures at \$26.21 million and include expenditures for Finance, insurance coverage, economic development incentives, capital replacement, sales tax rebates, and property tax rebates to in-City MUDs.

Expenditures by Fund

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

Debt Service Funds

The budget in the Debt Service Funds, excluding inter-fund transfers, totals \$30.35 million. Expenditures include \$28.52 million in debt service payments and fiscal fees. The budget also includes \$1.82 million in property tax rebates to in-city MUDs. The ending fund balance of \$5.94 million is above the policy requirement of 10% of debt service requirements.

General Fund

The General Fund budget, excluding inter-fund transfers, totals \$86.29 million. Expenditures include 18.50 new positions to assist with additional workload related to Annexation. The budget also includes an average merit pool of 2% for employees effective in January 2018.

The General Fund budget fund balance is expected to increase by \$769,992 and analysis shows the budget is structurally balanced (recurring revenues cover recurring expenditures). The anticipated FY18 ending fund balance in the General Fund is \$20.17 million, which is higher than the policy requirement of three months of recurring operating expenditures.

Capital Improvement Program

The 2018-2022 capital improvement program totals \$96.40 million. Of this total, \$21.51 million are funded in the FY18 budget. Wastewater projects make up 28.53% of FY18 allocation, which include rehabilitation projects. Street

projects is 18.77% and includes pavement rehabilitation, and street construction. Water projects accounts for 18.55% and includes rehabilitation projects. Municipal projects represents 15.28% and includes roof replacement, 3 Tier High Site, and demolition of the Central Prison Unit. Drainage projects is 10.27% and include design and drainage improvements in Covington Woods. Parks and Traffic makes up 8.60% and include Traffic Signal Management System, Cullinan Park Improvements, and Joint Participation in CIP.

Funding for the FY18 CIP includes \$7.44 million in certificates of obligation, \$4.51 million in revenue bonds, \$2.06 million from the Sugar Land 4B Corporation, \$2.18 million in system revenues, and \$5.31 million from other funding sources. Other funding sources include donations, Tourism Fund, and CIP fund balances. Interest income is budgeted for \$215,000.

Water Utility Fund

The Water Utility Fund budget totals \$27.01 million, excluding CIP projects and inter-fund transfers. One-time additions are included in the Utility Fund for Asset Management, TCEQ for Chloramine, a Temporary Hire, and other miscellaneous items. An increase in cash equivalents of \$728,553 is anticipated for the fiscal year. The FY18 budgeted ending cash equivalent totals \$5.20 million and exceeds the 25% cash operating reserve requirement.

Surface Water Fund

The Surface Water Fund budget, excluding CIP projects and inter-fund transfers, totals \$14.35 million. The Surface Water Fund is supported by pumpage fees paid by all participants in the City's groundwater reduction plan. The FY18 budgeted ending balance of \$8.45 million exceeds the 50% general purpose reserve.

Airport Fund

The Airport Fund budget totals \$13.96 million excluding CIP projects and inter-fund transfers. There is a mini excavator, terminal renovations, and furnishing of the new Airport maintenance facility included in the budget in the Airport Fund. The fund anticipates a draw down in cash equivalents of \$331,657. The FY18 budgeted ending balance of \$4.51 million is above the policy requirement of 25% of operating expenditures.

Solid Waste Fund

The Solid Waste Fund operating budget totals \$7.63 million that includes contracted residential solid waste collection, excluding inter-fund transfers. Through contracted services, the City provides twice weekly automated trash collection and once weekly automated recycling. The ending balance in the fund is anticipated to be \$363,190. This fund has no minimum fund balance per policy.

Sugar Land Development Corporation

The FY18 budget for SLDC totals \$6.33 million, excluding inter-fund transfers. The budget includes operating expenditures for the Economic Development program, Economic Development incentives, contractual services with the City for support services and capital projects management. Debt service payments are budgeted at \$4.15 million for outstanding debt issues. The FY18 budgeted available ending balance of \$1,161,229 is over the policy requirement of 15% of budgeted sales tax collections.

Sugar Land 4B Corporation

The FY18 budget for SL4B totals \$4.88 million, excluding inter-fund transfers. The budget includes operating expenditures for the Economic Development program and staffing, contractual services with the City for support services, and capital projects management. Additionally, debt service payments are budgeted at \$3.35 million for outstanding debt issues. The FY18 budgeted available ending balance of \$1,036,878 is over the policy requirement of 15% of budgeted sales tax collections.

Tourism Fund

Expenditures in the Tourism Fund total \$1.16 million, excluding inter-fund transfers. The budget includes operating expenditures for Tourism and Destination Services staffing, there is no additional personnel in FY18. The fund has a projected ending fund balance of \$240,259. In FY16 a fund balance policy was established for The Tourism Fund, which is equal to 10% of the hotel occupancy tax. In FY18 it is anticipated the fund will meet the fund balance policy.

Employee Compensation

The City offers a competitive benefit package to employees, including medical and dental coverage and contributions toward dependent coverage. The City participates in the Texas Municipal Retirement System (TMRS); employees contribute 7% of their gross pay and the City matches employee contributions 2 to 1, and employees are vested after five years of service. Because the City does not participate in Social Security, the City has chosen the highest level plan offered by TMRS. The contribution rate to TMRS for the City changes each year and is based on actuarial analysis of funding needs in the City's plan. The City's contribution rate to TMRS is increasing from 14.99% in 2017 to 15.27% in 2018 (effective January 1, 2018).

In 2012, the City moved from a fully insured health insurance model to a self-funded model to help reduce costs and stabilize premiums. Stability in TMRS and medical plan costs has allowed the City to plan for merit increases for qualified employees.

The budget includes funding for an average 2% merit increase for employees based on performance evaluations. The City does not provide cost of living increases, so the merit increases are the only time employees see an increase to their pay, except for internal promotions and salary structure maintenance. Merit increases are a key factor in staying competitive in the market and retaining quality employees. The merit increases will be effective in January 2018.

The compensation philosophy adopted by City Council addresses the benefits burden as it relates to total compensation. Based on the adopted policy, benefits should not exceed a percentage of total employee compensation comparable to private sector employees. In FY18, the benefit burden is within the limits established by the Council policy at 29.96% of total compensation.

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

	FY16 Actuals	FY17 Adjusted Budget	FY17 Projection	FY18 Adopted Budget	FY18 Budget Amendment	FY18 Final Budget
REVENUES:						
Property Taxes	\$ 37,310,936	\$ 38,707,400	\$ 38,707,400	\$ 46,436,787	\$ (642,900)	\$ 45,793,887
Sales Tax	52,367,866	50,990,000	48,604,889	49,419,705	(1,000,000)	48,419,705
Other Taxes	8,231,033	8,348,526	8,386,532	8,859,829	-	8,859,829
Licenses & Permits	3,242,527	3,829,446	3,135,283	3,567,148	-	3,567,148
Charges For Service	61,617,186	68,586,013	65,057,250	74,742,362	-	74,742,362
Fines & Forfeitures	3,637,299	3,808,600	3,466,889	3,679,128	-	3,679,128
Interest Income	1,781,402	843,762	859,050	840,281	-	840,281
Intergovernmental	6,574,781	1,749,096	1,765,487	1,667,994	71,955	1,739,949
Miscellaneous	23,027,959	15,448,895	16,890,081	7,646,379	-	7,646,379
Bond Proceeds	57,774,472	48,340,423	39,057,114	12,645,112	-	12,645,112
Contributions	9,040,669	9,801,960	9,300,770	10,231,536	-	10,231,536
Total Revenues	264,606,131	250,454,121	235,230,745	219,736,261	(1,570,945)	218,165,316
Transfers from other funds	45,710,870	59,996,318	63,426,510	45,892,448	18,872	45,911,320
Total Available Resources	310,317,001	310,450,439	298,657,255	265,628,709	(1,552,073)	264,076,636
EXPENDITURES:						
General Government	12,940,905	15,891,353	15,823,884	15,502,291	(442,506)	15,059,785
Finance	3,697,093	4,235,986	4,220,911	4,526,498	(13,664)	4,512,834
Public Works	8,252,589	9,143,714	9,293,964	11,119,475	(215,595)	10,903,880
Parks & Recreation	4,242,721	4,903,832	4,951,834	4,922,185	(170,578)	4,751,607
Community Development	5,167,497	5,339,233	5,338,908	5,819,937	(24,130)	5,795,807
Environmental & Neighborhood Services	10,397,073	11,413,229	11,401,888	13,275,304	(16,745)	13,258,559
Police Department	20,894,423	24,267,339	24,230,185	25,011,318	(112,750)	24,898,568
Fire Department	14,166,312	15,543,810	15,454,787	16,105,011	(86,446)	16,018,565
Debt Service	74,424,758	48,528,867	46,790,786	54,534,011	-	54,534,011
Other	3,765,487	5,753,526	4,859,501	4,920,835	(325,000)	4,595,835
Construction	116,555,495	72,856,999	68,297,309	22,339,343	(725,000)	21,614,343
Utility Services	16,801,373	19,534,878	19,821,386	23,155,696	(31,571)	23,124,125
Airport Services	8,961,784	13,438,761	11,315,752	12,561,120	(15,046)	12,546,074
Insurance Coverage	8,916,330	9,324,282	9,184,807	9,710,247	-	9,710,247
Equipment Replacement	2,982,825	2,988,618	2,938,618	2,995,381	-	2,995,381
Rebates & Assignments	5,053,145	5,089,326	4,869,346	4,436,948	(42,000)	4,394,948
Total Expenditures	317,219,810	268,253,753	258,793,866	230,935,600	(2,221,031)	228,714,569
Transfers to other funds	45,710,870	59,996,318	63,426,510	45,892,448	18,872	45,911,320
Total Expenditures & Transfers	\$ 362,930,680	\$ 328,250,071	\$ 322,220,376	\$ 276,828,048	\$ (2,202,159)	\$ 274,625,889

**CITY OF SUGAR LAND
SUMMARY OF ALL FUNDS
FISCAL YEAR 2018
FINAL BUDGET**

REVENUES

Category Description	Governmental Funds		
	General Fund	Debt Service Fund	Capital Projects
Property Taxes	\$ 22,468,289	\$ 23,325,598	-
Sales Tax	36,314,779		
Other Taxes	6,550,729	-	-
Licenses & Permits	3,567,148		
Charges For Service	3,924,094	-	-
Fines & Forfeitures	1,665,822		
Interest Income	192,280	50,750	135,000
Intergovernmental	200,106		
Miscellaneous	341,808	3,266,118	1,647,500
Bond Proceeds			8,042,056
Contributions	-	-	-
Total Revenue	75,225,055	26,642,466	9,824,556
Transfers from other funds	14,676,847	4,077,657	2,610,575
Total Available Resources	89,901,902	30,720,123	12,435,131

EXPENDITURES

General Government	12,661,365	-	-
Finance	4,390,763		
Public Works	10,903,880	-	-
Parks & Recreation	4,751,607		
Community Development	5,620,907	-	-
Environmental & Neighborhood Services	5,700,434		
Police Department	23,991,211	-	-
Fire Department	16,018,565		
Debt Service	-	28,521,543	-
Other	(316,223)	4,000	100,000
Construction	-	-	10,782,056
Utility Services			
Airport Services	-	-	-
Insurance Coverage			
Equipment Replacement	-	-	-
Rebates & Assignments	2,571,188	1,821,020	
Total Expenditures	86,293,697	30,346,563	10,882,056
Transfers to other funds	2,838,213	102,360	1,336,947
Total Expenditures & Transfers	89,131,910	30,448,923	12,219,003
Revenue over (under)			
Expenditures	769,992	271,200	216,128
BEGINNING BALANCE	\$ 26,464,591	\$ 5,673,580	\$ 8,019,860
Reserved for Debt Service			
Reserved for Self Insurance			
Reserved for Transportation Fees			(2,089,570)
GAAP Accruals	(7,066,605)		
END BUDGET BALANCE	\$ 20,167,978	\$ 5,944,780	\$ 6,146,418

**CITY OF SUGAR LAND
SUMMARY OF ALL FUNDS
FISCAL YEAR 2018
FINAL BUDGET**

REVENUES

Category Description	Enterprise Funds			
	Utility Fund & CIP	Airport Fund & CIP	Surface Water Fund & CIP	Solid Waste
Property Taxes	-	-	-	-
Sales Tax				
Other Taxes	-	-	-	-
Licenses & Permits				
Charges For Service	47,589,720	13,424,979	1,152,228	8,002,969
Fines & Forfeitures				
Interest Income	175,000	15,000	70,000	200
Intergovernmental		50,000		
Miscellaneous	1,138,863	847,600	-	10,600
Bond Proceeds	4,603,056			
Contributions	-	-	-	-
Total Revenue	53,506,639	14,337,579	1,222,228	8,013,769
Transfers from other funds	7,270,447	264,833	13,948,986	
Total Available Resources	60,777,086	14,602,412	15,171,214	8,013,769

EXPENDITURES

General Government	-	-	-	-
Finance				
Public Works	-	-	-	-
Parks & Recreation				
Community Development	-	-	-	-
Environmental & Neighborhood Services				7,558,125
Police Department	-	-	-	-
Fire Department				
Debt Service	9,170,655	1,262,514	8,077,122	-
Other	585,452	151,557	407,428	75,000
Construction	10,723,500	-	-	-
Utility Services	17,257,421		5,866,704	
Airport Services	-	12,546,074	-	-
Insurance Coverage				
Equipment Replacement	-	-	-	-
Rebates & Assignments				
Total Expenditures	37,737,028	13,960,145	14,351,254	7,633,125
Transfers to other funds	26,848,452	973,924	620,890	411,855
Total Expenditures & Transfers	64,585,480	14,934,069	14,972,144	8,044,980
Revenue over (under)				
Expenditures	(3,808,394)	(331,657)	199,070	(31,211)
BEGINNING BALANCE	\$ 15,755,250	\$ 5,540,042	\$ 9,136,599	\$ 394,401
Reserved for Debt Service	(5,782,752)	(702,546)	(1,588,882)	
Reserved for Self Insurance				
Reserved for Transportation Fees				
GAAP Accruals				
END BUDGET BALANCE	\$ 6,164,104	\$ 4,505,839	\$ 7,746,787	\$ 363,190

**CITY OF SUGAR LAND
SUMMARY OF ALL FUNDS
FISCAL YEAR 2018
FINAL BUDGET**

REVENUES

Category Description	Internal Service Funds		
	Fleet Replacement	Hi-Tech Replacement	Employee Benefits
Property Taxes	-	-	-
Sales Tax			
Other Taxes	-	-	-
Licenses & Permits			
Charges For Service	-	-	-
Fines & Forfeitures			
Interest Income	17,974	12,739	1,364
Intergovernmental			
Miscellaneous	212,500	1,390	100,000
Bond Proceeds			
Contributions	-	-	10,231,536
Total Revenue	230,474	14,129	10,332,900
Transfers from other funds	1,709,418	1,284,564	
Total Available Resources	1,939,892	1,298,693	10,332,900

EXPENDITURES

General Government	-	-	-
Finance			
Public Works	-	-	-
Parks & Recreation			
Community Development	-	-	-
Environmental & Neighborhood Services			
Police Department	-	-	-
Fire Department			
Debt Service	-	-	-
Other			466,693
Construction	-	-	-
Utility Services			
Airport Services	-	-	-
Insurance Coverage			9,710,247
Equipment Replacement	1,649,246	1,346,135	-
Rebates & Assignments			
Total Expenditures	1,649,246	1,346,135	10,176,940
Transfers to other funds			
Total Expenditures & Transfers	1,649,246	1,346,135	10,176,940
Revenue over (under)			
Expenditures	290,646	(47,442)	155,960
BEGINNING BALANCE	\$ 1,797,396	\$ 2,116,987	\$ 1,641,480
Reserved for Debt Service			
Reserved for Self Insurance			(1,250,000)
Reserved for Transportation Fees			
GAAP Accruals			
END BUDGET BALANCE	\$ 2,088,042	\$ 2,069,545	\$ 547,440

**CITY OF SUGAR LAND
SUMMARY OF ALL FUNDS
FISCAL YEAR 2018
FINAL BUDGET**

REVENUES

Category Description	Special Revenue Funds				
	Enclave at River Park PID	Brazos River Festival Site	Tourism	Court Security	Court Tech
Property Taxes	-	-	-	-	-
Sales Tax					
Other Taxes	-	-	2,309,100	-	-
Licenses & Permits					
Charges For Service	128,007	45,630	-	42,185	56,248
Fines & Forfeitures					
Interest Income	345	-	4,200	31	75
Intergovernmental					
Miscellaneous	-	-	-	-	-
Bond Proceeds					
Contributions	-	-	-	-	-
Total Revenue	128,352	45,630	2,313,300	42,216	56,323
Transfers from other funds	22,993	33,000			12,000
Total Available Resources	151,345	78,630	2,313,300	42,216	68,323

EXPENDITURES

General Government	-	79,131	1,160,650	-	-
Finance				45,843	76,228
Public Works	-	-	-	-	-
Parks & Recreation					
Community Development	-	-	-	-	-
Environmental & Neighborhood Services					
Police Department	-	-	-	-	-
Fire Department					
Debt Service	-	-	-	-	-
Other					
Construction	-	-	-	-	-
Utility Services					
Airport Services	-	-	-	-	-
Insurance Coverage					
Equipment Replacement	-	-	-	-	-
Rebates & Assignments					
Total Expenditures		79,131	1,160,650	45,843	76,228
Transfers to other funds			1,431,064		
Total Expenditures & Transfers		79,131	2,591,714	45,843	76,228
Revenue over (under)					
Expenditures	151,345	(501)	(278,414)	(3,627)	(7,905)
BEGINNING BALANCE	\$ 471,000	\$ 1,410	\$ 1,048,469	\$ 19,949	\$ 8,257
Reserved for Debt Service					
Reserved for Self Insurance					
Reserved for Transportation Fees					
GAAP Accruals			(529,796)		
END BUDGET BALANCE	\$ 622,345	\$ 909	\$ 240,259	\$ 16,322	\$ 352

**CITY OF SUGAR LAND
SUMMARY OF ALL FUNDS
FISCAL YEAR 2018
FINAL BUDGET**

REVENUES

Category Description	Special Revenue Funds			
	CDBG	Law Enforcement	Photo Traffic Enforcement	SPA Debt Reduction
Property Taxes	-	-	-	-
Sales Tax				
Other Taxes	-	-	-	-
Licenses & Permits				
Charges For Service	-	-	-	376,302
Fines & Forfeitures			2,013,306	
Interest Income	-	215	1,007	32,101
Intergovernmental	283,687			
Miscellaneous	-	-	-	-
Bond Proceeds				
Contributions	-	-	-	-
Total Revenue	283,687	215	2,014,313	408,403
Transfers from other funds				
Total Available Resources	283,687	215	2,014,313	408,403

EXPENDITURES

General Government	-	-	-	-
Finance				
Public Works	-	-	-	-
Parks & Recreation				
Community Development	174,900	-	-	-
Environmental & Neighborhood Services				
Police Department	-	25,000	882,357	-
Fire Department				
Debt Service	-	-	-	-
Other			565,978	
Construction	108,787	-	-	-
Utility Services				
Airport Services	-	-	-	-
Insurance Coverage				
Equipment Replacement	-	-	-	-
Rebates & Assignments				
Total Expenditures	283,687	25,000	1,448,335	
Transfers to other funds			565,978	6,935,266
Total Expenditures & Transfers	283,687	25,000	2,014,313	6,935,266
Revenue over (under)				
Expenditures		(24,785)		(6,526,863)
BEGINNING BALANCE		\$ 153,174		\$ 7,782,662
Reserved for Debt Service				
Reserved for Self Insurance				
Reserved for Transportation Fees				
GAAP Accruals				
END BUDGET BALANCE		\$ 128,389		\$ 1,255,799

**CITY OF SUGAR LAND
SUMMARY OF ALL FUNDS
FISCAL YEAR 2018
FINAL BUDGET**

REVENUES

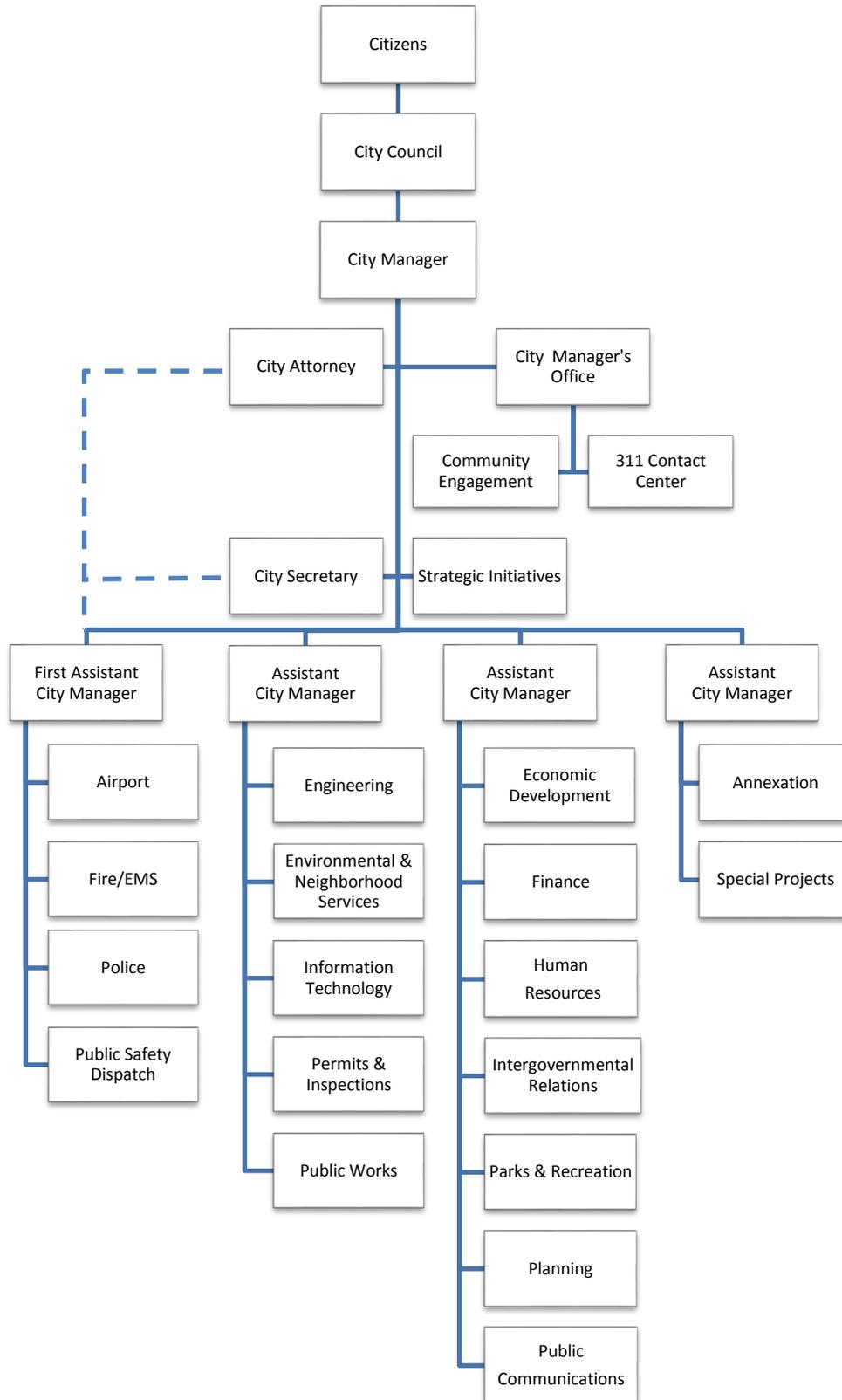
Category Description	Total City	Component Units		TOTAL
		SLDC	SL4B	
Property Taxes	\$ 45,793,887	-	-	\$ 45,793,887
Sales Tax	36,314,779	6,052,463	6,052,463	48,419,705
Other Taxes	8,859,829	-	-	8,859,829
Licenses & Permits	3,567,148			3,567,148
Charges For Service	74,742,362	-	-	74,742,362
Fines & Forfeitures	3,679,128			3,679,128
Interest Income	708,281	62,000	70,000	840,281
Intergovernmental	533,793	1,050,000	156,156	1,739,949
Miscellaneous	7,566,379	-	80,000	7,646,379
Bond Proceeds	12,645,112			12,645,112
Contributions	10,231,536	-	-	10,231,536
Total Revenue	204,642,234	7,164,463	6,358,619	218,165,316
Transfers from other funds	45,911,320			45,911,320
Total Available Resources	250,553,554	7,164,463	6,358,619	264,076,636

EXPENDITURES

General Government	13,901,146	597,018	561,621	15,059,785
Finance	4,512,834			4,512,834
Public Works	10,903,880	-	-	10,903,880
Parks & Recreation	4,751,607			4,751,607
Community Development	5,795,807	-	-	5,795,807
Environmental & Neighborhood Services	13,258,559			13,258,559
Police Department	24,898,568	-	-	24,898,568
Fire Department	16,018,565			16,018,565
Debt Service	47,031,834	4,149,896	3,352,281	54,534,011
Other	2,039,885	1,584,850	971,100	4,595,835
Construction	21,614,343	-	-	21,614,343
Utility Services	23,124,125			23,124,125
Airport Services	12,546,074	-	-	12,546,074
Insurance Coverage	9,710,247			9,710,247
Equipment Replacement	2,995,381	-	-	2,995,381
Rebates & Assignments	4,392,208	2,740		4,394,948
Total Expenditures	217,495,063	6,334,504	4,885,002	228,714,569
Transfers to other funds	42,064,949	1,060,542	2,785,829	45,911,320
Total Expenditures & Transfers	259,560,012	7,395,046	7,670,831	274,625,889
Revenue over (under)				
Expenditures	(9,006,458)	(230,583)	(1,312,212)	(10,549,253)
BEGINNING BALANCE	\$ 86,025,108	\$ 6,504,822	\$ 6,465,581	\$ 98,995,511
Reserved for Debt Service	(8,074,180)	(4,049,053)	(3,052,534)	(15,175,767)
Reserved for Self Insurance	(1,250,000)			(1,250,000)
Reserved for Transportation Fees	(2,089,570)			(2,089,570)
GAAP Accruals	(7,596,401)	(1,063,957)	(1,063,957)	(9,724,315)
END BUDGET BALANCE	\$ 58,008,499	\$ 1,161,229	\$ 1,036,878	\$ 60,206,606

City of Sugar Land Organizational Chart

As of October 1, 2017



City Overview

Location and Background

Located 20 miles southwest of downtown Houston, Sugar Land is a full-service municipality providing police and fire protection, water/wastewater utilities, solid waste collection, curbside recycling, a regional airport, parks and recreation, public works, planning/zoning and other services. Founded as a sugar plantation in the mid-1860s, Sugar Land was a busy commercial center for nearly 100 years. Formally incorporated in 1959, the City has grown more rapidly than anyone could imagine. Today, the City has a population of about 87,730 and is nationally recognized for its low crime and excellent opportunities afforded to residents. The city will annex the communities of Greatwood & New Territory on December 12th, and will take in 30,139 citizens, increasing the population to 117,869.



City Management

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

ROLE OF CITY COUNCIL

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

ROLE OF CITY MANAGER

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

Local Economy

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

EMPLOYER	TYPE OF BUSINESS
Methodist Sugar Land Hospital	Medical
Fluor Enterprises, Inc.*	Engineering
Schlumberger*	Oilfield Services / Technology
UnitedHealthcare/UnitedHealth Group*	Data Center
First Data/Telecheck*	Data Center
Memorial Hermann Sugar Land	Medical
Tramontina USA, Inc.	Manufacturing
St. Luke's Hospital Sugar Land	Medical

Baker Hughes*	Specialty Polymers
Accredo Packaging, Inc.	Manufacturing
Pharmedium Services, LLC	Pharmaceutical Compounding
Texas Instruments*	Technology
Applied Optoelectronics, Inc.	Technology R&D
OptumRx/Unitedhealth Group*	Data Center
Noble Drilling Services, Inc.	Energy

*2016 Fortune 500 Company

Economic Development Activity

Sugar Land has achieved its sustainable, strong local economy through an aggressive, focused economic development program that creates opportunities for new business investment and jobs. The City’s growing economy provides an excellent location for relocating and expanding companies to thrive, as evidenced by the fact that Sugar Land’s assessed commercial valuation has more than doubled in just over a decade—increasing by over \$2 billion.

As a regional employment center with more than 64,600 jobs, Sugar Land is home to high-profile regional and international corporations housed in more than 26 million square feet of commercial space, including 15 Fortune 500 companies with a significant presence.

The attraction of primary employers is an extremely important driver of Sugar Land’s economy. Jobs in Sugar Land generate demand for new retail services and result in the creation of new sales tax dollars, increased commercial property tax values and additional hotel occupancy tax revenues enabling the City to continue to keep property taxes low for residents.

While the increase in commercial property tax values offsets the cost of providing public services to residents, the increase in restricted revenue funds, such as economic development sales taxes and hotel occupancy taxes, is able to be reinvested into projects that increase the quality of life in Sugar Land, such as parks, support of higher education, cultural arts and entertainment. These amenities help Sugar Land become a premier destination location for primary employers, leisure travelers and residents, making it even more possible for people to live, work, shop and play in Sugar Land—all with one of the lowest property tax rates in the State of Texas.

Evidence of Sugar Land’s thriving business community includes the announcement of a new Fortune 500 company coming to Sugar Land. ABM, a leading provider of facility solutions, has been serving Texas since 1945 and currently has more than 10,000 employees maintaining over 4,500 buildings throughout the State. In November 2016, the Sugar Land Development Corporation approved an agreement with ABM relocating their corporate shared services operations to the City of Sugar Land. This project will result in more than \$9.4 million in capital investment and the creation of approximately 390 jobs over the next two years. The company will occupy approximately 62,000 square feet within the Sugar Creek on the Lake office building at 14141 Southwest Freeway. This iconic 515,000 square foot Sugar Land building is now more than 90% leased.

Team Industrial Services, Inc., announced plans to expand their current corporate headquarters in the City of Sugar Land as part of its recent acquisition of the Furmanite Corporation. Team’s merger with Furmanite approximately doubles the size of Team’s mechanical services capabilities and establishes a deeper, broader talent and resource pool that better supports customers across standard and specialty mechanical services. In November 2016, the Sugar

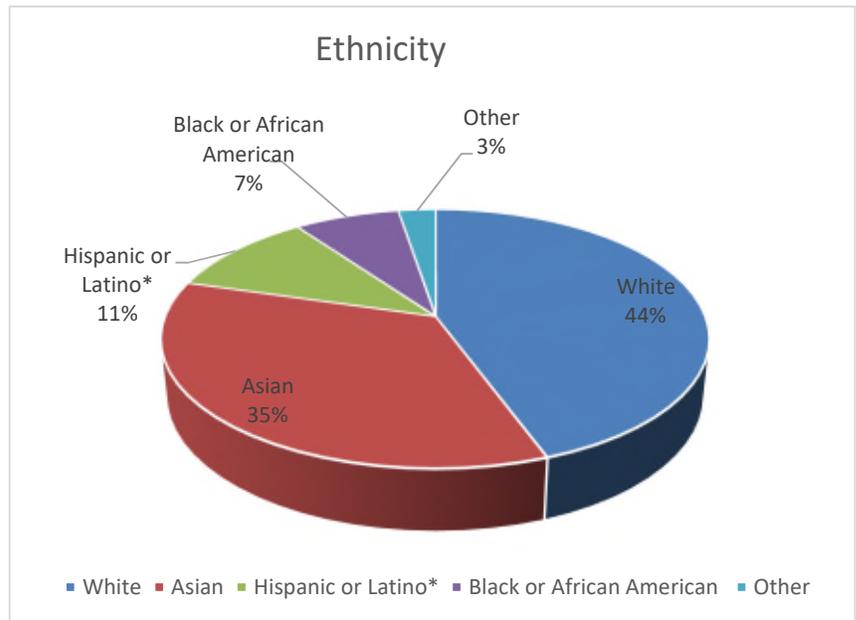
Land Development Corporation approved an agreement to secure the retention of 100 jobs and expansion of an additional 113 jobs in Sugar Land. As part of this project, Team will expend more than \$2.4 million in capital investment and will occupy 59,000 square feet of office space at 13131 Dairy Ashford in Sugar Land, expanding its corporate headquarters.

Sugar Land also continues to establish itself as a destination city with the opening of the Smart Financial Centre at Sugar Land, the region's first state-of-the-art, indoor performance venue which will set a new standard for live performance venues. The facility is equipped to host a wide array of programming including internationally renowned concert and comedy artists, children and family entertainment, theatrically-staged productions and cultural and performing arts attractions. The Smart Financial Centre at Sugar Land hosted the FBISD graduation ceremonies in June 2017 and was the recipient of a Houston Business Journal Landmark Award for Public Assembly. Designed for flexibility, the 200,000 square foot venue incorporates innovative moveable walls that can expand and contract to create four different seating capacities that range from an intimate setting of 3,400 seats to a maximum of 6,400. It also features 14 luxury suites, corporate hospitality areas, and the latest sound, light and video technology – as well as an adjacent 2.88 acres public plaza that is home to an interactive water fountain, tree covered grove, large lawn area for residents and visitors and a dedicated area for food truck connections. Based on voters' approval of financing tools in 2008, funding is provided through a unique package of special funding sources restricted for economic development and tourism purposes – as well as equity and rent payments by ACE, with no general fund tax dollars being spent on the plaza or the Smart Financial Centre.

Diversity

Sugar Land is a highly educated and globally diverse community and was recognized as the nation's first Community of Respect® by the Anti-Defamation League in 2007.

* According to the US Census, persons who identify themselves as Hispanic or Latino can be of any race; the figures shown in the chart represent the percentage of individuals who identify themselves as Non-Hispanic or Latino by race or Hispanic or Latino.



City Profile

	FY15	FY16	FY17	FY18
Population (January 1st estimate)	86,972	87,504	87,730	117,869
Square Miles	32.73	32.73	36.33	42.52
Acres	22,868	22,868	23,253	27,208
Budgeted Full Time Employees	694	711	722	804.5
Total Operating Budget	\$180.41 M	\$177.56 M	\$186.18 M	\$207.11 M
Fire Protection/ Emergency Medical Services				
Number of Stations	7	7	7	7
Certified Firefighters	115	115	116	124
Calls for Service	8,118	7,176	7,328	9,138
Police Protection				
Number of Stations	1	1	1	1
Certified Police Officers	151	151	151	172
Calls for Service	28,699	28,455	28,455	34,146
Parks & Recreation				
Number of Parks	25	27	27	27
Park Acreage	1378	2,132	2,132	2,132
Swimming Pools	1	1	1	1
Community Centers	6	5	5	5
Recreation Centers	1	1	1	2
Special Events Offered	37	26	26	26
Public Works				
Lane Miles of Streets*	782	840	842	1,022
Linear Miles of Sidewalk*	500	537	538	848
Miles of Storm Sewer/Open Ditch*	338	338	338	477
Traffic Signals Maintained	85	85	85	94
City Facilities	61	61	61	63
Utilities				
Equivalent Single Family Connections*	44,666	45,666	45,478	60,462
Water Produced (Million Gallons)*	6,343	6,781	6,678	7,346
Wastewater Treated (Million Gallons)*	2,976	3,103	3,541	3,893
Community Development				
Building Permits Issued	6,798	7,242	7,249	7,386
Airport				
Gallons of Fuel Sold	3,015,916	3,031,285	2,953,717	3,003,271
Aircraft Served	13,353	13,353	15,101	15,408

*Calculation methodologies have been updated on certain figures/or audited

Budget Process & Calendar

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

Operating Budget

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

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

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

Capital Improvement Program

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

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

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

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

FY18 Budget Calendar

February	<ul style="list-style-type: none"> • CIP kick-off • Cost allocation plan updated • Key issues identified and prioritized by City Management
March	<ul style="list-style-type: none"> • CIP projects developed • Budget Office prepares preliminary five-year forecast • City Manager develops budget message for departments • Budget Office develops instructions and forms for budget preparation • City Council retreat – define priorities for FY18
April	<ul style="list-style-type: none"> • Budget kick-off meeting: Directors and Managers <ul style="list-style-type: none"> - Introduce and distribute budget instructions - Line item allocation of budgets by departments - Departments prepare requests for additional funds • Budget Office develops preliminary funding plan for five-year CIP
May	<ul style="list-style-type: none"> • Review list of CIP projects with Planning & Zoning • Budget Office reviews departmental budget submissions
June	<ul style="list-style-type: none"> • Review list of CIP projects with City Council • City Management reviews departmental budget submissions • City Manager balances the proposed budget • CIP project list finalized and fiscally constrained • Five-year financial forecast finalized
July	<ul style="list-style-type: none"> • Prepares proposed budget document, transmittal letter and budget presentations • July 18th: Proposed budget filed with City Council • Certified tax roll due from Central Appraisal District
August	<ul style="list-style-type: none"> • Council budget workshops (Thursday mornings) • Public hearing on budget • Publish effective tax rate calculations
September	<ul style="list-style-type: none"> • Final FY17 Budget Amendment Ordinance • City Council adoption of FY18: <ul style="list-style-type: none"> ○ Annual budget, five-year CIP, compensation plan, tax rate, fee ordinance

Legal Requirements & Basis of Budgeting

Legal Requirements for the Budget

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

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

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

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

Financial Management Policy Statements

The Financial Management Policy Statements are approved through City Council Resolution. These statements give general guidelines for the development of fiscal policies to ensure that financial resources are available to meet present and future needs of citizens and aid in fulfilling the goal of a responsible city government. These policy statements are reviewed semi-annually and recommended revisions are discussed with City Council. The statements were last updated and approved by City Council Resolution 16-20 in June 2016. A copy of the current policy statements can be found at the end of this document.

Budget Basis of Presentation

Governmental and Fiduciary Funds

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

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

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

Proprietary and Internal Service Funds

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

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

Basis of Accounting

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

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

Financial Structure

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

Governmental Funds

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

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

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

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

Proprietary Funds

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

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

Fiduciary Funds

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

Goals & Vision

City Council has identified and developed five priorities to direct the City's growth and define staff responsibilities. This "picture" identifies priorities and challenges that the City will face in the near future. Each year, the City reviews these priorities and the progress being made. Underlying each priority are strategies for the City to strive for in the near future. The priorities and strategies were reviewed in October 2016 and updated to provide direction to staff in strategic planning efforts.

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

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

Safest City in America: Feeling Safe, Rapid Response

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

Strong Local Economy: Growing Business Investment

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

Responsible City Government: Financially Sound, Exceptional Service

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

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

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

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

Building Community: Diverse Cultures, Leisure, Arts

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

Vision 2032

Vision 2032 is an update to Vision 2025 which was developed through a process of community input and City Council guidance. Vision 2032 was formally adopted by the City Council through Resolution 17-04 in March 2017. Vision 2032 provides long-term goals for the ongoing development and improvement of the community.

Sugar Land 2032 is a Safe, Beautiful, Inclusive, and Environmentally Responsible Community.

Sugar Land 2032 has Destination Activity Centers, Great Neighborhoods, Superior Mobility, Outstanding Cultural, Educational, and Recreational Opportunities, and is a Regional Business Center of Excellence.

Sugar Land 2032 has Balanced Development and Redevelopment.

The Community Takes Pride in Sugar Land.

Goals and Objectives

Goal A: Safe Community

1. Safest city in the United States
2. People feeling safe, secure and comfortable at home, in the neighborhood, at the parks, in commercial areas, and throughout the community
3. Informed citizens participating in and taking responsibility for community safety and emergency preparedness
4. Rapid, professional and coordinated response to an emergency call for service
5. City prepared for all hazards, disaster and post-disaster recovery including coordination with local, regional and state resources
6. Health and building codes promoting highest reasonable standards for safety
7. Adequate supply of safe drinking water meeting national and state standards

8. City infrastructure to support pedestrians and bicycle riding safety

Goal B: Beautiful Community

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

Goal C: Inclusive Community

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

Goal D: Environmentally Responsible Community

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

Goal E: Destination Activity Centers

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

Goal F: Great Neighborhoods

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

Goal G: Superior Mobility

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

Goal H: Outstanding Cultural Arts, Educational and Recreational Opportunities

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

Goal I: Regional Business Center of Excellence

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

Goal J: Balanced Development and Redevelopment

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

Goal K: Community Pride in Sugar Land

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

Staffing Levels

FY18 Budget

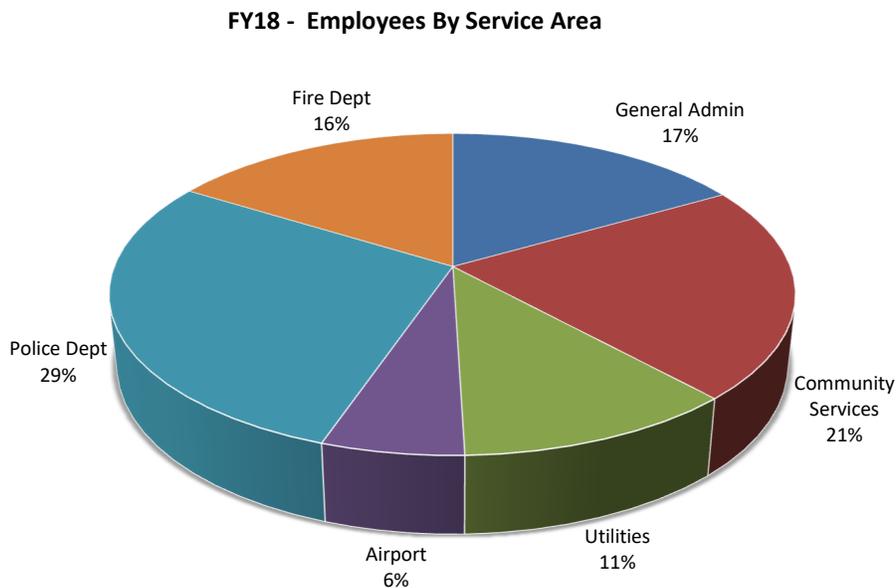
The number of budgeted Full Time Equivalent (FTE) positions in FY18 Adopted Budget totals 807.50. A net increase of 19.5 FTE positions is included for FY18, all in relation to Annexation: 16.5 in the General Fund and 3.0 in the Enterprise Funds. There are 1.5 positions in the General Administration which include 1.0 Accountant II and a Part-Time Accounts Payable Specialist. Changes in Community Services are as follows: 2.0 Field Supervisor, 4.0 General Maintenance Worker II, 2.0 Traffic Technician I, 1.0 Permit Technician, 1.0 Planner I, 1.0 Project Manager - Facilities, 1.0 Animal Services Officer, 1.0 Kennel Technician, 1.0 Code Enforcement Inspector. Change in Fire Department FTE's include 1.0 Fire Inspector. In the Utility Fund there are 1.0 Billing Specialist II, 1.0 Customer Service Representative II, and in the Solid Waste Fund there is 1.0 Environment Services Inspector.

FY18 Amendment

The FY18 Budget Amendment eliminated the following three FTE positions: Communications Director, Transportation & Mobility Planner and Management Assistant II. The final number of Full Time Equivalent (FTE) positions in FY18 totals 804.50.

Employees by Service Areas

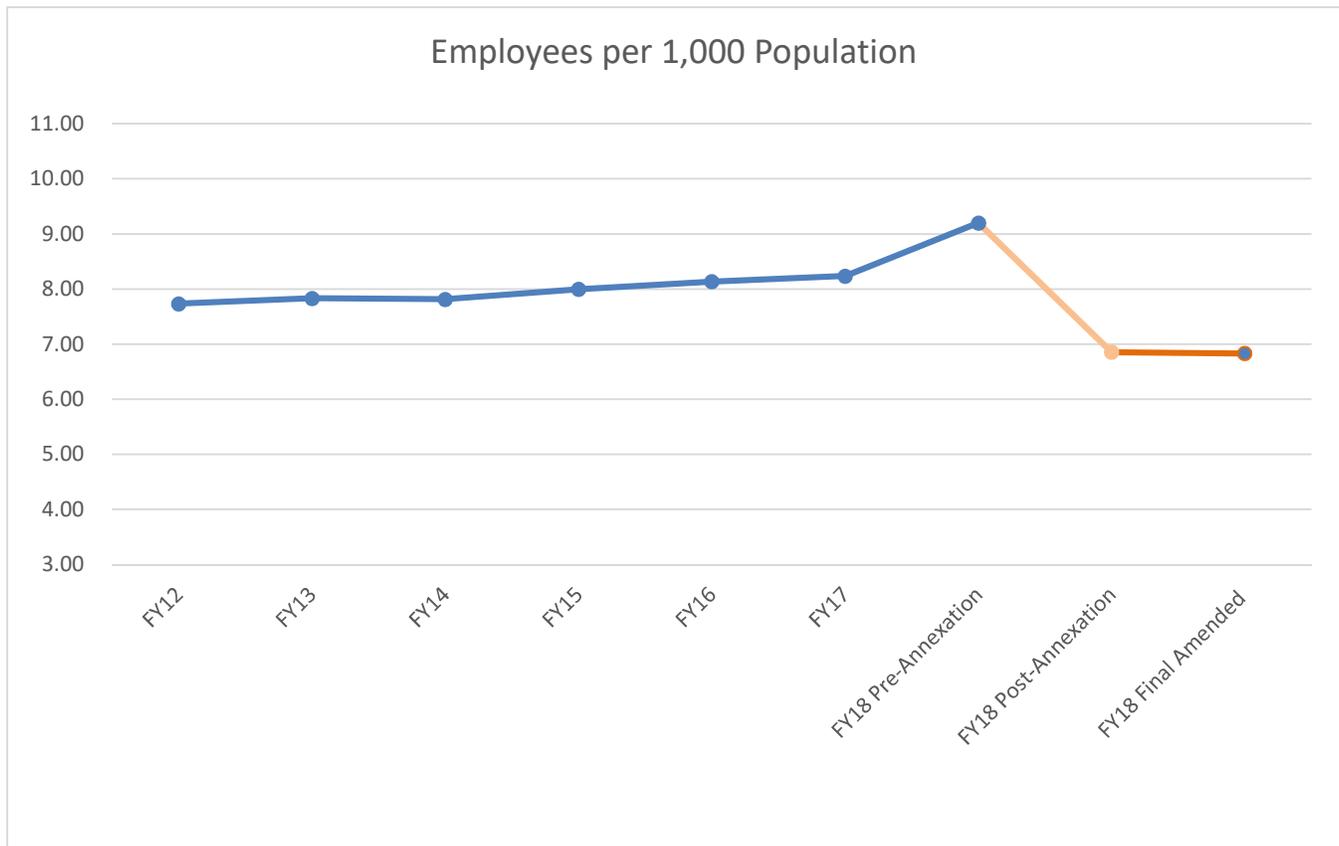
The chart below illustrates the 804.50 FTE count by Service Area. General Administration is comprised of General Government, Tourism and Finance. Community Services is comprised of Public Works, Parks & Recreation, Environmental & Neighborhood Services, and Community Development. Utilities include Solid Waste, Surface Water, and Water Utility.



Employees per 1,000 Population

The table and graph below show the number of FTE positions per 1,000 residents. These figures exclude seasonal and temporary employees. FY12 saw a reduction of 18 positions through attrition due to the economic downturn. The decrease in the Employees per 1,000 Population ratio for FY18 is the result of the annexation of the Greatwood and New Territory communities as well as the FY18 Budget Amendment. The lower ratio has brought the city back to levels not seen since prior to FY12.

Fiscal Year	FTE	Percent Change	Population	Employees per 1,000 Population
FY12	642.00	-2.73%	82,999	7.74
FY13	658.95	2.64%	84,134	7.83
FY14	675.97	2.58%	86,495	7.82
FY15	695.49	2.89%	86,972	8.00
FY16	711.99	2.37%	87,504	8.14
FY17	722.49	1.47%	87,730	8.24
FY18 Pre-Annexation	807.50	11.77%	87,730	9.20
FY18 Post-Annexation Adopted Budget	807.50	0.00%	117,869	6.85
FY18 Post-Annexation Amended Budget	804.50	-0.37%	117,869	6.83



Historical Detail of Authorized Full-Time Equivalents

Position Title	FY16 Budget	FY17 Budget	FY17 Adjustments	FY18 Base Budget	FY18 Additions	FY18 Adopted Budget	FY18 Budget Amendment	FY18 Final Budget
Administrative Manager	1.00	1.00	-	1.00	-	1.00	-	1.00
Assistant to City Manager	1.00	1.00	-	1.00	-	1.00	-	1.00
Assistant to City Manager in Training	1.00	-	-	-	-	-	-	-
City Manager	1.00	1.00	-	1.00	-	1.00	-	1.00
Customer Service Manager	-	-	1.00	1.00	-	1.00	-	1.00
Management Assistant I	-	-	1.00	1.00	-	1.00	-	1.00
Executive Assistant	2.00	2.00	-	2.00	-	2.00	-	2.00
City Manager	6.00	5.00	2.00	7.00	-	7.00	-	7.00
Administrative Coordinator	0.50	0.50	(0.50)	-	-	-	-	-
Assistant City Manager	2.00	2.00	1.00	3.00	-	3.00	-	3.00
Executive Assistant	2.00	2.00	-	2.00	-	2.00	-	2.00
Management Assistant I	-	-	1.00	1.00	-	1.00	-	1.00
Management Assistant II	-	-	1.00	1.00	-	1.00	-	1.00
First Assistant City Manager	1.00	1.00	-	1.00	-	1.00	-	1.00
Assistant City Managers	5.50	5.50	2.50	8.00	-	8.00	-	8.00
Community Outreach Coordinator	-	-	1.00	1.00	-	1.00	-	1.00
Community Engagement Manager	-	-	1.00	1.00	-	1.00	-	1.00
Community Engagement	-	-	2.00	2.00	-	2.00	-	2.00
Administrative Specialist	1.00	1.00	-	1.00	-	1.00	-	1.00
City Secretary	1.00	1.00	-	1.00	-	1.00	-	1.00
Deputy City Secretary	1.00	1.00	(1.00)	-	-	-	-	-
Assistant City Secretary	-	-	1.00	1.00	-	1.00	-	1.00
Executive Secretary	2.00	2.00	-	2.00	-	2.00	-	2.00
Information Process Technician	1.00	1.00	-	1.00	-	1.00	-	1.00
Receptionist - PT	1.20	1.20	-	1.20	-	1.20	-	1.20
Records Manager	1.00	1.00	-	1.00	-	1.00	-	1.00
Records Specialist	1.00	1.00	-	1.00	-	1.00	-	1.00
City Secretary	9.20	9.20	-	9.20	-	9.20	-	9.20
Assistant Communications Director	-	1.00	-	1.00	-	1.00	-	1.00
Assistant Director of Communications	1.00	-	-	-	-	-	-	-
Communications Director	-	1.00	-	1.00	-	1.00	(1.00)	-
Communications Specialist	1.00	-	-	-	-	-	-	-
Communications Manager	-	1.00	-	1.00	-	1.00	-	1.00
Director of Communications	1.00	-	-	-	-	-	-	-
Executive Secretary	1.00	1.00	-	1.00	-	1.00	-	1.00
Graphics Coordinator	1.00	1.00	-	1.00	-	1.00	-	1.00
Producer / Videographer	1.00	1.00	-	1.00	-	1.00	-	1.00
Publications Manager	1.00	1.00	-	1.00	-	1.00	-	1.00
Website Manager	1.00	1.00	-	1.00	-	1.00	-	1.00
Communications	8.00	8.00	-	8.00	-	8.00	(1.00)	7.00
311 Contact Center Ambassadors	-	-	2.00	2.00	-	2.00	-	2.00
311 Contact Center	-	-	2.00	2.00	-	2.00	-	2.00
Administrative Coordinator	1.00	1.00	-	1.00	-	1.00	-	1.00
Assistant Director of HR	1.00	1.00	-	1.00	-	1.00	-	1.00
Director of Human Resources	1.00	1.00	-	1.00	-	1.00	-	1.00
HR Business Partner	3.00	3.00	-	3.00	-	3.00	-	3.00
Human Resources Manager	1.00	1.00	-	1.00	-	1.00	-	1.00
HR Specialist	2.00	2.00	-	2.00	-	2.00	-	2.00
Risk Manager	1.00	1.00	-	1.00	-	1.00	-	1.00
Safety Coordinator	1.00	1.00	-	1.00	-	1.00	-	1.00
Human Resources	11.00	11.00	-	11.00	-	11.00	-	11.00
Assistant City Attorney	2.00	3.00	-	3.00	-	3.00	-	3.00
City Attorney	1.00	1.00	-	1.00	-	1.00	-	1.00
Deputy City Attorney	1.00	-	-	-	-	-	-	-
Executive Assistant	1.00	1.00	-	1.00	-	1.00	-	1.00
First Assistant City Attorney	1.00	1.00	-	1.00	-	1.00	-	1.00
City Attorney	6.00	6.00	-	6.00	-	6.00	-	6.00
Director of Information Technology	1.00	1.00	-	1.00	-	1.00	-	1.00
End User Support Specialist	4.00	4.00	-	4.00	-	4.00	-	4.00
Executive Secretary	1.00	1.00	-	1.00	-	1.00	-	1.00
G.I.S. Specialist	3.00	3.00	-	3.00	-	3.00	-	3.00

Position Title	FY16 Budget	FY17 Budget	FY17 Adjustments	FY18 Base Budget	FY18 Additions	FY18 Adopted Budget	FY18 Budget Amendment	FY18 Final Budget
IT Manager	2.00	2.00	-	2.00	-	2.00	-	2.00
IT Operations Manager	1.00	1.00	-	1.00	-	1.00	-	1.00
IT Project Manager	1.00	1.00	-	1.00	-	1.00	-	1.00
Lead Programmer Analyst	2.00	2.00	-	2.00	-	2.00	-	2.00
Project Analyst	1.00	1.00	-	1.00	-	1.00	-	1.00
System Administrator	4.00	4.00	-	4.00	-	4.00	-	4.00
System Analyst	1.00	1.00	-	1.00	-	1.00	-	1.00
Telecommunications Specialist	1.00	1.00	-	1.00	-	1.00	-	1.00
User Services Supervisor	1.00	1.00	-	1.00	-	1.00	-	1.00
Information Technology	23.00	23.00	-	23.00	-	23.00	-	23.00
Performance Analyst	1.00	-	-	-	-	-	-	-
Management Assistant I	4.00	4.00	-	4.00	-	4.00	-	4.00
Management Assistant II	2.00	2.00	-	2.00	-	2.00	(1.00)	1.00
Strategic Initiatives Director	1.00	1.00	-	1.00	-	1.00	-	1.00
Strategic Initiatives Manager	-	1.00	-	1.00	-	1.00	-	1.00
Office of Strategic Initiatives	8.00	8.00	-	8.00	-	8.00	(1.00)	7.00
Assistant Dir. Of Economic Dev.	1.00	2.00	-	2.00	-	2.00	-	2.00
Business Retention Manager	1.00	1.00	-	1.00	-	1.00	-	1.00
Compliance Manager	1.00	1.00	-	1.00	-	1.00	-	1.00
Cultural Arts Manager	-	1.00	-	1.00	-	1.00	-	1.00
Director of Economic Development	1.00	-	1.00	1.00	-	1.00	-	1.00
Executive Assistant	1.00	1.00	-	1.00	-	1.00	-	1.00
Executive Director of Business and Governmental Affairs	-	1.00	(1.00)	-	-	-	-	-
Intergov'tl Relations Manager	0.50	0.50	0.50	1.00	-	1.00	-	1.00
Public/Private Partnership Coordinator	-	1.00	-	1.00	-	1.00	-	1.00
Public/Private Partnership Manager	1.00	1.00	-	1.00	-	1.00	-	1.00
Economic Development	6.50	9.50	0.50	10.00	-	10.00	-	10.00
Tourism & Destination Services Administrator	0.50	0.50	-	0.50	-	0.50	-	0.50
Tourism & Destination Events	0.50	0.50	-	0.50	-	0.50	-	0.50
General Government Total	83.70	85.70	9.00	94.70	-	94.70	(2.00)	92.70
Director of Finance	1.00	1.00	-	1.00	-	1.00	-	1.00
Assistant Director of Finance	-	-	1.00	1.00	-	1.00	-	1.00
Executive Secretary	1.00	1.00	-	1.00	-	1.00	-	1.00
Financial/Investment Analyst	1.00	1.00	-	1.00	-	1.00	-	1.00
Finance Administration	3.00	3.00	1.00	4.00	-	4.00	-	4.00
Budget Analyst	2.00	3.00	(1.00)	2.00	-	2.00	-	2.00
Budget Officer	1.00	1.00	-	1.00	-	1.00	-	1.00
Financial Analyst	1.00	1.00	(1.00)	-	-	-	-	-
Sr. Financial Analyst	-	-	2.00	2.00	-	2.00	-	2.00
Sr. Budget Analyst	1.00	-	-	-	-	-	-	-
Budget Office	5.00	5.00	-	5.00	-	5.00	-	5.00
Accountant I & II	2.00	2.00	-	2.00	1.00	3.00	-	3.00
Accounting Supervisor	1.00	1.00	-	1.00	-	1.00	-	1.00
Accounts Payable Specialist	2.00	2.00	(1.00)	1.00	0.50	1.50	-	1.50
Senior Accounts Payable Specialist	-	-	1.00	1.00	-	1.00	-	1.00
Accounts Payable Supervisor	1.00	1.00	-	1.00	-	1.00	-	1.00
Chief Accountant	1.00	1.00	-	1.00	-	1.00	-	1.00
Deputy Chief Accountant	1.00	1.00	-	1.00	-	1.00	-	1.00
Executive Secretary	1.00	1.00	-	1.00	-	1.00	-	1.00
Principal Accountant	1.00	1.00	-	1.00	-	1.00	-	1.00
Sr. Accounts Payable Specialist	1.00	1.00	-	1.00	-	1.00	-	1.00
Accounting	11.00	11.00	-	11.00	1.50	12.50	-	12.50
Administrative Specialist	1.00	1.00	(1.00)	-	-	-	-	-
Buyer	-	1.00	-	1.00	-	1.00	-	1.00
Buyer I	1.00	-	-	-	-	-	-	-
Contracts Coordinator	1.00	1.00	-	1.00	-	1.00	-	1.00
Contracts Manager	1.00	1.00	-	1.00	-	1.00	-	1.00
Purchasing Manager	1.00	1.00	-	1.00	-	1.00	-	1.00
Purchasing Specialist	2.00	2.00	1.00	3.00	-	3.00	-	3.00
Purchasing	7.00	7.00	-	7.00	-	7.00	-	7.00
Court Clerk	4.00	4.00	-	4.00	-	4.00	-	4.00
Court Docket Coordinator	1.00	1.00	-	1.00	-	1.00	-	1.00
Court Services Specialist	1.00	1.00	-	1.00	-	1.00	-	1.00
Deputy Court Administrator	1.00	1.00	-	1.00	-	1.00	-	1.00
Juvenile C.S.W. Coordinator - PT	0.50	0.50	(0.50)	-	-	-	-	-

Position Title	FY16 Budget	FY17 Budget	FY17 Adjustments	FY18 Base Budget	FY18 Additions	FY18 Adopted Budget	FY18 Budget Amendment	FY18 Final Budget
Municipal Court Administrator	1.00	1.00	-	1.00	-	1.00	-	1.00
Municipal Court Judge	1.00	1.00	-	1.00	-	1.00	-	1.00
Records Clerk - PT	0.50	0.50	(0.50)	-	-	-	-	-
Records Clerk	-	-	1.00	1.00	-	1.00	-	1.00
Sr. Secretary	1.00	1.00	-	1.00	-	1.00	-	1.00
Warrant Coordinator	1.00	1.00	-	1.00	-	1.00	-	1.00
Municipal Court	12.00	12.00	-	12.00	-	12.00	-	12.00
Finance & Municipal Court Total	38.00	38.00	1.00	39.00	1.50	40.50	-	40.50
Administrative Manager	0.50	0.50	-	0.50	-	0.50	-	0.50
Assistant Director of Public Works	1.00	1.00	-	1.00	-	1.00	-	1.00
Director of Public Works	0.50	0.50	-	0.50	-	0.50	-	0.50
Asset & Operations Manager	-	-	0.50	0.50	-	0.50	-	0.50
Executive Secretary	1.00	1.00	-	1.00	-	1.00	-	1.00
Department Analyst	-	-	1.00	1.00	-	1.00	-	1.00
Sr. Secretary	1.00	1.00	(1.00)	-	-	-	-	-
Public Works Administration	4.00	4.00	0.50	4.50	-	4.50	-	4.50
Crew Chief	5.00	5.00	-	5.00	-	5.00	-	5.00
Field Supervisor	2.00	2.00	-	2.00	1.00	3.00	-	3.00
General Maintenance Worker (I & II)	8.00	8.00	-	8.00	4.00	12.00	-	12.00
Project Manager	1.00	1.00	-	1.00	-	1.00	-	1.00
Sr. Contract Inspector	1.00	1.00	(1.00)	-	-	-	-	-
Street/Drainage Superintendent	1.00	1.00	-	1.00	-	1.00	-	1.00
Street & Drainage Maintenance	18.00	18.00	(1.00)	17.00	5.00	22.00	-	22.00
Contract Services Monitor	1.00	1.00	-	1.00	-	1.00	-	1.00
ROW Service Coordinator	1.00	1.00	-	1.00	-	1.00	-	1.00
ROW Service Manager	1.00	1.00	-	1.00	-	1.00	-	1.00
ROW Maintenance	3.00	3.00	-	3.00	-	3.00	-	3.00
Engineer (I)	1.00	1.00	-	1.00	-	1.00	-	1.00
Field Supervisor	1.00	1.00	-	1.00	1.00	2.00	-	2.00
Traffic Engr & Controls Manager	1.00	1.00	(1.00)	-	-	-	-	-
City Traffic Engineer	-	-	1.00	1.00	-	1.00	-	1.00
Traffic Mgmt Center Operator	-	-	2.00	2.00	-	2.00	-	2.00
Traffic Operations Manager	1.00	1.00	-	1.00	-	1.00	-	1.00
Traffic Technician (I & II)	5.00	5.00	-	5.00	2.00	7.00	-	7.00
Traffic Operations	9.00	9.00	2.00	11.00	3.00	14.00	-	14.00
Public Works Total	34.00	34.00	1.50	35.50	8.00	43.50	-	43.50
Administrative Manager	1.00	1.00	-	1.00	-	1.00	-	1.00
Assistant Director of Parks & Recreation	2.00	2.00	-	2.00	-	2.00	-	2.00
Cultural Arts Manager	1.00	-	-	-	-	-	-	-
Director of Parks & Recreation	1.00	1.00	-	1.00	-	1.00	-	1.00
Executive Secretary	1.00	1.00	-	1.00	-	1.00	-	1.00
Sr. Secretary	1.00	1.00	-	1.00	-	1.00	-	1.00
Parks Administration	7.00	6.00	-	6.00	-	6.00	-	6.00
Crew Chief	3.00	4.00	-	4.00	-	4.00	-	4.00
Field Supervisor	1.00	1.00	-	1.00	-	1.00	-	1.00
General Maintenance Worker (I & II)	6.00	9.00	-	9.00	-	9.00	-	9.00
Parks Superintendent	1.00	1.00	(1.00)	-	-	-	-	-
Parks Development Manager	-	-	1.00	1.00	-	1.00	-	1.00
Park Ambassador - PT	-	-	0.50	0.50	-	0.50	-	0.50
Temporary Help	-	0.50	(0.50)	-	-	-	-	-
Parks Development	11.00	15.50	-	15.50	-	15.50	-	15.50
Event Coordinator	-	-	1.00	1.00	-	1.00	-	1.00
Event Coordinator - PT	-	-	1.00	1.00	-	1.00	-	1.00
Event Production Manager	-	-	1.00	1.00	-	1.00	-	1.00
Special Events	-	-	3.00	3.00	-	3.00	-	3.00
Administrative Supervisor	1.00	1.00	-	1.00	-	1.00	-	1.00
Day Camp Counselor (seasonal)	1.78	1.78	(0.03)	1.75	-	1.75	-	1.75
Day Camp Lead Counselor (seasonal)	0.46	0.46	0.04	0.50	-	0.50	-	0.50
Day Camp Supervisor (seasonal)	0.24	0.24	0.01	0.25	-	0.25	-	0.25
Event Coordinator	-	1.00	(1.00)	-	-	-	-	-
Event Coordinator - PT	1.00	1.00	(1.00)	-	-	-	-	-
Event Production Manager	1.00	1.00	(1.00)	-	-	-	-	-
Parks Ambassador - PT	1.81	1.81	(0.01)	1.80	-	1.80	-	1.80
Parks Facility Technician	1.00	1.00	-	1.00	-	1.00	-	1.00
Recreation Center Manager	2.00	-	-	-	-	-	-	-
Recreation Manager	-	1.00	-	1.00	-	1.00	-	1.00

Position Title	FY16 Budget	FY17 Budget	FY17 Adjustments	FY18 Base Budget	FY18 Additions	FY18 Adopted Budget	FY18 Budget Amendment	FY18 Final Budget
Recreation Coordinator	4.00	4.00	-	4.00	-	4.00	-	4.00
Recreation Specialist - PT	2.98	2.98	0.02	3.00	-	3.00	-	3.00
Recreation	17.27	17.27	(2.97)	14.30	-	14.30	-	14.30
Parks & Recreation Total	35.27	38.77	0.03	38.80	-	38.80	-	38.80
Director of Planning	1.00	1.00	-	1.00	-	1.00	-	1.00
Transportation & Mobility Planner	1.00	1.00	-	1.00	-	1.00	(1.00)	-
Community Development Administration	2.00	2.00	-	2.00	-	2.00	(1.00)	1.00
Administrative Manager	-	1.00	-	1.00	-	1.00	-	1.00
Building Inspector	3.00	3.00	-	3.00	-	3.00	-	3.00
Building Official	1.00	1.00	-	1.00	-	1.00	-	1.00
Deputy Building Official	1.00	1.00	-	1.00	-	1.00	-	1.00
Permit Clerk Coordinator	1.00	-	-	-	-	-	-	-
Permit Clerk Supervisor	1.00	-	-	-	-	-	-	-
Permits Supervisor	-	1.00	-	1.00	-	1.00	-	1.00
Permits Technician	1.00	1.00	-	1.00	1.00	2.00	-	2.00
Plans Examiner	2.00	2.00	-	2.00	-	2.00	-	2.00
Sr. Building Inspector	3.00	3.00	-	3.00	-	3.00	-	3.00
Sr. Permit Technician	2.00	2.00	-	2.00	-	2.00	-	2.00
Temporary Help	0.08	0.08	0.17	0.25	-	0.25	-	0.25
Permits & Inspections	15.08	15.08	0.17	15.25	1.00	16.25	-	16.25
City Planner - Development	1.00	1.00	-	1.00	-	1.00	-	1.00
Development Review Coordinator	2.00	2.00	-	2.00	-	2.00	-	2.00
Planner I	-	-	-	-	1.00	1.00	-	1.00
Planner II	2.00	-	1.00	1.00	-	1.00	-	1.00
Planner II	1.00	1.00	-	1.00	-	1.00	-	1.00
Principal Planner	1.00	-	-	-	-	-	-	-
Sr. Planner	-	2.00	(1.00)	1.00	-	1.00	-	1.00
Planning & Development	7.00	6.00	-	6.00	1.00	7.00	-	7.00
City Planner - Long Range Plan	1.00	1.00	-	1.00	-	1.00	-	1.00
Administrative Coordinator	1.00	1.00	-	1.00	-	1.00	-	1.00
Planner I	-	1.00	-	1.00	-	1.00	-	1.00
Principal Planner	1.00	-	-	-	-	-	-	-
Sr. Planner	-	1.00	-	1.00	-	1.00	-	1.00
Transportation & Long Range Planning	3.00	4.00	-	4.00	-	4.00	-	4.00
Administrative Coordinator	2.00	2.00	(1.00)	1.00	-	1.00	-	1.00
Sr. Administrative Coordinator	-	-	1.00	1.00	-	1.00	-	1.00
Assistant City Engineer	2.00	2.00	-	2.00	-	2.00	-	2.00
City Engineer	1.00	1.00	-	1.00	-	1.00	-	1.00
Construction Inspector	4.00	4.00	-	4.00	-	4.00	-	4.00
Construction Services Manager	1.00	1.00	-	1.00	-	1.00	-	1.00
Engineer (I, II, III, IV)	3.00	3.00	-	3.00	-	3.00	-	3.00
Project Manager	4.00	4.00	-	4.00	-	4.00	-	4.00
Project Manager - Performing Arts Center	1.00	1.00	(1.00)	-	-	-	-	-
Project Manager - Facilities	-	-	-	-	1.00	1.00	-	1.00
Real Property Manager	1.00	1.00	-	1.00	-	1.00	-	1.00
Sr. Construction Inspector	2.00	2.00	-	2.00	-	2.00	-	2.00
Sr. Engineer	2.00	2.00	-	2.00	-	2.00	-	2.00
City Engineer	23.00	23.00	(1.00)	22.00	1.00	23.00	-	23.00
Assistant Director of ENS	2.00	2.00	(1.00)	1.00	-	1.00	-	1.00
Community Outreach Coordinator	1.00	1.00	(1.00)	-	-	-	-	-
Director of Environmental & Neighborhood Services	1.00	1.00	-	1.00	-	1.00	-	1.00
ENS Administration	4.00	4.00	(2.00)	2.00	-	2.00	-	2.00
Automotive Technician (I & II)	4.00	4.00	1.00	5.00	-	5.00	-	5.00
Fleet Maintenance Manager	1.00	-	-	-	-	-	-	-
Fleet Services Supervisor	1.00	1.00	-	1.00	-	1.00	-	1.00
Sr. Secretary	1.00	1.00	-	1.00	-	1.00	-	1.00
Fleet Services Manager	-	1.00	-	1.00	-	1.00	-	1.00
Fleet Services	7.00	7.00	1.00	8.00	-	8.00	-	8.00
Courier	1.00	1.00	-	1.00	-	1.00	-	1.00
Facilities Coordinator	1.00	-	-	-	-	-	-	-
Facilities Services Manager	1.00	1.00	-	1.00	-	1.00	-	1.00
Facilities Services Supervisor	1.00	1.00	-	1.00	-	1.00	-	1.00
Facility Services Technician	2.00	2.00	-	2.00	-	2.00	-	2.00
Sr. Facility Services Tech	2.00	2.00	-	2.00	-	2.00	-	2.00
Support Services Coordinator	-	1.00	-	1.00	-	1.00	-	1.00
Facilities Management	8.00	8.00	-	8.00	-	8.00	-	8.00

Position Title	FY16 Budget	FY17 Budget	FY17 Adjustments	FY18 Base Budget	FY18 Additions	FY18 Adopted Budget	FY18 Budget Amendment	FY18 Final Budget
Animal Services Manager	1.00	1.00	-	1.00	-	1.00	-	1.00
Animal Services Officer	3.00	3.00	-	3.00	1.00	4.00	-	4.00
Animal Services Supervisor	1.00	-	-	-	-	-	-	-
Animal Shelter Supervisor	-	1.00	-	1.00	-	1.00	-	1.00
Kennel Technician - P/T	0.50	1.00	-	1.00	-	1.00	-	1.00
Kennel Technician	-	-	-	-	1.00	1.00	-	1.00
Administrative Coordinator	1.00	1.00	-	1.00	-	1.00	-	1.00
Temporary Help	1.48	0.98	0.02	1.00	-	1.00	-	1.00
Veterinary Technician	1.00	1.00	-	1.00	-	1.00	-	1.00
Animal Services	8.98	8.98	0.02	9.00	2.00	11.00	-	11.00
Environmental Services Inspector	0.50	0.50	-	0.50	-	0.50	-	0.50
Storm Water Coordinator	1.00	1.00	(1.00)	-	-	-	-	-
Stormwater Management	1.50	1.50	(1.00)	0.50	-	0.50	-	0.50
Sanitarian	2.00	3.00	-	3.00	-	3.00	-	3.00
Sr. Sanitarian	1.00	1.00	-	1.00	-	1.00	-	1.00
Food Inspection	3.00	4.00	-	4.00	-	4.00	-	4.00
Code Compliance Manager	1.00	1.00	-	1.00	-	1.00	-	1.00
Code Enforcement Inspector	3.00	3.00	-	3.00	1.00	4.00	-	4.00
Neighborhood Services Specialist	-	1.00	-	1.00	-	1.00	-	1.00
Sr. Secretary	1.00	-	-	-	-	-	-	-
Code Enforcement	5.00	5.00	-	5.00	1.00	6.00	-	6.00
Code Compliance Administrator	1.00	-	1.00	1.00	-	1.00	-	1.00
Code Compliance Coordinator	-	1.00	-	1.00	-	1.00	-	1.00
Code Enforcement Inspector	2.00	1.00	-	1.00	-	1.00	-	1.00
Residential Rental Inspector	-	1.00	-	1.00	-	1.00	-	1.00
Rental Registration	3.00	3.00	1.00	4.00	-	4.00	-	4.00
Environmental and Neighborhood Services Total	40.48	41.48	(0.98)	40.50	3.00	43.50	-	43.50
Community Development Total	90.56	91.56	(1.81)	89.75	6.00	95.75	(1.00)	94.75
Administrative Manager	0.50	0.50	-	0.50	-	0.50	-	0.50
Assistant Police Chief	2.00	2.00	-	2.00	-	2.00	-	2.00
Crime Analyst	1.00	1.00	-	1.00	-	1.00	-	1.00
Department Analyst	1.00	1.00	(1.00)	-	-	-	-	-
Executive Secretary	1.00	1.00	-	1.00	-	1.00	-	1.00
Police Chief	1.00	1.00	-	1.00	-	1.00	-	1.00
Police Sergeant	1.00	1.00	-	1.00	-	1.00	-	1.00
Sr. Secretary	1.00	1.00	-	1.00	-	1.00	-	1.00
Police Administration	8.50	8.50	(1.00)	7.50	-	7.50	-	7.50
Administrative Manager	0.50	0.50	-	0.50	-	0.50	-	0.50
Police Captain	1.00	1.00	-	1.00	-	1.00	-	1.00
Police Lieutenant	1.00	1.00	-	1.00	-	1.00	-	1.00
Police Officer	3.00	3.00	1.00	4.00	-	4.00	-	4.00
Police Sergeant	2.00	2.00	-	2.00	-	2.00	-	2.00
Receptionist	1.00	1.00	-	1.00	-	1.00	-	1.00
Records Clerk	4.00	4.00	-	4.00	-	4.00	-	4.00
Records Manager	-	-	0.50	0.50	-	0.50	-	0.50
Sr. Secretary	2.00	2.00	-	2.00	-	2.00	-	2.00
Support Services Bureau	14.50	14.50	1.50	16.00	-	16.00	-	16.00
Police Captain	1.00	1.00	-	1.00	-	1.00	-	1.00
Police Lieutenant	7.00	7.00	1.00	8.00	-	8.00	-	8.00
Police Officer	84.00	84.00	12.00	96.00	-	96.00	-	96.00
Crime Prevention Officer	-	-	1.00	1.00	-	1.00	-	1.00
Police Sergeant	18.00	18.00	3.00	21.00	-	21.00	-	21.00
Sr. Secretary	1.00	1.00	-	1.00	-	1.00	-	1.00
Patrol	111.00	111.00	17.00	128.00	-	128.00	-	128.00
Asst. Victim Services Liaison	0.50	0.50	-	0.50	-	0.50	-	0.50
Crime Analyst	1.00	1.00	-	1.00	-	1.00	-	1.00
Crime Scene Technician	2.00	2.00	-	2.00	-	2.00	-	2.00
Police Captain	1.00	1.00	-	1.00	-	1.00	-	1.00
Police Lieutenant	1.00	1.00	-	1.00	-	1.00	-	1.00
Police Officer	21.30	21.50	-	21.50	-	21.50	-	21.50
Detectives	-	-	3.00	3.00	-	3.00	-	3.00
Police Sergeant	5.00	5.00	-	5.00	-	5.00	-	5.00
Sr. Secretary	1.00	1.00	-	1.00	-	1.00	-	1.00
Warrant Clerk	1.00	1.00	-	1.00	-	1.00	-	1.00
Criminal Investigations	33.80	34.00	3.00	37.00	-	37.00	-	37.00

Position Title	FY16 Budget	FY17 Budget	FY17 Adjustments	FY18 Base Budget	FY18 Additions	FY18 Adopted Budget	FY18 Budget Amendment	FY18 Final Budget
Detention Officer	5.00	5.00	-	5.00	-	5.00	-	5.00
Police Sergeant	1.00	1.00	-	1.00	-	1.00	-	1.00
Detention Center	6.00	6.00	-	6.00	-	6.00	-	6.00
Administrative Specialist	1.00	-	-	-	-	-	-	-
Deputy PS Dispatch Manager	1.00	1.00	(1.00)	-	-	-	-	-
PS Dispatch Shift Supervisor	4.00	4.00	2.00	6.00	-	6.00	-	6.00
PS Dispatcher PT	-	1.00	-	1.00	-	1.00	-	1.00
PS Quality Assurance Supervisor	-	1.00	(1.00)	-	-	-	-	-
Public Safety Dispatch Director	-	1.00	-	1.00	-	1.00	-	1.00
Public Safety Dispatch Manager	1.00	-	2.00	2.00	-	2.00	-	2.00
Public Safety Dispatch Recruit	-	1.00	9.00	10.00	-	10.00	-	10.00
Public Safety Dispatcher (I & II)	20.00	18.00	(3.00)	15.00	-	15.00	-	15.00
Public Safety Dispatch	27.00	27.00	8.00	35.00	-	35.00	-	35.00
Police&Public Safety Dispatch Total	200.80	201.00	28.50	229.50	-	229.50	-	229.50
Administrative Coordinator	-	1.00	-	1.00	-	1.00	-	1.00
Administrative Manager	1.00	1.00	-	1.00	-	1.00	-	1.00
Executive Secretary	1.00	-	-	-	-	-	-	-
Fire Chief	1.00	1.00	-	1.00	-	1.00	-	1.00
Fire Administration	3.00	3.00	-	3.00	-	3.00	-	3.00
Assistant Fire Chief	1.00	1.00	-	1.00	-	1.00	-	1.00
Battalion Chief	3.00	3.00	-	3.00	-	3.00	-	3.00
Fire Captain	1.00	1.00	-	1.00	-	1.00	-	1.00
Fire Driver	21.00	21.00	-	21.00	-	21.00	-	21.00
Fire Lieutenant	22.00	22.00	-	22.00	-	22.00	-	22.00
Firefighter	42.00	42.00	-	42.00	-	42.00	-	42.00
Emergency Services	90.00	90.00	-	90.00	-	90.00	-	90.00
Battalion Chief EMS	1.00	1.00	-	1.00	-	1.00	-	1.00
Fire Captain	1.00	1.00	-	1.00	-	1.00	-	1.00
Firefighter	11.00	11.00	7.00	18.00	-	18.00	-	18.00
Emergency Medical Services	13.00	13.00	7.00	20.00	-	20.00	-	20.00
Administrative Secretary	1.00	-	-	-	-	-	-	-
Asst. Fire Chief	1.00	1.00	-	1.00	-	1.00	-	1.00
Asst. Fire Marshall	1.00	1.00	-	1.00	-	1.00	-	1.00
Fire Captain	1.00	1.00	-	1.00	-	1.00	-	1.00
Fire Inspector/Investigator	2.00	2.00	-	2.00	1.00	3.00	-	3.00
Fire Lieutenant	2.00	2.00	-	2.00	-	2.00	-	2.00
Sr. Secretary	-	1.00	-	1.00	-	1.00	-	1.00
Prevention	8.00	8.00	-	8.00	1.00	9.00	-	9.00
Assistant Fire Chief	1.00	1.00	-	1.00	-	1.00	-	1.00
Emergency Mgmt Specialist	1.00	1.00	-	1.00	-	1.00	-	1.00
Executive Secretary	1.00	1.00	-	1.00	-	1.00	-	1.00
Emergency Management	3.00	3.00	-	3.00	-	3.00	-	3.00
Assistant Fire Chief	1.00	1.00	-	1.00	-	1.00	-	1.00
Battalion Chief Admin	2.00	1.00	-	1.00	-	1.00	-	1.00
Battalion Chief/Training	-	1.00	-	1.00	-	1.00	-	1.00
Fire Captain	1.00	1.00	-	1.00	-	1.00	-	1.00
Sr. Secretary	1.00	1.00	-	1.00	-	1.00	-	1.00
Professional Development	5.00	5.00	-	5.00	-	5.00	-	5.00
Fire Total	122.00	122.00	7.00	129.00	1.00	130.00	-	130.00
GENERAL FUND	604.33	611.03	45.22	656.25	16.50	672.75	(3.00)	669.75
LESS PROGRAM EMPLOYEES	(9.00)	(10.00)	6.00	(4.00)	-	(4.00)	-	(4.00)
LESS TEMPORARY EMPLOYEES	(2.56)	(1.56)	0.31	(1.25)	-	(1.25)	-	(1.25)
GENERAL FUND NET	592.77	599.47	51.53	651.00	16.50	667.50	(3.00)	664.50
Police Officer	0.70	0.50	-	0.50	-	0.50	-	0.50
Court Security	0.70	0.50	-	0.50	-	0.50	-	0.50
COURT SECURITY FUND	0.70	0.50	-	0.50	-	0.50	-	0.50
Destination Event Manager	-	1.00	-	1.00	-	1.00	-	1.00
SPECIAL EVENTS	-	1.00	-	1.00	-	1.00	-	1.00
SPECIAL REVENUE FUNDS	0.70	1.50	-	1.50	-	1.50	-	1.50
Tourism Coordinator	1.00	1.00	-	1.00	-	1.00	-	1.00
Visitor Services Specialist PT	-	1.00	-	1.00	-	1.00	-	1.00
Tourism & Destination Services Administrator	0.50	0.50	-	0.50	-	0.50	-	0.50
Tourism & Marketing Manager	1.00	1.00	-	1.00	-	1.00	-	1.00
Tourism Program	2.50	3.50	-	3.50	-	3.50	-	3.50
TOURISM FUND	2.50	3.50	-	3.50	-	3.50	-	3.50

Position Title	FY16 Budget	FY17 Budget	FY17 Adjustments	FY18 Base Budget	FY18 Additions	FY18 Adopted Budget	FY18 Budget Amendment	FY18 Final Budget
Administrative Manager	0.50	0.50	-	0.50	-	0.50	-	0.50
Assistant Director of Public Works	1.00	1.00	-	1.00	-	1.00	-	1.00
Asset & Operations Manager	-	-	0.50	0.50	-	0.50	-	0.50
Contract Services Coordinator	1.00	1.00	-	1.00	-	1.00	-	1.00
Director of Public Works	0.50	0.50	-	0.50	-	0.50	-	0.50
Executive Secretary	1.00	1.00	-	1.00	-	1.00	-	1.00
Sr. Secretary	1.00	1.00	-	1.00	-	1.00	-	1.00
Utility Administration	5.00	5.00	0.50	5.50	-	5.50	-	5.50
Crew Chief	4.00	4.00	1.00	5.00	-	5.00	-	5.00
Facility Operations Manager	0.50	0.50	-	0.50	-	0.50	-	0.50
Field Operations Manager	1.00	1.00	-	1.00	-	1.00	-	1.00
Field Supervisor	0.50	0.50	0.50	1.00	-	1.00	-	1.00
General Maintenance Worker (I & II)	5.00	4.00	2.00	6.00	-	6.00	-	6.00
Water Distribution	11.00	10.00	3.50	13.50	-	13.50	-	13.50
Field Supervisor	1.00	1.00	-	1.00	-	1.00	-	1.00
I & C Technician	0.50	0.50	-	0.50	-	0.50	-	0.50
P&M Technician	1.00	-	-	-	-	-	-	-
Lead Operator	1.00	1.00	(1.00)	-	-	-	-	-
Lead Utilities Operator	-	-	2.00	2.00	-	2.00	-	2.00
Utilities Operator	1.50	1.50	2.00	3.50	-	3.50	-	3.50
Water Services Supervisor	0.50	0.50	-	0.50	-	0.50	-	0.50
Water Production	5.50	4.50	3.00	7.50	-	7.50	-	7.50
Crew Chief	2.00	2.00	1.00	3.00	-	3.00	-	3.00
Electrician	-	0.50	-	0.50	-	0.50	-	0.50
Field Supervisor	0.50	0.50	0.50	1.00	-	1.00	-	1.00
General Maintenance Worker (I & II)	4.00	5.00	1.00	6.00	-	6.00	-	6.00
Wastewater Collection	6.50	8.00	2.50	10.50	-	10.50	-	10.50
Crew Chief	1.00	1.00	-	1.00	-	1.00	-	1.00
Electrician	0.50	-	1.00	1.00	-	1.00	-	1.00
Facility Support Specialist	-	1.00	-	1.00	-	1.00	-	1.00
P&M Technician I	3.00	3.00	-	3.00	-	3.00	-	3.00
P&M Technician II	-	-	1.00	1.00	-	1.00	-	1.00
Utilities Operator	0.50	0.50	-	0.50	-	0.50	-	0.50
Water Services Supervisor	0.50	0.50	-	0.50	-	0.50	-	0.50
Wastewater Treatment	5.50	6.00	2.00	8.00	-	8.00	-	8.00
Crew Chief	2.00	2.00	-	2.00	-	2.00	-	2.00
Field Supervisor	1.00	1.00	-	1.00	-	1.00	-	1.00
General Maintenance Worker II	6.00	6.00	2.00	8.00	-	8.00	-	8.00
Customer Service	9.00	9.00	2.00	11.00	-	11.00	-	11.00
Lab Manager	-	1.00	-	1.00	-	1.00	-	1.00
Lab Technician	0.50	0.50	-	0.50	-	0.50	-	0.50
Pretreatment Coordinator	-	1.00	-	1.00	-	1.00	-	1.00
Water Quality Manager	1.00	-	-	-	-	-	-	-
Water Quality Supervisor	1.00	-	-	-	-	-	-	-
Water Quality Technician	2.00	2.00	1.00	3.00	-	3.00	-	3.00
Water Quality	4.50	4.50	1.00	5.50	-	5.50	-	5.50
Water Conservation Manager	1.00	1.00	-	1.00	-	1.00	-	1.00
Water Conservation	1.00	1.00	-	1.00	-	1.00	-	1.00
Billing/Collection Spec. (I & II)	3.00	3.00	-	3.00	1.00	4.00	-	4.00
Billing Supervisor	1.00	1.00	-	1.00	-	1.00	-	1.00
Customer Service Rep	4.00	4.00	-	4.00	-	4.00	-	4.00
Collections & Customer Ser Sup (I & II)	1.00	1.00	-	1.00	1.00	2.00	-	2.00
Treasury Manager	1.00	1.00	-	1.00	-	1.00	-	1.00
Treasury Specialist	1.00	1.00	-	1.00	-	1.00	-	1.00
Treasury	11.00	11.00	-	11.00	2.00	13.00	-	13.00
UTILITY FUND	59.00	59.00	14.50	73.50	2.00	75.50	-	75.50
Electrician	0.50	0.50	-	0.50	-	0.50	-	0.50
I & C Technician	0.50	0.50	-	0.50	-	0.50	-	0.50
Lab Technician	0.50	0.50	-	0.50	-	0.50	-	0.50
Facility Operations Manager	0.50	0.50	-	0.50	-	0.50	-	0.50
Intergov'tl Relations Manager	0.50	0.50	(0.50)	-	-	-	-	-
General Maintenance Worker II	1.00	1.00	-	1.00	-	1.00	-	1.00

Position Title	FY16 Budget	FY17 Budget	FY17 Adjustments	FY18 Base Budget	FY18 Additions	FY18 Adopted Budget	FY18 Budget Amendment	FY18 Final Budget
Lead Operator	2.00	2.00	(2.00)	-	-	-	-	-
Lead Utilities Operator	-	-	2.00	2.00	-	2.00	-	2.00
Mechanic	1.00	1.00	-	1.00	-	1.00	-	1.00
Utilities Operator	3.00	3.00	-	3.00	-	3.00	-	3.00
Surface Water Chief Operator	1.00	1.00	-	1.00	-	1.00	-	1.00
Surface Water Plant Manager	1.00	1.00	-	1.00	-	1.00	-	1.00
Water Resources Manager	1.00	1.00	-	1.00	-	1.00	-	1.00
Surface Water	12.50	12.50	(0.50)	12.00	-	12.00	-	12.00
SURFACE WATER FUND	12.50	12.50	(0.50)	12.00	-	12.00	-	12.00
Sr. Secretary	-	-	1.00	1.00	-	1.00	-	1.00
Administrative Secretary	1.00	1.00	(1.00)	-	-	-	-	-
Administrative Specialist	1.00	1.00	(1.00)	-	-	-	-	-
Administrative Supervisor	-	1.00	-	1.00	-	1.00	-	1.00
Airport Business Manager	-	1.00	-	1.00	-	1.00	-	1.00
Airport Development Manager	-	1.00	-	1.00	-	1.00	-	1.00
Airport Specialist	1.00	-	1.00	1.00	-	1.00	-	1.00
Assistant Director of Aviation	2.00	1.00	-	1.00	-	1.00	-	1.00
Director of Aviation	1.00	1.00	-	1.00	-	1.00	-	1.00
Airport Administration	6.00	7.00	-	7.00	-	7.00	-	7.00
Airport Operations Agent	1.00	1.00	-	1.00	-	1.00	-	1.00
Airport Operations Manager	-	1.00	-	1.00	-	1.00	-	1.00
Airport Operations Specialist	1.00	1.00	-	1.00	-	1.00	-	1.00
Airport Operations Supervisor	1.00	-	-	-	-	-	-	-
Airfield Operations	3.00	3.00	-	3.00	-	3.00	-	3.00
Airport Services Rep	5.00	-	-	-	-	-	-	-
Airport Services Rep - P/T	0.50	0.50	-	0.50	-	0.50	-	0.50
Airport Services Rep I	-	3.00	-	3.00	-	3.00	-	3.00
Airport Services Rep II	-	2.00	-	2.00	-	2.00	-	2.00
ASR Supervisor	1.00	1.00	-	1.00	-	1.00	-	1.00
Concierge Manager	1.00	-	-	-	-	-	-	-
Flight Line Crew	12.00	-	-	-	-	-	-	-
Line Services Superintendent	-	-	1.00	1.00	-	1.00	-	1.00
Field Supervisor Superintendent	-	1.00	(1.00)	-	-	-	-	-
Line Crew I	-	9.00	(2.00)	7.00	-	7.00	-	7.00
Line Crew II	-	3.00	(1.00)	2.00	-	2.00	-	2.00
Line Crew III	-	-	3.00	3.00	-	3.00	-	3.00
Line Services Manager	1.00	1.00	-	1.00	-	1.00	-	1.00
Line Supervisor	3.00	2.00	-	2.00	-	2.00	-	2.00
FBO Services	23.50	22.50	-	22.50	-	22.50	-	22.50
Café Attendant	1.50	-	-	-	-	-	-	-
Café Attendant I	-	2.00	-	2.00	-	2.00	-	2.00
Café Supervisor	1.00	1.00	-	1.00	-	1.00	-	1.00
Café Select	2.50	3.00	-	3.00	-	3.00	-	3.00
Airfield & Facilities Manager	1.00	1.00	-	1.00	-	1.00	-	1.00
Crew Chief	1.00	2.00	-	2.00	-	2.00	-	2.00
Custodian - PT	-	-	1.50	1.50	-	1.50	-	1.50
Janitor	1.00	1.50	(1.50)	-	-	-	-	-
General Maintenance Worker (I & II)	6.00	6.00	-	6.00	-	6.00	-	6.00
Maintenance & Operations	9.00	10.50	-	10.50	-	10.50	-	10.50
AIRPORT FUND	44.00	46.00	-	46.00	-	46.00	-	46.00
Environmental Manager	1.00	1.00	-	1.00	-	1.00	-	1.00
Environment Coordinator	-	-	1.00	1.00	-	1.00	-	1.00
Environment Services Inspector	0.50	1.50	(1.00)	0.50	1.00	1.50	-	1.50
Solid Waste Monitor	1.00	-	-	-	-	-	-	-
Solid Waste	2.50	2.50	-	2.50	1.00	3.50	-	3.50
SOLID WASTE FUND	2.50	2.50	-	2.50	1.00	3.50	-	3.50
Records Manager	-	-	0.50	0.50	-	0.50	-	0.50
Administrative Coordinator	0.50	0.50	(0.50)	-	-	-	-	-
Safe Light Sugar Land	0.50	0.50	-	0.50	-	0.50	-	0.50
RED LIGHT CAMERA FUND	0.50	0.50	-	0.50	-	0.50	-	0.50
TOTAL ALL FUNDS	714.47	724.97	65.53	790.50	19.50	810.00	(3.00)	807.00
Less Seasonal	(2.48)	(2.48)	(0.02)	(2.50)	-	(2.50)	-	(2.50)
TOTAL FULL TIME EQUIVALENT	711.99	722.49	65.51	788.00	19.50	807.50	(3.00)	804.50

Property Taxes

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

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

In 1998, TIRZ#1 was formed, which includes Sugar Land Town Square. Taxes assessed and collected by the participating entities (City, County, and LID #2) over and above the base value of the property upon creation of the TIRZ #1 (\$5.5 million) are deposited to the benefit of the TIRZ to support improvements within the TIRZ #1. For FY18 the City expects to contribute \$558,245 in property tax for TIRZ#1.

TIRZ #3 – Imperial was formed in 2007. The purpose of TIRZ #3 is to facilitate a program of public improvements to allow the development and redevelopment of property as a master-planned and mixed-use community. Taxes assessed and collected by the participating entities (City and County) over and above the base value of the property upon creation of the TIRZ #3 (\$5.6 million) are deposited to the benefit of the TIRZ #3. Included in the development is the preservation and/or reuse of certain historic structures at the Imperial Sugar site and the location of a museum to house Imperial Sugar artifacts. For FY18 the City expects to contribute \$273,672 in property tax for TIRZ#3 at 50% participation.

TIRZ #4 – located at US59 and University Boulevard was formed in 2009. Taxes assessed and collected by the participating entities (City, County, Fort Bend MUD138, and Fort Bend MUD139) over and above the base value of the property upon creation of the TIRZ #4 (\$21.5 million) are deposited to the benefit of the TIRZ #4. The purpose of the zone is to support development of employment, commercial, cultural arts, and an entertainment district within an urban-density mixed-use center. For FY18 the City expects to

contribute \$251,771 in property tax for TIRZ#4 at 50% participation.

The Enclave at RiverPark Public Improvement District (PID) was formed in 2014, approximately 54 acre single family residential development located along US59 adjacent to and accessed through the RiverPark subdivision. The PID will reimburse the developer up to \$2 million plus interest for infrastructure. The repayment of the developer reimbursement is done through annual assessments to each property (139 lots) in the development. The City contributes 50% of property taxes to the PID. For FY18 the City expects to allocate \$44,447 in property tax to the PID.

Fiscal Year 2017

The total property tax collections for FY17 are projected to be \$39,507,271 or 99.5% of the adjusted levy, including all three TIRZs and the PID. Revenues are distributed between operations and maintenance (\$20,842,676), debt service (\$17,814,462), TIRZ # 1 (\$475,859), TIRZ #3 (\$143,329), TIRZ #4 (\$207,836), and Enclave at RiverPark (\$23,109).

Fiscal Year 2018

The certified net assessed valuation of \$12,979,216,179 for tax year 2017 is \$412,101,040 or 3.28% greater than the 2017 adjusted tax roll, including values inside the TIRZs and the PID. Of the \$12.98 billion in taxable value, \$176.64 million is incremental value in TIRZ #1, \$86.60 million in TIRZ #3, \$79.67 million in TIRZ #4, and \$14.06 million in the PID. Taxes collected on the incremental value from each TIRZ and the PID will be allocated from the City. Net assessed residential value increased 2.48%, and net assessed commercial value increased by 4.85% over the 2016 adjusted tax roll, including new value. Based on the certified tax roll and the 2017 tax rate of \$0.31762 per \$100 of assessed value, the anticipated tax collections for FY18 are \$41,018,462 at a 99.5% collection rate or \$1,511,191 greater than FY17 projections including the three TIRZs and the PID. Based on the 99.5% collection rate, \$39,890,327 will remain with the City and \$1,128,135 will be conveyed to the three TIRZs and the PID.

The homestead exemption for tax year 2017 remains the same as in tax year 2016 at 10%. The optional exemption for over-65 and disable persons remains at \$70,000.

The overall adopted tax rate for tax year 2017 is \$0.31762, which is \$0.00167 increase over the 2016 tax rate. The allocation for tax year 2016 and 2017 tax rate is as follows:

	2016	%	2017	%
M&O	\$ 0.17035	53.92%	\$ 0.17921	56.42%
Debt Service	0.14560	46.08%	0.13841	43.58%
Total	\$ 0.31595	100.00%	\$ 0.31762	100.00%

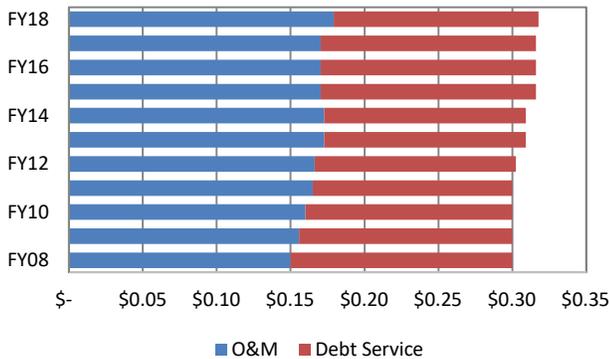
Texas truth-in-taxation laws require public notices, a public vote and public hearings for adoption of a tax rate that exceeds the effective tax rate. The effective tax rate is the tax rate that would generate the same tax revenues in tax year 2017 as the 2016 tax rate did in the prior year, based on the values of properties that are taxed in both years. The rollback rate allows for an 8% increase in the operations and maintenance rate after accounting for the impact of sales tax for property tax reduction. The results of the effective tax rate calculations are as follows:

Effective Tax Rate	\$0.31293
Rollback Rate	\$0.33352

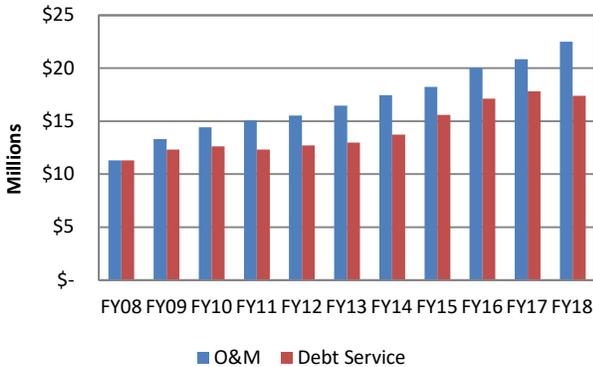
The property tax impact of the 2017 tax rate based on an average taxable value of \$379,530 with a 10% homestead is an increase of \$27.12 or 2.56% from the 2016 tax on an average taxable value of \$371,999 with a homestead exemption of 10%.

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

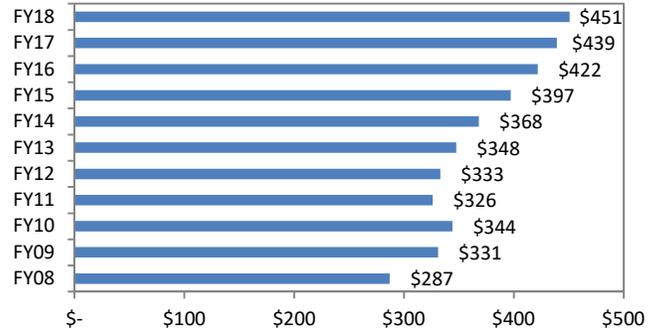
Tax Rate by Fiscal Year



Historical Tax Levy



Property Taxes per Capita*



In FY18, property taxes per capita, excluding TIRZ valuation, is approximately \$451. Taxes per capita increased in FY18 due to an increase of 3.28% in total City value with a population of 87,730.

* Excludes TIRZ Valuation

CITY OF SUGAR LAND

TAX COLLECTIONS

	FY16 Adjusted Levy	FY17 Budget Certified Levy	FY17 Projections Adjusted Levy	FY18 Base Budget Proposed Levy	FY18 Changes Proposed	FY18 Budget Adopted Levy
REVENUES:						
City Levy	\$37,343,652	\$39,017,210	\$38,851,395	\$39,879,990	\$210,792	\$40,090,782
TIRZ #1	434,295	478,251	478,251	558,101	2,950	561,050
TIRZ #3	76,304	142,160	144,049	273,601	1,446	275,047
TIRZ #4	188,542	208,880	208,880	251,706	1,330	253,037
Enclave @ RiverPark PID	5,630	25,792	23,225	44,435	235	44,670
Total Tax Levy @ 100%	38,048,423	39,872,292	39,705,800	41,007,833	216,753	41,224,586
Collection Rate 99.5%	37,858,181	39,672,931	39,507,271	40,802,794	215,669	41,018,463
ALLOCATION:						
Maintenance	20,033,814	20,931,631	20,842,676	21,394,488	1,112,739	22,507,227
Debt	17,123,119	17,890,493	17,814,462	18,286,102	-903,002	17,383,100
Total City Revenues	37,156,934	38,822,124	38,657,138	39,680,590	209,737	39,890,327
TIRZ #1	432,124	475,859	475,859	555,310	2,935	558,245
TIRZ #3	75,923	141,449	143,329	272,233	1,439	273,672
TIRZ #4	187,599	207,835	207,836	250,448	1,324	251,771
Enclave @ RiverPark PID	5,602	25,663	23,109	44,213	234	44,447
TOTAL TAX REVENUE	\$37,858,181	\$39,672,931	\$39,507,271	\$40,802,794	\$215,669	\$41,018,462

Tax Year	2015	2016	2016	2017	2017	2017
Net Assessed Value	\$12,042,545,766	\$12,619,810,837	\$12,567,115,139	\$12,979,216,179		\$12,979,216,179
TIRZ #1 Value @ 100%	(137,456,908)	(151,369,076)	(151,369,076)	(176,642,055)		(176,642,055)
TIRZ #3 Value @ 50%	(24,150,714)	(44,994,330)	(45,592,471)	(86,596,312)		(86,596,312)
TIRZ #4 Value @ 50%	(59,674,662)	(66,111,647)	(66,111,776)	(79,666,459)		(79,666,459)
Enclave @ RiverPark PID	(1,781,906)	(8,163,454)	(7,350,978)	(14,064,006)		(14,064,006)
Taxable to City	11,819,481,576	12,349,172,330	12,296,690,839	12,622,247,348		12,622,247,348
Tax Rate Per \$100						
Maintenance	\$ 0.17035	\$ 0.17035	\$ 0.17035	\$ 0.17035	\$ 0.00886	\$ 0.17921
Debt	0.14560	0.14560	0.14560	0.14560	(0.00719)	0.13841
Total Tax Rate	\$ 0.31595	\$ 0.31595	\$ 0.31595	\$ 0.31595	\$ 0.00167	\$ 0.31762
Tax Rate Split:						
Maintenance	53.92%	53.92%	53.92%	53.92%		56.42%
Debt	46.08%	46.08%	46.08%	46.08%		43.58%
Total	100.00%	100.00%	100.00%	100.00%		100.00%
Certified Levy - 100%	\$37,343,652	\$39,017,210	\$38,851,395	\$39,879,990		\$40,090,782

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

Tax Year	Supplement #15		Certified Roll		
	2016 FY17		2017 FY18	% Change	
No. of Items		39,113	39,463	0.89%	
Residential Property:					
Land	\$	2,000,078,460	\$	2,007,328,994	0.36%
Improvements		7,571,970,108		7,657,833,144	1.13%
Total Residential Property		9,572,048,568		9,665,162,138	0.97%
Commercial Property:					
Land		1,059,064,514		1,093,836,882	3.28%
Improvements		2,997,877,159		3,232,261,938	7.82%
Personal Property		1,504,677,304		1,495,586,575	-0.60%
Total Commercial Property		5,561,618,977		5,821,685,395	4.68%
Agricultural Property		10,964,620		11,030,700	0.60%
Automobiles		103,378,879		100,439,699	-2.84%
Total Market Value		15,248,011,044		15,598,317,932	2.30%
Productivity Loss		(10,730,410)		(10,828,370)	0.91%
Homestead CAP Adjustment		(151,778,093)		(35,633,789)	-76.52%
Exempt Properties		(1,045,997,527)		(1,114,679,268)	6.57%
Total Assessed Value		14,039,505,014		14,437,176,505	2.83%
Less:					
Homestead Exemptions		(789,733,380)		(795,784,241)	0.77%
Over 65 Exemptions		(413,456,627)		(413,279,836)	-0.04%
Disabled Persons Exemptions		(15,261,621)		(14,335,661)	-6.07%
Disabled Veterans Exemptions		(1,632,750)		(1,600,850)	-1.95%
Disabled Veterans 100%		(16,669,582)		(17,915,283)	7.47%
Abatements		(140,955,699)		(119,616,988)	-15.14%
Pollution		(5,269,330)		(5,676,820)	7.73%
Personal Leased Vehicles		(88,206,660)		(88,127,280)	-0.09%
Prorated Exempt Property		(1,191,575)		(1,609,737)	35.09%
House Bill 366 Exemptions		(12,651)		(13,630)	7.74%
Total Exemptions		(1,472,389,875)		(1,457,960,326)	-0.98%
Net Assessed Valuation (NAV)		12,567,115,139		12,979,216,179	3.28%
Less: TIRZ #1 Value @ 100%		(151,369,076)		(176,642,055)	16.70%
Less: TIRZ #3 Value @ 50%		(45,592,471)		(86,596,312)	89.94%
Less: TIRZ #4 Value @ 50%		(66,111,776)		(79,666,459)	20.50%
Less: PID @ 50%		(7,350,978)		(14,064,006)	91.32%
Taxable Valuation to City	\$	12,296,690,839	\$	12,622,247,348	2.65%

**CITY OF SUGAR LAND
 PRINCIPAL TAXPAYERS
 2017 TOP TEN**

Taxpayer	Type of Business	2017 Taxable Assessed Valuation (A)	Percentage of Total Net Assessed Valuation
1 LCFRE Sugar Land Town Square LLC	Mixed-Use Development	\$ 111,240,671	0.86%
2 Tramontina USA Inc	Manufacturing	99,950,340	0.77%
3 AmerisourceBergen Drug Corporation	Pharmacy/Medical	96,262,040	0.74%
4 Lakepointe Assets LLC	Real Estate/Engineering	95,521,220	0.74%
5 First Colony Mall LLC	Shopping Center	86,162,840	0.66%
6 Sugar Creek/EPG LLC & Sugar Creek TIC Investors LLC	Real Estate	63,541,650	0.49%
7 Weingarten Realty Investors & WRI/Post Oak Inc	Shopping Center	60,997,560	0.47%
8 Nalco Energy Service	Energy Services	57,822,510	0.45%
9 Houston Sugar Creek LLC	Real Estate	52,981,260	0.41%
10 Schlumberger Tech Corp	Energy Technology	50,936,600	0.39%
Other		12,203,799,488	94.03%
Total Net Assessed Valuation - Certified Roll		\$ 12,979,216,179	100.00%

(A) = Net of Tax Abatement

Debt Service Funds

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

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

The City’s tax backed bond rating is “AAA” by Fitch Ratings and Standard and Poor’s.

The City’s Financial Management Policy Statements designate that property taxes generated from the Airport are to be transferred to the Airport in support of development and operations. The City also has a policy to rebate 50% of the city property taxes collected from properties within in-City MUDs back to the districts. The Debt Service Fund expenditures include the debt service component of these agreements.

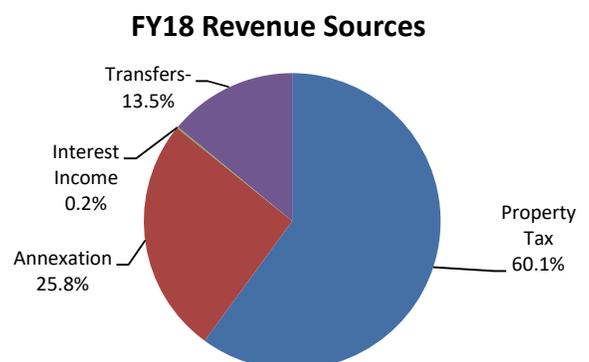
General Debt Service Fund

Fiscal Year 2017

Revenues total \$21,973,220, which includes \$17,860,700 in current and delinquent property taxes. Other funding sources include transfers from other funds and interest income. Transfers from the Utility Fund and Tourism Fund support debt service related to activities supported by those funds. Transfers from CIP represent the funds needed from transportation fees to support debt issued for University Boulevard South. Expenditures are projected at \$22,744,650, which includes \$20,998,549 in debt service payment, \$13,350 for fiscal fees, \$1,648,300 for rebates to in-City MUDs, \$74,994 transfer to the Airport Fund for taxes collected on Airport values, and \$5,157 to the Enclave at RiverPark Public Improvement District. The fund balance at 9/30/17 is projected to be \$4,918,719, which is \$2,818,864 over the fund balance policy requirement of 10% of annual debt service.

Fiscal Year 2018

Funding from property taxes includes \$17,369,811 in current property taxes and \$118,400 in delinquent property taxes. There is a budgeted reduction of \$13,389 in current property taxes as the City expects a decrease due to reappraisal for some homes that flooded from Hurricane Harvey. Total property taxes for \$17,488,211 represents 60.1% of funding sources. For FY18, the fund will received a total of \$7.5 million from the annexation of Greatwood and New Territory for the district property tax and fund balance. Tax revenues are budgeted based on the certified tax roll and a debt tax rate of \$0.13841 per \$100 valuation. Other funding sources include transfers from the Water Utility, CIP Non-Bond and Tourism Funds, CIP Bond fund to help offset the debt for GO Bonds, and interest income.



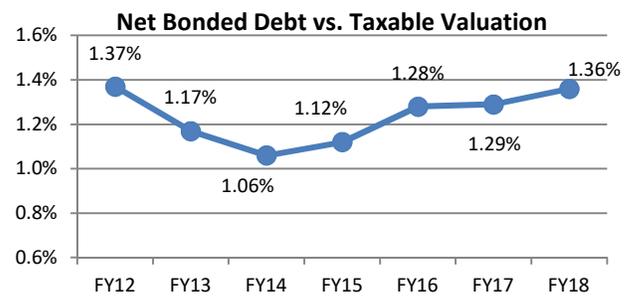
The budget includes 100% recovery on water/wastewater debt assumed from MUDs through an inter-fund transfer. The FY18 transfer from the water utility fund totals \$2,055,221.

In 2002, the City issued \$10.1 million in combination Tax and Hotel Occupancy Tax COs for a portion of the \$19.3 million total City contribution to construction of a conference center in the Sugar Land Marriott. The certificates are backed by a pledge of Hotel Occupancy Taxes. This issue was refunded in FY10 with the GO Refunding Bonds, Series 2010 with the savings being passed on to the Tourism Fund. For FY18, \$702,976 will be transferred to cover the debt service requirement for the conference center. In addition, a total of \$703,088 will also be transferred to cover the annual debt payment for debt issued in FY15 to fund a portion of the Smart Financial Centre at Sugar Land along with the adjacent plaza.

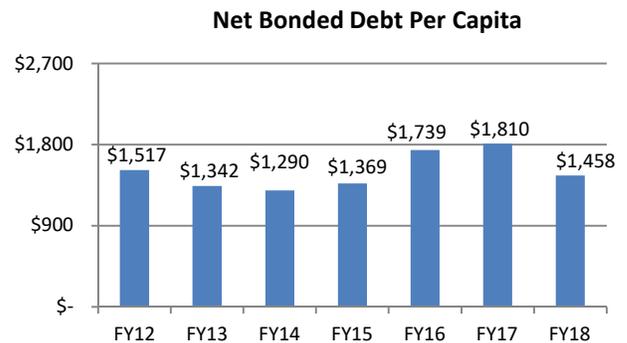
There is also a transfer in from CIP fund from transportation fees for \$472,500 to support the debt issued for University Boulevard South.

The debt service requirement on current outstanding debt is \$26,765,544. The budget incorporates \$142,800 for debt service on the anticipated issuances of \$8.1 million in new debt. Rebates to in-City MUDs and inter-fund transfers totals \$1,923,380. The budgeted ending fund balance at 9/30/18 is \$5,180,069, \$2,489,235 above the policy requirement of 10% of annual debt service requirements.

For FY18 the ratio of net bonded debt to taxable value is expected to increase from 1.29% to 1.36%, which is a healthy ratio. The ratio is utilized by bond rating agencies to compare the City’s ability to repay debt. The increase is due to additional debt issued in FY18.



Net bonded debt per capita is expected to decrease to \$1,458 due to the addition of approximately 30,000 residents as the City will annex New Territory and Greatwood in December 2017.



Debt Service Fund – Taxable Debt

One of the sources of funding for the Smart Financial Centre at Sugar Land (ACSL) is taxable Certificates of Obligation for \$27 million. The taxable CO issue carries the City's AAA bond rating from Standard and Poor's and Fitch, and will not be repaid by property taxes. While the Smart Financial Centre at Sugar Land was under construction, the SLDC covered the debt service payments (interest only) for the 2015 and 2016 debt service payments. As the lease began in December 2016, lease payments from ACE now supports the debt payments and will eventually fund a debt service reserve equal to the last three years debt payments. Payments will be made monthly according to the terms of the 30 year lease.

Fiscal Year 2017

Total revenues is projected at \$1,807,321. Lease revenue from ACE Sugar Land, LLC for the Smart Financial Centre at Sugar Land is projected at \$1,251,521 and interest income of \$300. A transfer in from SLDC for \$555,500 covered the interest payment that was due in December.

Total debt service payments due in fiscal year 2017 is \$1,110,999.

The ending fund balance at 9/30/17 is \$754,861.

Fiscal Year 2018

Total revenues are budgeted for \$1,602,049. Lease revenue from ACE Sugar Land, LLC for the Smart Financial Centre at Sugar Land is budgeted at \$1,601,299 and interest income of \$750.

Total debt service payments due in fiscal year 2018 is \$1,591,199. Payments are due in December and June. Fiscal fees are budgeted at \$1,000.

The ending fund balance at 9/30/18 is \$764,711.

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

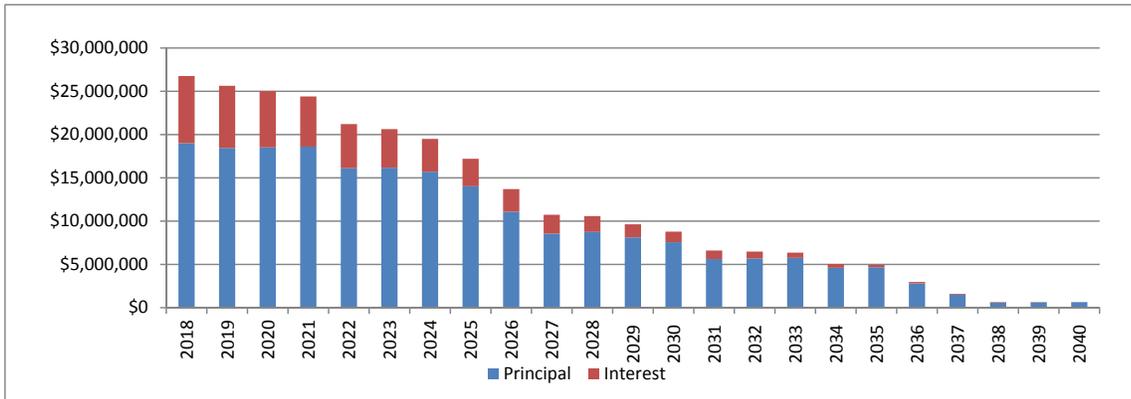
	FY16	FY17	FY17	FY18	FY18	FY18	FY18	FY18
	Actuals	Current Budget	Projections	Base Budget	Changes	Adopted Budget	Budget Amendment	Final Budget
REVENUES								
Current Property Tax	\$ 16,981,810	\$ 17,817,900	\$ 17,817,900	\$ 17,383,200	\$ -	\$ 17,383,200	\$ (13,389)	\$ 17,369,811
District Property Taxes - Annexation	-	-	-	5,837,387	-	5,837,387	-	5,837,387
Delinquent Property Taxes	142,902	42,800	42,800	118,400	-	118,400	-	118,400
Interest on Investments	43,622	25,000	45,000	50,000	-	50,000	-	50,000
Miscellaneous	-	-	-	1,664,819	-	1,664,819	-	1,664,819
Refunding Bond Proceeds	37,231,195	-	6,241	-	-	-	-	-
Operating Revenues	54,399,529	17,885,700	17,911,941	25,053,806	-	25,053,806	(13,389)	25,040,417
Total Transfers In	4,211,517	4,061,279	4,061,279	3,933,785	-	3,933,785	143,872	4,077,657
Non-operating Revenues	4,211,517	4,061,279	4,061,279	3,933,785	-	3,933,785	143,872	4,077,657
Total Revenues	58,611,046	21,946,979	21,973,220	28,987,591	-	28,987,591	130,483	29,118,074
EXPENDITURES								
Current Outstanding & New Debt	18,497,548	21,080,043	20,733,443	26,908,344	-	26,908,344	-	26,908,344
Fiscal Fees/Other	11,500	18,000	18,000	21,000	-	21,000	-	21,000
Issuance Costs	395,962	-	-	-	-	-	-	-
Refunding Payment to Escrow	36,935,787	-	-	-	-	-	-	-
Total Debt Service	55,840,797	21,098,043	20,751,443	26,929,344	-	26,929,344	-	26,929,344
Rebates & Assignments	1,605,670	1,868,280	1,880,900	1,821,020	-	1,821,020	-	1,821,020
Transfers to Other Funds	53,879	109,579	100,457	102,360	-	102,360	-	102,360
Miscellaneous	950	11,850	11,850	4,000	-	4,000	-	4,000
Total Other Expenditures	1,660,499	1,989,709	1,993,207	1,927,380	-	1,927,380	-	1,927,380
Total Expenditures	57,501,296	23,087,752	22,744,650	28,856,724	-	28,856,724	-	28,856,724
CHANGE IN FUND BALANCE	1,109,749	(1,140,773)	(771,430)	130,867	-	130,867	130,483	261,350
FUND BALANCE - BEGINNING	4,580,400	5,690,149	5,690,149	4,918,719	-	4,918,719	-	4,918,719
FUND BALANCE - ENDING	\$ 5,690,149	\$ 4,549,376	\$ 4,918,719	\$ 5,049,586	\$ -	\$ 5,049,586	\$ 130,483	\$ 5,180,069
Policy Requirement	\$ 1,849,755	\$ 2,108,004	\$ 2,073,344	\$ 2,690,834	\$ -	\$ 2,690,834	\$ -	\$ 2,690,834
Over/(Under) Policy	\$ 3,840,394	\$ 2,441,372	\$ 2,845,375	\$ 2,358,752	\$ -	\$ 2,358,752	\$ 130,483	\$ 2,489,235

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

	FY16 Actuals	FY17 Current Budget	FY17 Projections	FY18 Base Budget	FY18 Changes	FY18 Budget
REVENUES						
Rent	\$ -	\$ 1,200,749	1,251,521	\$ 1,601,299	\$ -	\$ 1,601,299
Interest Income	257	250	300	750	-	750
Operating Revenues	257	1,200,999	1,251,821	1,602,049	-	1,602,049
Transfers In	1,110,999	555,500	555,500	-	-	-
Non-operating Revenues	1,110,999	555,500	555,500	-	-	-
Total Revenues	1,111,256	1,756,499	1,807,321	1,602,049	-	1,602,049
EXPENDITURES						
Current Outstanding & New Debt	1,110,999	1,110,999	1,110,999	1,591,199	-	1,591,199
Fiscal Fees/Other	-	-	1,000	1,000	-	1,000
Total Expenditures	1,110,999	1,110,999	1,111,999	1,592,199	-	1,592,199
CHANGE IN FUND BALANCE	257	645,500	695,322	9,850	-	9,850
FUND BALANCE - BEGINNING	59,282	59,539	59,539	754,861	-	754,861
Accrued Sales Tax	-	-	-	-	-	-
Debt Service Reserve	-	-	-	-	-	-
FUND BALANCE - ENDING	\$ 59,539	\$ 705,039	\$ 754,861	\$ 764,711	\$ -	\$ 764,711

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

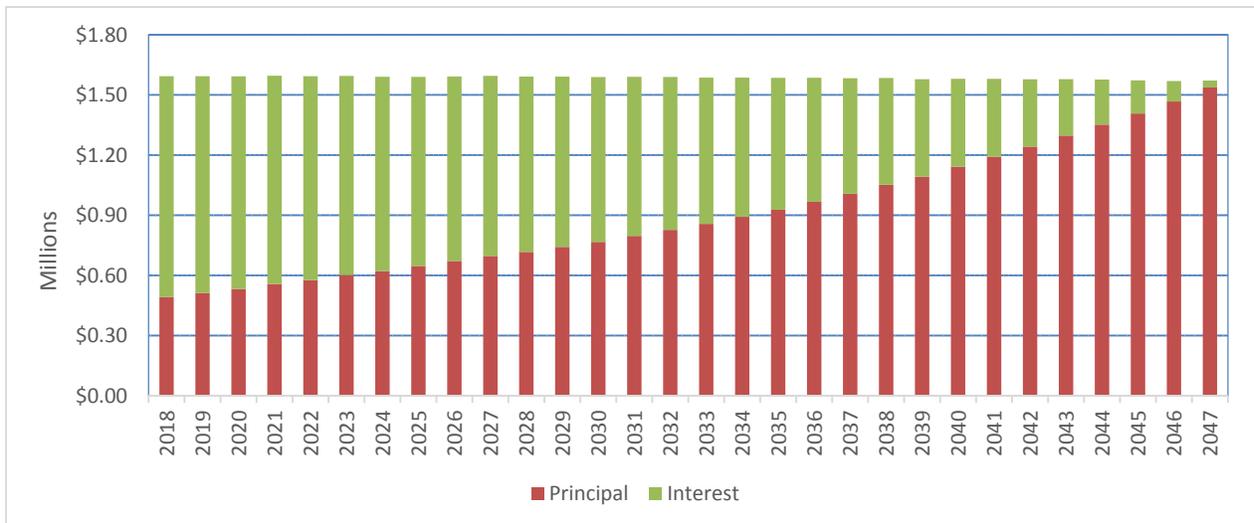
FY Ending September 30	Principal	Interest	Total
2018	\$ 19,003,184	\$ 7,762,360	\$ 26,765,544
2019	18,456,024	7,178,286	25,634,310
2020	18,525,406	6,497,179	25,022,585
2021	18,610,996	5,791,786	24,402,782
2022	16,115,000	5,100,164	21,215,164
2023	16,170,000	4,459,982	20,629,982
2024	15,710,000	3,791,882	19,501,882
2025	14,030,000	3,173,745	17,203,745
2026	11,080,000	2,621,469	13,701,469
2027	8,555,000	2,178,703	10,733,703
2028	8,750,000	1,833,094	10,583,094
2029	8,120,000	1,514,116	9,634,116
2030	7,565,000	1,224,319	8,789,319
2031	5,620,000	987,707	6,607,707
2032	5,690,000	792,187	6,482,187
2033	5,760,000	602,003	6,362,003
2034	4,610,000	435,597	5,045,597
2035	4,670,000	289,184	4,959,184
2036	2,805,000	170,181	2,975,181
2037	1,500,000	99,044	1,599,044
2038	580,000	61,600	641,600
2039	610,000	37,800	647,800
2040	640,000	12,800	652,800
TOTAL	\$ 213,175,610	\$ 56,615,186	\$ 269,790,796



* Excludes anticipated new debt

**CITY OF SUGAR LAND
DEBT SERVICE REQUIREMENTS TO MATURITY
TOTAL OF ALL DEBT OUTSTANDING - TAXABLE CO'S**

FY Ending September 30	Principal	Interest	Total
2018	\$ 490,000	\$ 1,101,199	\$ 1,591,199
2019	510,000	1,081,199	1,591,199
2020	530,000	1,060,399	1,590,399
2021	555,000	1,038,699	1,593,699
2022	575,000	1,016,099	1,591,099
2023	600,000	992,599	1,592,599
2024	620,000	968,199	1,588,199
2025	645,000	942,899	1,587,899
2026	670,000	919,530	1,589,530
2027	695,000	897,768	1,592,768
2028	715,000	874,319	1,589,319
2029	740,000	849,029	1,589,029
2030	765,000	821,933	1,586,933
2031	795,000	793,065	1,588,065
2032	825,000	762,174	1,587,174
2033	855,000	729,090	1,584,090
2034	890,000	694,190	1,584,190
2035	925,000	657,890	1,582,890
2036	965,000	618,643	1,583,643
2037	1,005,000	576,288	1,581,288
2038	1,050,000	532,105	1,582,105
2039	1,090,000	486,095	1,576,095
2040	1,140,000	438,150	1,578,150
2041	1,190,000	388,055	1,578,055
2042	1,240,000	335,810	1,575,810
2043	1,295,000	281,308	1,576,308
2044	1,350,000	224,440	1,574,440
2045	1,405,000	165,208	1,570,208
2046	1,465,000	102,038	1,567,038
2047	1,535,000	34,538	1,569,538
TOTAL	\$ 27,130,000	\$ 20,382,958	\$ 47,512,958



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

Issue	Description		Principal	Interest	Total
2008	Certificates of Obligation	New	\$ 210,000	\$ 4,200	\$ 214,200
2008	General Obligation	New	325,000	6,906	331,906
2009	Certificates of Obligation	New	1,057,441	18,505	1,075,946
2010	General Obligation	New	755,000	260,869	1,015,869
2010	Certificates of Obligation	New	8,335,000	2,563,038	10,898,038
2010	General Obligation	Refunding	9,715,000	1,688,550	11,403,550
2012	General Obligation	Refunding	1,985,000	62,300	2,047,300
2012A	General Obligation	Refunding	2,925,000	428,900	3,353,900
2013	Certificates of Obligation	New	20,595,000	5,582,697	26,177,697
2014	Tax Notes	New	4,033,169	159,499	4,192,668
2014	Certificates of Obligation	New	9,465,000	5,510,621	14,975,621
2014	General Obligation	Refunding	15,075,000	2,642,075	17,717,075
2015	Certificates of Obligation	New	13,975,000	4,785,066	18,760,066
2015	General Obligation	New	12,100,000	3,918,647	16,018,647
2015	General Obligation	Refunding	9,275,000	2,546,000	11,821,000
2016	General Obligation	Refunding	22,745,000	6,277,550	29,022,550
2016	Certificates of Obligation	New	18,230,000	5,389,800	23,619,800
2016	General Obligation	New	7,195,000	2,003,525	9,198,525
2017	Certificates of Obligation	New	19,060,000	7,168,025	26,228,025
	Sub Total		<u>177,055,610</u>	<u>51,016,772</u>	<u>228,072,382</u>
2008	FBC MUD21	Assumed Obligations	100,000	1,775	101,775
2012	FBC MUD21	Assumed Obligations	1,685,000	99,825	1,784,825
2017	Greatwood MUDs	Assumed Obligations	27,870,000	4,589,307	32,459,307
2017	New Territory MUDs	Assumed Obligations	6,465,000	907,507	7,372,507
	Sub-Total		<u>36,120,000</u>	<u>5,598,414</u>	<u>41,718,414</u>
Total Debt Requirement			<u>\$ 213,175,610</u>	<u>\$ 56,615,186</u>	<u>\$ 269,790,796</u>

* Excludes anticipated new debt

**CITY OF SUGAR LAND
DEBT SERVICE SCHEDULE OF REQUIREMENTS*
FISCAL YEAR 2018 BY ISSUE**

Issue	Description		Principal	Interest	Total
2008	Certificates of Obligation	New	\$ 210,000	\$ 4,200	\$ 214,200
2008	General Obligation	New	325,000	6,906	331,906
2009	Certificates of Obligation	New	1,057,441	18,505	1,075,946
2010	General Obligation	New	105,000	28,338	133,338
2010	Certificates of Obligation	New	995,000	303,875	1,298,875
2010	General Obligation	Refunding	1,470,000	400,800	1,870,800
2012	General Obligation	Refunding	1,540,000	42,700	1,582,700
2012A	General Obligation	Refunding	390,000	103,350	493,350
2013	Certificates of Obligation	New	1,320,000	638,094	1,958,094
2014	Tax Notes	New	785,743	54,257	840,000
2014	Certificates of Obligation	New	265,000	438,088	703,088
2014	General Obligation	Refunding	2,655,000	682,575	3,337,575
2015	Certificates of Obligation	New	550,000	494,681	1,044,681
2015	General Obligation	New	480,000	408,219	888,219
2015	General Obligation	Refunding	-	392,000	392,000
2016	General Obligation	Refunding	-	980,600	980,600
2016	Certificates of Obligation	New	960,000	594,900	1,554,900
2016	General Obligation	New	380,000	196,850	576,850
2017	Certificates of Obligation	New	955,000	779,400	1,734,400
	Sub Total		<u>14,443,184</u>	<u>6,568,338</u>	<u>21,011,522</u>
2008	FBC MUD21	Assumed Obligations	100,000	1,775	101,775
2012	FBC MUD21	Assumed Obligations	435,000	44,025	479,025
2017	Greatwood MUDs	Assumed Obligations	4,025,000	977,565	5,002,565
2017	New Territory MUDs	Assumed Obligations	-	170,657	170,657
	Sub-Total		<u>4,560,000</u>	<u>1,194,022</u>	<u>5,754,022</u>
Total Debt Requirement			<u>\$ 19,003,184</u>	<u>\$ 7,762,360</u>	<u>\$ 26,765,544</u>

* Excludes anticipated new debt

**CITY OF SUGAR LAND
COMPUTATION OF DIRECT AND OVERLAPPING DEBT
AS OF OCTOBER 1, 2017**

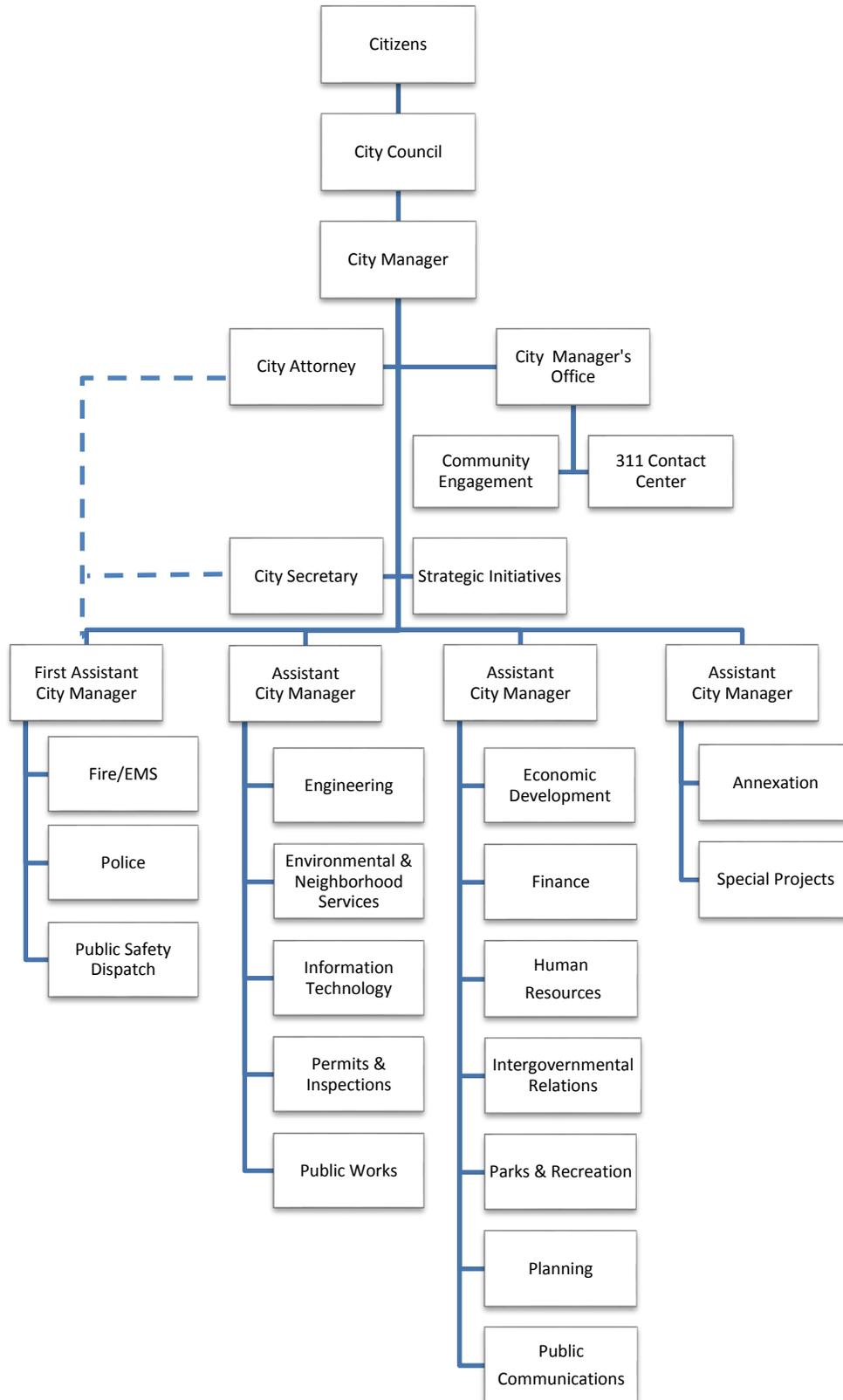
	Total G.O. Debt as of September 30, 2017	Estimated % Applicable	City's Overlapping G.O. Debt as of September 30, 2017
City of Sugar Land	\$ 167,899,210 ⁽¹⁾	100.00%	\$ 167,899,210
Burney Road MUD	9,445,000	100.00%	9,445,000
First Colony LID No. 2	0	100.00%	0
First Colony MUD No. 10	13,575,000	100.00%	13,575,000
Fort Bend County ⁽²⁾	457,498,978	20.72%	94,793,788
Fort Bend County LID No. 2	12,290,000	100.00%	12,290,000
Fort Bend County LID No. 10	13,405,000	95.04%	12,740,112
Fort Bend County LID No. 14	2,985,000	100.00%	2,985,000
Fort Bend County LID No. 17	55,730,000	100.00%	55,730,000
Fort Bend County MUD No. 116	27,170,000	0.25%	67,925
Fort Bend County MUD No. 136	4,225,000	100.00%	4,225,000
Fort Bend County MUD No. 137	29,100,000	100.00%	29,100,000
Fort Bend County MUD No. 138	41,140,000	100.00%	41,140,000
Fort Bend County MUD No. 139	13,570,000	100.00%	13,570,000
Fort Bend County WC&ID No. 2	67,465,000	0.50%	337,325
Fort Bend ISD	963,738,767	39.72%	382,797,038
Imperial Redevelopment District	12,135,000	100.00%	12,135,000
Total Direct and Overlapping Funded Debt			\$ 852,830,398
Ratio of Direct and Overlapping Funded Debt to Taxable Assessed Valuation			6.76%
Per Capita Overlapping Funded Debt			\$ 9,721

(1) Net Debt paid from ad valorem taxes.

(2) Does not include \$108,735,000 U/L Tax Subordinate Lien Toll Road Revenue Refunding Bonds, Series 2012

General Fund Organizational Chart

As of October 1, 2017



General Fund

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

Fiscal Year 2017

Total revenues

Revenues are projected to come in at \$85,237,907 which is 2.5% less than the current budget. Variances from budget are in sales tax, other taxes, charges for services, licenses and permits, fines and forfeitures, other income, and interest income.

The amended sales tax budget is projected to come in at \$36,453,667, which is lower than the adopted budget of \$38,242,500, Other taxes are estimated to generate 5.0% greater than budgeted revenue. License and permits, which reflects building activities in the community are anticipated to be 18.1% less than budgeted. Charges for services are projected to come in 9.4% more than budgeted as a result of the City receiving more revenues than budgeted for the billing of EMS services. Fines and forfeitures are projected at \$1,536,131, 18.7% lower than budgeted, as a result of receiving lower Court fine revenues. Other income is projected at \$447,808, or 6.12% less than budgeted. This is a result of estimating less in donations, sales of capital property, and other miscellaneous revenues, based on current trends. Intergovernmental revenues are projected at \$634,517, which is a 2.7% increase compared with the current budget. Interest income of \$187,280 is anticipated to be slightly less than budget due to current trends.

Total expenditures

Overall, General Fund departmental expenditures are expected to end the year 0.3% above budget. Expenditures for FY17 are projected to be \$87,315,664, or 3.3% less than budgeted. This is primarily a result of a reduction in transfers to the Capital Projects Fund.

Total fund balance

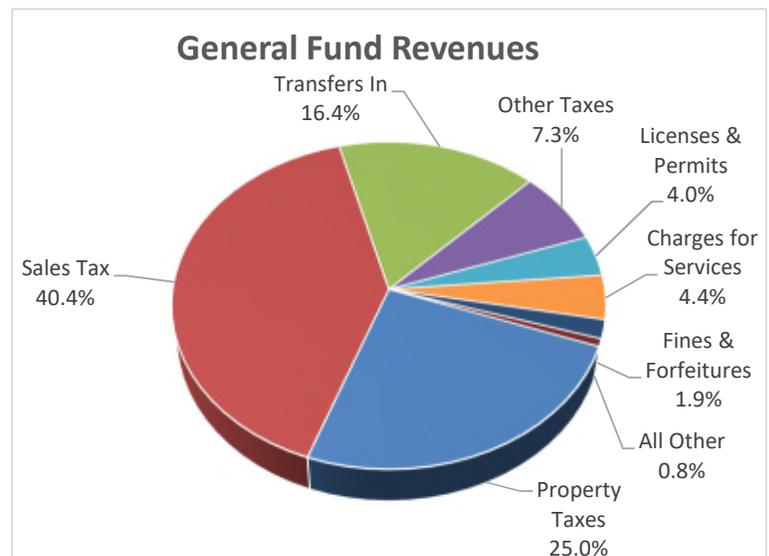
The fund balance is projected to be \$19,397,986 as of September 30, 2017. This fund balance is \$1,016,285 or 1% greater than the policy requirement of 25%.

Fiscal Year 2018

Budgeted revenues

The budgeted revenues total of \$89,901,902 after amending the budget on October 17th, 2017 which was necessary to recognize lower sales tax estimates based on current economic conditions, as well as reduced revenue from the adopted tax rate. The chart on the right shows a breakdown of General Fund revenues by type.

Sales tax revenue of \$36,314,779 represents the largest portion of General Fund operating revenues at 40.4%. Sales tax is highly dependent on economic conditions



and can fluctuate. Sales tax for FY18 is expected to be in line with FY17, largely due to the uncertainty of economic growth in the Houston area.

The adopted budget was based on a tax rate of \$0.32233 with an O&M rate of \$0.17351. The amended budget incorporates property tax revenues of \$22,468,289 and is based on an O&M tax rate of \$0.17921 and an estimated taxable value of \$12.62 billion after the increase to the homestead exemption.

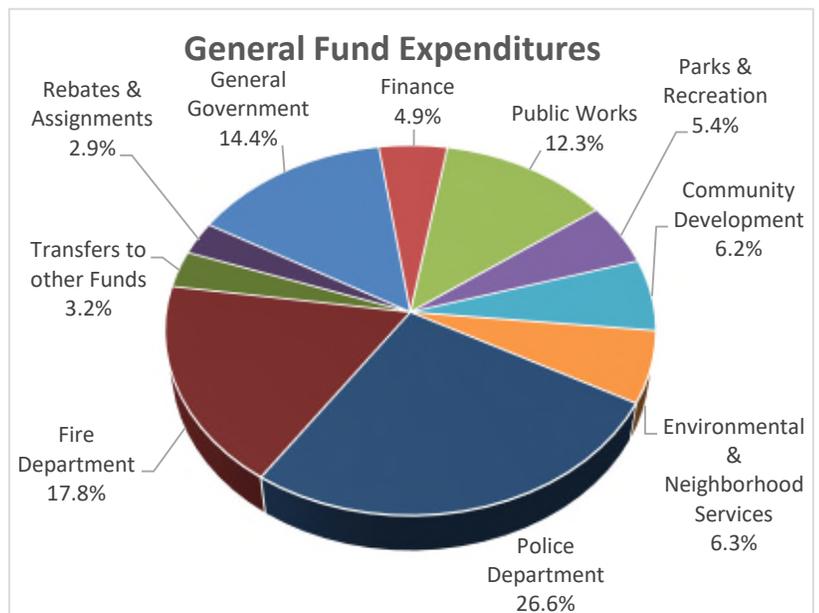
A total of \$14,734,998 are transfers into to the General Fund. These transfers are from the Utility, Surface Water, Solid Waste, and Airport funds as reimbursement for overhead costs as determined by a cost allocation model. A transfer from the Sugar Land Development and Sugar Land 4B Corporations reimburse cost for Economic Development staff and activity, as well as for managing capital projects funded by the corporations. The transfers also include funds from the Debt Reduction and Utilities Funds which are for Annexation related items only.

Other taxes total \$6,550,729 and are made up of franchise payments the City receives from electric, natural gas, cable, and telephone providers for use of the City’s right-of-way. Licenses and Permits revenue is \$3,567,148 and include \$552,000 for major building projects that are anticipated for FY18. Charges for services are budgeted at \$3,924,076 and include park facility fees, animal adoption fees, EMS billing, fire protection fees and other miscellaneous fees; EMS billing fees of \$1,530,187 accounts for 39.0% of charges for services. It’s important to highlight that Fire protection fees will decrease with annexation as Greatwood and New Territory are incorporated into the City. The remaining income totals \$2,341,883 and is made up of fines and forfeitures, interest income, and other miscellaneous revenues.

Budgeted expenditures

General Fund amended budget expenditure totals \$89,131,910 for FY18. Of this total, \$84,038,732 is for departmental expenditures and \$5,093,178 is for non-departmental expenditures including transfers, rebates & assignments, and miscellaneous expenditures. The amended budget also includes \$1.32 million in reductions to balance the budget. These reductions will be identified in the following sections.

The adopted budget included total recurring additions of \$2.68 million. After the amendment this amount was reduced to \$1.04 million. The recurring additions include: Annexation items such as, traffic operations, landscaping, 311 Contact Center, pavement markings, appraisal cost for Greatwood and New Territory, and 16.50 new positions. It also includes \$42,200 for Cultural Arts Program maintenance of Public Art, and funding for internet connectivity and bandwidth. The FY18 recurring adjustments also include merit reductions totaling \$316,033 and budget reductions of \$1.01 million from the budget amendment. All budget reductions are outlined in the departmental summaries.



The adopted budget included total one-time funding of \$528,564 in the FY18 budget. These include: \$475,169 in Annexation items such as, codification of City boundaries, medical equipment for EMS, Storm Water Plan (MS4), and redistricting City areas. It also includes \$53,395 for Municipal Court training & travel, replacement of roof top HVAC unit for Police Department’s server room, Fleet temporary help, and a transfer to the Court Technology Fund. In

addition, the FY18 amended budget also includes grant funds, funding for pool maintenance, and funding for Hurricane Harvey studies totaling \$313,619.

Budgeted fund balance

The fund balance ending of \$20,167,978 is \$364,547 greater than the reserve policy requirement of 25%. The FY18 budget is anticipated to have \$769,992 in revenues over expenditures.

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

	FY16	FY17	FY17	FY18	FY18	FY18	FY18	FY18
	Actuals	Current Budget	Projections	Base Budget	Changes	Adopted Budget	Budget Amendment	Final Budget
REVENUES								
Property Taxes	\$ 20,186,223	\$ 20,846,700	\$ 20,846,700	\$ 23,097,800	\$ -	\$ 23,097,800	\$ (629,511)	\$ 22,468,289
Sales Tax	39,275,872	38,242,500	36,453,667	37,064,779	-	37,064,779	(750,000)	36,314,779
Other Taxes	5,902,847	5,873,500	6,166,432	6,550,729	-	6,550,729	-	6,550,729
Licenses & Permits	3,242,527	3,829,446	3,135,283	3,567,148	-	3,567,148	-	3,567,148
Charges for Services	4,749,243	5,309,213	5,806,894	3,924,076	-	3,924,076	-	3,924,076
Fines & Forfeitures	1,801,032	1,888,500	1,536,131	1,665,840	-	1,665,840	-	1,665,840
Other	524,803	476,980	447,808	341,808	-	341,808	-	341,808
Intergovernmental	219,256	617,926	634,517	70,000	-	70,000	71,955	141,955
Interest Income	486,495	220,000	187,280	192,280	-	192,280	-	192,280
Operating Revenues	76,388,300	77,304,765	75,214,712	76,474,460	-	76,474,460	(1,307,556)	75,166,904
Transfers In	6,697,192	10,148,022	10,023,195	14,734,998	-	14,734,998	-	14,734,998
Lease Proceeds	-	-	-	-	-	-	-	-
Non-operating Revenues	6,697,192	10,148,022	10,023,195	14,734,998	-	14,734,998	-	14,734,998
Total Revenues	83,085,493	87,452,787	85,237,907	91,209,458	-	91,209,458	(1,307,556)	89,901,902
EXPENDITURES								
General Government	11,458,113	12,655,563	12,881,465	12,738,721	365,150	13,103,871	(442,506)	12,661,365
Finance	3,591,639	4,104,453	4,089,378	4,172,555	231,872	4,404,427	(13,664)	4,390,763
Public Works	8,252,589	9,143,714	9,293,964	9,688,489	1,430,986	11,119,475	(215,595)	10,903,880
Parks & Recreation	4,242,721	4,903,832	4,951,834	4,922,185	-	4,922,185	(170,578)	4,751,607
Community Development	4,999,372	5,168,297	5,167,972	5,323,808	321,229	5,645,037	(24,130)	5,620,907
Environmental & Neighborhood SVC	4,892,220	5,279,553	5,281,267	5,321,002	396,177	5,717,179	(16,745)	5,700,434
Police Department	20,147,705	23,343,067	23,241,023	24,033,750	70,211	24,103,961	(112,750)	23,991,211
Fire Department	14,166,312	15,543,810	15,454,787	15,728,203	376,808	16,105,011	(86,446)	16,018,565
Departmental Expenditures	71,750,671	80,142,289	80,361,690	81,928,713	3,192,433	85,121,146	(1,082,414)	84,038,732
Transfers to other Funds	7,145,182	6,669,101	3,826,528	2,826,213	12,000	2,838,213	-	2,838,213
Miscellaneous	997,089	887,011	569,533	(116,223)	-	(116,223)	(200,000)	(316,223)
Rebates & Assignments	3,444,735	2,557,913	2,557,913	2,613,188	-	2,613,188	(42,000)	2,571,188
Debt Service	-	-	-	-	-	-	-	-
Non-departmental Expenditures	11,587,006	10,114,025	6,953,974	5,323,178	12,000	5,335,178	(242,000)	5,093,178
Total Expenditures	83,337,677	90,256,314	87,315,664	87,251,891	3,204,433	90,456,324	(1,324,414)	89,131,910
Revenues Over/(Under) Expenditures	(252,184)	(2,803,527)	(2,077,757)	3,957,567	(3,204,433)	753,134	16,858	769,992
Fund Balance - Beginning	28,794,532	28,542,348	28,542,348	26,464,591	-	26,464,591	-	26,464,591
Accrued Sales/Franchise Taxes	(6,865,773)	(7,066,605)	(7,066,605)	(7,066,605)	-	(7,066,605)	-	(7,066,605)
Fund Balance - Ending	\$ 21,676,575	\$ 18,672,216	\$ 19,397,986	\$ 23,355,553	\$ (3,204,433)	\$ 20,151,120	\$ 16,858	\$ 20,167,978
Ending Fund Balance- % of Oper Exp		25%	26%	30%		25%		25%
Fund Balance - Requirement		\$ 18,474,692	\$ 18,381,701	\$ 19,504,871		\$ 19,992,535		\$ 19,803,431
Over / (Under) Policy		197,524	1,016,285	3,775,850		158,585		364,547

GENERAL FUND

SCHEDULE OF REVENUES

Description	FY16 Actuals	FY17 Current Budget	FY17 Projections	FY18 Base Budget	FY18 Changes	FY18 Budget	FY18 Budget Amendment	FY18 Final Budget
CURRENT TAXES	\$ 20,038,633	\$ 20,846,700	\$ 20,846,700	\$ 23,097,800	\$ -	\$ 23,097,800	\$ (629,511)	\$ 22,468,289
DELINQUENT TAXES	(21,099)	-	-	-	-	-	-	-
PENALTY & INTEREST	163,436	-	-	-	-	-	-	-
SPECIAL INVENTORY/OVERAGE	5,254	-	-	-	-	-	-	-
Property Taxes	20,186,223	20,846,700	20,846,700	23,097,800	-	23,097,800	(629,511)	22,468,289
SALES TAXES	39,275,872	37,840,490	36,453,667	37,064,779	-	37,064,779	(750,000)	36,314,779
S. TAX INCENTIVE AGRMTS	-	402,010	-	-	-	-	-	-
Sales Tax	39,275,872	38,242,500	36,453,667	37,064,779	-	37,064,779	(750,000)	36,314,779
MIXED DRINK TAX	580,406	573,000	578,269	578,269	-	578,269	-	578,269
ELECTRIC FRANCHISE	3,583,225	3,610,000	3,637,156	3,637,156	-	3,637,156	-	3,637,156
GAS FRANCHISE	241,611	327,500	240,660	240,660	-	240,660	-	240,660
FRANCHISE TELECOMM.	238,422	266,000	224,340	274,747	-	274,747	-	274,747
MISC. FRANCHISE FEES	207,792	217,000	264,846	324,354	-	324,354	-	324,354
CABLE TV FRANCHISE	1,051,391	880,000	1,221,161	1,495,543	-	1,495,543	-	1,495,543
Other Taxes	5,902,847	5,873,500	6,166,432	6,550,729	-	6,550,729	-	6,550,729
BUILDING PERMITS	1,677,129	2,203,096	1,765,743	2,029,661	-	2,029,661	-	2,029,661
INFRASTRUCTURE REVIEW	92,590	157,134	28,265	28,265	-	28,265	-	28,265
LAND DISTURBANCE FEE	-	-	3,443	3,443	-	3,443	-	3,443
RENTAL INSPECTION LICENSE	267,512	262,574	254,917	348,261	-	348,261	-	348,261
RENTAL REINSPECTION FEE	14,376	5,050	5,473	5,609	-	5,609	-	5,609
BLDG PERMITS - ELECTRICAL PERMITS	241,505	252,475	166,350	188,638	-	188,638	-	188,638
IRRIGATION PERMITS	28,179	40,396	46,188	47,019	-	47,019	-	47,019
HEALTH PERMITS	309,060	302,970	303,167	330,284	-	330,284	-	330,284
BLDG PERMITS - HVAC PERMITS	197,283	196,931	205,494	225,250	-	225,250	-	225,250
LIQUOR PERMITS	37,805	33,000	19,120	19,120	-	19,120	-	19,120
BLDG PERMITS - PLUMBING PERMITS	172,165	156,535	137,408	140,383	-	140,383	-	140,383
MOWING LIENS	5,885	1,000	1,176	1,176	-	1,176	-	1,176
PLAT FEES	50,946	65,644	23,139	23,139	-	23,139	-	23,139
REINSPECTION FEES	13,005	11,109	38,263	38,263	-	38,263	-	38,263
PARKING PERMITS	192	202	68	68	-	68	-	68
SIGN PERMITS	21,417	25,248	23,594	24,071	-	24,071	-	24,071
FLOOD ZONE DEVEL PERMIT	300	1,515	600	600	-	600	-	600
CONTRACTOR REGISTRATION	44,206	40,396	42,413	43,303	-	43,303	-	43,303
R-O-W PERMIT	2,025	2,020	3,150	3,150	-	3,150	-	3,150
SOLICITOR PERMITS	7,970	8,022	6,089	6,222	-	6,222	-	6,222
SITE PLAN FEES	24,440	23,228	26,838	26,838	-	26,838	-	26,838
ZONING & CONDITIONAL USE	27,911	33,327	21,348	21,348	-	21,348	-	21,348
PERMIT PENALTIES	6,628	7,574	13,037	13,037	-	13,037	-	13,037
Licenses & Permits	3,242,527	3,829,446	3,135,283	3,567,148	-	3,567,148	-	3,567,148
REIMBURSEMENTS	250,030	377,234	360,815	308,424	-	308,424	-	308,424
ROYALTIES	167	180	180	180	-	180	-	180
STREET LIGHT CHARGES	32,900	52,000	24,183	24,183	-	24,183	-	24,183
ANIMAL ADOPTION FEES	40,891	43,500	45,230	45,230	-	45,230	-	45,230
ANIMAL SERVICE FEES	215	-	-	-	-	-	-	-
ANIMAL IMPOUNDMENT FEES	740	950	658	658	-	658	-	658
POOL ADMISSIONS	7,152	7,500	7,500	7,500	-	7,500	-	7,500
SWIM LESSIONS	3,352	1,700	1,700	1,700	-	1,700	-	1,700
FACILITY USAGE CARDS	95,257	98,000	92,732	92,732	-	92,732	-	92,732
POOL RENTAL	1,024	1,450	-	-	-	-	-	-
P&R BUILDING RENTALS	129,670	105,500	98,271	98,271	-	98,271	-	98,271
COMM. EVENTS-RECREATION	631	1,000	3,404	3,404	-	3,404	-	3,404
ATHLETIC LEAGUES	32,586	28,500	26,729	26,729	-	26,729	-	26,729
PAVILION RENTALS	44,387	50,000	51,469	51,469	-	51,469	-	51,469
CAMP PROGRAMS	137,214	160,000	160,000	160,000	-	160,000	-	160,000
LIGHT FEES	43,875	44,000	44,364	44,364	-	44,364	-	44,364
LEISURE CLASSES	89,191	100,000	110,407	110,407	-	110,407	-	110,407
ATHLETIC FIELD RENTAL	12,715	12,000	7,973	7,973	-	7,973	-	7,973

GENERAL FUND

SCHEDULE OF REVENUES

Description	FY16	FY17	FY17	FY18	FY18	FY18	FY18	FY18
	Actuals	Current Budget	Projections	Base Budget	Changes	Budget	Budget Amendment	Final Budget
SENIOR PROGRAMS	23,566	28,000	6,212	6,212	-	6,212	-	6,212
ACCIDENT REPORTS	15,698	15,000	13,064	17,910	-	17,910	-	17,910
CASH OVER & SHORT	(22)	105	123	123	-	123	-	123
FALSE ALARM FEES	67,250	45,000	71,900	94,214	-	94,214	-	94,214
REPRODUCTION COPIES	2,678	3,300	1,293	1,293	-	1,293	-	1,293
FINGER PRINTING	6,790	7,300	6,324	6,324	-	6,324	-	6,324
EMS BILLING	878,325	1,171,546	1,575,261	1,530,187	-	1,530,187	-	1,530,187
FIRE PROTECTION FEES	2,691,660	2,860,448	2,919,348	1,104,364	-	1,104,364	-	1,104,364
HAZ MAT RESPONSE	9,757	12,000	9,756	9,756	-	9,756	-	9,756
FIRE ALARM PERMITS	31,056	29,000	35,777	36,428	-	36,428	-	36,428
OTHER FIRE CODE PERMITS	100,491	54,000	132,221	134,041	-	134,041	-	134,041
Charges for Services	4,749,243	5,309,213	5,806,894	3,924,076	-	3,924,076	-	3,924,076
ADMINISTRATIVE COURT FEES	96,226	93,000	65,723	65,723	-	65,723	-	65,723
DPS FEES - CITY PORTION	7,428	9,500	6,746	6,746	-	6,746	-	6,746
CHILD SAFETY FINES	118,766	115,000	125,471	125,471	-	125,471	-	125,471
MUNICIPAL COURT FINES	1,444,951	1,503,000	1,225,080	1,354,789	-	1,354,789	-	1,354,789
JUDICIAL EFFICIENCY	12,296	14,500	10,311	10,311	-	10,311	-	10,311
WARRANT FEES	109,450	143,500	92,242	92,242	-	92,242	-	92,242
COURT CONVIENCE FEE	11,915	10,000	10,558	10,558	-	10,558	-	10,558
Fines & Forfeitures	1,801,032	1,888,500	1,536,131	1,665,840	-	1,665,840	-	1,665,840
DONATIONS	159,097	96,343	58,060	58,060	-	58,060	-	58,060
MISCELLANEOUS	146,560	102,137	82,551	82,551	-	82,551	-	82,551
PROPERTY INS RECOVERY	181,455	225,000	288,130	182,130	-	182,130	-	182,130
SALE OF CAPITAL PROPERTY	13,485	25,000	10,000	10,000	-	10,000	-	10,000
UNCLAIMED & NON-CAPITAL	24,207	28,500	9,067	9,067	-	9,067	-	9,067
Other	524,803	476,980	447,808	341,808	-	341,808	-	341,808
LEOSE FUNDS	9,855	-	-	-	-	-	-	-
STEP WAVE GRANT	17,072	59,949	60,199	-	-	-	-	-
CONSOLIDATED GRANTS	122,330	48,661	48,661	-	-	-	71,955	71,955
TIRZ FUND 111	70,000	53,659	70,000	70,000	-	70,000	-	70,000
FROM CU SL4B FUND 114	-	455,657	455,657	-	-	-	-	-
Intergovernmental	219,256	617,926	634,517	70,000	-	70,000	71,955	141,955
INTEREST ON INVESTMENTS	504,464	220,000	206,315	211,315	-	211,315	-	211,315
UNREALIZ GAIN/LOSS-INVEST	(17,969)	-	(19,035)	(19,035)	-	(19,035)	-	(19,035)
Interest Income	486,495	220,000	187,280	192,280	-	192,280	-	192,280
ADMINISTRATIVE FEES	6,168,759	5,425,300	5,395,300	6,138,465	-	6,138,465	-	6,138,465
TRANSFER FROM UTILITIES	-	-	5,000	795,289	-	795,289	-	795,289
TRANSFER FROM SOLID WASTE	-	-	-	300,000	-	300,000	-	300,000
TRF FR DEBT REDUCTION 074 GTWOOD	-	2,075,860	2,075,860	3,363,874	-	3,363,874	-	3,363,874
TRF FR DEBT REDUCTION 079 NT	-	2,075,860	2,075,860	3,571,392	-	3,571,392	-	3,571,392
TRF FR RED LIGHT FUND 073	528,434	571,002	471,175	565,978	-	565,978	-	565,978
Transfers In	6,697,192	10,148,022	10,023,195	14,734,998	-	14,734,998	-	14,734,998
Lease Proceeds	-	-	-	-	-	-	-	-
GRAND TOTAL	\$ 83,085,493	\$ 87,452,787	\$ 85,237,907	\$ 91,209,458	\$ -	\$ 91,209,458	\$ (1,307,556)	\$ 89,901,902

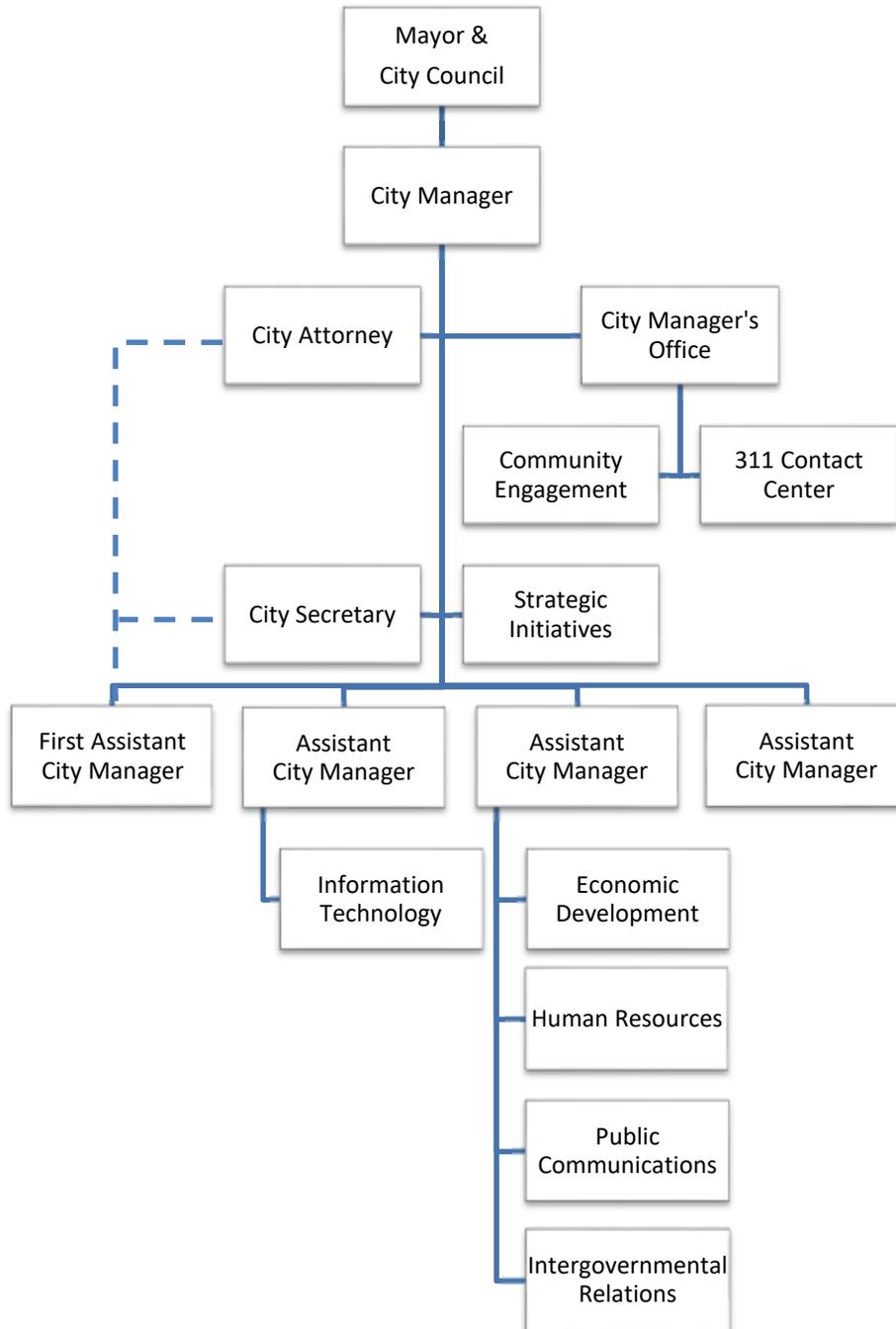
**GENERAL FUND
SUMMARY OF EXPENDITURES**

Description	FY16	FY17	FY17	FY18	FY18	FY18	FY18	FY18
	Actuals	Current Budget	Projections	Base Budget	Changes	Adopted Budget	Budget Amendment	Final Budget
Mayor & City Council	\$ 247,072	\$ 250,320	\$ 250,320	\$ 247,839	\$ -	\$ 247,839	\$ (10,000)	237,839
City Manager	889,170	832,255	1,040,733	860,637	-	860,637	(6,412)	854,225
Assistant City Managers	973,508	921,769	926,769	1,075,580	-	1,075,580	(8,891)	1,066,689
Community Engagement Department	-	-	-	102,516	-	102,516	(350)	102,166
City Secretary	853,032	960,710	960,710	985,183	22,759	1,007,942	(6,217)	1,001,725
Public Communications	963,190	1,367,948	1,372,368	1,065,272	44,000	1,109,272	(267,594)	841,678
311 Contact Center	-	-	5,000	45,289	190,847	236,136	-	236,136
Human Resources	1,453,765	1,464,758	1,464,787	1,504,046	10,344	1,514,390	(27,947)	1,486,443
City Attorney	892,792	914,121	914,121	839,939	30,000	869,939	(4,664)	865,275
Information Technology	3,747,067	3,983,630	3,981,806	3,961,796	32,200	3,993,996	(15,608)	3,978,388
Strategic Initiatives	673,207	763,425	763,425	751,233	-	751,233	(66,107)	685,126
Economic Development	765,309	1,196,627	1,201,426	1,299,391	35,000	1,334,391	(28,716)	1,305,675
General Government	11,458,113	12,655,563	12,881,465	12,738,721	365,150	13,103,871	(442,506)	12,661,365
Finance Administration	641,897	971,568	971,568	1,039,412	89,400	1,128,812	(13,610)	1,115,202
Budget Office	417,133	463,503	463,503	487,395	-	487,395	(2,479)	484,916
Accounting	1,050,669	1,087,147	1,077,647	1,070,710	128,926	1,199,636	10,398	1,210,034
Purchasing	539,803	569,037	569,037	570,723	-	570,723	(3,695)	567,028
Municipal Court	942,136	1,013,198	1,007,623	1,004,315	13,546	1,017,861	(4,278)	1,013,583
Finance	3,591,639	4,104,453	4,089,378	4,172,555	231,872	4,404,427	(13,664)	4,390,763
Public Works Administration	476,576	741,738	741,617	522,218	-	522,218	(4,658)	517,560
Street & Drainage Maintenance	2,334,438	2,803,736	2,784,998	3,295,906	398,359	3,694,265	(103,117)	3,591,148
ROW Maintenance	1,641,154	1,737,846	1,822,295	2,018,230	142,647	2,160,877	(102,191)	2,058,686
Traffic Operations	3,800,421	3,860,394	3,945,054	3,852,135	889,980	4,742,115	(5,629)	4,736,486
Public Works	8,252,589	9,143,714	9,293,964	9,688,489	1,430,986	11,119,475	(215,595)	10,903,880
Parks Administration	711,714	657,616	657,048	689,606	-	689,606	(6,242)	683,364
Development & Maintenance	2,005,865	2,645,144	2,641,032	2,582,931	-	2,582,931	(44,209)	2,538,722
Special Events	-	-	-	228,993	-	228,993	-	228,993
Recreation	1,525,141	1,601,072	1,653,754	1,420,655	-	1,420,655	(120,127)	1,300,528
Parks & Recreation	4,242,721	4,903,832	4,951,834	4,922,185	-	4,922,185	(170,578)	4,751,607
Community Development Administration	279,388	287,291	287,291	296,786	-	296,786	(121,495)	175,291
Permits & Inspections	1,226,701	1,246,584	1,255,194	1,339,207	59,956	1,399,163	(7,054)	1,392,109
Planning & Development	475,697	522,565	522,430	528,973	84,251	613,224	(7,877)	605,347
Transportation & Long Range Planning	436,380	484,282	484,282	435,983	75,000	510,983	(71,848)	439,135
City Engineer	2,581,207	2,627,575	2,618,775	2,722,859	102,022	2,824,881	184,144	3,009,025
Community Development	4,999,372	5,168,297	5,167,972	5,323,808	321,229	5,645,037	(24,130)	5,620,907
ENS Administration	433,811	481,366	481,366	405,404	-	405,404	(1,474)	403,930
Community Outreach	11,684	37,016	37,016	-	-	-	-	-
Fleet Services	685,612	729,158	725,317	772,410	10,100	782,510	(3,849)	778,661
Facilities Management	2,138,961	2,165,606	2,171,998	2,276,883	49,760	2,326,643	(3,028)	2,323,615
Animal Services	657,762	737,339	737,954	781,059	138,076	919,135	(3,234)	915,901
Stormwater Management	122,013	162,612	162,431	94,468	115,000	209,468	(168)	209,300
Food Inspection	257,370	341,773	340,828	311,703	3,350	315,053	(1,431)	313,622
Code Enforcement	342,868	373,017	372,357	352,090	76,957	429,047	(1,932)	427,115
Rental Registration	242,138	251,666	252,000	326,985	2,934	329,919	(1,629)	328,290
Environmental & Neighborhood SVC	4,892,220	5,279,553	5,281,267	5,321,002	396,177	5,717,179	(16,745)	5,700,434
Police Administration	998,400	1,115,752	1,113,752	1,141,302	-	1,141,302	(5,735)	1,135,567
Support Services Bureau	2,147,443	2,576,600	2,503,345	2,233,804	50,615	2,284,419	(16,274)	2,268,145
TCLEOSE Training	518	17,941	17,941	-	-	-	-	-
Patrol	10,892,248	12,887,564	12,895,062	13,124,488	10,867	13,135,355	(52,063)	13,083,292
Criminal Investigations	3,602,424	3,820,536	3,786,249	4,012,765	6,649	4,019,414	(19,232)	4,000,182
Detention Center	387,776	420,227	420,227	423,580	-	423,580	(2,082)	421,498
SWAT	25,361	30,001	30,001	25,000	-	25,000	-	25,000
Public Safety Dispatch	2,093,535	2,474,446	2,474,446	3,072,811	2,080	3,074,891	(17,364)	3,057,527
Police Department	20,147,705	23,343,067	23,241,023	24,033,750	70,211	24,103,961	(112,750)	23,991,211
Fire Administration	402,219	420,066	418,254	410,021	-	410,021	(2,060)	407,961
Emergency Services	10,099,704	10,578,662	10,521,077	10,956,904	-	10,956,904	(57,485)	10,899,419
Emergency Medical Services	1,591,874	2,187,643	2,171,482	2,135,479	184,823	2,320,302	(8,260)	2,312,042
Haz Mat	20,678	40,543	39,842	44,539	-	44,539	-	44,539
Prevention	968,964	1,022,728	1,018,716	1,045,996	191,985	1,237,981	(6,422)	1,231,559
Emergency Management	373,366	429,203	426,929	392,503	-	392,503	(4,052)	388,451
Professional Development	709,507	864,965	858,487	742,761	-	742,761	(8,167)	734,594
Fire Department	14,166,312	15,543,810	15,454,787	15,728,203	376,808	16,105,011	(86,446)	16,018,565

Description	FY16	FY17	FY17	FY18	FY18	FY18	FY18	FY18
	Actuals	Current Budget	Projections	Base Budget	Changes	Adopted Budget	Budget Amendment	Final Budget
Total Operating Expenditures	71,750,671	80,142,289	80,361,690	81,928,713	3,192,433	85,121,146	(1,082,414)	84,038,732
Transfers to other Funds	7,145,182	6,669,101	3,826,528	2,826,213	12,000	2,838,213	-	2,838,213
Miscellaneous	997,089	887,011	569,533	(116,223)		(116,223)	(200,000)	(316,223)
Rebates & Assignments	3,444,735	2,557,913	2,557,913	2,613,188		2,613,188	(42,000)	2,571,188
Debt Service	-	-	-	-	-	-	-	-
Total Non-Operating	11,587,006	10,114,025	6,953,974	5,323,178	12,000	5,335,178	(242,000)	5,093,178
Total Expenditures	83,337,677	90,256,314	87,315,664	87,251,891	3,204,433	90,456,324	(1,324,414)	89,131,910
Category Summary								
Salary & Benefits	54,535,861	59,696,780	59,799,201	63,405,572	1,324,314	64,729,886	(644,414)	64,085,472
Supplies	2,413,706	3,266,162	3,125,285	4,011,060	248,212	4,259,272	(42,000)	4,217,272
Professional Services	6,971,994	7,570,281	7,685,101	6,348,001	959,764	7,307,765	101,000	7,408,765
Repairs & Maintenance	4,918,817	5,402,112	5,473,862	5,799,716	264,058	6,063,774	(139,550)	5,924,224
Purchased Services	2,226,482	2,423,783	2,479,055	2,194,919	212,929	2,407,848	(357,450)	2,050,398
Capital Items/Other	683,810	1,783,171	1,799,186	169,445	183,156	352,601	-	352,601
Total Category Expenditures	71,750,671	80,142,289	80,361,690	81,928,713	3,192,433	85,121,146	(1,082,414)	84,038,732
Total Non-Operating	11,587,006	10,114,025	6,953,974	5,323,178	12,000	5,335,178	(242,000)	5,093,178
Total Expenditures	\$ 83,337,677	\$ 90,256,314	\$ 87,315,664	\$ 87,251,891	\$ 3,204,433	\$ 90,456,324	\$ (1,324,414)	\$ 89,131,910

General Government

As of October 1, 2017



Mayor and City Council

Services Provided

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

FY18 Requests

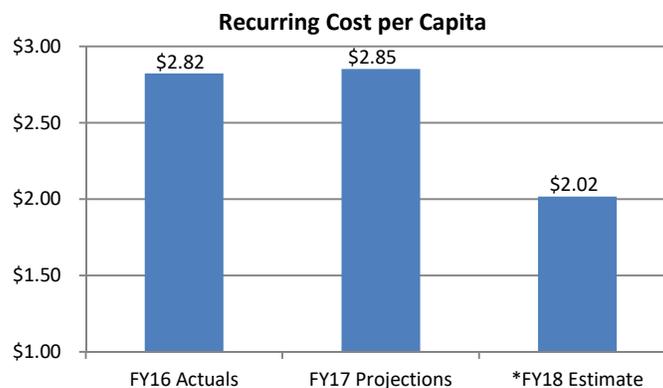
There are no additions to the Mayor and City Council FY18 budget.

FY18 Amendment

The FY18 Mayor & City Council budget was amended by \$10,000. This amendment includes a \$5,000 reduction for the Impact Player Partner Reception and a \$5,000 reduction for Council retreats and out of state travel expenses.

Performance Measures: Responsible City Government

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



*FY18 reflects increase in population due to annexation

Summary by Category	FY16 Actuals	FY17 Current Budget	FY17 Projections	FY18 Base Budget	FY18 Changes	FY18 Budget	FY18 Amendment	FY18 Final Budget
Salary & Benefits	\$ 168,924	\$ 172,315	\$ 172,315	\$ 169,834	\$ -	\$ 169,834	\$ -	\$ 169,834
Supplies	13,933	10,774	10,774	15,274	-	15,274	(5,000)	10,274
Professional Services	20,701	27,700	27,700	23,200	-	23,200	-	23,200
Repairs & Maintenance	-	-	-	-	-	-	-	-
Purchased Services	43,514	39,531	39,531	39,531	-	39,531	(5,000)	34,531
Capital/Other	-	-	-	-	-	-	-	-
Category Totals	\$ 247,072	\$ 250,320	\$ 250,320	\$ 247,839	\$ -	\$ 247,839	\$ (10,000)	\$ 237,839

City Manager

Services Provided

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

FY18 Requests

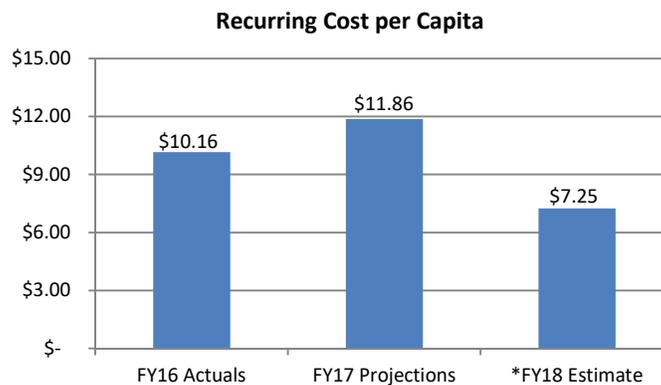
There are no additions to the City Manager’s FY18 budget.

FY18 Amendment

The FY18 City Manager budget was amended by \$6,412. This amendment includes a \$2,220 reduction for travel and training expenses and a merit reduction totaling \$4,192.

Performance Measures: Responsible City Government

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



*FY18 reflects increase in population due to annexation

Summary by Category	FY16 Actuals	FY17 Current Budget	FY17 Projections	FY18 Base Budget	FY18 Changes	FY18 Budget	FY18 Amendment	FY18 Final Budget
Salary & Benefits	\$ 776,447	\$ 750,523	\$ 847,944	\$ 813,905	\$ -	\$ 813,905	\$ (4,192)	\$ 809,713
Supplies	44,124	21,003	132,060	21,003	-	21,003	-	21,003
Professional Services	50,206	3,175	3,175	2,210	-	2,210	-	2,210
Repairs & Maintenance	-	-	-	-	-	-	-	-
Purchased Services	18,393	57,554	57,554	23,519	-	23,519	(2,220)	21,299
Capital/Other	-	-	-	-	-	-	-	-
Category Totals	\$ 889,170	\$ 832,255	\$ 1,040,733	\$ 860,637	\$ -	\$ 860,637	\$ (6,412)	\$ 854,225

FTE Count	FY16 Budget	FY17 Budget	FY17 Adjustments	FY18 Base Budget	FY18 Changes	FY18 Budget	FY18 Amendment	FY18 Final Budget
City Manager	6.00	5.00	2.00	7.00	-	7.00	-	7.00
FTE Count Totals	6.00	5.00	2.00	7.00	-	7.00	-	7.00

Assistant City Managers

Services Provided

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

FY18 Requests

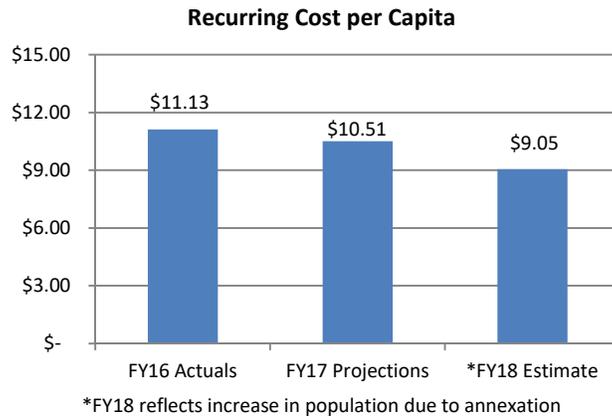
There are no additions to the Assistant City Managers' FY18 budget.

FY18 Amendment

The FY18 Assistant City Manager's budget was amended by \$8,891. This amendment includes a \$3,600 reduction for travel & training expenses and a merit reduction totaling \$5,291.

Performance Measures: Responsible City Government

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



Summary by Category	FY16 Actuals	FY17 Current Budget	FY17 Projections	FY18 Base Budget	FY18 Changes	FY18 Budget	FY18 Amendment	FY18 Final Budget
Salary & Benefits	\$ 884,858	\$ 852,756	\$ 852,756	\$ 1,005,317	\$ -	\$ 1,005,317	\$ (5,291)	\$ 1,000,026
Supplies	11,516	22,333	22,333	18,178	-	18,178	-	18,178
Professional Services	54,374	9,450	14,450	9,450	-	9,450	-	9,450
Repairs & Maintenance	285	-	-	-	-	-	-	-
Purchased Services	22,475	33,062	33,062	42,635	-	42,635	(3,600)	39,035
Capital/Other	-	4,168	4,168	-	-	-	-	-
Category Totals	\$ 973,508	\$ 921,769	\$ 926,769	\$ 1,075,580	\$ -	\$ 1,075,580	\$ (8,891)	\$ 1,066,689

FTE Count	FY16 Budget	FY17 Budget	FY17 Adjustments	FY18 Base Budget	FY18 Changes	FY18 Budget	FY18 Amendment	FY18 Final Budget
Assistant City Managers	5.50	5.50	2.50	8.00	-	8.00	-	8.00
FTE Count Totals	5.50	5.50	2.50	8.00	-	8.00	-	8.00

Community Engagement

Mission Statement

Community Engagement seeks enhance the quality of life in the community by a commitment to excellence in connecting residents with city resources and citizen programs.

Services Provided

The **Community Engagement** Division is responsible for connecting, communicating, and engaging with the residents of the City of Sugar Land. The Community Engagement Division manages the Serve Sugar Land volunteer program in addition to numerous citizens' engagement opportunities. The Division also provides resources for residents to register concerns and receive information serving as a portal for resident contact. The Community Engagement Division was previously a division under Environmental & Neighborhood Services.

FY18 Requests

There are no additions to the Community Engagement's FY18 budget.

FY18 Amendment

The FY18 Community Engagement budget includes a \$350 reduction for travel & training expenses.

Summary by Category	FY16 Actuals	FY17 Current Budget	FY17 Projections	FY18 Base Budget	FY18 Changes	FY18 Budget	FY18 Amendment	FY18 Final Budget
Salary & Benefits	\$ -	\$ -	\$ -	\$ 63,716	\$ -	\$ 63,716	\$ -	\$ 63,716
Supplies	-	-	-	21,750	-	21,750	-	21,750
Professional Services	-	-	-	2,500	-	2,500	-	2,500
Repairs & Maintenance	-	-	-	-	-	-	-	-
Purchased Services	-	-	-	14,550	-	14,550	(350)	14,200
Capital/Other	-	-	-	-	-	-	-	-
Category Totals	\$ -	\$ -	\$ -	\$ 102,516	\$ -	\$ 102,516	\$ (350)	\$ 102,166

FTE Count	FY16 Budget	FY17 Budget	FY17 Adjustments	FY18 Base Budget	FY18 Changes	FY18 Budget	FY18 Amendment	FY18 Final Budget
Community Engagement	-	-	2.00	2.00	-	2.00	-	2.00
FTE Count Totals	-	-	2.00	2.00	-	2.00	-	2.00

City Secretary

Mission Statement

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

Services Provided

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

FY18 Requests

A total of \$22,759 in one-time funding is included in the City Secretary’s FY18 budget for additional hearing notice mailings, and cost to purchase cabinets and shelves that are needed for the annexation of Greatwood and New Territory.

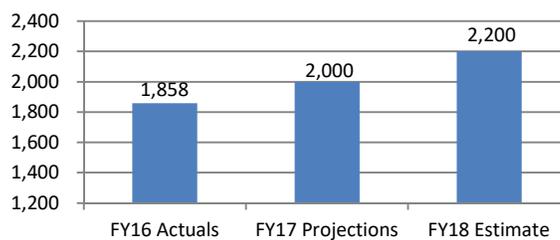
FY18 Amendment

The FY18 City Secretary budget was amended by \$6,217. This amendment includes a \$1,900 reduction for travel & training expenses and a merit reduction totaling \$4,317.

Performance Measures: Responsible City Government

The City Council measure for “Customer Response Management” is the number of open records requests received by the department. Open records request in FY18 are anticipated to increase as a result of annexation.

Number of Open Records Requests Received



Summary by Category	FY16 Actuals	FY17 Current Budget	FY17 Projections	FY18 Base Budget	FY18 Changes	FY18 Budget	FY18 Amendment	FY18 Final Budget
Salary & Benefits	\$ 629,514	\$ 773,678	\$ 773,678	\$ 809,791	\$ -	\$ 809,791	\$ (4,317)	\$ 805,474
Supplies	96,495	62,748	62,748	61,000	-	61,000	-	61,000
Professional Services	81,602	50,117	50,117	41,527	13,359	54,886	-	54,886
Repairs & Maintenance	2,098	3,223	3,223	6,532	-	6,532	-	6,532
Purchased Services	43,323	70,944	70,944	66,333	-	66,333	(1,900)	64,433
Capital/Other	-	-	-	-	9,400	9,400	-	9,400
Category Totals	\$ 853,032	\$ 960,710	\$ 960,710	\$ 985,183	\$ 22,759	\$ 1,007,942	\$ (6,217)	\$ 1,001,725

FTE Count	FY16 Budget	FY17 Budget	FY17 Adjustments	FY18 Base Budget	FY18 Changes	FY18 Budget	FY18 Amendment	FY18 Final Budget
City Secretary	9.20	9.20	-	9.20	-	9.20	-	9.20
FTE Count Totals	9.20	9.20	-	9.20	-	9.20	-	9.20

Communications

Mission Statement

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

Services Provided

Communications is responsible for providing accurate, responsive and timely information to citizens and the public through a variety of communication tools including publications, website, SLTV16, social media, media relations, public safety and emergency communications; also facilitate and serve as a resource to City departments to manage their individual communication needs effectively and efficiently.

FY18 Requests

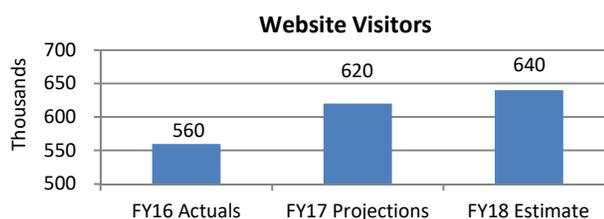
A total of \$44,000 in recurring additions are included in Communications FY18 budget. This includes printing additional issues of Sugar Land Today newsletters, calendars, photography, graphic designs, postage, and freight due to annexation.

FY18 Amendment

The FY18 Communications budget was amended by \$267,594. This amendment includes a \$25,000 reduction for the State of the City event, a \$4,000 reduction for videographer expenses, a \$105,000 reduction for the Sugar Land Today newsletter and City calendars, reduction in travel expenses totaling \$1,570, a merit reduction in the amount of \$4,024, and a reduction in personnel for a Communications Director in the amount of \$128,000.

Performance Measures: Responsible City Government

The City Council measures for “Easy access to city government” are citizen satisfaction with City publications, website and municipal television (SLtv16), and number of website visitors. The FY18 estimate increase in website visitors is related to annexation, as more citizens will go online to find information and pay bills.



Summary by Category	FY16 Actuals	FY17 Current Budget	FY17 Projections	FY18 Base Budget	FY18 Changes	FY18 Budget	FY18 Amendment	FY18 Final Budget
Salary & Benefits	\$ 714,834	\$ 738,786	\$ 738,786	\$ 756,341	\$ -	\$ 756,341	\$ (132,024)	\$ 624,317
Supplies	25,845	22,233	21,853	23,514	-	23,514	(5,000)	18,514
Professional Services	60,533	92,839	97,639	32,720	35,500	68,220	(24,000)	44,220
Repairs & Maintenance	71	25,170	25,170	230	-	230	-	230
Purchased Services	141,095	135,938	135,938	132,467	8,500	140,967	(106,570)	34,397
Capital/Other	20,812	352,982	352,982	120,000	-	120,000	-	120,000
Category Totals	\$ 963,190	\$ 1,367,948	\$ 1,372,368	\$ 1,065,272	\$ 44,000	\$ 1,109,272	\$ (267,594)	\$ 841,678

FTE Count	FY16 Budget	FY17 Budget	FY17 Adjustments	FY18 Base Budget	FY18 Changes	FY18 Budget	FY18 Amendment	FY18 Final Budget
Communications	8.00	8.00	-	8.00	-	8.00	(1.00)	7.00
FTE Count Totals	8.00	8.00	-	8.00	-	8.00	(1.00)	7.00

311 Contact Center

Mission Statement

The 311 Contact Center will provide swift and accurate customer service to residents and visitors of the City of Sugar Land that have general inquiries or need to request services from City Departments.

Services Provided

Utilizing automated call distribution software, inquiries are routed to Ambassadors to respond and document. The Contact Center enables departments to focus on their core mission and provides inquiry data to be proactive and enter work orders as necessary.

FY18 Requests

A total of \$158,847 in recurring additions are included in 311 Contact Center's FY18 budget. This includes personnel, training, and automated call distribution software. The 311 Contact Center will have a one-time cost in the amount of \$32,000 for an office, desk cubes, and promotional items.

FY18 Amendment

There are no amendments for FY18.

Summary by Category	FY16 Actuals	FY17 Current Budget	FY17 Projections	FY18 Base Budget	FY18 Changes	FY18 Budget	FY18 Amendment	FY18 Final Budget
Salary & Benefits	\$ -	\$ -	\$ 5,000	\$ 45,289	\$ 121,115	\$ 166,404	\$ -	\$ 166,404
Supplies	-	-	-	-	64,732	64,732	-	64,732
Professional Services	-	-	-	-	-	-	-	-
Repairs & Maintenance	-	-	-	-	-	-	-	-
Purchased Services	-	-	-	-	-	-	-	-
Capital/Other	-	-	-	-	5,000	5,000	-	5,000
Category Totals	\$ -	\$ -	\$ 5,000	\$ 45,289	\$ 190,847	\$ 236,136	\$ -	\$ 236,136

FTE Count	FY16 Budget	FY17 Budget	FY17 Adjustments	FY18 Base Budget	FY18 Changes	FY18 Budget	FY18 Amendment	FY18 Final Budget
311 Contact Center	-	-	2.00	2.00	-	2.00	-	2.00
FTE Count Totals	-	-	2.00	2.00	-	2.00	-	2.00

Human Resources

Mission Statement

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

Services Provided

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

FY18 Requests

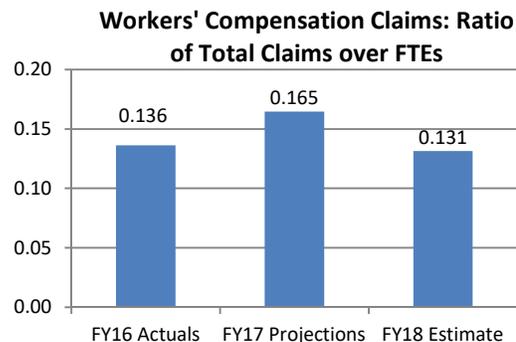
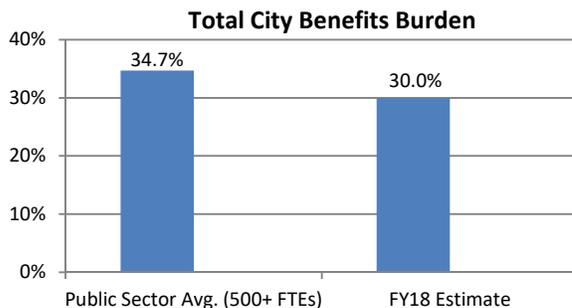
A total of \$10,344 in recurring funding is included in the Human Resources’ FY18 budget for background checks, drug screening, psychological testing, and licenses for Success Factors and TargetSolutions needed as a result of additional staff related to Annexation.

FY18 Amendment

The FY18 Human Resource’s budget was amended by \$27,947. This amendment includes a \$2,110 reduction for travel & training expenses, a reduction of \$20,000 for employee recognitions, and a merit reduction totaling \$5,837.

Performance Measures: Responsible City Government

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



Summary by Category	FY16 Actuals	FY17 Current Budget	FY17 Projections	FY18 Base Budget	FY18 Changes	FY18 Budget	FY18 Amendment	FY18 Final Budget
Salary & Benefits	\$ 1,124,829	\$ 1,100,043	\$ 1,100,043	\$ 1,172,500	\$ -	\$ 1,172,500	\$ (5,837)	\$ 1,166,663
Supplies	102,775	91,766	91,795	96,262	-	96,262	(20,000)	76,262
Professional Services	63,171	90,064	90,064	69,550	4,869	74,419	-	74,419
Repairs & Maintenance	370	1,000	1,000	600	-	600	-	600
Purchased Services	159,620	181,885	181,885	165,134	5,475	170,609	(2,110)	168,499
Capital/Other	3,000	-	-	-	-	-	-	-
Category Totals	\$ 1,453,765	\$ 1,464,758	\$ 1,464,787	\$ 1,504,046	\$ 10,344	\$ 1,514,390	\$ (27,947)	\$ 1,486,443

FTE Count	FY16 Budget	FY17 Budget	FY17 Adjustments	FY18 Base Budget	FY18 Changes	FY18 Budget	FY18 Amendment	FY18 Final Budget
Human Resources	11.00	11.00	-	11.00	-	11.00	-	11.00
FTE Count Totals	11.00	11.00	-	11.00	-	11.00	-	11.00

City Attorney

Mission Statement

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

Services Provided

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

FY18 Requests

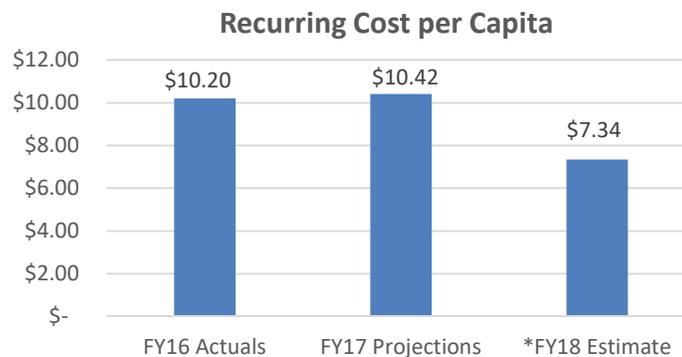
A total of \$30,000 in one-time additions are included in the City Attorney’s FY18 budget for redistricting the City prior to the 2019 district elections for council.

FY18 Amendment

The FY18 City Attorney budget was amended by \$4,664. This amendment includes a \$500 reduction for travel & training expenses and a merit reduction totaling \$4,164.

Performance Measures: Responsible City Government

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



*FY18 reflects increase in population due to annexation

Summary by Category	FY16 Actuals	FY17 Current Budget	FY17 Projections	FY18 Base Budget	FY18 Changes	FY18 Budget	FY18 Amendment	FY18 Final Budget
Salary & Benefits	\$ 730,005	\$ 740,836	\$ 740,836	\$ 762,581	\$ -	\$ 762,581	\$ (4,164)	\$ 758,417
Supplies	15,164	6,484	6,484	12,085	-	12,085	-	12,085
Professional Services	122,795	137,348	137,348	42,066	30,000	72,066	-	72,066
Repairs & Maintenance	-	-	-	-	-	-	-	-
Purchased Services	7,524	22,980	22,980	6,556	-	6,556	(500)	6,056
Capital/Other	17,305	6,473	6,473	16,651	-	16,651	-	16,651
Category Totals	\$ 892,792	\$ 914,121	\$ 914,121	\$ 839,939	\$ 30,000	\$ 869,939	\$ (4,664)	\$ 865,275

FTE Count	FY16 Budget	FY17 Budget	FY17 Adjustments	FY18 Base Budget	FY18 Changes	FY18 Budget	FY18 Amendment	FY18 Final Budget
City Attorney	6.00	6.00	-	6.00	-	6.00	-	6.00
FTE Count Totals	6.00	6.00	-	6.00	-	6.00	-	6.00

Information Technology

Mission Statement

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

Services Provided

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

FY18 Requests

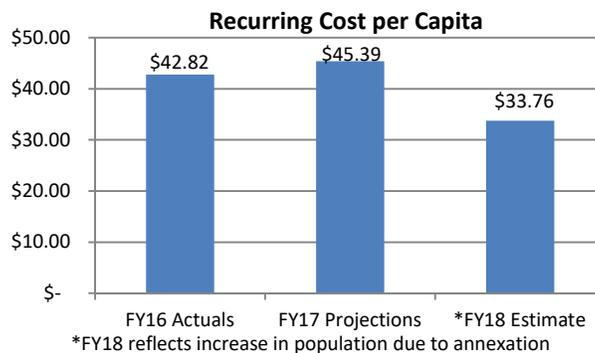
A total of \$15,000 in one-time additions are included in IT's FY18 budget for personnel expenses related to Annexation. A total of \$17,200 are included in recurring funding for internet connectivity and bandwidth cost that is related to Annexation.

FY18 Amendment

The FY18 Information Technology budget was amended by \$15,608. These amendments include a \$4,000 reduction for travel & training expenses and a merit reduction totaling \$11,608.

Performance Measures: Responsible City Government

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



Summary by Category	FY16 Actuals	FY17 Current Budget	FY17 Projections	FY18 Base Budget	FY18 Changes	FY18 Budget	FY18 Amendment	FY18 Final Budget
Salary & Benefits	\$ 1,930,632	\$ 2,231,705	\$ 2,231,705	\$ 2,202,943	\$ 15,000	\$ 2,217,943	\$ (11,608)	\$ 2,206,335
Supplies	51,502	30,585	28,761	21,708	-	21,708	-	21,708
Professional Services	391,579	493,107	493,107	330,900	-	330,900	-	330,900
Repairs & Maintenance	991,785	1,097,519	1,097,519	1,283,650	10,000	1,293,650	-	1,293,650
Purchased Services	235,972	124,494	124,494	122,595	7,200	129,795	(4,000)	125,795
Capital/Other	145,598	6,220	6,220	-	-	-	-	-
Category Totals	\$ 3,747,067	\$ 3,983,630	\$ 3,981,806	\$ 3,961,796	\$ 32,200	\$ 3,993,996	\$ (15,608)	\$ 3,978,388
FTE Count	FY16 Budget	FY17 Budget	FY17 Adjustments	FY18 Base Budget	FY18 Changes	FY18 Budget	FY18 Amendment	FY18 Final Budget
Information Technology	23.00	23.00	-	23.00	-	23.00	-	23.00
FTE Count Totals	23.00	23.00	-	23.00	-	23.00	-	23.00

Strategic Initiatives

Mission Statement

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

Services Provided

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

FY18 Requests

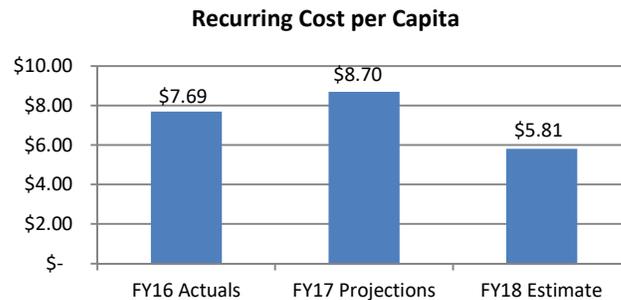
There are no additions to the Strategic Initiatives FY18 budget.

FY18 Amendment

The FY18 Strategic Initiatives budget was amended by \$66,107. The amendment includes a \$400 amendment for travel & training expenses, a merit reduction totaling \$3,707, and an amendment for a Management II position that totals \$62,000.

Performance Measures: Responsible City Government

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



*FY18 reflects increase in population due to annexation

Summary by Category	FY16 Actuals	FY17 Current Budget	FY17 Projections	FY18 Base Budget	FY18 Changes	FY18 Budget	FY18 Amendment	FY18 Final Budget
Salary & Benefits	\$ 528,519	\$ 584,318	\$ 584,318	\$ 710,236	\$ -	\$ 710,236	\$ (65,707)	\$ 644,529
Supplies	15,446	17,701	17,701	2,635	-	2,635	-	2,635
Professional Services	96,123	145,020	145,020	21,910	-	21,910	-	21,910
Repairs & Maintenance	-	-	-	-	-	-	-	-
Purchased Services	32,041	16,386	16,386	16,452	-	16,452	(400)	16,052
Capital/Other	1,078	-	-	-	-	-	-	-
Category Totals	\$ 673,207	\$ 763,425	\$ 763,425	\$ 751,233	\$ -	\$ 751,233	\$ (66,107)	\$ 685,126

FTE Count	FY16 Budget	FY17 Budget	FY17 Adjustments	FY18 Base Budget	FY18 Changes	FY18 Budget	FY18 Amendment	FY18 Final Budget
Office of Strategic Initiatives	8.00	8.00	-	8.00	-	8.00	(1.00)	7.00
FTE Count Totals	8.00	8.00	-	8.00	-	8.00	(1.00)	7.00

Economic Development

Mission Statement

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

Services Provided

The **Economic Development** program is responsible for several services including targeted business recruitment, business retention, expansion, and development; business incentives, and revenue enhancement and diversification. Marketing on the regional, national, and international level is conducted along with retail activity analysis. Administration of funds, agreements, and project management services are also fulfilled under the leadership of City Council, City administration, and associated boards and committees.

Tourism & Destination Events is responsible for attracting leisure travelers, professional convention and meeting planners as well as sporting tournaments and event producers to Sugar Land in an effort to increase the City's economic vitality with an increase in overnight guests and day-trippers.

The **Office of Intergovernmental Relations** is under the oversight of the Director of Economic Development. The Office of Intergovernmental Relations is responsible for regional, local, state and federal intergovernmental relations, including the development of legislative agendas, coordination of information and monitoring of relationships through the ambassador program.

FY18 Requests

A total of \$35,000 in recurring additions are included in the Economic Development FY18 budget. These additions are for the Cultural Arts Program, maintenance of public arts, and travel/training for the Cultural Arts Manager.

FY18 Amendment

The FY18 Economic Development budget was amended by \$28,716. This amendment includes a \$910 reduction for travel & training expenses, a reduction of \$12,000 for public relations, and a merit reduction totaling \$15,806.

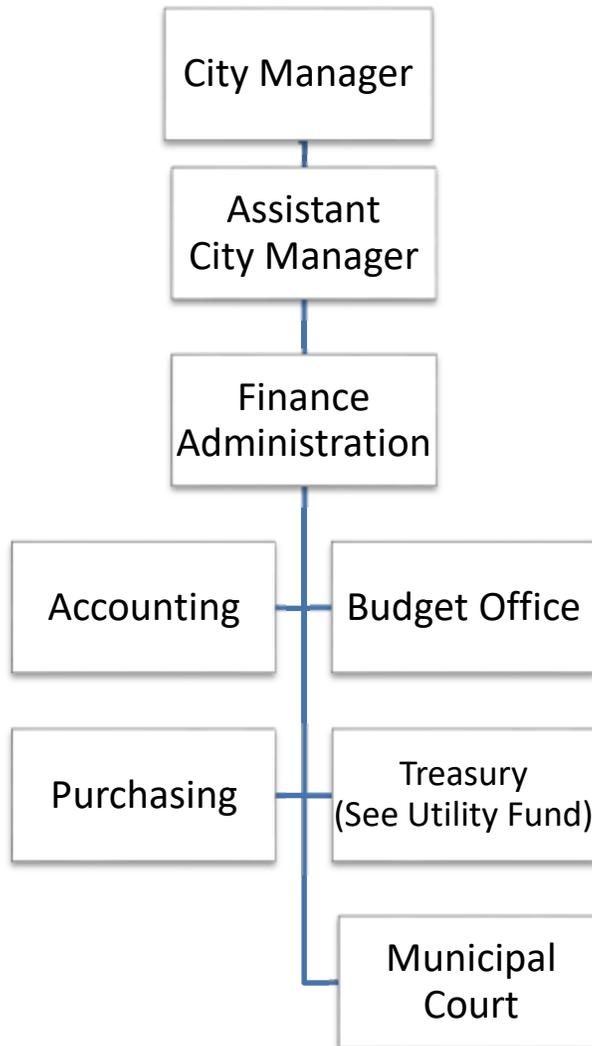
Summary by Category	FY16 Actuals	FY17 Current Budget	FY17 Projections	FY18 Base Budget	FY18 Changes	FY18 Budget	FY18 Amendment	FY18 Final Budget
Salary & Benefits	\$ 765,309	\$ 1,046,767	\$ 1,046,767	\$ 1,199,531	\$ -	\$ 1,199,531	\$ (15,806)	\$ 1,183,725
Supplies	-	63,500	68,299	13,500	-	13,500	(12,000)	1,500
Professional Services	-	75,300	75,300	75,300	35,000	110,300	-	110,300
Purchased Services	-	11,060	11,060	11,060	-	11,060	(910)	10,150
Category Totals	\$ 765,309	\$ 1,196,627	\$ 1,201,426	\$ 1,299,391	\$ 35,000	\$ 1,334,391	\$ (28,716)	\$ 1,305,675

Summary by Type	FY16 Actuals	FY17 Current Budget	FY17 Projections	FY18 Base Budget	FY18 Changes	FY18 Budget	FY18 Amendment	FY18 Final Budget
Economic Development	\$ 714,995	\$ 978,381	\$ 1,201,426	\$ 1,011,243	\$ 35,000	\$ 1,046,243	\$ (15,170)	\$ 1,031,073
Office of Intergovernmental Relations	-	162,646	-	229,290	-	229,290	(13,222)	216,068
Tourism & Destination Events	50,314	55,600	-	58,858	-	58,858	(324)	58,534
Category Totals	\$ 765,309	\$ 1,196,627	\$ 1,201,426	\$ 1,299,391	\$ 35,000	\$ 1,334,391	\$ (28,716)	\$ 1,305,675

FTE Count	FY16 Budget	FY17 Budget	FY17 Adjustments	FY18 Base Budget	FY18 Changes	FY18 Budget	FY18 Amendment	FY18 Final Budget
Economic Development	6.00	9.00	-	9.00	-	9.00	-	9.00
Office of Intergovernmental Relations	0.50	0.50	0.50	1.00	-	1.00	-	1.00
Tourism & Destination Events	0.50	0.50	-	0.50	-	0.50	-	0.50
FTE Count Totals	7.00	10.00	0.50	10.50	-	10.50	-	10.50

Finance & Municipal Court

As of October 1, 2017



Finance

Mission Statement

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

Programs of Service

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

FY18 Requests

A total of \$217,453 in recurring additions are included in Finance's FY18 budget, and these additional cost are associated with the appraisal of Greatwood & New Territory, increases in merchant bank fees related to increased credit card transactions from Annexed residents, and hiring of one accountant and a part-time accounts payable specialist. There is also an additional one-time expense of \$14,419 needed for two computers and Municipal Court training and travel expenses.

FY18 Amendment

The FY18 Finance budget was amended by \$13,664. This amendment includes a \$2,250 reduction for travel & training expenses, a reduction of \$20,000 for user fee study, an increase of \$10,000 for the reappraisal due to Hurricane Harvey, and a merit reduction totaling \$1,414.

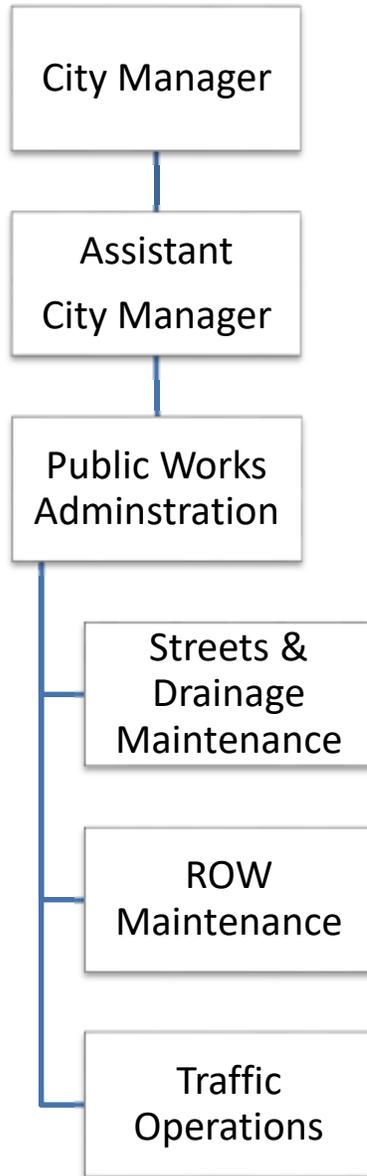
Summary by Category	FY16 Actuals	FY17 Current Budget	FY17 Projections	FY18 Base Budget	FY18 Changes	FY18 Budget	FY18 Amendment	FY18 Final Budget
Salary & Benefits	\$ 2,944,437	\$ 3,182,637	\$ 3,182,637	\$ 3,256,153	\$ 123,552	\$ 3,379,705	\$ (1,414)	\$ 3,378,291
Supplies	49,803	48,041	48,041	45,040	500	45,540	-	45,540
Professional Services	411,489	655,427	655,427	695,783	89,400	785,183	(10,000)	775,183
Repairs & Maintenance	739	2,250	2,250	2,250	-	2,250	-	2,250
Purchased Services	166,772	195,603	180,528	173,329	15,796	189,125	(2,250)	186,875
Capital/Other	18,399	20,495	20,495	-	2,624	2,624	-	2,624
Category Totals	\$ 3,591,639	\$ 4,104,453	\$ 4,089,378	\$ 4,172,555	\$ 231,872	\$ 4,404,427	\$ (13,664)	\$ 4,390,763

Summary by Type	FY16 Budget	FY17 Budget	FY17 Adjustments	FY18 Base Budget	FY18 Changes	FY18 Budget	FY18 Amendment	FY18 Final Budget
Finance Administration	\$ 641,897	\$ 971,568	\$ 971,568	\$ 1,039,412	\$ 89,400	\$ 1,128,812	\$ (13,610)	\$ 1,115,202
Budget Office	417,133	463,503	463,503	487,395	-	487,395	(2,479)	484,916
Accounting	1,050,669	1,087,147	1,077,647	1,070,710	128,926	1,199,636	10,398	1,210,034
Purchasing	539,803	569,037	569,037	570,723	-	570,723	(3,695)	567,028
Municipal Court	942,136	1,013,198	1,007,623	1,004,315	13,546	1,017,861	(4,278)	1,013,583
Category Totals	\$ 3,591,639	\$ 4,104,453	\$ 4,089,378	\$ 4,172,555	\$ 231,872	\$ 4,404,427	\$ (13,664)	\$ 4,390,763

FTE Count	FY16 Budget	FY17 Budget	FY17 Adjustments	FY18 Base Budget	FY18 Changes	FY18 Budget	FY18 Amendment	FY18 Final Budget
Finance Administration	3.00	3.00	1.00	4.00	-	4.00	-	4.00
Budget Office	5.00	5.00	-	5.00	-	5.00	-	5.00
Accounting	11.00	11.00	-	11.00	1.50	12.50	-	12.50
Purchasing	7.00	7.00	-	7.00	-	7.00	-	7.00
Municipal Court	12.00	12.00	-	12.00	-	12.00	-	12.00
FTE Count Totals	38.00	38.00	1.00	39.00	1.50	40.50	-	40.50

Public Works

As of October 1, 2017



Public Works

Mission Statement

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

Services Provided

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

Programs of Service

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

FY18 Requests

A total of \$1,421,908 in recurring additions are included in Public Works FY18 budget. These additions are annexation related expenses such as equipment and training for new hires, supplies for Streets & Drainage, mosquito spraying, street sweeping, landscaping, pavement marking, and utility services for streetlights. A total of \$9,078 in one-time expenses are included for miscellaneous items such as mosquito traps and tools.

FY18 Amendment

The FY18 Public Works budget was amended by \$215,595. This amendment includes a \$3,335 reduction for travel & training expenses, a reduction for Star Spangled Spectacular & New Year's Eve events overtime totaling \$11,000, reduction in street sweeping expenses of \$85,000, reduction for landscaping services in the amount of \$100,000, and a merit reduction totaling \$16,260.

Performance Measures: Traffic Corridor Performance

The City of Sugar Land's most vital vehicular travel corridors support commercial enterprise and quality of life. Shorter travel times help improve both commercial enterprise and quality of life.

Public Works

Levels of Service	Scale
A: ≥86%	Highest Possible Level of Service
B: 68% - 85%	
C: 51% - 67%	
D: 41% - 50%	
E: 31% - 40%	
F: ≤30%	Lowest Possible Level of Service
% = % of posted speed (avg. speed achieved/posted speed limit)	

Q2-17

Traffic - Corridor State Highway 6 Performance

AM / NOON / PM
B / C / C

Traffic - Corridor State Highway 90 Performance

AM / NOON / PM
B / C / C

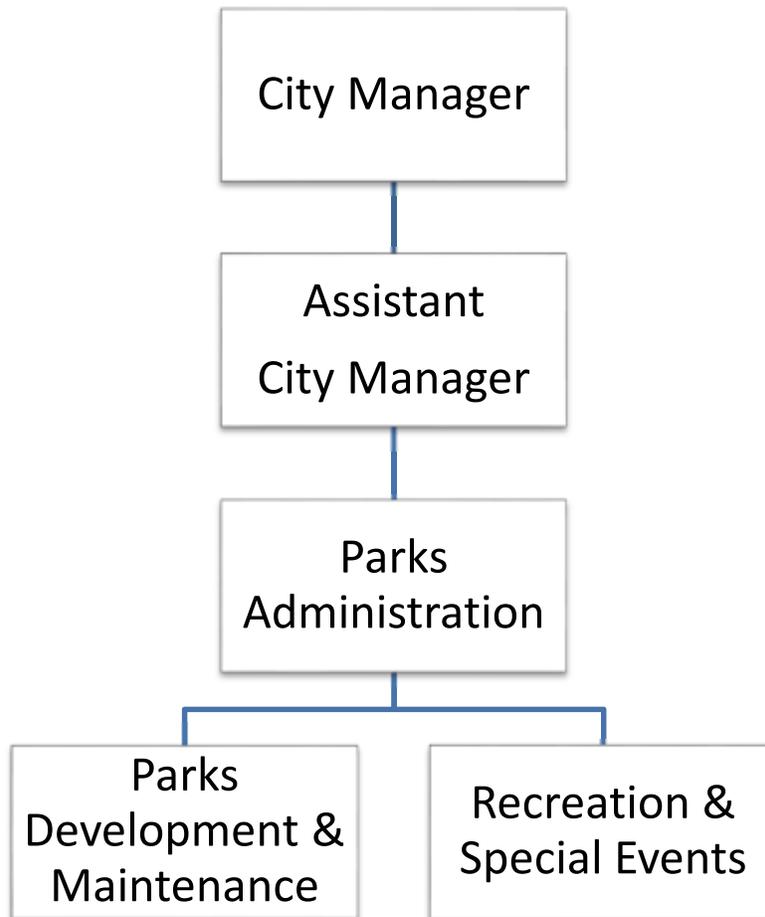
Summary by Category	FY16 Actuals	FY17 Current Budget	FY17 Projections	FY18 Base Budget	FY18 Changes	FY18 Budget	FY18 Amendment	FY18 Final Budget
Salary & Benefits	\$ 2,349,825	\$ 2,620,625	\$ 2,620,625	\$ 2,834,820	\$ 546,189	\$ 3,381,009	\$ (27,260)	\$ 3,353,749
Supplies	281,164	346,441	324,104	1,453,554	14,460	1,468,014	-	1,468,014
Professional Services	3,348,103	3,446,413	3,510,985	3,006,823	616,851	3,623,674	(85,000)	3,538,674
Repairs & Maintenance	2,067,425	2,117,717	2,209,717	2,316,529	247,368	2,563,897	(100,000)	2,463,897
Purchased Services	62,856	90,246	90,246	55,239	4,740	59,979	(3,335)	56,644
Capital/Other	143,217	522,272	538,287	21,524	1,378	22,902	-	22,902
Category Totals	\$ 8,252,589	\$ 9,143,714	\$ 9,293,964	\$ 9,688,489	\$ 1,430,986	\$ 11,119,475	\$ (215,595)	\$ 10,903,880

Summary by Type	FY16 Actuals	FY17 Current Budget	FY17 Projections	FY18 Base Budget	FY18 Changes	FY18 Budget	FY18 Amendment	FY18 Final Budget
Public Works Administration	\$ 476,576	\$ 741,738	\$ 741,617	\$ 522,218	\$ -	\$ 522,218	\$ (4,658)	\$ 517,560
Street & Drainage Maintenance	2,334,438	2,803,736	2,784,998	3,295,906	398,359	3,694,265	(103,117)	3,591,148
ROW Maintenance	1,641,154	1,737,846	1,822,295	2,018,230	142,647	2,160,877	(102,191)	2,058,686
Traffic Operations	3,800,421	3,860,394	3,945,054	3,852,135	889,980	4,742,115	(5,629)	4,736,486
Category Totals	\$ 8,252,589	\$ 9,143,714	\$ 9,293,964	\$ 9,688,489	\$ 1,430,986	\$ 11,119,475	\$ (215,595)	\$ 10,903,880

FTE Count	FY16 Budget	FY17 Budget	FY17 Adjustments	FY18 Base Budget	FY18 Changes	FY18 Budget	FY18 Amendment	FY18 Final Budget
Public Works Administration	4.00	4.00	0.50	4.50	-	4.50	-	4.50
Street & Drainage Maintenance	18.00	18.00	(1.00)	17.00	5.00	22.00	-	22.00
ROW Maintenance	3.00	3.00	-	3.00	-	3.00	-	3.00
Traffic Operations	9.00	9.00	2.00	11.00	3.00	14.00	-	14.00
FTE Count Totals	34.00	34.00	1.50	35.50	8.00	43.50	-	43.50

Parks & Recreation

As of October 1, 2017



Parks & Recreation

Mission Statement

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

Services Provided

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

Programs of Service

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

FY18 Requests

There are no additions to the Parks & Recreation FY18 budget.

FY18 Amendment

The FY18 Parks & Recreation budget was amended by \$170,578. This amendment includes a \$3,025 reduction for travel & training expenses, a reduction for the Star Spangled Spectacular & New Year's Eve events expenses totaling \$184,700, reduction in Park's maintenance services in the amount of \$50,000, an increase of \$80,000 for city pool renovations, and a merit reduction totaling \$12,853.

Performance Measures: Well Planned Community & Great Place to Live

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



Parks & Recreation

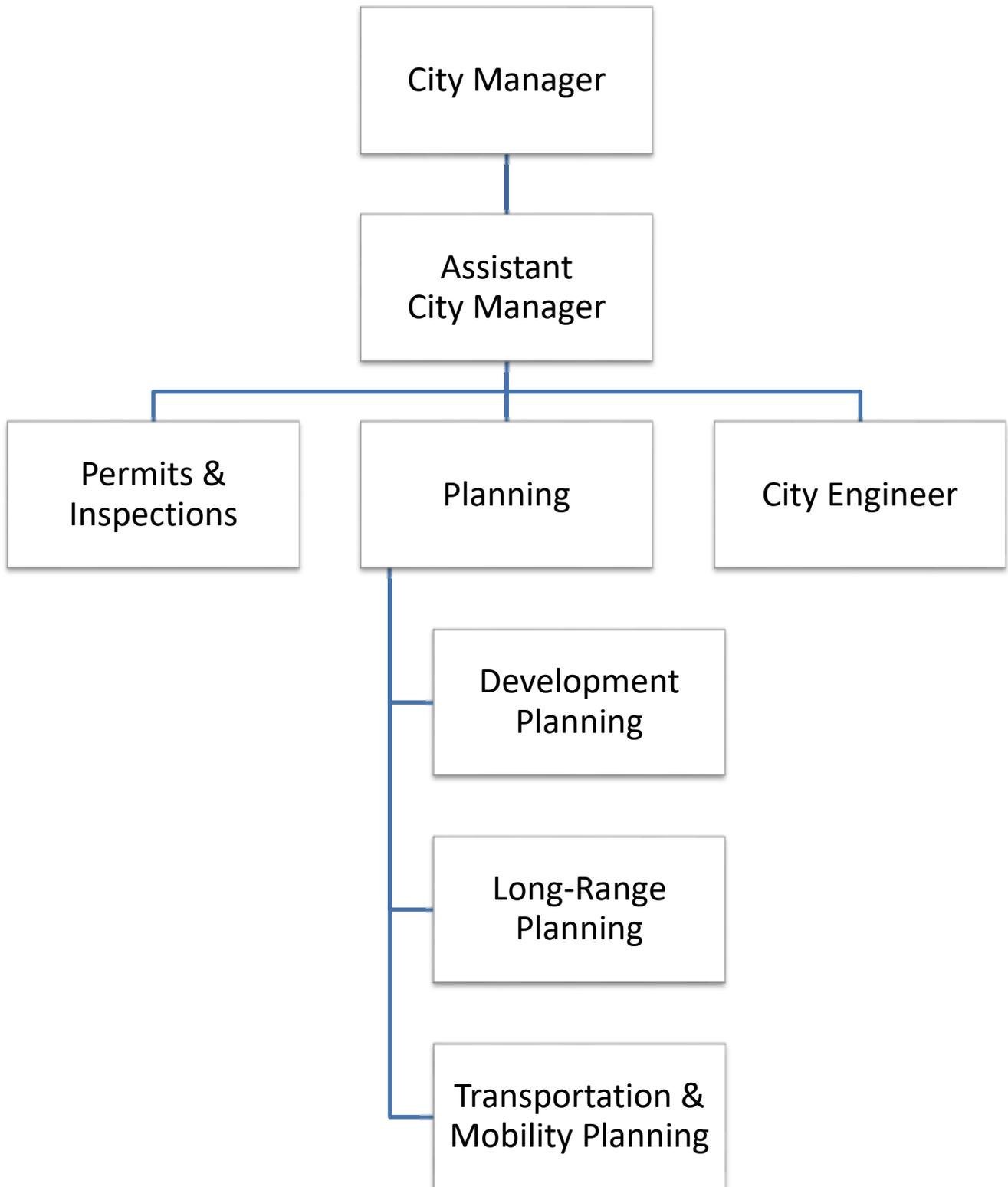
Summary by Category	FY16 Actuals	FY17 Current Budget	FY17 Projections	FY18 Base Budget	FY18 Changes	FY18 Budget	FY18 Amendment	FY18 Final Budget
Salary & Benefits	\$ 2,125,947	\$ 2,519,552	\$ 2,519,552	\$ 2,554,403	\$ -	\$ 2,554,403	\$ (27,553)	\$ 2,526,850
Supplies	241,753	311,871	278,508	315,322	-	315,322	-	315,322
Professional Services	550,122	612,982	640,701	565,474	-	565,474	80,000	645,474
Repairs & Maintenance	718,018	893,532	893,532	936,002	-	936,002	(39,550)	896,452
Purchased Services	576,049	558,053	611,699	540,984	-	540,984	(183,475)	357,509
Capital/Other	30,832	7,842	7,842	10,000	-	10,000	-	10,000
Category Totals	\$ 4,242,721	\$ 4,903,832	\$ 4,951,834	\$ 4,922,185	\$ -	\$ 4,922,185	\$ (170,578)	\$ 4,751,607

Summary by Type	FY16 Actuals	FY17 Current Budget	FY17 Projections	FY18 Base Budget	FY18 Changes	FY18 Budget	FY18 Amendment	FY18 Final Budget
Parks Administration	\$ 711,714	\$ 657,616	\$ 657,048	\$ 689,606	\$ -	\$ 689,606	\$ (6,242)	\$ 683,364
Development & Maintenance	2,005,865	2,645,144	2,641,032	2,582,931	-	2,582,931	(44,209)	2,538,722
Special Events	-	-	-	228,993	-	228,993	-	228,993
Recreation	1,525,141	1,601,072	1,653,754	1,420,655	-	1,420,655	(120,127)	1,300,528
Category Totals	\$ 4,242,721	\$ 4,903,832	\$ 4,951,834	\$ 4,922,185	\$ -	\$ 4,922,185	\$ (170,578)	\$ 4,751,607

FTE Count	FY16 Budget	FY17 Budget	FY17 Adjustments	FY18 Base Budget	FY18 Changes	FY18 Budget	FY18 Amendment	FY18 Final Budget
Parks Administration	7.00	6.00	-	6.00	-	6.00	-	6.00
Parks Development	11.00	15.50	-	15.50	-	15.50	-	15.50
Special Events	-	-	3.00	3.00	-	3.00	-	3.00
Recreation	17.27	17.27	(2.97)	14.30	-	14.30	-	14.30
FTE Count Totals	35.27	38.77	0.03	38.80	-	38.80	-	38.80

Community Development

As of October 1, 2017



Permits & Inspections

Mission Statement

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

Services Provided

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

Programs of Service

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

FY18 Requests

A total of \$59,291 in recurring additions are included in Permits FY18 budget. These additions are for a new Permit Technician and an increase in Merchant Bank fees. There is also a one-time expense of \$665 for ancillary items for the new Permit Technician.

FY18 Amendment

The FY18 Permits & Inspections budget was amended by \$7,054. This amendment includes a \$689 amendment for travel & training expenses and a merit reduction totaling \$6,365.

Summary by Category	FY16 Actuals	FY17 Current Budget	FY17 Projections	FY18 Base Budget	FY18 Changes	FY18 Budget	FY18 Amendment	FY18 Final Budget
Salary & Benefits	\$ 1,139,020	\$ 1,167,510	\$ 1,167,510	\$ 1,243,769	\$ 56,460	\$ 1,300,229	\$ (6,365)	\$ 1,293,864
Supplies	19,237	28,801	21,378	25,652	665	26,317	-	26,317
Professional Services	13,440	12,860	12,860	13,742	-	13,742	-	13,742
Repairs & Maintenance	6,526	3,564	3,564	3,564	-	3,564	-	3,564
Purchased Services	37,244	33,849	49,882	52,480	2,831	55,311	(689)	54,622
Capital/Other	11,235	-	-	-	-	-	-	-
Category Totals	\$ 1,226,701	\$ 1,246,584	\$ 1,255,194	\$ 1,339,207	\$ 59,956	\$ 1,399,163	\$ (7,054)	\$ 1,392,109

FTE Count	FY16 Budget	FY17 Budget	FY17 Adjustments	FY18 Base Budget	FY18 Changes	FY18 Budget	FY18 Amendment	FY18 Final Budget
Permits & Inspections	15.08	15.08	0.17	15.25	1.00	16.25	-	16.25
FTE Count Totals	15.08	15.08	0.17	15.25	1.00	16.25	-	16.25

Planning

Mission Statement

The Planning Department ensures a well-planned City that is safe, beautiful and livable. This is accomplished by facilitating the development and implementation of long-range plans and policies such as the City's comprehensive plan and master plans, shaping the city's physical environment through reasonable enforcement of codes and standards and ensuring development quality for the City.

Services Provided

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

Programs of Service

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

FY18 Requests

A total of \$82,764 in recurring additions are included in Planning's FY18 budget, these additions are for cost associated with the addition of a new Planner I. A total of \$76,487 in one-time expenses are included for the for codification of the City boundary, as well as additional office equipment.

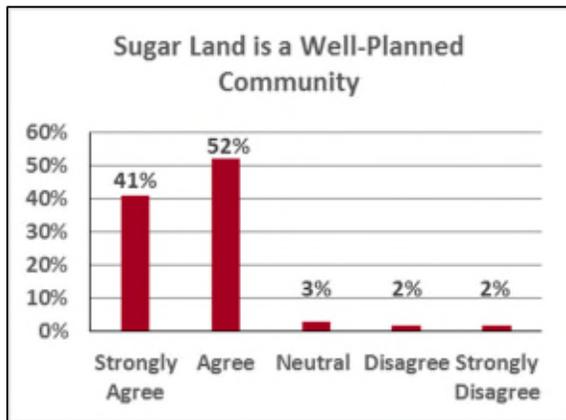
FY18 Amendment

The FY18 Planning budget was amended by \$201,220. This amendment includes a \$4,941 reduction for travel & training expenses, a removal of the vacant Transportation & Mobility Planning Manager position totaling \$120,000, reduction to the Fort Bend County transportation totaling \$70,000, and a merit reduction totaling \$6,279.

Performance Measures: Well Planned Community & Livable Neighborhoods

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

Planning



Summary by Category	FY16 Actuals	FY17 Current Budget	FY17 Projections	FY18 Base Budget	FY18 Changes	FY18 Budget	FY18 Amendment	FY18 Final Budget
Salary & Benefits	\$ 1,043,411	\$ 1,092,016	\$ 1,092,016	\$ 1,116,513	\$ 82,764	\$ 1,199,277	\$ (126,279)	\$ 1,072,998
Supplies	11,651	11,627	11,492	13,209	-	13,209	-	13,209
Professional Services	101,057	142,730	142,730	78,455	75,000	153,455	(70,000)	83,455
Repairs & Maintenance	1,437	3,000	3,000	3,000	-	3,000	-	3,000
Purchased Services	32,383	44,195	44,195	49,295	-	49,295	(4,941)	44,354
Capital/Other	1,526	570	570	1,270	1,487	2,757	-	2,757
Category Totals	\$ 1,191,465	\$ 1,294,138	\$ 1,294,003	\$ 1,261,742	\$ 159,251	\$ 1,420,993	\$ (201,220)	\$ 1,219,773

Summary by Type	FY16 Actuals	FY17 Current Budget	FY17 Projections	FY18 Base Budget	FY18 Changes	FY18 Budget	FY18 Amendment	FY18 Final Budget
Community Development Admin	\$ 279,388	\$ 287,291	\$ 287,291	\$ 296,786	\$ -	\$ 296,786	\$ (121,495)	\$ 175,291
Planning & Development	475,697	522,565	522,430	528,973	84,251	613,224	(7,877)	605,347
Transp & Long Range Planning	436,380	484,282	484,282	435,983	75,000	510,983	(71,848)	439,135
Category Totals	\$ 1,191,465	\$ 1,294,138	\$ 1,294,003	\$ 1,261,742	\$ 159,251	\$ 1,420,993	\$ (201,220)	\$ 1,219,773

FTE Count	FY16 Budget	FY17 Budget	FY17 Adjustments	FY18 Base Budget	FY18 Changes	FY18 Budget	FY18 Amendment	FY18 Final Budget
Community Development Admin	2.00	2.00	-	2.00	-	2.00	(1.00)	1.00
Planning & Development	7.00	6.00	-	6.00	1.00	7.00	-	7.00
Transp & Long Range Planning	3.00	4.00	-	4.00	-	4.00	-	4.00
FTE Count Totals	12.00	12.00	-	12.00	1.00	13.00	(1.00)	12.00

Engineering

Mission Statement

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

Services Provided

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

FY18 Requests

A total of \$102,022 in recurring additions are included in Engineering’s FY18 budget, these Annexation related additions are for cost associated with the addition of a new Facilities Project Manager.

FY18 Amendment

The FY18 Engineering budget was amended by \$184,144. This amendment includes a \$7,160 reduction for travel & training expenses and a merit reduction totaling \$18,696. The Engineering department also includes an amendment for Hurricane Harvey studies in the amount of \$210,000.

Performance Measures: Well Planned Community

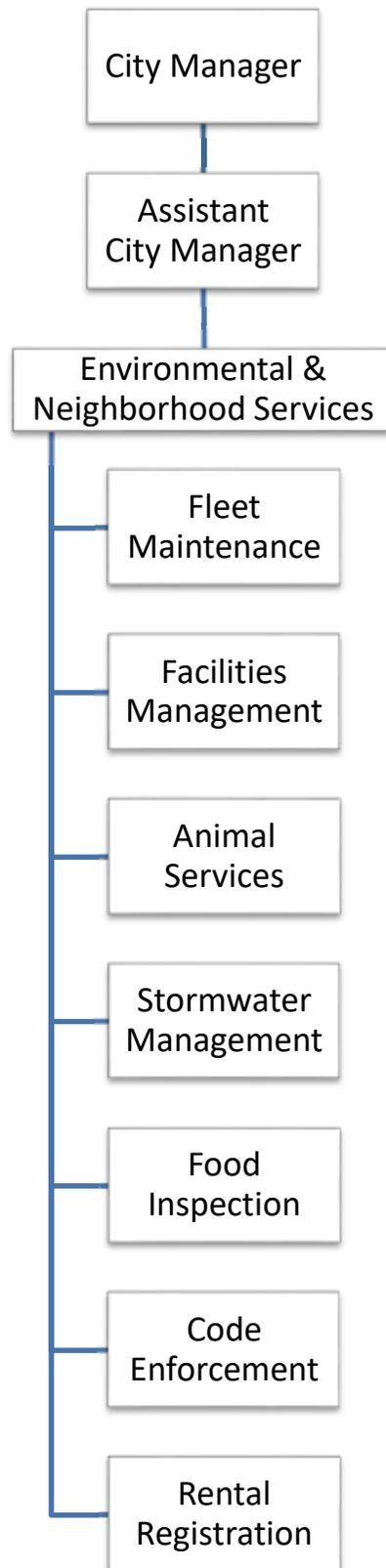
The department strives to meet the City Council’s goal of a “Well Planned Community.” According to the most recent Citizen Survey, “93% agree with the statement: ‘Sugar Land is a well-planned community that ensures compatible land use for residential, office, and retail purposes.’”

Summary by Category	FY16 Actuals	FY17 Current Budget	FY17 Projections	FY18 Base Budget	FY18 Changes	FY18 Budget	FY18 Amendment	FY18 Final Budget
Salary & Benefits	\$ 2,337,648	\$ 2,411,812	\$ 2,411,812	\$ 2,509,815	\$ 102,022	\$ 2,611,837	\$ (18,696)	\$ 2,593,141
Supplies	27,591	34,956	26,156	30,757	-	30,757	-	30,757
Professional Services	153,874	125,000	125,000	127,000	-	127,000	210,000	337,000
Repairs & Maintenance	8,812	9,337	9,337	9,450	-	9,450	-	9,450
Purchased Services	53,281	46,470	46,470	45,837	-	45,837	(7,160)	38,677
Capital/Other	-	-	-	-	-	-	-	-
Category Totals	\$ 2,581,207	\$ 2,627,575	\$ 2,618,775	\$ 2,722,859	\$ 102,022	\$ 2,824,881	\$ 184,144	\$ 3,009,025

FTE Count	FY16 Budget	FY17 Budget	FY17 Adjustments	FY18 Base Budget	FY18 Changes	FY18 Budget	FY18 Amendment	FY18 Final Budget
City Engineer	23.00	23.00	(1.00)	22.00	1.00	23.00	-	23.00
FTE Count Totals	23.00	23.00	(1.00)	22.00	1.00	23.00	-	23.00

Environmental & Neighborhood Services

As of October 1, 2017



Environmental & Neighborhood Services

Mission Statement

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

Services Provided

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

Programs of Service

Fleet Maintenance maintains over 400 vehicles, fire apparatus, EMS vehicles and small pieces of machinery. **Facilities Management** manages a maintenance and improvement program, retire assets, provides immediate repairs, engage in special projects, and new vertical construction projects. **Animal Services** operates the City's animal shelter and enforces animal-related City ordinances. **Storm Water Management** is responsible for developing and implementing the City's Storm Water Management Program and providing water quality guidelines for storm water discharge as required by federal and state agencies. The **Food Inspection** program is responsible for the permitting and inspection of temporary, mobile and permanent food establishments in order to ensure they are safe, sanitary and in compliance with applicable codes and regulations. **Code Enforcement** works to protect the health, safety and welfare of residents through enforcement of the City's Codes and Ordinances. The **Rental Licensing** program ensures that the approx. 2,900 active rental properties are conforming to property maintenance standards and are safe for occupancy.

FY18 Requests

A total of \$247,777 in recurring additions are included in Environmental & Neighborhood Services FY18 budget. The additions are due to three new hires which include an Animal Services Officer, a Kennel Technician, a Code Enforcement Inspector, and overtime. These costs include their training, office supplies, tools, equipment, professional services, and additional fuel for vehicles. An additional \$148,400 in one-time expenses are included in the budget for a Stormwater Plan (MS4), Permit amendments, lease rental payments, HVAC rooftop repairs at the Police Department server room, and temporary help.

FY18 Amendment

The FY18 Environmental & Neighborhood Services budget was amended by \$16,745. This amendment includes a \$6,250 amendment for travel & training expenses, reduction in Star Spangled Spectacular overtime expenses of \$400, and a merit reduction totaling \$10,095.

Environmental & Neighborhood Services

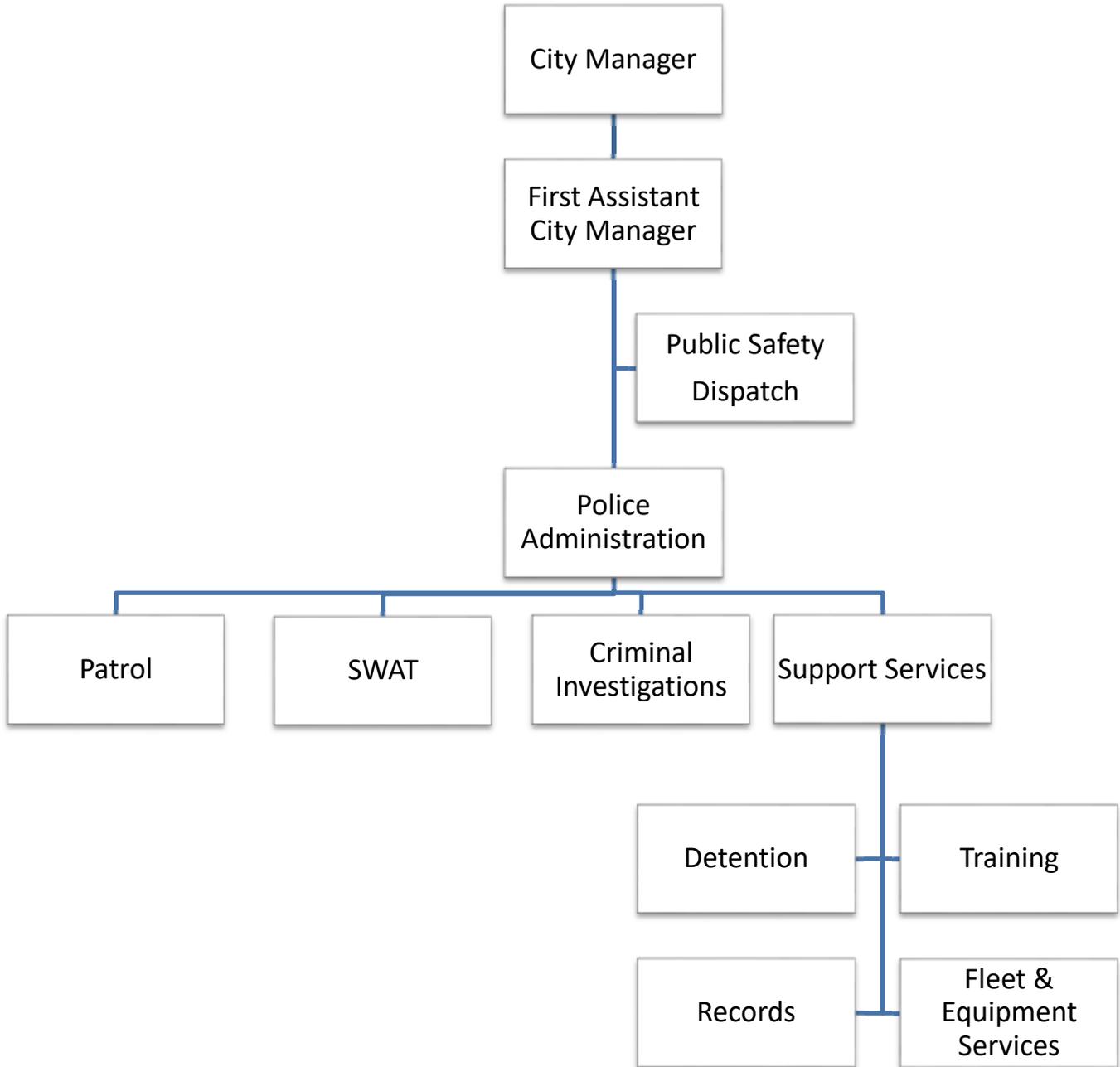
Summary by Category	FY16 Actuals	FY17 Current Budget	FY17 Projections	FY18 Base Budget	FY18 Changes	FY18 Budget	FY18 Amendment	FY18 Final Budget
Salary & Benefits	\$ 2,787,752	\$ 3,064,770	\$ 3,064,770	\$ 3,177,484	\$ 161,907	\$ 3,339,391	\$ (10,495)	\$ 3,328,896
Supplies	286,266	309,966	298,283	567,531	21,750	589,281	-	589,281
Professional Services	1,053,129	1,015,193	1,027,922	805,182	41,500	846,682	-	846,682
Repairs & Maintenance	589,364	555,600	555,600	576,999	-	576,999	-	576,999
Purchased Services	148,263	220,190	220,858	193,806	151,020	344,826	(6,250)	338,576
Capital/Other	27,445	113,834	113,834	-	20,000	20,000	-	20,000
Category Totals	\$ 4,892,219	\$ 5,279,553	\$ 5,281,267	\$ 5,321,002	\$ 396,177	\$ 5,717,179	\$ (16,745)	\$ 5,700,434

Summary by Type	FY16 Actuals	FY17 Current Budget	FY17 Projections	FY18 Base Budget	FY18 Changes	FY18 Budget	FY18 Amendment	FY18 Final Budget
ENS Administration	\$ 433,811	\$ 481,366	\$ 481,366	\$ 405,404	\$ -	\$ 405,404	\$ (1,474)	\$ 403,930
Community Outreach	11,684	37,016	37,016	-	-	-	-	-
Fleet Services	685,612	729,158	725,317	772,410	10,100	782,510	(3,849)	778,661
Facilities Management	2,138,961	2,165,606	2,171,998	2,276,883	49,760	2,326,643	(3,028)	2,323,615
Animal Services	657,762	737,339	737,954	781,059	138,076	919,135	(3,234)	915,901
Stormwater Management	122,013	162,612	162,431	94,468	115,000	209,468	(168)	209,300
Food Inspection	257,370	341,773	340,828	311,703	3,350	315,053	(1,431)	313,622
Code Enforcement	342,868	373,017	372,357	352,090	76,957	429,047	(1,932)	427,115
Rental Registration	242,138	251,666	252,000	326,985	2,934	329,919	(1,629)	328,290
Category Totals	\$ 4,892,219	\$ 5,279,553	\$ 5,281,267	\$ 5,321,002	\$ 396,177	\$ 5,717,179	\$ (16,745)	\$ 5,700,434

FTE Count	FY16 Budget	FY17 Budget	FY17 Adjustments	FY18 Base Budget	FY18 Changes	FY18 Budget	FY18 Amendment	FY18 Final Budget
ENS Administration	4.00	4.00	(2.00)	2.00	-	2.00	-	2.00
Fleet Services	7.00	7.00	1.00	8.00	-	8.00	-	8.00
Facilities Management	8.00	8.00	-	8.00	-	8.00	-	8.00
Animal Services	8.98	8.98	0.02	9.00	2.00	11.00	-	11.00
Stormwater Management	1.50	1.50	(1.00)	0.50	-	0.50	-	0.50
Food Inspection	3.00	4.00	-	4.00	-	4.00	-	4.00
Code Enforcement	5.00	5.00	-	5.00	1.00	6.00	-	6.00
Rental Registration	3.00	3.00	1.00	4.00	-	4.00	-	4.00
FTE Count Totals	40.48	41.48	(0.98)	40.50	3.00	43.50	-	43.50

Police Department & Public Safety Dispatch

As of October 1, 2017



Police Department

Mission Statement

The Sugar Land Police Department places an emphasis on quality law enforcement, crime prevention, and community policing. The overall goal of the organization is to develop partnerships and joint problem-solving techniques with the community that will increase the safety and quality of life for residents and visitors.

Services Provided

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

Programs of Service

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

FY18 Requests

A total of \$68,131 in recurring additions are included in the Police Department FY18 budget. These additions include tools, rifles, ammunition, uniforms, medical supplies, wireless devices, and training.

FY18 Amendment

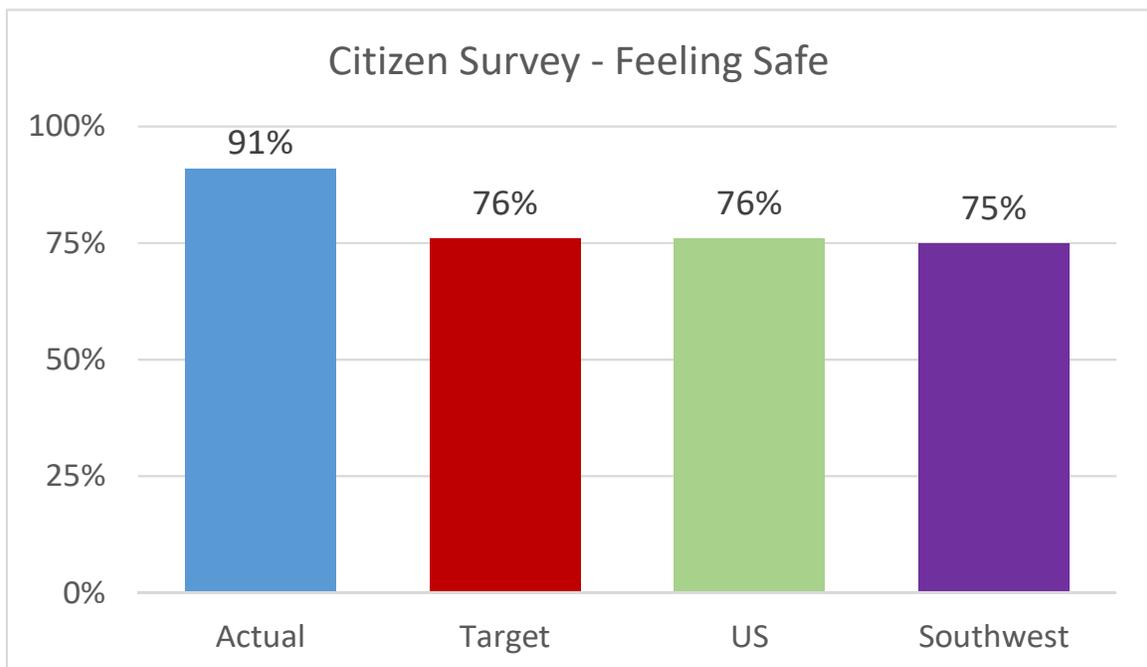
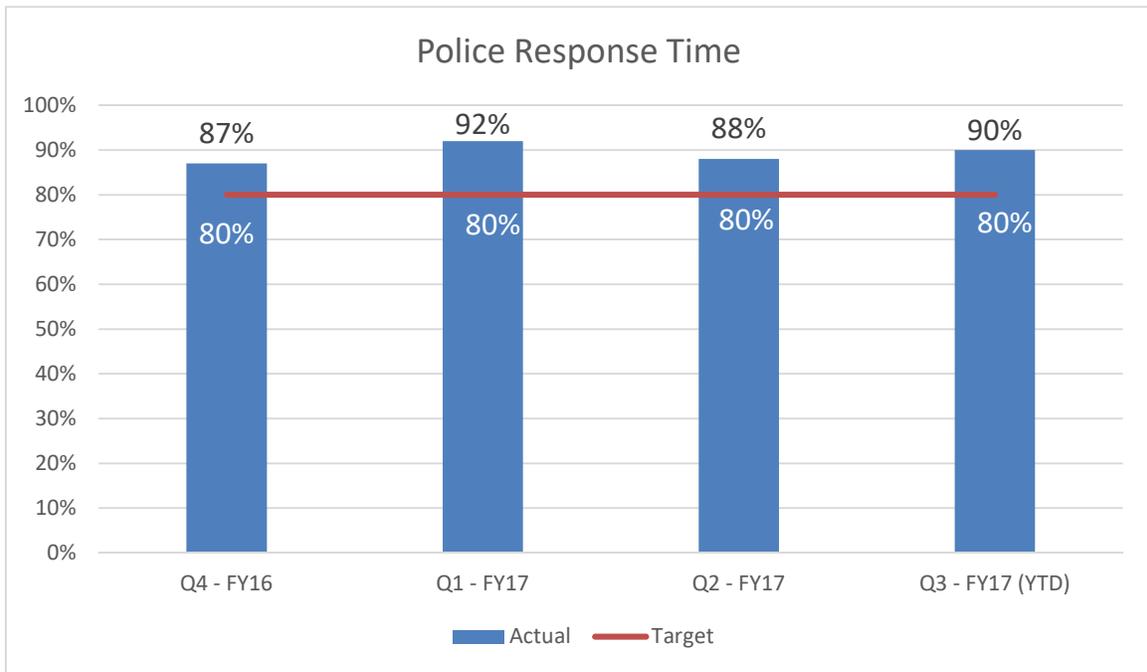
The FY18 Police Department budget was amended by \$95,386. This amendment includes a \$10,230 reduction for travel & training expenses, reduction in Star Spangled Spectacular and New Year's Eve events overtime expenses of \$10,800, and a merit reduction totaling \$97,975. There is also an amendment in the amount of \$23,619 for grant related overtime expenses – specifically, the FY18 STEP Comprehensive Grant, which recognizes a revenue of \$59,996, and the FY18 STEP Commercial Motor Vehicle Grant, which will recognize \$11,959 in revenues

Police Department

Performance Measures: Safest City in America

The City Council measure for “Rapid, Effective, and Coordinated Response to an Emergency for Police” is response time to a Priority emergency. The target is 80% of responses within a target of 7 minutes.

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



Police Department

Summary by Category	FY16 Actuals	FY17 Current Budget	FY17 Projections	FY18 Base Budget	FY18 Changes	FY18 Budget	FY18 Amendment	FY18 Final Budget
Salary & Benefits	\$ 16,622,310	\$ 18,282,195	\$ 18,282,195	\$ 19,568,193	\$ -	\$ 19,568,193	\$ (85,156)	\$ 19,483,037
Supplies	640,301	1,132,571	1,050,777	697,523	50,773	748,296	-	748,296
Professional Services	131,494	134,357	134,357	123,140	9,720	132,860	-	132,860
Repairs & Maintenance	261,188	303,267	283,017	307,149	-	307,149	-	307,149
Purchased Services	279,416	306,848	306,848	264,934	7,638	272,572	(10,230)	262,342
Capital/Other	119,461	709,383	709,383	-	-	-	-	-
Category Totals	\$ 18,054,169	\$ 20,868,621	\$ 20,766,577	\$ 20,960,939	\$ 68,131	\$ 21,029,070	\$ (95,386)	\$ 20,933,684

Summary by Type	FY16 Actuals	FY17 Current Budget	FY17 Projections	FY18 Base Budget	FY18 Changes	FY18 Budget	FY18 Amendment	FY18 Final Budget
Police Administration	\$ 998,400	\$ 1,115,752	\$ 1,113,752	\$ 1,141,302	\$ -	\$ 1,141,302	\$ (5,735)	\$ 1,135,567
Support Services Bureau	2,147,443	2,576,600	2,503,345	2,233,804	50,615	2,284,419	(16,274)	2,268,145
TCLEOSE Training	518	17,941	17,941	-	-	-	-	-
Patrol	10,892,248	12,887,564	12,895,062	13,124,488	10,867	13,135,355	(52,063)	13,083,292
Criminal Investigations	3,602,424	3,820,536	3,786,249	4,012,765	6,649	4,019,414	(19,232)	4,000,182
Detention Center	387,776	420,227	420,227	423,580	-	423,580	(2,082)	421,498
SWAT	25,361	30,001	30,001	25,000	-	25,000	-	25,000
Category Totals	\$ 18,054,169	\$ 20,868,621	\$ 20,766,577	\$ 20,960,939	\$ 68,131	\$ 21,029,070	\$ (95,386)	\$ 20,933,684

FTE Count	FY16 Budget	FY17 Budget	FY17 Adjustments	FY18 Base Budget	FY18 Changes	FY18 Budget	FY18 Amendment	FY18 Final Budget
Police Administration	8.50	8.50	(1.00)	7.50	-	7.50	-	7.50
Support Services Bureau	14.50	14.50	1.50	16.00	-	16.00	-	16.00
Patrol	111.00	111.00	17.00	128.00	-	128.00	-	128.00
Criminal Investigations	33.80	34.00	3.00	37.00	-	37.00	-	37.00
Detention Center	6.00	6.00	-	6.00	-	6.00	-	6.00
FTE Count Totals	173.80	174.00	20.50	194.50	-	194.50	-	194.50

Public Safety Dispatch

Mission Statement

The Sugar Land Public Safety Dispatch provides support to the City's Public Safety operations and the citizens of Sugar Land through a specialized communications network in the form of radio and computer transmissions, the use of specialized computer systems and the operations of emergency, as well as non-emergency telephone communications systems.

Services Provided

The Sugar Land Public Safety Dispatch Center is the public safety answering point for the City of Sugar Land. The center answers 911 and other emergency and non-emergency calls and requests for assistance and ensure that each one is processed accurately. The Dispatch Center is housed in the Police Department and provides dispatching to both the Police and Fire Departments.

Programs of Service

Public Safety Dispatch answers calls routed through emergency and non-emergency phone systems for the purpose of providing assistance from Police, Fire/EMS, Animal Services, Public Works, Traffic, and other City departments. All Dispatchers/Call Takers are trained in Emergency Medical Dispatch protocols. The calls are transferred, if appropriate, and resources are dispatched to the site via radio, computer, or other electronic devices.

FY18 Requests

A total of \$2,080 in recurring additions are included in Public Safety Dispatch's FY18 budget. This addition is for Emergency Medical & Fire service dispatch certifications.

FY18 Amendment

The FY18 Public Safety Dispatch budget was amended by \$17,364. This amendment includes a \$3,450 reduction for travel & training expenses and a merit reduction totaling \$13,914.

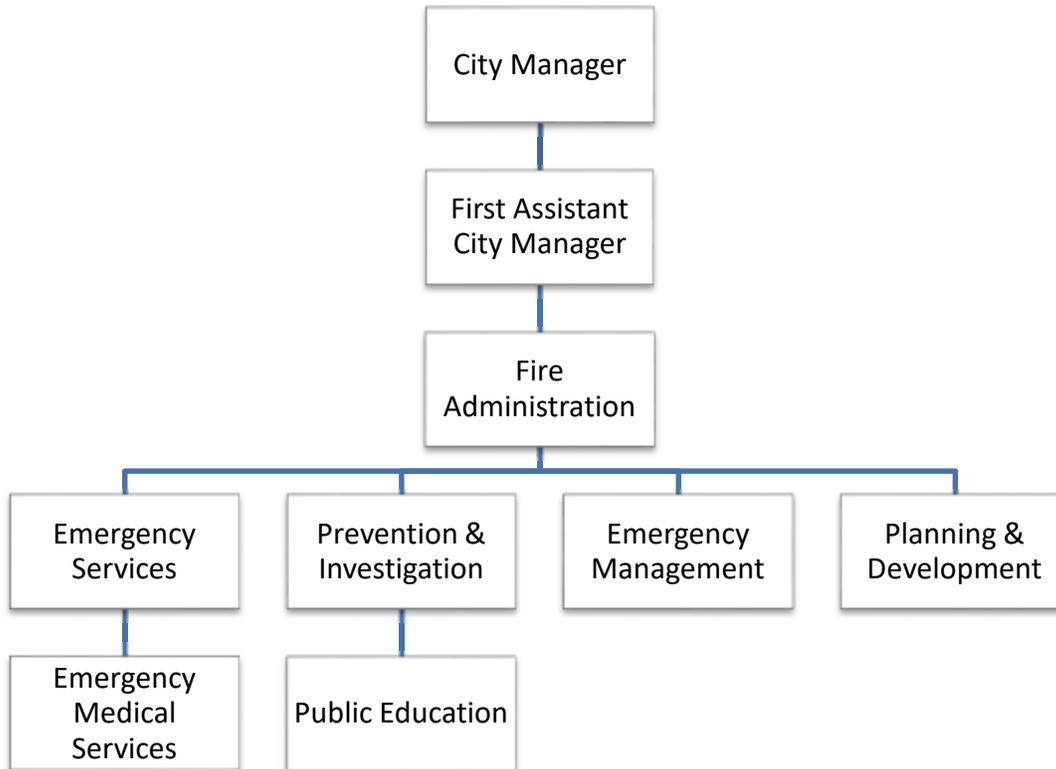
Summary by Category	FY16 Actuals	FY17 Current Budget	FY17 Projections	FY18 Base Budget	FY18 Changes	FY18 Budget	FY18 Amendment	FY18 Final Budget
Salary & Benefits	\$ 1,852,040	\$ 2,309,053	\$ 2,309,053	\$ 2,911,130	\$ -	\$ 2,911,130	\$ (13,914)	\$ 2,897,216
Supplies	13,891	24,823	24,823	15,400	-	15,400	-	15,400
Professional Services	60,581	60,195	60,195	61,245	-	61,245	-	61,245
Repairs & Maintenance	27,927	45,387	45,387	51,700	-	51,700	-	51,700
Purchased Services	28,971	34,988	34,988	33,336	2,080	35,416	(3,450)	31,966
Capital/Other	110,124	-	-	-	-	-	-	-
Category Totals	\$ 2,093,535	\$ 2,474,446	\$ 2,474,446	\$ 3,072,811	\$ 2,080	\$ 3,074,891	\$ (17,364)	\$ 3,057,527

Summary by Type	FY16 Actuals	FY17 Current Budget	FY17 Projections	FY18 Base Budget	FY18 Changes	FY18 Budget	FY18 Amendment	FY18 Final Budget
Public Safety Dispatch	\$ 2,093,535	\$ 2,474,446	\$ 2,474,446	\$ 3,072,811	\$ 2,080	\$ 3,074,891	\$ (17,364)	\$ 3,057,527
Category Totals	\$ 2,093,535	\$ 2,474,446	\$ 2,474,446	\$ 3,072,811	\$ 2,080	\$ 3,074,891	\$ (17,364)	\$ 3,057,527

FTE Count	FY16 Budget	FY17 Budget	FY17 Adjustments	FY18 Base Budget	FY18 Changes	FY18 Budget	FY18 Amendment	FY18 Final Budget
Public Safety Dispatch	27.00	27.00	8.00	35.00	-	35.00	-	35.00
FTE Count Totals	27.00	27.00	8.00	35.00	-	35.00	-	35.00

Fire/EMS

As of October 1, 2017



Fire/EMS

Mission Statement

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

Services Provided

Fire/EMS provides core emergency services, including fire and emergency medical services to the citizens of Sugar Land, ETJ population, daily business population, commuters, shoppers, and visitors. Fire/EMS operates out of seven fire stations, with six stations located within the City limits and one station in the ETJ. Ambulances are located at four stations to serve residents and businesses within the City limits, and in the ETJ through mutual aid agreements.

Programs of Service

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

FY18 Requests

A total of \$209,052 in recurring additions are included in Fire's FY18 budget. These additions include a new Fire Inspector, medical supplies, equipment for ambulances, medications, and miscellaneous items for Prevention and EMS Services. An additional \$167,756 in one-time expenses are included in the budget, for a cardiac monitor, radios, an Auto-Pulse machine, and a new vehicle for the Fire Inspector.

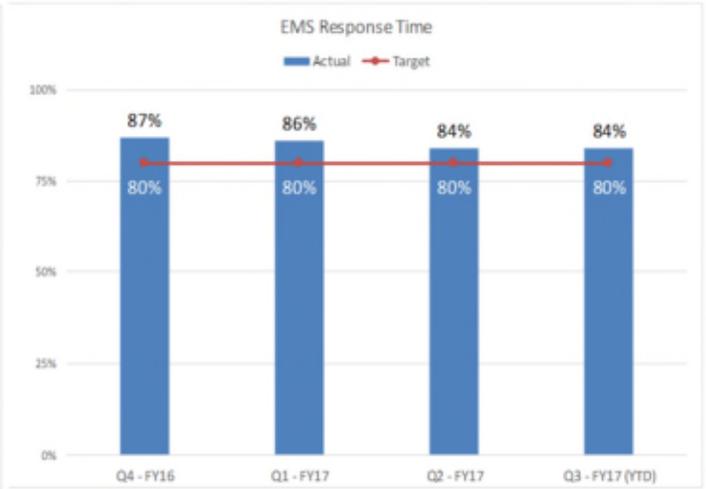
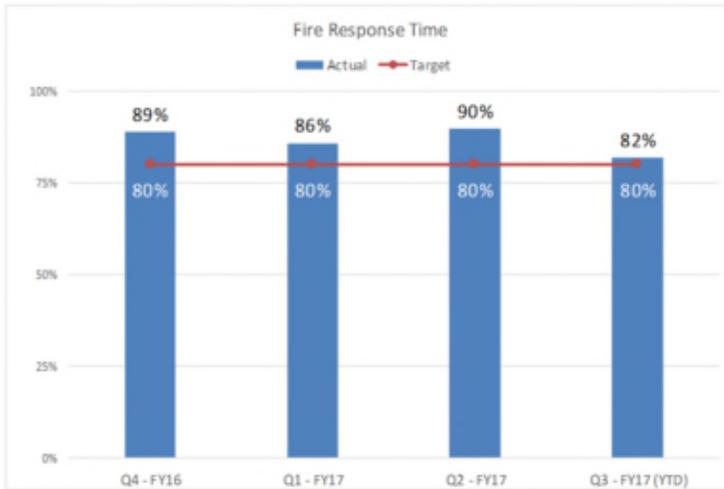
FY18 Amendment

The FY18 Fire/EMS budget was amended by \$86,446. This amendment includes a \$8,110 reduction for travel & training expenses, a reduction for Star Spangled Spectacular & New Year's Eve events overtime expenses of \$5,100, and a merit reduction totaling \$73,236.

Performance Measures: Safest City in America

The City Council measure for "Rapid, effective, and coordinated response to an emergency for Fire and EMS" is response time to an emergency. The target is 80% of all responses to all Emergency Calls within 8 minutes and 30 seconds.

Fire/EMS



Summary by Category	FY16 Actuals	FY17 Current Budget	FY17 Projections	FY18 Base Budget	FY18 Changes	FY18 Budget	FY18 Amendment	FY18 Final Budget
Salary & Benefits	\$ 13,079,601	\$ 14,054,883	\$ 14,054,883	\$ 14,521,308	\$ 115,305	\$ 14,636,613	\$ (78,336)	\$ 14,558,277
Supplies	465,249	667,938	578,915	540,163	95,332	635,495	-	635,495
Professional Services	207,622	241,004	241,004	219,824	8,565	228,389	-	228,389
Repairs & Maintenance	242,771	341,546	341,546	302,061	6,690	308,751	-	308,751
Purchased Services	137,290	199,507	199,507	144,847	7,649	152,496	(8,110)	144,386
Capital/Other	33,777	38,932	38,932	-	143,267	143,267	-	143,267
Category Totals	\$ 14,166,312	\$ 15,543,810	\$ 15,454,787	\$ 15,728,203	\$ 376,808	\$ 16,105,011	\$ (86,446)	\$ 16,018,565

Summary by Type	FY16 Actuals	FY17 Current Budget	FY17 Projections	FY18 Base Budget	FY18 Changes	FY18 Budget	FY18 Amendment	FY18 Final Budget
Fire Administration	\$ 402,219	\$ 420,066	\$ 418,254	\$ 410,021	\$ -	\$ 410,021	\$ (2,060)	\$ 407,961
Emergency Services	10,099,704	10,578,662	10,521,077	10,956,904	-	10,956,904	(57,485)	10,899,419
Emergency Medical Services	1,591,874	2,187,643	2,171,482	2,135,479	184,823	2,320,302	(8,260)	2,312,042
Haz Mat	20,678	40,543	39,842	44,539	-	44,539	-	44,539
Prevention	968,964	1,022,728	1,018,716	1,045,996	191,985	1,237,981	(6,422)	1,231,559
Emergency Management	373,366	429,203	426,929	392,503	-	392,503	(4,052)	388,451
Professional Development	709,507	864,965	858,487	742,761	-	742,761	(8,167)	734,594
Category Totals	\$ 14,166,311	\$ 15,543,810	\$ 15,454,787	\$ 15,728,203	\$ 376,808	\$ 16,105,011	\$ (86,446)	\$ 16,018,565

FTE Count	FY16 Budget	FY17 Budget	FY17 Adjustments	FY18 Base Budget	FY18 Changes	FY18 Budget	FY18 Amendment	FY18 Final Budget
Fire Administration	3.00	3.00	-	3.00	-	3.00	-	3.00
Emergency Services	90.00	90.00	-	90.00	-	90.00	-	90.00
Emergency Medical Services	13.00	13.00	7.00	20.00	-	20.00	-	20.00
Prevention	8.00	8.00	-	8.00	1.00	9.00	-	9.00
Emergency Management	3.00	3.00	-	3.00	-	3.00	-	3.00
Professional Development	5.00	5.00	-	5.00	-	5.00	-	5.00
FTE Count Totals	122.00	122.00	7.00	129.00	1.00	130.00	-	130.00

Non-Departmental

Services Provided

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

Transfers

Inter-fund transfers are budgeted in non-departmental. Transfers are made to the Fleet and High Tech replacement funds for replacement of vehicles and technology equipment, and the Airport fund for property taxes paid on airport property as per policy. An additional \$12,000 is budgeted in transfers to the Court Tech fund to cover a portion of Court Tech operations and maintenance expenses.

Rebates and Assignments

The City has seven in-City MUDs eligible for a rebate of a percentage of the City taxes collected from property within the district. There is currently one incentive agreement that is monitored for sales tax revenues, and grant payments are requested in accordance with the agreement.

Miscellaneous

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

FY18 Amendment

The FY18 budget includes an amendment of \$242,000, which includes a reduction in contingency funds of \$200,000 and a reduction in rebates & assignments of \$42,000.

Summary by Category	FY16 Actuals	FY17 Current Budget	FY17 Projections	FY18 Base Budget	FY18 Changes	FY18 Budget	FY18 Amendment	FY18 Final Budget
Transfers to other Funds	\$ 7,145,182	\$ 6,669,101	\$ 3,826,528	\$ 2,826,213	\$ 12,000	\$ 2,838,213	\$ -	\$ 2,838,213
Miscellaneous	997,089	887,011	569,533	(116,223)	-	(116,223)	(200,000)	(316,223)
Rebates & Assignments	3,444,735	2,557,913	2,557,913	2,613,188	-	2,613,188	(42,000)	2,571,188
Category Totals	\$ 11,587,006	\$ 10,114,025	\$ 6,953,974	\$ 5,323,178	\$ 12,000	\$ 5,335,178	\$ (242,000)	\$ 5,093,178

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenues that are legally restricted to expenditures for specified purposes. The City has fourteen Special Revenue Funds budgeted for Fiscal Year 2018.

Court Security Fund

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

Fiscal Year 2017

Revenues are projected to be \$38,040, which includes security fees of \$38,009 and interest income of \$31. Operating expenditures total \$44,505, which represents 50% of personnel costs for the Court Bailiff salary and benefits. Fund balance at 9/30/17 is projected to be \$19,949.

Fiscal Year 2018

Revenues budgeted total \$42,216, which includes security fees of \$42,185 and \$31 in interest income. Operating expenditures of \$45,843 represent 50% of personnel costs for the Court Bailiff. The remaining 50% of the bailiff position is funded in the General Fund. Ending fund balance at 9/30/18 is estimated to be \$16,322.

Court Technology Fund

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

Fiscal Year 2017

Revenues are projected to be \$50,912, which includes technology fees of \$50,680 and \$232 for interest income. Operating expenditures total \$87,028, and includes funds for annual maintenance contracts for the court software. Fund balance at 9/30/17 is estimated to be \$8,257.

Fiscal Year 2018

Revenues budgeted total \$68,323, which includes \$56,248 for technology fees, with \$12,000 transfers from General Fund, and \$75 in interest income. Budgeted expenditures total \$76,228, which is for the annual maintenance contracts for court software. Fund balance at 9/30/18 is estimated to be \$352.

Community Development Block Grant

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

Fiscal Year 2017

Revenues projected total \$481,223, which represents funds received from the CDBG program. Operating expenditures total \$481,223, and include \$56,500 for professional services, \$114,436 for other contractual services, and \$310,287 for pavement and sidewalk repairs in Covington Woods, Pinecraft at Ravenscourt, and for capital project funding used to improve facilities at Lonnie Green Park. Fund balance at 9/30/17 is projected to be zero.

Fiscal Year 2018

Revenues total \$283,687, which represents funds to be received from the CDBG program. Operating expenditures total \$283,687 which include \$55,120 for professional services, \$119,780 for other contractual services, and \$108,787 for pavement reconstruction of a cul-de-sac on Barrowgate Drive. Fund balance at 9/30/18 is estimated to be zero.

Tourism Fund

The Tourism Fund accounts for revenues realized from Hotel Occupancy Taxes. By law, cities with populations of less than 125,000 must spend at least 1% of hotel tax rate or 1/7 of the budget on advertising, no more than 15% on art programs and a maximum of 50% on historical preservation. Hotels submit an occupancy tax based on 7% of total room receipts to the City within 30 days of each quarter.

Sugar Land is home to eight hotels, with a total of 1,261 rooms. The new hotel, Marriott Courtyard, will open in the fall of FY18, and is projected to contain an additional 135 rooms. In total, Sugar Land will have nine hotels, with 1,396 rooms. Hotel taxes from the Sugar Land Marriott are used to pay the debt service on the \$10 million Certificates of Obligation that were issued by the City to finance the Sugar Land Conference Center, which is leased and operated by the Sugar Land Town Square Marriott. The fund also supports the \$9.98 million in certificates of obligation issued in 2014 for the Smart Financial Centre at Sugar Land, and TIRZ #4 Plaza.

Fiscal Year 2017

Projected revenues total \$2,224,300 with \$2,220,100 in occupancy tax, and \$4,200 in interest income. Projected expenditures total \$2,234,154, which includes \$456,850 for events and sponsorships, \$679,082 for tourism and promotions, \$49,542 for the Sugar Land Visitor Center, and \$64,983 for cultural arts implementation. The transfers out include the transfer to the Debt Service Fund to cover the debt for the Marriott conference center and the Smart Financial Centre at Sugar Land, and the transfer to CIP to fund Public Arts project. Fund balance at 9/30/17 is estimated to be \$518,673.

Fiscal Year 2018

Budgeted revenues are \$2,313,300 with \$2,309,100 in hotel occupancy tax and \$4,200 in interest income. Expenditures total \$2,591,714 and include \$309,800 for events and sponsorships, \$557,957 for tourism and promotions, \$53,324 for cultural art, and \$239,569 for the Sugar Land Visitors Center maintenance and operations, which will include an addition of two part-time Visitor Service Specialists. The transfers out include the transfer to the Debt Service Fund for \$1,406,064 to cover the debt for the Marriott conference center and the Smart Financial Centre at Sugar Land, and transfer to CIP fund for \$25,000 to partially fund the Public Arts project. Fund balance at 9/30/18 is estimated to be \$240,259, which is \$9,349 over the policy requirement, which is 10% of the budgeted hotel occupancy tax.

State Seizures Fund

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

Fiscal Year 2017

Projected revenues are \$121,024 with \$121,000 coming from Fort Bend County Narcotics Task Force and \$24 in interest income. Transfer out to CIP fund for \$109,000 covers part of the cost for a new mobile command vehicle. Fund balance at 9/30/17 is estimated to be \$137,771.

Fiscal Year 2018

Budgeted revenues are \$195 in interest income. Expenditures total \$25,000, which includes \$10,000 for maintenance on the city's police department MRAP vehicle and \$15,000 for updating the police departments AIMS software. Fund balance at 9/30/18 is estimated to be \$112,966.

Federal Seizures Fund

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

Fiscal Year 2017

Projected revenues are \$886. Expenditures are projected to be zero. Fund balance at 9/30/17 is estimated to be \$10,865.

Fiscal Year 2018

Budgeted revenues are \$13. There are no expenditures budgeted for FY18. Fund balance at 9/30/18 is estimated to be \$10,878.

Law Enforcement Fund

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

Fiscal Year 2017

Budgeted revenues are projected to be \$7 for interest income. There are no projected expenditures. Fund balance at 9/30/17 is estimated to be \$4,538.

Fiscal Year 2018

Budgeted revenues of \$7 in interest income and there are no expenditures budgeted for FY18. Fund balance at 9/30/18 is estimated to be \$4,545.

Photographic Traffic Signal Enforcement

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

Fiscal Year 2017

Projected revenues total \$1,931,512 and include \$1,930,776 from civil fines from cameras currently located at the following intersections: Westbound and Eastbound West Airport and Eldridge, Southbound US 59 and Highway 6, Westbound Highway 6 and Lexington, Westbound Highway 6 and US 59, Northbound Dairy Ashford and US 90A, Westbound Dairy Ashford and US 90A including right hand turn. Two additional cameras were added this fiscal year,

Westbound Dairy Ashford and US 90A at Eldridge/Lombardy/FM1876, and Westbound South University Boulevard and Elkins Road.

Operating expenditures total \$989,162 including \$193,348 for administrative personnel cost and \$795,814 for operations and maintenance. Net revenue of \$942,350 is to be split 50/50 with the State. The City portion is transferred to the General Fund in support of traffic programs. Fund balance at 9/30/17 is projected to be zero.

Fiscal Year 2018

Budgeted revenues total \$2,014,313, which include \$2,013,306 from civil fines. Operating expenditures budgeted total \$882,357, including \$180,632 for administrative personnel cost, and \$701,725 for operations and maintenance. Net revenues of \$1,131,956 are to be split 50/50 with the State. The City portion is transferred to the General Fund to support traffic programs in accordance with State Statute. Fund balance at 09/30/18 is projected to be zero.

Greatwood Debt Reduction Fund

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

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

Fiscal Year 2017

Projected operating revenues total \$707,054, which include \$389,796 for out-of-city service fees and \$34,542 of interest income. Transfers in of \$282,716 are from the General Fund for \$150,000 in sales tax revenues from the River Park area and \$132,716 from the Greatwood limited purpose annexation area. Expenditures in FY17 include transfers to General and Solid Waste Funds for Annexation related items for \$2,097,960. Ending fund balance at 9/30/17 is projected at \$3,274,599.

Fiscal Year 2018

Revenues total \$89,275 and include \$74,275 for out-of-city service fees, and \$15,000 for interest income. Expenditure in FY18 is transfer to General Fund in the amount of \$3,363,874 to fund Annexation related items. Projected ending fund balance at 9/30/18 is zero.

Tara Plantation Debt Reduction Fund

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

Fiscal Year 2017

Operating revenues are projected at \$49,098, which includes out-of-city service fees and interest income. There are no budgeted expenditures in operations and maintenance. Fund balance at 9/30/17 is estimated to be \$323,419.

Fiscal Year 2018

Revenues budgeted total \$44,900 and include \$44,520 for out-of-city service fees and \$380 for interest income. There are no budgeted expenditures. Fund balance at 9/30/18 is estimated to be \$368,319. This fund balance will continue to grow until the City annexes the district in the future.

New Territory Debt Reduction Fund

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

Fiscal Year 2017

Projected operating revenues total \$670,709 which include out-of-city service fees of \$487,919 and interest income of \$32,790. Transfers in total \$150,000 from the General Fund for sales taxes collected in the River Park area. Expenditures in FY17 are transfers to General and Solid Waste Funds in the amount of \$2,097,960. Ending fund balance at 9/30/17 is projected at \$3,663,461.

Fiscal Year 2018

Revenues budgeted total \$112,868 and include \$96,474 for out-of-city service fees, \$16,395 for interest income.

Expenditure in FY18 is transfer to General Fund in the amount of \$3,571,392 to fund annexation related expenses. Budgeted ending fund balance at 9/30/18 is \$204,900. These funds will be used to pay down any debt remaining when the districts are annexed by the City, or for other uses authorized under the SPA.

Riverstone Debt Reduction Fund

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

Fiscal Year 2017

Revenues projected total \$153,681 and include \$153,364 for out-of-city service fees and \$316 for interest income. There are no budgeted expenditures for FY17. Budgeted ending fund balance at 9/30/17 is \$521,183.

Fiscal Year 2018

Revenues budgeted total \$161,359 and include \$161,033 for out-of-city service fees and \$326 for interest income. There are no budgeted expenditures for FY18. Budgeted ending fund balance at 9/30/18 is \$682,541.

Enclave at River Park PID

Authorized under the Public Improvement District Assessment Act (Chapter 372 of LGC). Enclave at River Park PID allows the City to levy and collect an assessment on property within the PID for reimbursement of expenses associated with improvement projects which include: Water, wastewater, or drainage facility construction and improvements; Street and sidewalk construction and improvements; Park and recreation establishment and improvements; Acquisition of property; and Administration and operational expenses.

Fiscal Year 2017

Revenues projected total \$140,344 and include \$128,008 for PID assessment fees, \$344 for interest income, and \$11,192 for transfers in from the General Fund and Debt Service Fund. There are no budgeted expenditures for FY17. Budgeted ending fund balance at 9/30/17 is \$471,000.

Fiscal Year 2018

Revenues budgeted total \$151,345 and include \$128,007 for PID assessment fees, \$345 for interest income, and \$22,993 for transfers in from the General Fund and Debt Service Fund. There are no budgeted expenditures for FY18. Budgeted ending fund balance at 9/30/18 is \$662,345.

Special Events Fund

The Special Events fund accounts for City Services such as fire, traffic, and police, that are activated due to a special event being conducted in the City. A special event is a unique activity, occurring for a limited or fixed duration, and having an impact to public property. Additionally, the Special Events fund accounts for the rental fees collected for the Festival Site and Brazos River Park. Both facilities were approved by Sugar Land voters in November 2013 as part of a general obligation bond proposition. Specifically, the Festival Site has been designed to contain festival grounds that could accommodate large-scale events like the annual Fourth of July celebration, cultural offerings, and possibly commercial entertainment events that could benefit the local economy.

Fiscal Year 2017

Revenues projected total \$54,200 and includes \$4,200 in rental and special event permit fees from the festival grounds, and \$50,000 for transfers in from the General Fund. Expenditures total \$52,790, which includes \$48,840 for a Destination Event Manager and \$3,950 for operations and maintenance. Budgeted ending fund balance at 9/30/17 is \$1,410.

Fiscal Year 2018

Revenues budgeted total \$78,630 and includes \$45,630 in rental and special event permit fees from the festival grounds, and \$33,000 for transfers in from the General Fund. Expenditures total \$79,131, for personnel. Budgeted ending fund balance at 9/30/18 is \$909.

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

	FY16 Actuals	FY17 Current Budget	FY17 Projections	FY18 Base Budget	FY18 Changes	FY18 Budget
REVENUES						
Security Fees	\$ 44,727	\$ 49,500	\$ 38,009	\$ 42,185	\$ -	\$ 42,185
Interest Income	37	17	31	31	-	31
Total Revenues	44,764	49,517	38,040	42,216	-	42,216
EXPENDITURES						
Personnel	42,354	44,505	44,505	45,843	-	45,843
Total Expenditures	42,354	44,505	44,505	45,843	-	45,843
Revenues Over/(Under) Expenditures	2,410	5,012	(6,465)	(3,627)	-	(3,627)
Fund Balance - Beginning	24,004	26,414	26,414	19,949	-	19,949
Fund Balance - Ending	\$ 26,414	\$ 31,426	\$ 19,949	\$ 16,322	\$ -	\$ 16,322

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

	FY16 Actuals	FY17 Current Budget	FY17 Projections	FY18 Base Budget	FY18 Changes	FY18 Budget
REVENUES						
Technology Fees	\$ 59,636	\$ 66,000	\$ 50,680	\$ 56,248	\$ -	\$ 56,248
Interest Income	149	75	232	75	-	75
Transfers in	-	-	-	12,000	-	12,000
Total Revenues	59,785	66,075	50,912	68,323	-	68,323
EXPENDITURES						
Operations & Maintenance	63,100	87,028	87,028	76,228	-	76,228
Total Expenditures	63,100	87,028	87,028	76,228	-	76,228
Revenues Over/(Under) Expenditures	(3,315)	(20,953)	(36,116)	(7,905)	-	(7,905)
Fund Balance - Beginning	47,688	44,373	44,373	8,257	-	8,257
Fund Balance - Ending	\$ 44,373	\$ 23,420	\$ 8,257	\$ 352	\$ -	\$ 352

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

	FY16 Actuals	FY17 Current Budget	FY17 Projections	FY18 Base Budget	FY18 Changes	FY18 Budget
REVENUES						
CDBG	\$ 504,354	\$ 481,223	\$ 481,223	\$ 283,687	\$ -	\$ 283,687
Total Revenues	504,354	481,223	481,223	283,687	-	283,687
EXPENDITURES						
Professional Services	56,460	56,500	56,500	55,120	-	55,120
Other Contractual	111,665	114,436	114,436	119,780	-	119,780
Capital	336,229	310,287	310,287	108,787	-	108,787
Total Expenditures	504,354	481,223	481,223	283,687	-	283,687
Revenues Over/(Under) Expenditures	-	-	-	-	-	-
Fund Balance - Beginning	-	-	-	-	-	-
Fund Balance - Ending	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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

	FY16 Actuals	FY17 Current Budget	FY17 Projections	FY18 Base Budget	FY18 Changes	FY18 Budget
REVENUES						
Hotel/Motel Occupancy Tax	\$ 2,328,186	\$ 2,475,026	\$ 2,220,100	\$ 2,220,000	\$ 89,100	\$ 2,309,100
Interest Income	7,301	15,000	4,200	4,200	-	4,200
Miscellaneous	1,228	-	-	-	-	-
Total Revenues	2,336,715	2,490,026	2,224,300	2,224,200	89,100	2,313,300
EXPENDITURES						
Events & Sponsorships	302,287	453,000	456,850	304,800	5,000	309,800
Tourism & Promotions	508,440	751,455	679,082	557,957	-	557,957
Sugar Land Visitors Center	-	81,034	49,542	239,569	-	239,569
Cultural Art	44,287	64,983	64,983	53,324	-	53,324
Capital Projects	3,575	-	-	-	-	-
Total Operating Expenditures	858,589	1,350,472	1,250,457	1,155,650	5,000	1,160,650
Transfers to Other Funds	3,957,278	1,433,697	983,697	1,431,064	-	1,431,064
Miscellaneous	-	-	-	-	-	-
Total Non-Operating Expenditures	3,957,278	1,433,697	983,697	1,431,064	-	1,431,064
Total Expenditures	4,815,867	2,784,169	2,234,154	2,586,714	5,000	2,591,714
Revenues Over/(Under) Expenditures	(2,479,152)	(294,143)	(9,854)	(362,514)	84,100	(278,414)
Fund Balance - Beginning	3,537,475	1,058,323	1,058,323	1,048,469	-	1,048,469
GAAP Adjustments	(594,269)	(529,796)	(529,796)	(529,796)	-	(529,796)
Fund Balance - Ending	\$ 464,054	\$ 234,384	\$ 518,673	\$ 156,159	\$ 84,100	\$ 240,259
Fund Balance Policy (10% of Budgeted HOT)		\$ 247,503	\$ 222,010	\$ 222,000		\$ 230,910
Over/Under Policy		\$ (13,118)	\$ 296,663	\$ (65,841)		\$ 9,349

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

	FY16 Actuals	FY17 Current Budget	FY17 Projections	FY18 Base Budget	FY18 Changes	FY18 Budget
REVENUES						
Other Income	\$ 8,113	\$ -	\$ 121,000	\$ -	\$ -	\$ -
Interest Income	178	100	24	195	-	195
Total Revenues	8,291	100	121,024	195	-	195
EXPENDITURES						
Maintenance and Operations	-	-	-	-	25,000	25,000
Transfers to other funds	-	109,000	109,000	-	-	-
Total Expenditures	-	109,000	109,000	-	25,000	25,000
Revenues Over/(Under) Expenditures	8,291	(108,900)	12,024	195	(25,000)	(24,805)
Fund Balance - Beginning	117,456	125,747	125,747	137,771	-	137,771
Fund Balance - Ending	\$ 125,747	\$ 16,847	\$ 137,771	\$ 137,966	\$ (25,000)	\$ 112,966

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

	FY16 Actuals	FY17 Current Budget	FY17 Projections	FY18 Base Budget	FY18 Changes	FY18 Budget
REVENUES						
Other Income	\$ 2,106	\$ -	\$ 874	\$ -	\$ -	\$ -
Interest Income	12	10	12	13	-	13
Total Revenues	2,118	10	886	13	-	13
EXPENDITURES						
Maintenance and Operations	-	-	-	-	-	-
Total Expenditures	-	-	-	-	-	-
Revenues Over/(Under) Expenditures	2,118	10	886	13	-	13
Fund Balance - Beginning	7,861	9,979	9,979	10,865	-	10,865
Fund Balance - Ending	\$ 9,979	\$ 9,989	\$ 10,865	\$ 10,878	\$ -	\$ 10,878

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

	FY16 Actuals	FY17 Current Budget	FY17 Projections	FY18 Base Budget	FY18 Changes	FY18 Budget
REVENUES						
Other Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest Income	7	10	7	7	-	7
Total Revenues	7	10	7	7	-	7
EXPENDITURES						
Maintenance and Operations	-	-	-	-	-	-
Total Expenditures	-	-	-	-	-	-
Revenues Over/(Under) Expenditures	7	10	7	7	-	7
Fund Balance - Beginning	4,524	4,531	4,531	4,538	-	4,538
Fund Balance - Ending	\$ 4,531	\$ 4,541	\$ 4,538	\$ 4,545	\$ -	\$ 4,545

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

	FY16 Actuals	FY17 Current Budget	FY17 Projections	FY18 Base Budget	FY18 Changes	FY18 Budget
REVENUES						
Civil Fines	\$ 1,836,288	\$ 1,920,000	\$ 1,930,776	\$ 2,013,306	\$ -	\$ 2,013,306
Interest Income	1,116	736	736	1,007	-	1,007
Total Revenues	1,837,403	1,920,736	1,931,512	2,014,313	-	2,014,313
EXPENDITURES						
Personnel Costs	178,471	163,217	193,348	180,632	-	180,632
Operations & Maintenance	568,248	761,055	795,814	701,725	-	701,725
Total Operating Expenditures	746,719	924,272	989,162	882,357	-	882,357
State Share	528,434	506,424	471,175	565,978	-	565,978
Transfers Out	528,434	506,424	471,175	565,978	-	565,978
Total Non-Operating Expenditures	1,056,867	1,012,848	942,350	1,131,956	-	1,131,956
Total Expenditures	1,803,586	1,937,120	1,931,512	2,014,313	-	2,014,313
Revenues Over/(Under) Expenditures	33,818	(16,384)	-	-	-	-
Fund Balance - Beginning	(17,434)	16,384	-	-	-	-
Fund Balance - Ending	\$ 16,384	\$ -	\$ -	\$ -	\$ -	\$ -

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

	FY16 Actuals	FY17 Current Budget	FY17 Projections	FY18 Base Budget	FY18 Changes	FY18 Budget
REVENUES						
Out of City Service Fees	\$ 392,664	\$ 434,940	\$ 389,796	\$ 74,275	\$ -	\$ 74,275
Interest Income	28,119	13,500	34,542	15,000	-	15,000
Transfers In	294,379	296,429	282,716	-	-	-
Total Revenues	715,163	744,869	707,054	89,275	-	89,275
EXPENDITURES						
Operations & Maintenance	-	-	-	-	-	-
Transfers to Other Funds	-	2,097,960	2,097,960	3,363,874	-	3,363,874
Total Expenditures	-	2,097,960	2,097,960	3,363,874	-	3,363,874
Revenues Over/(Under) Expenditures	715,163	(1,353,091)	(1,390,906)	(3,274,599)	-	(3,274,599)
Fund Balance - Beginning	3,950,343	4,665,505	4,665,505	3,274,599	-	3,274,599
Fund Balance - Ending	\$ 4,665,505	\$ 3,312,414	\$ 3,274,599	\$ -	\$ -	-

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

	FY16 Actuals	FY17 Current Budget	FY17 Projections	FY18 Base Budget	FY18 Changes	FY18 Budget
REVENUES						
Out of City Service Fees	\$ 45,428	\$ 44,520	\$ 48,725	\$ 44,520	\$ -	\$ 44,520
Interest Income	298	175	373	380	-	380
Total Revenues	45,726	44,695	49,098	44,900	-	44,900
EXPENDITURES						
Operations & Maintenance	-	-	-	-	-	-
Total Expenditures	-	-	-	-	-	-
Revenues Over/(Under) Expenditures	45,726	44,695	49,098	44,900	-	44,900
Fund Balance - Beginning	228,595	274,321	274,321	323,419	-	323,419
Fund Balance - Ending	\$ 274,321	\$ 319,016	\$ 323,419	\$ 368,319	\$ -	\$ 368,319

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

	FY16 Actuals	FY17 Current Budget	FY17 Projections	FY18 Base Budget	FY18 Changes	FY18 Budget
REVENUES						
Out of City Service Fees	\$ 505,037	\$ 506,840	\$ 487,919	\$ 96,474	\$ -	\$ 96,474
Interest Income	21,347	20,000	32,790	16,395	-	16,395
Transfers In	150,000	150,000	150,000	-	-	-
Total Revenues	676,384	676,840	670,709	112,868	-	112,868
EXPENDITURES						
Operations & Maintenance	-	-	-	-	-	-
Transfers to Other Funds	-	2,097,960	2,097,960	3,571,392	-	3,571,392
Total Expenditures	-	2,097,960	2,097,960	3,571,392	-	3,571,392
Revenues Over/(Under) Expenditures	676,384	(1,421,120)	(1,427,251)	(3,458,524)	-	(3,458,524)
Fund Balance - Beginning	4,414,328	5,090,712	5,090,712	3,663,461	-	3,663,461
Fund Balance - Ending	\$ 5,090,712	\$ 3,669,592	\$ 3,663,461	\$ 204,900	\$ -	\$ 204,900

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

	FY16 Actuals	FY17 Current Budget	FY17 Projections	FY18 Base Budget	FY18 Changes	FY18 Budget
REVENUES						
Out of City Service Fees	\$ 135,225	\$ 98,775	\$ 153,364	\$ 161,033	\$ -	\$ 161,033
Interest Income	216	200	316	326	-	326
Total Revenues	135,442	98,975	153,681	161,359	-	161,359
EXPENDITURES						
Operations & Maintenance	-	-	-	-	-	-
Total Expenditures	-	-	-	-	-	-
Revenues Over/(Under) Expenditures	135,442	98,975	153,681	161,359	-	161,359
Fund Balance - Beginning	232,060	367,502	367,502	521,183	-	521,183
Fund Balance - Ending	\$ 367,502	\$ 466,477	\$ 521,183	\$ 682,541	\$ -	\$ 682,541

**CITY OF SUGAR LAND
SPECIAL REVENUE FUND - ENCLAVE AT RIVER PARK PID
INCOME STATEMENT**

	FY16 Actuals	FY17 Current Budget	FY17 Projections	FY18 Base Budget	FY18 Changes	FY18 Budget
REVENUES						
PID Assessment Fees	\$ 153,973	\$ 128,808	128,808	\$ 128,007	\$ -	\$ 128,007
Interest Income	163	165	344	345	-	345
Transfers In	11,192	30,986	11,192	22,993	-	22,993
Total Revenues	165,328	159,959	140,344	151,345	-	151,345
EXPENDITURES						
Reimbursements	-	-	-	-	-	-
Transfers to Other Funds	-	-	-	-	-	-
Total Expenditures	-	-	-	-	-	-
Revenues Over/(Under) Expenditures	165,328	159,959	140,344	151,345	-	151,345
Fund Balance - Beginning	165,328	330,656	330,656	471,000	-	471,000
Fund Balance - Ending	\$ 330,656	\$ 490,615	\$ 471,000	\$ 622,345	\$ -	\$ 622,345

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

	FY16 Actuals	FY17 Current Budget	FY17 Projections	FY18 Base Budget	FY18 Changes	FY18 Budget
REVENUES						
Rental Fees	\$ -	\$ 93,162	\$ 4,200	\$ 45,630	\$ -	\$ 45,630
Transfers In	-	-	50,000	33,000	-	33,000
Total Revenues	-	93,162	54,200	78,630	-	78,630
EXPENDITURES						
Personnel Costs	-	89,212	48,840	79,131	-	79,131
Operations & Maintenance	-	3,950	3,950	-	-	-
Total Operating Expenditures	-	93,162	52,790	79,131	-	79,131
Total Expenditures	-	93,162	52,790	79,131	-	79,131
Revenues Over/(Under) Expenditures	-	-	1,410	(501)	-	(501)
Fund Balance - Beginning	-	-	-	1,410	-	1,410
Fund Balance - Ending	\$ -	\$ -	\$ 1,410	\$ 909	\$ -	\$ 909

Capital Projects Fund

Capital Project Funds account for the acquisition or construction of major capital activities. Funding is provided by debt issuance, Sugar Land Development Corporation, Sugar Land 4B Corporation, Airport revenues, Utility revenues, Tourism Fund, grants and donations.

Capital Improvement Process

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

The five-year Capital Improvement Program (CIP) for FY18-FY22 totals \$96.40 million. Cost estimates for years two through five of the five-year CIP are for planning purposes only and are used in conjunction with the long-range financial plan of the City to determine potential project funding sources or to adjust project timing based on affordability. Estimates are based on the best information available, and ultimate project budgets may vary from estimates.

Funding sources and levels are identified and developed through the Budget Office. The first draft of the five-year CIP is prepared without fiscal constraints. The CIP is reviewed by the departments, Planning and Zoning Commission, the Sugar Land Development Corporation (SLDC), Sugar Land 4B Corporation (SL4B), and the City Manager. The City Council reviews the list of proposed projects without respect to dollar amounts or timing. A final draft of the fiscally constrained five-year CIP is then prepared and filed with the annual budget for Council consideration and approval. Upon City Council adoption, the five-year CIP document is reproduced and distributed for implementation of the program. There are no identified operational impacts associated with the implementation of the current year Capital Improvement Program.

Fiscal Year 2017

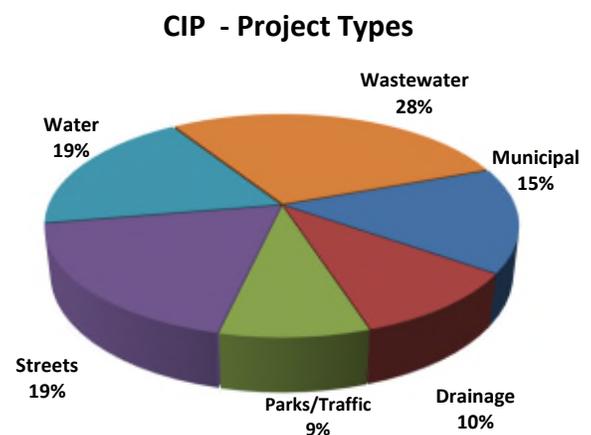
The FY17 capital project budget totaled \$73,998,850. Many projects included in FY17 are still in progress as most capital projects are multi-year projects.

Fiscal Year 2018

FY18 capital projects total \$21,505,556. Wastewater projects make up the majority of the distribution at 28%, followed by Streets and Water projects with 19%. Municipal projects is at 15%, Drainage at 10%, while Parks and Traffic projects combine to represent 9% of the approved project budgets for the FY18 CIP.

Drainage projects total \$2,210,000 and include: Covington Woods drainage improvements for construction of Jess Pirtle Side Streets & Greywood Drive, and design at Sugar Land Middle School/Sugar Mill Relief Line.

Municipal projects total \$3,285,000 and include: Fuel Tank/Dispenser Replacement; 3 Tier High Site 10; Roof replacement & Building repairs at Public Works old Buildings; City Hall Annex Foundation Repair; Central Prison Unit Demolition; Temporary Gun Range; and Public Arts Project.



Parks projects total \$1,100,000 and include: Cullinan Park improvements; and Joint Participation in CIP.

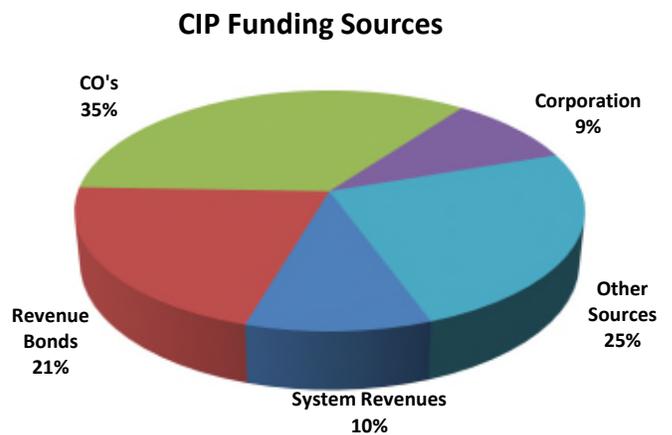
Streets projects total \$4,037,056 and include: SH6 @ First Colony Intersection Improvements; University Boulevard North Landscape; Wayfinding Signs; Street Reconstruction for Seventh from Muirwood to Woodlake; Street Reconstruction Country Club from Sugar Creek to Chesterfield; and Pavement Rehabilitation.

Traffic projects total \$750,000 for Traffic Signal Management/ITS.

Wastewater projects total \$6,134,500 and include: Wastewater collection system rehabilitation; Lift Station Rehabilitation; Lift Station Assessment; Wastewater Treatment Plant Improvements; Oyster Creek Siphon Replacement; and New Territory/Greatwood Wastewater Plants Rehabilitation.

Water projects total \$3,989,000 and include: Elevated Storage Tank Rehabilitation; Lakeview & Sugar Creek Groundwater Plant Booster Pump Replacement; Distribution System Water Main Rehabilitation; Ground Storage Tank Rehabilitation Assessment; Ground Storage Tank Rehabilitation @ Lakeview; Water Facilities Condition Assessment; New Territory/Greatwood Ground Water Plants Rehabilitation; and Well Rehabilitation.

Funding for the FY18 CIP consists of \$7,442,056 in Certificates of Obligation, \$4,512,800 in Revenue Bonds, \$2,065,000 from Sugar Land 4B Corporation, \$2,175,700 in system revenues, and \$5,310,000 from other funding sources. Other funding sources include donations from the Cullinan Foundation, Tourism Fund, and CIP fund balances. Interest income is budgeted at \$215,000. A number of projects undertaken will have ongoing operations and maintenance (O&M) costs when completed. Each project that has an O&M impact has been identified and the annual cost calculated. The amounts are included in the five-year forecast to measure the impact on the long-range financial capacity of each operating fund. A table identifying projects that have an O&M cost is included after the summary of all capital projects.



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

						FY18 Budget Amendments			Revised Budget	
	General CIP	Grants and Other Sources	Development Corporations	Utility CIP	Airport CIP	Total Capital Projects	General CIP	Development Corporations		Utility CIP
Revenues										
Bond Proceeds	\$ 8,042,056	\$ -	\$ -	\$ -	-	\$ 8,042,056	\$ -	\$ -	\$ -	\$ 8,042,056
Transfers In	520,575	25,000.00	2,190,000	6,688,500	-	9,424,075	-	(125,000)	-	9,299,075
Transportation Fees	647,500	-	-	-	-	647,500	-	-	-	647,500
Donations	1,000,000	-	-	-	-	1,000,000	-	-	-	1,000,000
Interest Income	135,000	-	-	80,000	-	215,000	-	-	-	215,000
Total Revenues	10,345,131	25,000	2,190,000	6,768,500	-	19,328,631	-	(125,000)	-	19,203,631
Expenditures										
Drainage	2,095,000	-	-	115,000	-	2,210,000	-	-	-	2,210,000
Municipal	1,685,000	25,000	1,590,000	485,000	-	3,785,000	(500,000)	-	-	3,285,000
Parks	1,000,000	-	200,000	-	-	1,200,000	-	(100,000)	-	1,100,000
Streets	3,762,056	-	400,000	-	-	4,162,056	(100,000)	(25,000)	-	4,037,056
Traffic	750,000	-	-	-	-	750,000	-	-	-	750,000
Surface Water	-	-	-	-	-	-	-	-	-	-
Water	-	-	-	3,989,000	-	3,989,000	-	-	-	3,989,000
Wastewater	-	-	-	6,134,500	-	6,134,500	-	-	-	6,134,500
Prior Year Project Close Out	-	-	-	-	-	-	(833,000)	-	-	(833,000)
Total CIP Expenditures	9,292,056	25,000	2,190,000	10,723,500	-	22,230,556	(1,433,000)	(125,000)	-	20,672,556
Issuance Costs	100,000	-	-	-	-	100,000	-	-	-	100,000
Other Non-operating	-	-	-	-	-	-	-	-	-	-
Transfers Out	1,193,075	-	-	-	-	1,193,075	143,872	-	-	1,336,947
Non-operating Expenditures	1,293,075	-	-	-	-	1,293,075	143,872	-	-	1,436,947
Total Expenditures	10,585,131	25,000	2,190,000	10,723,500	-	23,523,631	(1,289,128)	(125,000)	-	22,109,503
Revenues Over/(Under) Expenditures	(240,000)	-	-	(3,955,000)	-	(4,195,000)	1,289,128	-	-	(2,905,872)
Fund Balance - Beginning	7,186,860	-	-	5,150,000	-	12,336,860	-	-	-	12,336,860
Reserved Funds- Transportation Fees	(2,089,570)	-	-	-	-	(2,089,570)	-	-	-	(2,089,570)
Fund Balance - Ending	\$ 4,857,290	\$ -	\$ -	\$ 1,195,000	\$ -	\$ 6,052,290	\$ 1,289,128	\$ -	\$ -	\$ 7,341,418

**CITY OF SUGAR LAND
SUMMARY OF CAPITAL PROJECTS
FISCAL YEAR 2018**

Project #	Project Name	Project Description
Drainage Projects		
DR1701	Covington Woods Drainage Improvements - Jess Pirtle Side Streets & Greywood Dr.	Design and construction of new reinforced concrete pipe along Sugarfield, Sugardale, and Sugar Mountain Courts to reduce stormwater ponding. Greywood Dr. include storm sewer improvements parallel to the existing storm system to provide additional conveyance.
DR1801	Covington Woods Drainage Improvements - Sugar Land MS/Sugar Mill Relief Line	Design and construction of a new relief storm sewer outfall along the City owned park adjacent to Sugar Land Middle School and out falling to Ditch A-22. Project is designed to increase the capacity of the 7th Street storm sewer system.
Drainage Total		
Municipal Projects		
MU1802	Fuel System Upgrades and Compliance	Upgrade the existing underground fuel tanks at the Public Works Service Center.
MU1803	3 Tier High Site 10	The 3 Tier Wireless system was first put into operation in 2012. The systems initial purpose was to provide remote access and control, as part of the City's Intelligent Traffic System (ITS) initiative for the more than 70 traffic-controlled intersections. The use and scope of the system has increased significantly over time to include SCADA and Public Safety LPR. The new High Site will extend existing service levels for ITS, SCADA and LPR into the newly annexed area of New Territory.
MU1804	Roof Replacement and Building Repairs for Public Works Old Buildings	Roof Replacement and Building Repairs for Public Works Old Buildings
MU1805	City Hall Annex Foundation Repair	Installation of steel helical piles to underpin and re-align the ground floor concrete slab inside the original portion of the building.
MU1806	Central Prison Unit Demolition	The Central Prison Unit property has roughly 99 buildings and various structures on the site that need to be cleared so development can occur. Demolition needs to account for the abatement of asbestos / other environmental concerns and abatement monitoring.
MU1807	Temporary Gun Range	Provide a temporary gun range for the police department to utilize until the time comes when the City can build a permanent shooting facility identified in the 2015 Facilities Master Plan Update. Location has been determined to be at the rear of the Sugar Land prison unit.
MU1808	Public Arts Project	FY18 Public Art Projects, Cultural Arts Division, Economic Development Department. Each year and annual work plan is developed to outline public art projects that achieve the goals of the Public Art Plan (adopted Dec 2016).
Municipal Total		
Parks Projects		
PK1704	Cullinan Park Improvements	In accordance with the City Council approved interlocal agreement the Cullinan Park Conservancy will raise \$1 Million per year for park improvements. The improvement projects will be based on the Cullinan Park Master Plan.
PK1801	Joint Participation in CIP	Provide funds for joint participation in CIP projects between the City and Citizen based organizations that benefit the general public. Take advantage of partnership opportunities to enhance and preserve the quality of life for City residents.
Parks Total		
Streets Projects		
ST1704	Highway 6 at First Colony Intersection Improvements - Design	Design of geometric and signal timing improvements to provide for concurrent left turn movements from the Brooks Street and First Colony Boulevard approaches.
ST1801	University Boulevard North Landscape	Landscape and irrigate the right-of-way after completion of the roadway project.
ST1802	Wayfinding Signs	Installation of strategic signs at the selected locations on local routes to better direct Pedestrian/Bicycles/drivers to these destinations.
ST1803	Roundabout at First Colony Boulevard and Soldiers Field Drive	Reconfiguration of the intersection of Soldiers Field Drive and First Colony Boulevard.
ST1804	Street Reconstruction Seventh From Muirwood to Woodlake	Annual street pavement rehabilitation program as identified by the Pavement Management & Maintenance Program (PMMP). The PMMP recommends the reconstruction of Seventh from Muirwood to Woodlake Cir.
ST1805	Street Reconstruction Country Club from Sugar Creek to Chesterfield	Annual street pavement rehabilitation program as identified by the Pavement Management & Maintenance Program (PMMP). The PMMP recommends the reconstruction of Country Club Blvd. from Sugar Creek Blvd. to Chesterfield Lane
ST1806	Pavement Rehabilitation	Annual street pavement rehabilitation program as identified by the Pavement Management & Maintenance Program (PMMP). This project includes only slab replacement. Larger projects including PER for entire street replacement are included in separate project worksheets.
Streets Total		

General Fund	Transfers from Operating Funds				Bond Proceeds		Miscellaneous	Total FY18 CIP Budget
	Water Utilities & Surface Water Funds	Airport Fund	SLDC / SL4B Corp	GO / CO	Revenue	Grants / FB Other Sources		
\$ -	\$ -	\$ -	\$ -	\$ 1,985,000	\$ 115,000	\$ -	\$ 2,100,000	
				110,000		-	110,000	
				2,095,000	115,000	-	2,210,000	
							-	
				150,000			150,000	
				285,000	285,000		570,000	
				200,000	200,000		400,000	
				300,000			300,000	
				1,400,000		-	1,400,000	
						250,000	250,000	
				190,000		25,000	215,000	
				1,590,000	935,000	275,000	3,285,000	
							-	
						1,000,000	1,000,000	
				100,000			100,000	
				100,000	-	1,000,000	1,100,000	
							-	
				400,000			400,000	
				100,000			100,000	
				275,000			275,000	
							-	
				130,000			130,000	
				50,000			50,000	
				3,082,056			3,082,056	
				375,000	3,662,056	-	4,037,056	

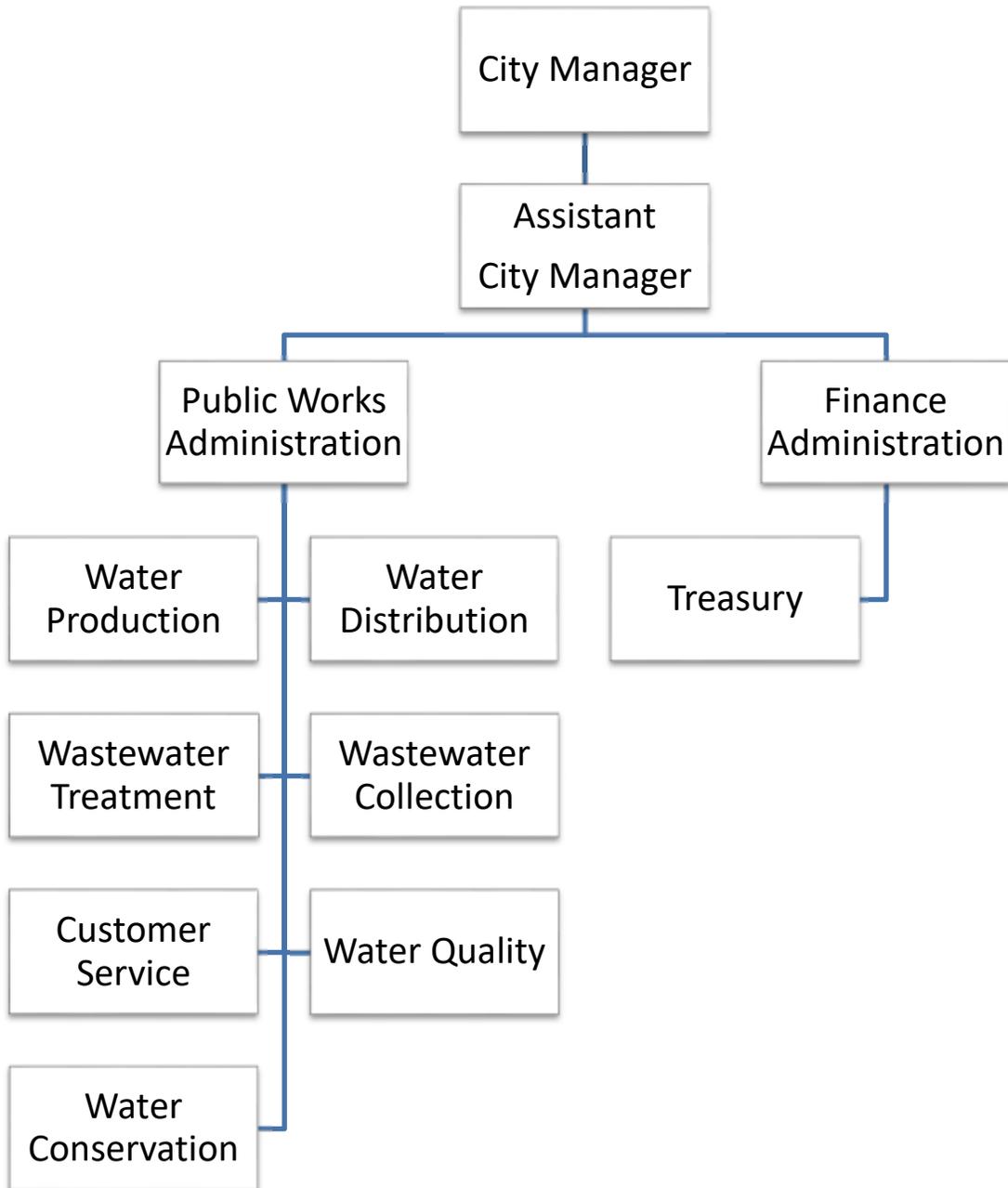
**CITY OF SUGAR LAND
SUMMARY OF CAPITAL PROJECTS
FISCAL YEAR 2018**

Project #	Project Name	Project Description
Traffic Projects		
TR1503	Traffic Signal Management/ITS	Program to fund the Intelligent Transportation System (ITS) Operations Plan, which was updated November 2014 and other projects to advance the City's ITS.
Traffic Total		
Wastewater Projects		
WW1601	Collection System Rehabilitation Program (Project D and East Interceptor Phase III)	Continue detailed evaluation and design for system deficiencies identified in the 2009 Citywide Inflow & Infiltration Study and 2011 Pre-Design Report of areas that experience sanitary sewer overflows (SSOs) during heavy storm events. In addition, the East Interceptor Phase III will need to be evaluated as recommended in the I&I study.
WW1701	Lift Station Rehabilitation	Rehabilitation of the lift stations identified by staff routine inspections and annual assessments. FY17 Design - Vista Lakes (106), Ferry Landing (125), Dulles (136), Dulles (137).
WW1801	Lift Station Assessment	Design of the rehabilitation of the lift stations identified by staff routine inspections and annual assessments. The improvements will be site specific and include wet well, pumps, and electrical control panels.
WW1802	Wastewater Treatment Plants Improvements	Develop a comprehensive lift station evaluation, which includes a condition assessment for each lift station, identifying the necessary capital investment for each lift station, and a recommended program for completing all improvements.
WW1803	Oyster Creek Siphon Improvements	Replacement of equipment and improvements to the North and South Wastewater Treatment Plants for key components identified through operations of the plants.
WW1804	New Territory Wastewater Plant Rehabilitation	Construction of a new 24-inch siphon to replace an abandoned 18-inch siphon that crosses Oyster Creek along HWY 59 (within TxDOT ROW). There is an existing 24-inch siphon segment that is in service but an the adjacent, parallel 18-inch siphon segment was abandoned / grouted due to aged infrastructure. This dual-siphon system is a critical component of the East Interceptor gravity collection system and provides conveyance underneath Oyster Creek and a second siphon is needed to be constructed.
Wastewater Total		
Water Projects		
WA1701	Elevated Storage Tank Rehabilitation	Rehabilitation work includes structural repairs and modifications as needed and blasting and coating of interior and exterior surfaces to the Mason Road EST.
WA1703	Lakeview and Sugar Creek GWP Booster Pump Replacement	Replace existing booster pumps at the Lakeview and Sugar Creek groundwater plants with new pumps and associated electrical work.
WA1801	Distribution System Water Main Rehabilitation Program	A waterline replacement analysis was conducted based on maintenance records to prioritize the water line rehabilitation. The biennial projects include design and construction of distribution system water lines to replace aged and high maintenance existing waterlines. Design in one year, construction in the next; ongoing project.
WA1802	Ground Storage Tank Rehabilitation Assessment	Performing a study (assessment) to determine the rehabilitation needs of all Ground Storage Tanks (GTS's) located in the City.
WA1803	Ground Storage Tank Rehab at Lakeview GWP	Annual funding for refurbishment of existing ground storage water tanks at a site to be determined and prioritized by scheduled evaluation and assessment. Work includes structural repairs and modifications as needed, blasting and proper removal of old coatings and repainting.
WA1804	Water Facilities Condition Assessment	To perform an assessment at each of City of Sugar Land's 12 ground water treatment plants (including 5 from annexation).
WA1805	New Territory/Greatwood Ground Water Plants Rehabilitation	After an assessment conducted by Public Works Department in 2015, 3 water plants need minor improvements, such as, interconnect lines, motor controls, and SCADA improvements.
WA1806	Well Rehabilitation	Design and construction of scheduled maintenance of water wells for one of the 17 City water wells. Maintenance of water wells includes pulling of pump from wells and cleaning well screens. Repairs required for the wells and pumps are determined when the wells are pulled.
Water Total		
Grand Total		

General Fund	Transfers from Operating Funds			Bond Proceeds		Miscellaneous	Total FY18 CIP Budget						
	Water Utilities & Surface Water Funds	Airport Fund	SLDC / SL4B Corp	GO / CO	Revenue	Grants / FB Other Sources							
							-						
				750,000			750,000						
				750,000			750,000						
	1,075,700				654,300	1,770,000	3,500,000						
					1,350,000		1,350,000						
					400,000		400,000						
					416,000		416,000						
					200,000		200,000						
					268,500		268,500						
	1,075,700				3,288,800	1,770,000	6,134,500						
						800,000	800,000						
						700,000	700,000						
						235,000	235,000						
						100,000	100,000						
						400,000	400,000						
	120,000					30,000	150,000						
	100,000				624,000		724,000						
	880,000						880,000						
	1,100,000				624,000	2,265,000	3,989,000						
\$	- \$	\$	- \$	\$	2,065,000 \$	\$	7,442,056 \$	\$	4,512,800 \$	\$	5,310,000 \$	\$	21,505,556

Water Utility Fund Organizational Chart

As of October 1, 2017



Water Utility Fund

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

Fiscal Year 2017

FY17 total revenues are estimated to be \$44,060,098. Surface water fees billed to residents are estimated at \$9,463,960. Water and wastewater revenues are projected at \$25,104,073. Interest income is projected at \$84,658. Bond proceeds are projected at \$7,253,879 for new debt. Transfers of \$581,107 from connection fees cover FY17 debt service requirements for connection fee projects. Miscellaneous revenues total \$1,341,486.

Operating expenditures are projected to be \$13,448,782, which is 0.41% less than budget.

Non-operating expenditures total \$32,955,501. Debt service payments total \$8,483,103. Operating transfers total \$24,047,252 and includes \$9,175,553 for CIP, \$9,478,156 to the Surface Water Fund for pumpage fees, \$3,001,058 to the General Fund for administrative overhead, \$185,218 to the Fleet Fund, and \$27,185 to the High Tech Fund. Also included in the transfer is \$2,180,082 to the Debt Service Fund. This transfer is based on policy direction from City Council to have utility rates support 100% of assumed water/wastewater debt from dissolved MUDs thereby supporting the assumed MUD debt through user fees instead of property taxes.

Ending cash equivalent balance at 9/30/17 is estimated to be \$4,185,663. The fund is projected to have a 31% operating reserve, above the 25% established by policy. The fund has a required debt service reserve of \$6,069,587 at fiscal year-end.

Fiscal Year 2018

The adopted budget was approved on September 19th 2017, but was later amended on October 17th, 2017. As a result, the Utility Fund was affected only by a reduction to merit, as the City decreased the budgeted merit rate increase from 3% to 2%.

FY18 total revenues are estimated to be \$54,008,586. Total revenues for water and wastewater are budgeted at \$33,869,742. There are no rate increases for FY18. Surface water fees are budgeted at \$13,407,370 and tap fees at \$252,608. Miscellaneous revenues total \$1,198,863 and are made up of penalties, connection fees and other charges. Bond proceeds are budgeted at \$4,603,056 for FY18 CIP projects. Transfers of \$581,947 from connection fees cover FY18 debt service requirements for connection fee projects.

Operating expenditures total \$17,257,421 and includes one-time costs of \$209,917 for asset management, and other items. A total of \$4,308,970 in recurring expenditures are included the budget due to the annexation of New Territory and Greatwood. These include personnel, repairs & maintenance, building & grounds, electricity, chemicals, merchant/credit card fees, and other miscellaneous items.

Non-operating expenditures total \$36,022,612. Debt service payments are budgeted at \$9,170,655 for existing debt, and new debt on the planned debt issuance of \$4.6 million for FY18 CIP projects. Transfers-out total \$26,266,505 and includes transfers to the Fleet and High-Tech Replacement Funds, General Fund and Debt Service Fund. Transfer out to the Surface Water Fund for \$13,428,411 is based on a pumpage fee of \$1.75 per 1,000 gallons for anticipated water use including City parks and right-of-ways. Also included in the transfers out is \$2,175,700 for pay-as-you-go capital project funding for the construction of water and wastewater projects. Miscellaneous expenditures include contingency and property and liability premiums.

The Utility Fund has a debt service reserve of \$5,782,752. The cash equivalents balance on 9/30/18 is estimated at \$5,201,051, which is a 31% operating reserve.

Financial Analysis

Financial ratios are used to analyze the financial position and operating results of the fund. A comparison based on FY17 projections and the FY18 budget is shown below:

	FY17 Projections	FY18 Budget
Cash Reserve Ratio	31%	31%
Direct Bond Coverage	1.65	2.07

The targeted minimum cash reserve ratio is 25% of operating expenses. The bond coverage minimum is 2.07 times the average annual debt service requirements. The FY18 cash reserve ratio is budgeted at 31%. Rates will be adjusted annually as necessary to ensure cash reserves and bond coverage requirements are maintained.

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

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

	FY16	FY17	FY17	FY18	FY18	FY18	FY18	FY18
	Actuals	Current Budget	Projections	Base Budget	FY18 Changes	Adopted Budget	Budget Amendment	Final Budget
REVENUES								
Charges for Services	\$ 24,451,999	\$ 26,571,750	\$ 25,104,073	\$ 33,869,742	\$ -	\$ 33,869,742	\$ -	\$ 33,869,742
Surface Water Fees	8,940,162	10,153,371	9,463,960	13,407,370	-	13,407,370	-	13,407,370
Tap Fees	223,607	129,285	230,935	252,608	-	252,608	-	252,608
Interest Income	75,236	80,000	84,658	95,000	-	95,000	-	95,000
Other	1,371,041	1,198,116	1,341,486	1,198,863	-	1,198,863	-	1,198,863
Operating Revenues	35,062,045	38,132,522	36,225,112	48,823,583	-	48,823,583	-	48,823,583
Bond Proceeds	27,746,531	9,010,782	7,253,879	4,603,056	-	4,603,056	-	4,603,056
Transfers In - Connection Fees	657,584	581,107	581,107	581,947	-	581,947	-	581,947
Non-operating Revenues	28,404,115	9,591,889	7,834,986	5,185,003	-	5,185,003	-	5,185,003
Total Revenues	63,466,160	47,724,411	44,060,098	54,008,586	-	54,008,586	-	54,008,586
EXPENDITURES								
Utility Administration	866,805	909,072	906,904	742,351	129,500	871,851	(3,037)	868,814
Water Distribution	1,566,882	1,744,314	1,732,982	1,873,576	785,002	2,658,578	(4,843)	2,653,735
Water Production	1,836,768	2,250,178	2,190,208	1,884,371	1,055,551	2,939,922	(2,925)	2,936,997
Wastewater Collection	681,159	1,042,850	1,045,979	1,068,192	133,179	1,201,371	(3,222)	1,198,149
Wastewater Treatment	4,337,726	4,641,109	4,577,463	4,246,507	1,899,784	6,146,291	(2,427)	6,143,864
Customer Service	706,225	806,736	808,571	870,107	59,793	929,900	(3,280)	926,620
Water Quality	383,495	488,963	486,727	527,975	56,361	584,336	(1,941)	582,395
Water Conservation	142,466	293,163	293,163	294,941	-	294,941	(448)	294,493
Treasury	1,286,491	1,345,721	1,424,785	1,256,340	399,717	1,656,057	(3,703)	1,652,354
Total Operating Expenditures	11,808,017	13,522,106	13,466,782	12,764,360	4,518,887	17,283,247	(25,826)	17,257,421
Debt Service	7,861,981	9,023,353	8,483,103	9,170,655	-	9,170,655	-	9,170,655
Payment to Escrow Account	20,847,551	-	-	-	-	-	-	-
Miscellaneous	178,197	420,146	420,146	585,452	-	585,452	-	585,452
Transfers Out	5,398,667	5,393,543	5,398,543	6,149,594	-	6,149,594	-	6,149,594
Transfers Out - Surface Water	9,590,493	10,175,268	9,478,156	13,428,411	-	13,428,411	-	13,428,411
CIP Transfers	9,034,550	10,834,100	9,175,553	6,688,500	-	6,688,500	-	6,688,500
Total Non-Operating Expenditures	52,911,439	35,846,410	32,955,501	36,022,612	-	36,022,612	-	36,022,612
Total Expenditures	64,719,456	49,368,516	46,422,283	48,786,972	4,518,887	53,305,859	(25,826)	53,280,033
Revenues Over/(Under) Expenditures	(1,253,296)	(1,644,105)	(2,362,185)	5,221,614	(4,518,887)	702,727	25,826	728,553
Fund Balance - Beginning	13,870,731	12,617,435	12,617,435	10,255,250	-	10,255,250	-	10,255,250
Reserve - Debt Service	(5,683,744)	(6,069,587)	(6,069,587)	(5,782,752)	-	(5,782,752)	-	(5,782,752)
Fund Balance - Ending	\$ 6,933,691	\$ 4,903,743	\$ 4,185,663	\$ 9,694,112	\$ (4,518,887)	\$ 5,175,225	\$ 25,826	\$ 5,201,051
CASH OPERATING RESERVE	59%	37%	31%	77%		30%		31%
BOND COVERAGE DIRECT DEBT	1.90	1.68	1.65	2.56		2.07		2.07

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

	FY16 Actuals	FY17 Current Budget	FY17 Projections	FY18 Base Budget	FY18 Changes	FY18 Budget
OPERATING REVENUES						
Water Sales	\$ 9,834,281	\$ 10,699,400	\$ 10,264,591	\$ 13,923,363	\$ -	\$ 13,923,363
Wastewater Charges	14,617,717	15,872,350	14,839,482	19,946,379	-	19,946,379
Charges for Services Total	24,451,999	26,571,750	25,104,073	33,869,742	-	33,869,742
Surface Water Fees	8,940,162	10,153,371	9,463,960	13,407,370	-	13,407,370
Surface Water Fees Total	8,940,162	10,153,371	9,463,960	13,407,370	-	13,407,370
Water Taps	187,207	110,160	197,535	203,108	-	203,108
Sewer Taps	36,400	19,125	33,400	49,500	-	49,500
Tap Fees Total	223,607	129,285	230,935	252,608	-	252,608
Interest Income	75,236	80,000	84,658	95,000	-	95,000
Interest Income Total	75,236	80,000	84,658	95,000	-	95,000
Penalties	310,957	305,000	302,537	305,000	-	305,000
Collection Charges	4,320	7,200	4,590	7,200	-	7,200
Delinquent Processing Fee	66,800	45,000	63,583	45,000	-	45,000
Misc. Charges	11,410	7,000	10,527	7,000	-	7,000
Connection Charges - Water	421,805	375,000	434,777	375,000	-	375,000
Connection Charges - Wastewater	417,367	350,000	432,135	350,000	-	350,000
Wastewater Surcharge	62,538	60,000	39,725	60,000	-	60,000
Property Insurance Recovery	17,090	20,000	4,845	20,000	-	20,000
Miscellaneous	1,573	-	-	-	-	-
Reimbursements	32,990	1,000	3,939	1,000	-	1,000
Sale of Property	-	3,000	19,913	3,000	-	3,000
Leased Premises	24,192	24,916	24,916	25,663	-	25,663
Miscellaneous Total	1,371,042	1,198,116	1,341,487	1,198,863	-	1,198,863
Total Operating Revenues	\$ 35,062,046	\$ 38,132,522	\$ 36,225,113	\$ 48,823,582	\$ -	\$ 48,823,582

Water Utilities

Mission Statement

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

Services Provided

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

Programs of Service

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

FY18 Budget Requests

A total of \$4,308,970 in recurring expenditures are included in Water Utilities FY18 budget, which includes Repair & Maintenance, chemicals, an increase in electricity, one Billing Specialist II, one Customer Service Representative II, and other miscellaneous items. One time expenditures total \$209,917 for Asset Management, TCEQ for Chloramine, and other miscellaneous items.

FY18 Amendment

The FY18 budget was amended by \$25,826 for merit reduction.

Performance Measures: Well Planned Community

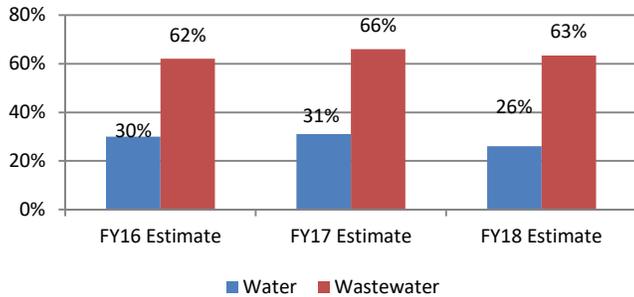
The City Council measure for "Adequate infrastructure and services to support growth and to sustain our existing community" is recommendations from Utilities master plans included and funded in the five-year CIP.



Water Utilities

Performance Measures: Well Planned Community

Capacity to Permitted Capacity Comparison



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

Summary by Category	FY16 Actuals	FY17 Current Budget	FY17 Projections	FY18 Base Budget	FY18 Changes	FY18 Budget	FY18 Amendment	FY18 Final Budget
Salary & Benefits	3,954,478	4,222,971	4,240,971	5,094,561	126,337	5,220,898	(25,826)	5,195,072
Supplies	714,557	850,385	830,248	898,010	952,799	1,850,809	-	1,850,809
Professional Services	3,173,517	3,610,268	3,496,017	2,458,734	1,164,414	3,623,148	-	3,623,148
Repairs & Maintenance	3,430,122	3,777,636	3,777,636	3,782,766	1,872,987	5,655,753	-	5,655,753
Purchased Services	499,855	547,195	608,259	530,289	378,650	908,939	-	908,939
Capital/Other	35,487	513,651	513,651	-	23,700	23,700	-	23,700
Category Totals	\$ 11,808,015	\$ 13,522,106	\$ 13,466,782	\$ 12,764,360	\$ 4,518,887	\$ 17,283,247	\$ (25,826)	\$ 17,257,421

Summary by Type	FY16 Actuals	FY17 Current Budget	FY17 Projections	FY18 Base Budget	FY18 Changes	FY18 Budget	FY18 Amendment	FY18 Final Budget
Utility Administration	866,805	909,072	906,904	742,351	129,500	871,851	(3,037)	868,814
Water Distribution	1,566,882	1,744,314	1,732,982	1,873,576	785,002	2,658,578	(4,843)	2,653,735
Water Production	1,836,768	2,250,178	2,190,208	1,884,371	1,055,551	2,939,922	(2,925)	2,936,997
Wastewater Collection	681,159	1,042,850	1,045,979	1,068,192	133,179	1,201,371	(3,222)	1,198,149
Wastewater Treatment	4,337,726	4,641,109	4,577,463	4,246,507	1,899,784	6,146,291	(2,427)	6,143,864
Customer Service	706,225	806,736	808,571	870,107	59,793	929,900	(3,280)	926,620
Water Quality	383,495	488,963	486,727	527,975	56,361	584,336	(1,941)	582,395
Water Conservation	142,466	293,163	293,163	294,941	-	294,941	(448)	294,493
Treasury	1,286,491	1,345,721	1,424,785	1,256,340	399,717	1,656,057	(3,703)	1,652,354
Category Totals	\$ 11,808,015	\$ 13,522,106	\$ 13,466,782	\$ 12,764,360	\$ 4,518,887	\$ 17,283,247	\$ (25,826)	\$ 17,257,421

FTE Count	FY16 Actuals	FY17 Budget	FY17 Adjustments	FY18 Base Budget	FY18 Changes	FY18 Budget	FY18 Amendment	FY18 Final Budget
Utility Administration	5.00	5.00	0.50	5.50	-	5.50	-	5.50
Water Distribution	11.00	10.00	3.50	13.50	-	13.50	-	13.50
Water Production	5.50	4.50	3.00	7.50	-	7.50	-	7.50
Wastewater Collection	6.50	8.00	2.50	10.50	-	10.50	-	10.50
Wastewater Treatment	5.50	6.00	2.00	8.00	-	8.00	-	8.00
Customer Service	9.00	9.00	2.00	11.00	-	11.00	-	11.00
Water Quality	4.50	4.50	1.00	5.50	-	5.50	-	5.50
Water Conservation	1.00	1.00	-	1.00	-	1.00	-	1.00
Treasury	11.00	11.00	-	11.00	2.00	13.00	-	13.00
Category Totals	59.00	59.00	14.50	73.50	2.00	75.50	-	75.50

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

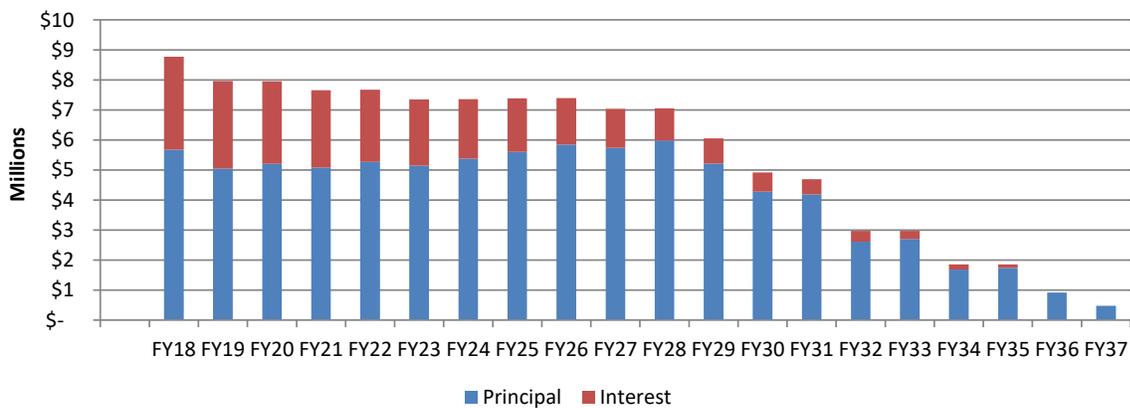
Due During FY Ending September 30	Principal	Interest	Total
FY18	\$ 5,670,154	\$ 3,100,955	\$ 8,771,109
FY19	5,046,963	2,915,114	7,962,077
FY20	5,208,032	2,745,986	7,954,018
FY21	5,078,344	2,579,014	7,657,358
FY22	5,268,221	2,401,780	7,670,001
FY23	5,144,577	2,204,002	7,348,579
FY24	5,372,537	1,987,522	7,360,059
FY25	5,599,580	1,785,621	7,385,201
FY26	5,842,421	1,548,654	7,391,075
FY27	5,738,288	1,299,109	7,037,397
FY28	5,980,986	1,069,020	7,050,006
FY29	5,216,640	837,307	6,053,947
FY30	4,275,000	642,625	4,917,625
FY31	4,190,000	504,775	4,694,775
FY32	2,610,000	363,482	2,973,482
FY33	2,705,000	268,507	2,973,507
FY34	1,685,000	169,819	1,854,819
FY35	1,740,000	111,332	1,851,332
FY36	915,000	50,925	965,925
FY37	475,000	16,625	491,625
TOTAL	\$ 83,761,743	\$ 26,602,170	\$ 110,363,913

Total principal outstanding is comprised of nine issues and all current debt matures by FY36.

Series	Amount Outstanding	Maturity
Series 2008	\$ 600,954	FY18
Series 2009	784,200	FY18
Refunding 2009	655,000	FY18
Series 2012	17,795,000	FY31
Series 2012A	5,810,000	FY30
Series 2013	13,285,000	FY33
Series 2015	14,390,000	FY35
Refunding 2016	23,516,589	FY36
Series 2017	6,925,000	FY37
Total	\$ 83,761,743	

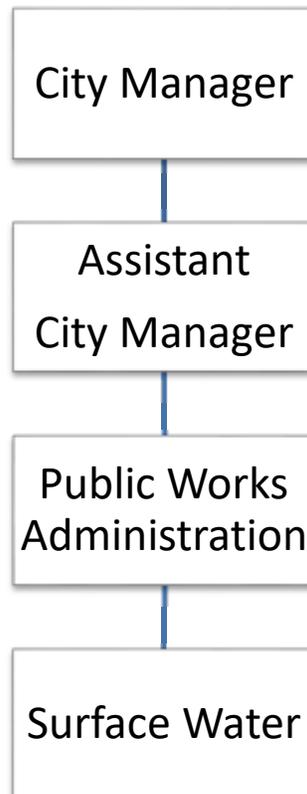
* Does not include anticipated issuance of new debt.

Debt Service Schedule



Surface Water Fund Organizational Chart

As of October 1, 2017



Surface Water Fund

The Surface Water Fund accounts for all operating activities related to the City's required conversion to surface water, which is funded through a fee per 1,000 gallons of water produced. Customers outside the City limits pay a 20% out-of-City service charge over the monthly fees; service charges from New Territory, Greatwood, and Tara Plantation are credited to the debt reduction funds based on Strategic Partnership Agreements (SPAs). In December 2017, New Territory and Greatwood will be annexed. Therefore, this fund will see higher transfers in from the Utility Fund and lower GRP fees starting in FY18.

Fiscal Year 2017

Total surface water revenues are estimated at \$27,517,773. The GRP fee remained at \$1.75 per 1,000 gallons of water. GRP participants who are not City water customers are anticipated to contribute \$4,423,025. The out-of-city service charge of \$38,260 is a 20% premium on the GRP for participants outside the city limits. GRP fees from City customers are based on production of 6.2 billion gallons of water; GRP fees from non-City customers are based on 2.5 billion gallons of water. Interest income is estimated at \$64,754. The transfers in for \$9,478,156 represent pumpage fees for City customers, which are collected in the Water Utility Fund and transferred to the Surface Water Fund monthly. Bond proceeds for \$13.47 million will be used to fund the FY17 CIP projects.

Total operating expenses are \$6,354,604 and include \$1,058,249 for personnel expenses, \$3,935,581 for operations and maintenance, and \$1,361,774 for raw water cost. Debt service payments total \$7,461,139. Transfers Out for \$13,975,866 includes a transfer to CIP for \$13,325,000, \$632,569 to the General Fund for administrative overhead reimbursements, \$7,470 to the Fleet Fund, and \$10,827 to the Hi-Tech Fund.

Ending cash equivalents at 9/30/17 is estimated to be \$9,836,599, which is above the 50% general purpose reserve requirement of \$7,433,972.

Fiscal Year 2018

The adopted budget was approved on September 19th 2017, but was later amended on October 17th, 2017. As a result, the Surface Water Fund was affected only by a reduction to merit, as the City decreased the budgeted merit rate increase from 3% to 2%.

Total surface water revenues are estimated at \$15,171,214. The GRP fee will remain at \$1.75 per 1,000 gallons of water. GRP participants who are not City water customers are anticipated to contribute \$1,102,242. The out-of-city service charge of \$49,986 is a 20% premium on the GRP for participants outside the city limits. GRP fees from City customers are based on production of 7.6 billion gallons of water; GRP fees from non-City customers are based on 619 million gallons of water. The transfers in for \$13,428,411 represent pumpage fees for City customers, which are collected in the Water Utility Fund and transferred to the Surface Water Fund monthly. Interest income is estimated at \$70,000. Inter-fund loan repayment is \$520,575 is the first payment including interest from General CIP for \$1,000,000, which was loan to General CIP for the purchase of the central prison unit. The second payment for \$505,000 will be made in FY19. A transfer from SLDC to General CIP supports this transfer to the Surface Water Fund.

Total operating expenses are \$5,866,704 and include \$1,056,252 for personnel expenses, \$3,244,092 for operations and maintenance, and \$1,566,360 for raw water cost. Debt service payments total \$8,077,122. The fund has budgeted transfers of \$620,890. This includes \$599,214 being transferred to the General Fund for administrative overhead reimbursements, \$8,100 to the Fleet Fund, and \$13,576 to the Hi-Tech Fund. Ending cash equivalents at 9/30/18 is estimated to be \$8,446,788, which is above the 50% general purpose reserve requirement of \$7,486,072. While this fund has a general purpose reserve requirement policy at 50%, a debt service reserve is established for the issued revenue bonds.

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

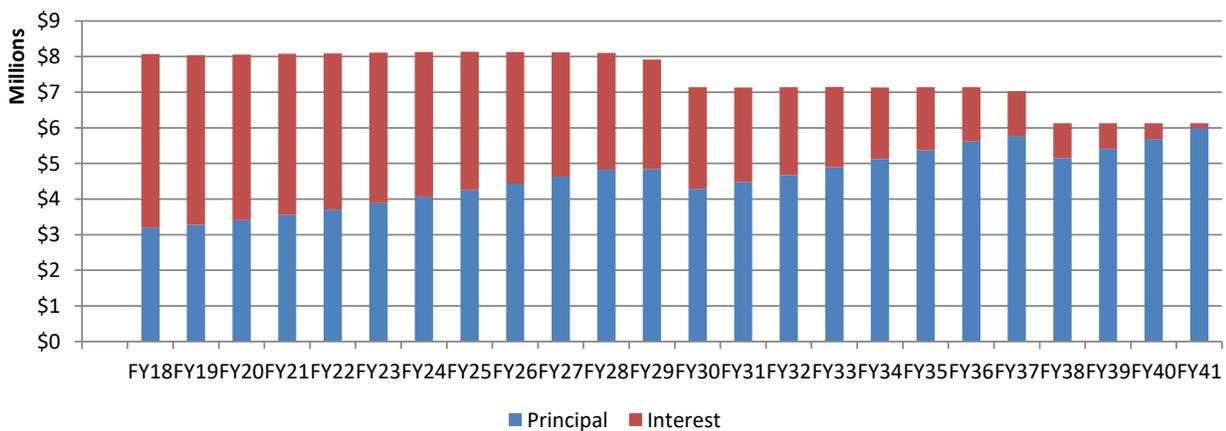
	FY16	FY17	FY17	FY18	FY18	FY18	FY18	FY18
	Actuals	Current Budget	Projections	Base Budget	Changes	Adopted Budget	Budget Amendment	Final Budget
REVENUES								
GRP Fees	\$ 4,263,902	\$ 4,312,113	\$ 4,423,025	\$ 1,102,242	\$ -	\$ 1,102,242	\$ -	\$ 1,102,242
Out of City Service Charge	33,857	49,986	38,260	49,986	-	49,986	-	49,986
Interest Income	76,595	70,000	64,754	70,000	-	70,000	-	70,000
Operating Revenues	4,395,143	4,432,099	4,573,526	1,222,228	-	1,222,228	-	1,222,228
Bond Proceeds	11,214,074	13,466,091	13,466,091	-	-	-	-	-
Inter-Fund Loan Repayment	-	-	-	520,575	-	520,575	-	520,575
Transfer In - Utilities	9,590,493	10,175,268	9,478,156	13,428,411	-	13,428,411	-	13,428,411
Non-operating Revenues	20,804,567	23,641,359	22,944,247	13,948,986	-	13,948,986	-	13,948,986
Total Revenues	25,199,710	28,073,458	27,517,773	15,171,214	-	15,171,214	-	15,171,214
EXPENDITURES								
Personnel Services	970,892	1,058,249	1,058,249	1,061,997	-	1,061,997	(5,745)	1,056,252
Operations & Maintenance	2,715,190	3,592,749	3,934,581	3,244,092	-	3,244,092	-	3,244,092
Raw Water	1,307,276	1,361,774	1,361,774	1,566,360	-	1,566,360	-	1,566,360
Total Operating Expenditures	4,993,358	6,012,772	6,354,604	5,872,449	-	5,872,449	(5,745)	5,866,704
Capital Projects	1,635,400	-	-	-	-	-	-	-
Debt Service	6,997,989	8,553,520	7,461,139	8,077,122	-	8,077,122	-	8,077,122
Payment to Escrow Account	9,578,735	-	-	-	-	-	-	-
Miscellaneous	74,535	72,566	81,715	84,222	-	84,222	-	84,222
Transfers Out	2,308,800	13,975,866	13,975,866	620,890	-	620,890	-	620,890
Contingency	-	319,617	319,617	323,206	-	323,206	-	323,206
Total Non-Operating Expenditures	20,595,459	22,921,569	21,838,337	9,105,440	-	9,105,440	-	9,105,440
Total Expenditures	25,588,817	28,934,341	28,192,941	14,977,889	-	14,977,889	(5,745)	14,972,144
Revenues Over/(Under) Expenditures	(389,107)	(860,883)	(675,168)	193,325	-	193,325	5,745	199,070
Fund Balance - Beginning	13,900,874	10,511,767	10,511,767	9,836,599	-	9,836,599	-	9,836,599
Debt Service Reserve	-	-	-	(1,588,882)	-	(1,588,882)	-	(1,588,882)
Inter-Fund Loans	(3,000,000)	-	-	-	-	-	-	-
Fund Balance - Ending	\$ 10,511,767	\$ 9,650,884	\$ 9,836,599	\$ 8,441,043	\$ -	\$ 8,441,043	\$ 5,745	\$ 8,446,788
Rederve Requirement(50% of Total Exp)	7,187,341	7,804,671	7,433,972	7,488,945	-	7,488,945	-	7,486,072
Over/Under Policy	3,324,426	1,846,213	2,402,626	2,540,980	-	2,540,980	-	2,549,596
Membrane Replacement Reserve	394,836	514,665	514,665	637,871	-	637,871	-	637,871

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

Due During FY Ending September 30	Principal	Interest	Total
FY18	\$ 3,199,846	\$ 4,876,277	\$ 8,076,123
FY19	3,278,037	4,762,843	8,040,880
FY20	3,411,968	4,647,896	8,059,864
FY21	3,551,656	4,525,311	8,076,967
FY22	3,706,779	4,385,214	8,091,993
FY23	3,885,423	4,229,392	8,114,815
FY24	4,067,463	4,059,222	8,126,685
FY25	4,250,420	3,881,398	8,131,818
FY26	4,432,579	3,695,578	8,128,157
FY27	4,631,712	3,487,048	8,118,760
FY28	4,824,014	3,279,518	8,103,532
FY29	4,848,360	3,072,437	7,920,797
FY30	4,290,000	2,851,807	7,141,807
FY31	4,475,000	2,658,269	7,133,269
FY32	4,675,000	2,464,238	7,139,238
FY33	4,895,000	2,250,188	7,145,188
FY34	5,120,000	2,015,913	7,135,913
FY35	5,370,000	1,769,382	7,139,382
FY36	5,620,000	1,516,638	7,136,638
FY37	5,775,000	1,258,306	7,033,306
FY38	5,145,000	982,625	6,127,625
FY39	5,410,000	718,750	6,128,750
FY40	5,690,000	441,250	6,131,250
FY41	5,980,000	149,500	6,129,500
TOTAL	\$ 110,533,257	\$ 67,978,996	\$ 178,512,253

Series	Outstanding	Maturity
Series 2008	\$ 94,046	FY18
Series 2009	530,800	FY18
Series 2011	87,500,000	FY41
Series 2016 Refunding	7,978,411	FY29
Series 2016	1,575,000	FY36
Series 2017	12,855,000	FY41
Total	\$ 110,533,257	

Debt Service Schedule



Surface Water

Mission Statement

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

Services Provided

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

Programs of Service

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

FY18 Budget Requests

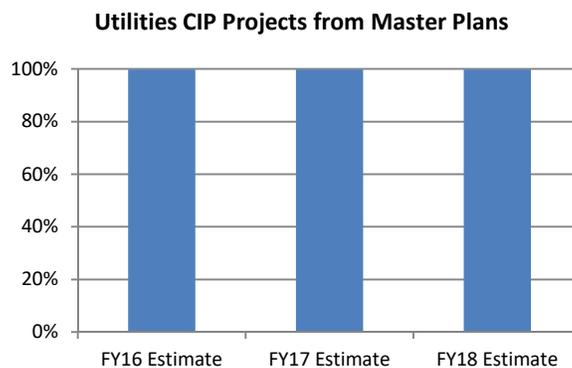
There were no budget requests for FY18.

FY18 Amendment

The FY18 budget was amended by \$5,745, which is for a reduction in merit.

Performance Measures: Well Planned Community

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



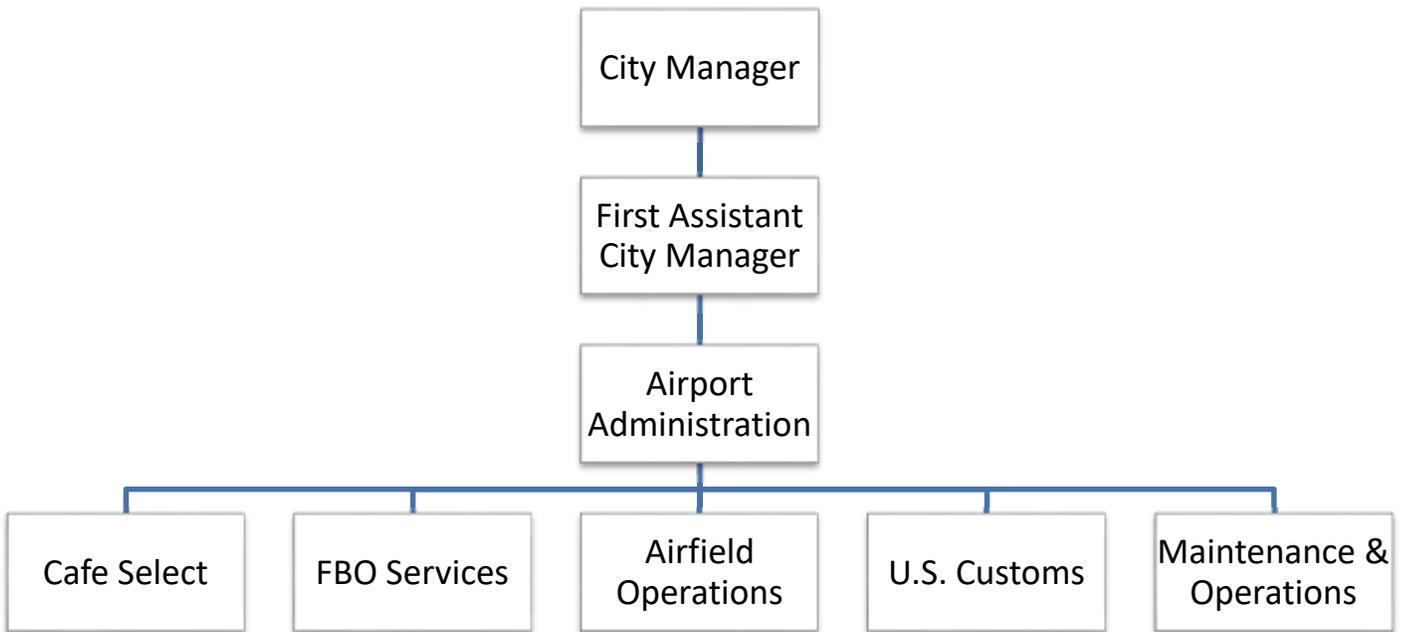
Surface Water

Summary by Category	FY16 Actuals	FY17 Current Budget	FY17 Projections	FY18 Base Budget	FY18 Changes	FY18 Budget	FY18 Amendment	FY18 Final Budget
Salary & Benefits	\$ 970,892	\$ 1,058,249	\$ 1,058,249	\$ 1,061,997	\$ -	\$ 1,061,997	\$ (5,745)	\$ 1,056,252
Supplies	1,385,181	1,589,628	1,587,860	1,596,374	-	1,596,374	-	1,596,374
Professional Services	2,079,191	2,569,393	2,912,993	2,586,789	-	2,586,789	-	2,586,789
Repairs & Maintenance	432,416	421,988	421,988	421,988	-	421,988	-	421,988
Purchased Services	125,679	371,258	371,258	205,301	-	205,301	-	205,301
Capital/Other	-	2,256	2,256	-	-	-	-	-
Category Totals	\$ 4,993,358	\$ 6,012,772	\$ 6,354,604	\$ 5,872,449	\$ -	\$ 5,872,449	\$ (5,745)	\$ 5,866,704

FTE Count	FY16 Budget	FY17 Budget	FY17 Adjustments	FY18 Base Budget	FY18 Changes	FY18 Budget	FY18 Amendment	FY18 Budget
Surface Water	12.50	12.50	(0.50)	12.00	-	12.00	-	12.00
FTE Count Totals	12.50	12.50	(0.50)	12.00	-	12.00	-	12.00

Airport Fund Organizational Chart

As of October 1, 2017



Airport Fund

Sugar Land Regional Airport, which is owned and operated by the City, is a self-supporting enterprise funded by user charges. The Airport is home to several aircraft and expects to sell an average of 250,272 gallons of fuel per month during FY18. The City serves as a fixed based operator by providing fuel and general aviation customer services.

Fiscal Year 2017

Total revenues for FY17 are projected to be \$15,982,359. Projected operating revenues total \$13,477,679, which includes \$10,973,660 in fuel sales, \$1,498,459 in hangar leases, \$22,000 in interest income and \$983,560 in miscellaneous revenues from rental cars, ramp fees and other fees. Non-operating revenues are projected to total \$2,504,680 and consist of transfers in, bond proceeds and grants.

Total expenses for FY17 are projected to be \$15,954,028. Operating expenses, which include Administration, FBO Services, Airfield Operations, Café Select, US Customs and Maintenance programs, are projected to be \$11,315,752. Non-operating expenses are projected to total \$4,638,276 and include transfers for capital projects, administrative overhead, and debt service payments. Transfer to the Airport CIP includes \$2,231,565 for construction of a maintenance building. Ending cash equivalent balance at 9/30/17 is projected to be \$4,880,276; which is \$294,957 higher than the budgeted ending balance of \$4,585,319.

Fiscal Year 2018

Total operating revenues for FY18 are budgeted at \$14,602,412. Revenues from fuel sales are budgeted at \$12,036,779, a 9.7% increase over FY17 projections due to an increase in fuel prices. Gallons sold are estimated to decrease by 2.8% lower than FY17 projections due to the FY17 Super Bowl activity. Non-operating revenues in FY18 are budgeted at \$314,833, which includes grant proceeds of \$50,000 and operating transfers in of \$264,833. The transfers from the General Fund and Debt Service Fund are equal to the estimated property taxes collected on taxable value at the airport. The transfer from the Sugar Land Development Corporation is for international marketing efforts.

Total operating expenses are budgeted at \$12,546,074, which include the Administrative, Airfield Operations, FBO Services, Café Select, US Customs and Maintenance programs. Expenses are increasing by \$433,204 over the base budget largely due to capital items and recurring additions. There are no personnel additions in FY18 budget. Recurring additions include \$7,500 for terminal camera repairs and maintenance and \$750 for mini excavator yearly maintenance. One-time additions for \$440,000 include Air Traffic Control Tower (ATCT) roof repair, a mini excavator, furnish Airport maintenance building, terminal renovations, preserving 97 mature heritage oak trees, and U.S customs facility renovation. Operating expenses also include a merit reduction of \$15,046.

Total non-operating expenses are estimated at \$2,387,995, which includes overhead reimbursement to the General Fund and debt service payments on outstanding Airport bonds. Ending cash equivalent balance at 9/30/18 is expected to be \$4,505,839.

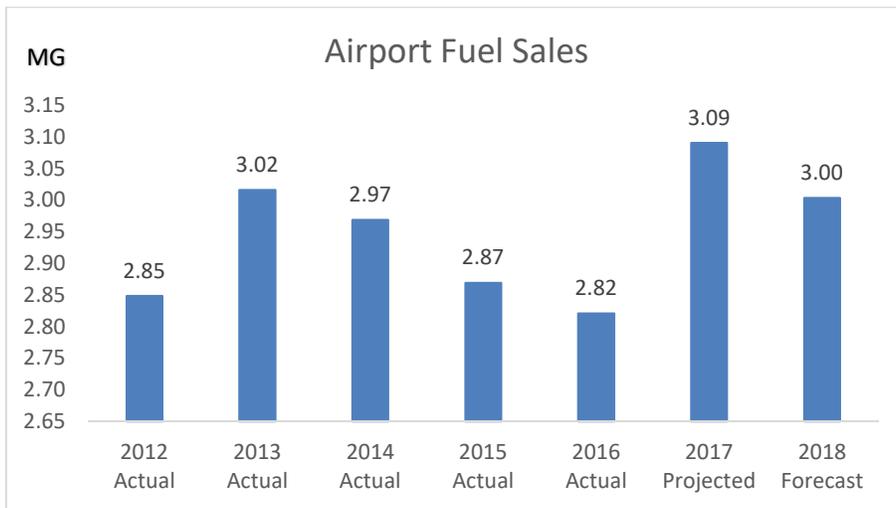
Financial Analysis

As the Airport is intended to be financially independent and self-supporting, financial ratios are used to analyze financial position and operating results. A comparison based on FY17 projections and FY18 budget amounts is shown below.

	Projections FY 17	Budget FY18
Cash Reserve Ratio	103%	83%
Direct Bond Coverage	2.15	1.34

Cash reserve ratios for both FY17 projections and FY18 are above the targeted minimum of 25% of expenses net of fuel for resale. The bond coverage ratio is above the target of 1.25 for both FY17 projections and FY18.

The graph below shows gallons of fuel sold. Projected total gallons of fuel sold in FY17 are 3.09 million gallons and the FY18 forecast is based on current trends excluding February Super Bowl activity. The aviation community has recognized Sugar Land as a great place to land and base their aircraft, not only for the convenience as a gateway to the greater Houston area, but also for the highest level of customer service.



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

	FY16	FY17	FY17	FY18	FY18	FY18	FY18	FY18
	Actuals	Current Budget	Projections	Base Budget	Changes	Adopted Budget	Budget Amendment	Final Budget
REVENUES								
Fuel Sales	\$ 9,628,902	\$ 13,014,971	\$ 10,973,660	\$ 12,036,779	\$ -	\$ 12,036,779	\$ -	\$ 12,036,779
Hangar Leases	1,334,201	1,362,200	1,498,459	1,388,200	-	1,388,200	-	1,388,200
Miscellaneous Revenues	875,538	896,560	983,560	847,600	-	847,600	-	847,600
Interest Income	18,770	12,000	22,000	15,000	-	15,000	-	15,000
Operating Revenues	11,857,411	15,285,731	13,477,679	14,287,579	-	14,287,579	-	14,287,579
Transfers In	155,733	254,680	254,680	264,833	-	264,833	-	264,833
Grant Proceeds	57,371	50,000	50,000	50,000	-	50,000	-	50,000
Inter-Fund Loan & Reimbursement	2,000,000	-	-	-	-	-	-	-
Bond Proceeds	3,520,668	2,200,000	2,200,000	-	-	-	-	-
Non-operating Revenues	5,733,771	2,504,680	2,504,680	314,833	-	314,833	-	314,833
Total Revenues	17,591,182	17,790,411	15,982,359	14,602,412	-	14,602,412	-	14,602,412
EXPENDITURES								
Airport Administration	889,643	1,189,073	1,194,563	1,022,251	-	1,022,251	(3,512)	1,018,739
Airfield Operations	263,177	400,436	396,436	297,629	42,500	340,129	(1,138)	338,991
FBO Services	6,556,285	10,208,725	8,091,226	9,323,703	-	9,323,703	(6,756)	9,316,947
Café Select	232,728	268,875	261,875	261,448	-	261,448	(712)	260,736
Customs	198,779	209,898	209,898	209,898	50,000	259,898	-	259,898
Maintenance and Operations	821,172	1,161,754	1,161,754	997,941	355,750	1,353,691	(2,928)	1,350,763
Total Operating Expenditures	8,961,784	13,438,761	11,315,752	12,112,870	448,250	12,561,120	(15,046)	12,546,074
Debt Service	1,099,632	1,211,143	1,211,143	1,262,514	-	1,262,514	-	1,262,514
Miscellaneous	95,284	230,223	218,658	151,557	-	151,557	-	151,557
Operating Transfers Out	4,574,280	3,176,910	3,208,475	973,924	-	973,924	-	973,924
Total Non-Operating Expenditures	9,382,237	4,618,276	4,638,276	2,387,995	-	2,387,995	-	2,387,995
Total Expenditures	18,344,021	18,057,037	15,954,028	14,500,865	448,250	14,949,115	(15,046)	14,934,069
Revenues Over/(Under) Expenditures	(752,839)	(266,626)	28,331	101,547	(448,250)	(346,703)	15,046	(331,657)
Fund Balance - Beginning	6,264,550	5,511,711	5,511,711	5,540,042	-	5,540,042	-	5,540,042
Debt Service Reserve	(702,546)	(659,766)	(659,766)	(702,546)	-	(702,546)	-	(702,546)
Fund Balance - Ending	\$ 4,809,165	\$ 4,585,319	\$ 4,880,276	\$ 4,939,043	\$ (448,250)	\$ 4,490,793	\$ 15,046	\$ 4,505,839
CASH EQ. RESERVE RATIO (25% min)		67%	103%	109%		83%		83%
BOND COVERAGE (1.25x min)		1.90	2.15	2.03		1.33		1.34
FUEL GALLONS SOLD	2,820,170	2,953,717	3,090,240	\$ 3,003,271		3,003,271		3,003,271

ENTERPRISE FUND - AIRPORT

SCHEDULE OF REVENUES

Description	FY17		FY18		FY18	
	FY16 Actuals	Current Budget	FY17 Projections	Base Budget	FY18 Changes	FY18 Budget
Aviation Fuel Sales	\$ 9,628,902	\$ 13,014,971	\$ 10,973,660	\$ 12,036,779	\$ -	\$ 12,036,779
Fuel Sales	9,628,902	13,014,971	10,973,660	12,036,779	-	12,036,779
Short Term Land Lease	43,080	44,000	35,400	35,000	-	35,000
Long Term Land Lease	120,380	122,000	155,000	155,000	-	155,000
Corporate Hangar (I) Lease	160,929	171,000	191,059	190,000	-	190,000
Corporate Hangar (II) Lease	80,699	88,000	110,000	110,000	-	110,000
Northwest (I) Hangar Lease	42,924	44,000	84,000	84,000	-	84,000
Northwest (II) Hangar Lease	30,000	41,000	23,000	23,000	-	23,000
Leased Premises	46,093	47,000	40,800	40,000	-	40,000
Tie Downs	7,200	7,200	7,200	7,200	-	7,200
T - Hangar Rental	802,896	798,000	852,000	744,000	-	744,000
Hangar Leases	1,334,201	1,362,200	1,498,459	1,388,200	-	1,388,200
Café Revenue	82,612	88,000	79,000	77,000	-	77,000
Parking Revenues	1,083	1,000	1,000	1,000	-	1,000
Rental Cars	354,476	440,000	351,000	360,000	-	360,000
Ramp Fees	193,160	230,000	338,000	210,000	-	210,000
Gift Shop	349	360	360	400	-	400
Jet Fuel Additive - Prist	23,179	26,000	15,000	-	-	-
Reimbursements	461	-	-	-	-	-
Catering Commission	5,321	4,800	4,800	4,000	-	4,000
Royalties - Mineral	146	-	-	-	-	-
Call Out Fees	6,200	5,000	5,000	6,000	-	6,000
Aircraft Maintenance	2,878	1,400	1,400	1,200	-	1,200
Miscellaneous	205,671	100,000	188,000	188,000	-	188,000
Miscellaneous Revenues	875,538	896,560	983,560	847,600	-	847,600
Interest	18,770	12,000	22,000	15,000	-	15,000
Interest Income	18,770	12,000	22,000	15,000	-	15,000
From General Fund	57,011	109,380	109,380	121,590	-	121,590
From SLDC	50,000	50,000	50,000	50,000	-	50,000
From Debt Service	48,722	95,300	95,300	93,243	-	93,243
Transfers In	155,733	254,680	254,680	264,833	-	264,833
State Funds	50,000	50,000	50,000	50,000	-	50,000
Federal Funds	7,371	-	-	-	-	-
Grant Proceeds	57,371	50,000	50,000	50,000	-	50,000
Bond Proceeds	3,520,668	2,200,000	2,200,000	-	-	-
Bond Proceeds Total	3,520,668	2,200,000	2,200,000	-	-	-
From Surface Water Fund	2,000,000	-	-	-	-	-
Inter-Fund Loan & Reimbursement	2,000,000	-	-	-	-	-
Total Revenues	\$ 17,591,182	\$ 17,790,411	\$ 15,982,359	\$ 14,602,412	\$ -	\$ 14,602,412

Airport

Mission Statement

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

Services Provided

The Sugar Land Regional Airport is a first class corporate aviation enterprise servicing private, corporate, and international clients. While servicing new markets worldwide, customers travel from every corner of the globe to do business in Sugar Land, and the surrounding region. The Fixed Based Operator (FBO), also known as GlobalSelect, provides concierge services to cater to the needs of pilots and passengers alike. The combination of award winning facilities, U.S. Customs services, a general aviation center, and multi-year designation as a top rated FBO in the Americas, ensures that the Airport will continue as a leader among its competition and peers.

Programs of Service

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

FY18 Requests

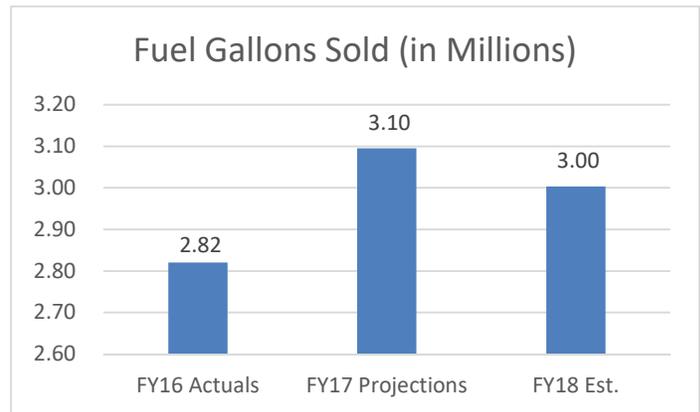
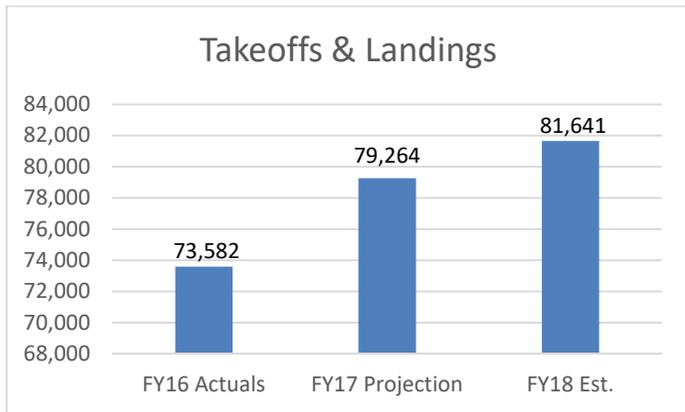
A total of \$8,250 in recurring additions is added to Airport's FY18 budget. This includes repair & maintenance for cameras and maintenance of a mini excavator. In addition, a total of \$440,000 in one-time expenditures for Air Traffic Control Tower (ATCT) roof repair, a mini excavator, furnish Airport maintenance building, terminal renovations, preserving 97 mature heritage oak trees, and U.S customs facility renovation.

FY18 Amendment

The FY18 budget was amended to include merit reductions totaling \$15,046.

Airport

Performance Measures: Strong Local Economy



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

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

Summary by Category	FY16 Actuals	FY17 Current Budget	FY17 Projections	FY18 Base Budget	FY18 Changes	FY18 Budget	FY18 Amendment	FY18 Final Budget
Salary & Benefits	\$ 2,394,842	\$ 3,005,086	\$ 3,005,086	\$ 3,148,147	\$ -	\$ 3,148,147	\$ (15,046)	\$ 3,133,101
Supplies	5,169,532	8,382,131	6,315,763	7,488,730	75,000	7,563,730	-	7,563,730
Professional Services	717,382	875,939	876,665	688,675	72,000	760,675	-	760,675
Repairs & Maintenance	270,635	466,306	466,306	394,464	217,500	611,964	-	611,964
Purchased Services	260,366	399,813	350,446	342,854	-	342,854	-	342,854
Capital/Other	149,027	309,486	301,486	50,000	83,750	133,750	-	133,750
Category Totals	\$ 8,961,784	\$ 13,438,761	\$ 11,315,752	\$ 12,112,870	\$ 448,250	\$ 12,561,120	\$ (15,046)	\$ 12,546,074

Summary by Type	FY16 Actuals	FY17 Current Budget	FY17 Projections	FY18 Base Budget	FY18 Changes	FY18 Budget	FY18 Amendment	FY18 Final Budget
Airport Administration	\$ 889,643	\$ 1,189,073	\$ 1,194,563	\$ 1,022,251	\$ -	\$ 1,022,251	\$ (3,512)	\$ 1,018,739
Airfield Operations	263,177	400,436	396,436	297,629	42,500	340,129	(1,138)	338,991
FBO Services	6,556,285	10,208,725	8,091,226	9,323,703	-	9,323,703	(6,756)	9,316,947
Café Select	232,728	268,875	261,875	261,448	-	261,448	(712)	260,736
Customs	198,779	209,898	209,898	209,898	50,000	259,898	-	259,898
Maintenance and Operations	821,172	1,161,754	1,161,754	997,941	355,750	1,353,691	(2,928)	1,350,763
Category Totals	\$ 8,961,784	\$ 13,438,761	\$ 11,315,752	\$ 12,112,870	\$ 448,250	\$ 12,561,120	\$ (15,046)	\$ 12,546,074

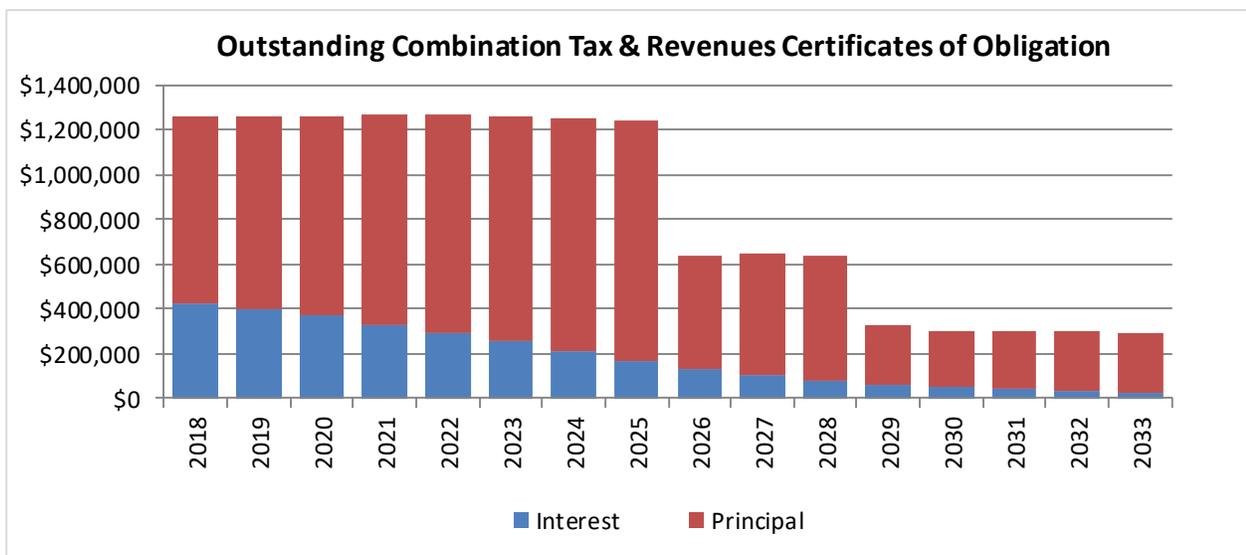
FTE Count	FY16 Budget	FY17 Budget	FY17 Adjustments	FY18 Base Budget	FY18 Changes	FY18 Budget	FY18 Amendment	FY18 Final Budget
Airport Administration	6.00	7.00	-	7.00	-	7.00	-	7.00
Airfield Operations	3.00	3.00	-	3.00	-	3.00	-	3.00
FBO Services	23.50	22.50	-	22.50	-	22.50	-	22.50
Café Select	2.50	3.00	-	3.00	-	3.00	-	3.00
Maintenance and Operations	9.00	10.50	-	10.50	-	10.50	-	10.50
Category Totals	44.00	46.00	-	46.00	-	46.00	-	46.00

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

Fiscal Year	Principal	Interest	Total
2018	\$ 837,559	\$ 424,955	\$ 1,262,514
2019	860,000	398,623	1,258,623
2020	890,000	368,036	1,258,036
2021	935,000	331,279	1,266,279
2022	970,000	294,217	1,264,217
2023	1,000,000	255,673	1,255,673
2024	1,035,000	212,073	1,247,073
2025	1,075,000	166,748	1,241,748
2026	510,000	131,601	641,601
2027	535,000	106,939	641,939
2028	560,000	81,611	641,611
2029	260,000	63,814	323,814
2030	250,000	54,223	304,223
2031	255,000	45,193	300,193
2032	265,000	36,469	301,469
2033	265,000	28,103	293,103
2034	240,000	20,219	260,219
2035	250,000	12,728	262,728
2036	140,000	6,719	146,719
2037	145,000	2,266	147,266
TOTAL	\$ 11,277,559	\$ 3,041,488	\$ 14,319,047

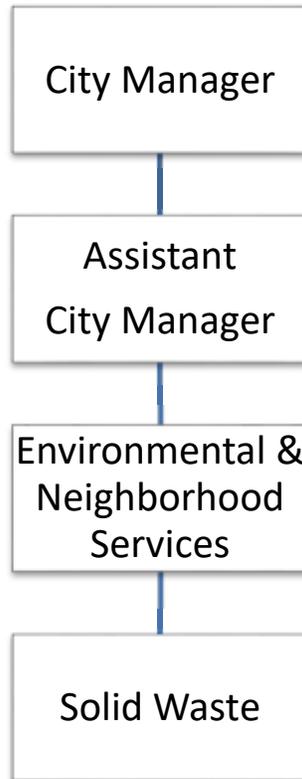
Series	Outstanding	Maturity
2012A	\$ 4,190,000	2025
2013	610,000	2033
2015	1,555,000	2035
2015	2,615,000	2028
2016	27,559	2018
2016	225,000	2029
2017	2,055,000	2037
TOTAL	\$ 11,277,559	

* Does not include anticipated issuance of new debt



Solid Waste Fund Organizational Chart

As of October 1, 2017



Solid Waste Fund

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

Republic Services will provide solid waste services in the City including New Territory after the Annexation, while solid waste services in Greatwood will continue to be provided by Best Trash. Current year rate for residential solid waste removal is \$18.00 per household per month. Beginning January 1, 2018, a 2.5% CPI adjustment will result in a new monthly rate of \$18.45.

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

Fiscal Year 2017

Total revenues for FY17 are projected to be \$6,563,741 and include \$5,581,210 from collection and recycling fees, \$595,531 from franchise fees, \$7,400 in commercial license fees, \$333,700 in miscellaneous revenues, \$1,500 from recycling programs and \$200 in interest income. Transfers from Debt Reduction Funds to support the Annexation related costs are projected to be \$44,200. There were no anticipated grant revenues received for recycling programs.

Total expenses are projected to be \$6,617,158, which includes personnel, contracted services, and general operating costs. Personnel expenses total \$210,775 for contract monitoring and program administration. The estimated annual cost for solid waste and curbside recycling programs contracted with Republic Services is \$5,459,761. General operations & maintenance costs are projected to be \$454,915, which includes \$332,000 to remediate environmental issues that occurred during the year, an additional \$10,000 for the legal opinion for solid waste services in the annexation areas, \$4,830 for the lake maintenance contract, and \$108,085 in operations and maintenance costs. Miscellaneous expenditures are projected to be \$70,170 for contingency. The Solid Waste Fund transfers of \$421,537 are to the General Fund for administrative support, and to the CIP fund for Capital Project funding.

The estimated ending cash equivalents balance at 9/30/2017 is projected to be \$394,401.

Fiscal Year 2018

Total revenues for FY18 are budgeted at \$8,013,769. Total budgeted revenue from residential collection and recycling fees is \$7,356,164. The City does not bill for Commercial Services; businesses contract and pay Republic directly. Other revenues include \$646,805 from franchise fees, \$7,400 in commercial license fees, \$1,700 in miscellaneous revenues, \$1,500 from recycling programs, and \$200 in interest income.

Total expenses are \$8,044,980 and include \$278,987 in personnel expenses for contract monitoring and program administration, \$7,181,663 for the solid waste contracts, \$14,557 for the education program, \$82,918 in operation and maintenance costs, and \$75,000 in contingency. Transfers out total \$411,855 and include transfers to the General Fund to support pavement rehabilitation efforts in Public Works for \$300,000 and to reimburse administrative overhead for \$111,855.

The estimated ending cash equivalents balance as of 9/30/2018 is estimated to be \$363,190.

CITY OF SUGAR LAND
ENTERPRISE FUND - SOLID WASTE
INCOME STATEMENT

	FY16	FY17	FY17	FY18	FY18	FY18
	Actuals	Current	Projections	Base	Changes	Budget
		Budget		Budget		
REVENUES						
Solid Waste Collections	\$ 5,346,652	\$ 5,604,032	\$ 5,581,210	\$ 5,788,822	\$ 1,567,342	\$ 7,356,164
Franchise Fees	595,081	596,647	595,531	606,828	39,977	646,805
Commercial SW License	8,000	7,400	7,400	7,400	-	7,400
Miscellaneous	2,190	333,700	333,700	1,700	-	1,700
Recycling Programs	835	1,500	1,500	1,500	-	1,500
Interest Income	340	200	200	200	-	200
Trsf from Debt Reduction Fund	-	44,200	44,200	-	-	-
Total Revenues	5,953,098	6,587,679	6,563,741	6,406,450	1,607,319	8,013,769
EXPENDITURES						
Contractual Services	5,219,506	5,482,087	5,459,761	5,666,495	1,515,168	7,181,663
Salary & Benefits	129,990	210,775	210,775	209,543	69,444	278,987
Education Programs	-	-	-	-	14,557	14,557
Operations & Maintenance	155,357	440,814	454,915	64,304	18,614	82,918
Total Operating Expenditures	5,504,853	6,133,676	6,125,451	5,940,342	1,617,783	7,558,125
Miscellaneous	-	75,000	70,170	75,000	-	75,000
Transfers Out	429,834	421,537	421,537	411,855	-	411,855
Total Non-Operating Expenditures	429,834	496,537	491,707	486,855	-	486,855
Total Expenditures	5,934,687	6,630,213	6,617,158	6,427,197	1,617,783	8,044,980
Revenues Over/(Under) Expenditures	18,411	(42,534)	(53,417)	(20,747)	(10,464)	(31,211)
Fund Balance - Beginning	429,407	447,818	447,818	394,401	-	394,401
Fund Balance - Ending	\$ 447,818	\$ 405,284	\$ 394,401	\$ 373,654	\$ (10,464)	\$ 363,190

Solid Waste

Services Provided

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

Programs of Service

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

FY18 Requests

A total of \$1,603,483 in recurring additions was added in Solid Waste's FY18 budget. The amount includes contractual services in the annexed Greatwood and New Territory, educational program, personnel and operational cost associated with new Environmental Services Inspector. In addition, there is a one-time expense of \$14,300 which includes a debris management site report, training and communication equipment for Environmental Services Inspector.

Performance Measures: Responsible City Government Services

The key measure for the Solid Waste Fund is the number of households serviced as the City outsources residential solid waste collection. As the number of households increases, additional demands are placed on the contractor. At the end of FY18 it is estimated that 35,210 households will be served, which includes Greatwood and New Territory.

Summary by Category	FY16 Actuals	FY17 Current Budget	FY17 Projections	FY18 Base Budget	FY18 Changes	FY18 Budget
Salary & Benefits	\$ 129,990	\$ 210,775	\$ 210,775	\$ 209,543	\$ 69,444	\$ 278,987
Supplies	4,003	14,102	13,373	7,759	14,997	22,756
Professional Services	5,342,996	5,838,778	5,831,282	5,681,800	1,530,170	7,211,970
Repairs & Maintenance	490	1,300	1,300	2,490	-	2,490
Purchased Services	26,171	43,726	43,726	38,750	3,172	41,922
Capital/Other	1,203	24,995	24,995	-	-	-
Category Totals	\$ 5,504,853	\$ 6,133,676	\$ 6,125,451	\$ 5,940,342	\$ 1,617,783	\$ 7,558,125

Summary by Type	FY16 Actuals	FY17 Current Budget	FY17 Projections	FY18 Base Budget	FY18 Changes	FY18 Budget
Contractual Services	\$ 5,219,506	\$ 5,482,087	\$ 5,459,761	\$ 5,666,495	\$ 1,515,168	\$ 7,181,663
Salary & Benefits	129,990	210,775	210,775	209,543	69,444	278,987
Education Programs	-	-	-	-	14,557	14,557
Operations & Maintenance	155,357	440,814	454,915	64,304	18,614	82,918
Category Totals	\$ 5,504,853	\$ 6,133,676	\$ 6,125,451	\$ 5,940,342	\$ 1,617,783	\$ 7,558,125

FTE Count	FY16 Budget	FY17 Budget	FY17 Adjustments	FY18 Base Budget	FY18 Changes	FY18 Budget
Solid Waste	2.50	2.50	-	2.50	1.00	3.50
Category Totals	2.50	2.50	-	2.50	1.00	3.50

Internal Service Funds

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

Employee Benefits Fund

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

Fiscal Year 2017

FY17 contributions from the City, employees, and retirees are projected to total \$9,300,770, with interest income of \$3,027, and miscellaneous for \$140,940. The total projected revenues is \$9,444,737.

Projected expenses total \$9,405,243 and include insurance premiums, claim payments, administrative fees, and unemployment compensation. The projected cash equivalents balance at 9/30/17 is \$391,480.

Fiscal Year 2018

FY18 total revenues are budgeted at \$10,332,900 which are contributions from the City, employees, and interest income. The budget anticipates a 4% increase in the City contribution will cover expected claims.

FY18 total expenses are budgeted at \$10,176,940. This includes claims payment and other premiums for \$9,710,247 and other expenses for \$466,693. The budgeted ending cash equivalents balance at 9/30/18 is \$547,440. The \$1,250,000 reserve for self-insurance the City established upon implementing the self-funded model is still fully intact.

Fleet Replacement Fund

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

Fiscal Year 2017

The projected contributions, auction proceeds, and other revenues total \$1,553,963. Expenses for purchase of vehicles, and related equipment total \$1,605,095, leaving a projected ending cash equivalent balance at 9/30/17 of \$1,797,396.

Fiscal Year 2018

Total revenues are budgeted at \$1,939,892. Contributions from participating funds total \$1,709,418. Insurance reimbursement, sale of property and interest income total \$230,474. This includes insurance proceeds for vehicles that are totaled and replaced prior to their planned replacement date.

Total expenditures are budgeted at \$1,649,246, for the replacement of 29 vehicles. Also included are funds to place vehicles in operation, such as decal work, the installation of electronic equipment, and a contingency of 10% to ensure adequate funds are available in the event prices increase. The budget also includes funds for unexpected replacements due to insurance totaling. The budgeted ending cash equivalents balance at 9/30/18 is \$2,088,042.

High-Technology Replacement Fund

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

Fiscal Year 2017

Projected revenues for FY17 total \$1,265,651 and expenditures are projected at \$1,333,523. Expenditures include computers, printers, servers, routers, installations, and public safety radios. The projected ending cash equivalent balance at 9/30/17 is \$2,116,987.

Fiscal Year 2018

Budgeted revenues total \$1,298,693 and include transfers from other funds, interest income, and sale of property. Contributions to the fund include payments for equipment replacement according to the schedule identified in the High Tech Replacement policy. Total expenditures for equipment and contractual services are budgeted at \$1,346,135. The budgeted ending cash equivalent balance at 9/30/18 is \$2,069,545.

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

	FY16 Actuals	FY17 Current Budget	FY17 Projections	FY18 Base Budget	FY18 Changes	FY18 Budget
REVENUES						
Contributions	\$ 9,040,669	\$ 9,801,960	\$ 9,300,770	\$ 10,231,536	\$ -	\$ 10,231,536
Miscellaneous	37,109	100,000	140,940	100,000	-	100,000
Interest Income	1,210	300	3,027	1,364	-	1,364
Operating Revenues	9,078,988	9,902,260	9,444,737	10,332,900	-	10,332,900
Transfers In	-	-	-	-	-	-
Total Revenues	9,078,988	9,902,260	9,444,737	10,332,900	-	10,332,900
EXPENDITURES						
Premiums & Claims	8,729,609	9,367,480	9,234,189	9,710,247	-	9,710,247
Other	423,183	456,678	171,054	466,693	-	466,693
Total Expenditures	9,152,792	9,824,158	9,405,243	10,176,940	-	10,176,940
Net Income (Loss)	(73,804)	78,102	39,494	155,960	-	155,960
Cash Equivalents- Beginning	1,675,790	1,601,986	1,601,986	1,641,480	-	1,641,480
Reserve for Self Insurance		(1,250,000)	(1,250,000)	(1,250,000)	-	(1,250,000)
Cash Equivalents - Ending	\$ 1,601,986	\$ 430,088	\$ 391,480	\$ 547,440	\$ -	\$ 547,440

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

	FY16 Actuals	FY17 Current Budget	FY17 Projections	FY18 Base Budget	FY18 Changes	FY18 Budget
REVENUES						
Sale of Property	\$ 64,312	\$ 75,000	\$ 75,000	\$ 72,500	\$ -	\$ 72,500
Interest Income	20,138	18,485	18,485	17,974	-	17,974
Transfers From Other Funds	922,667	1,320,478	1,320,478	1,709,418	-	1,709,418
Miscellaneous	201	140,000	140,000	140,000	-	140,000
Total Revenues	1,007,318	1,553,963	1,553,963	1,939,892	-	1,939,892
EXPENDITURES						
Vehicles & Contractual Service	1,712,878	1,605,095	1,605,095	1,649,246	-	1,649,246
Total Expenditures	1,712,878	1,605,095	1,605,095	1,649,246	-	1,649,246
Revenues Over/(Under) Expenditures	(705,560)	(51,132)	(51,132)	290,646	-	290,646
Fund Balance - Beginning	2,554,088	1,848,528	1,848,528	1,797,396	-	1,797,396
Fund Balance - Ending	\$ 1,848,528	\$ 1,797,396	\$ 1,797,396	\$ 2,088,042	\$ -	\$ 2,088,042

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

	FY16 Actuals	FY17 Current Budget	FY17 Projections	FY18 Base Budget	FY18 Changes	FY18 Budget
REVENUES						
Sale of Capital Property	\$ 6,144	\$ 1,390	\$ 1,390	\$ 1,390	\$ -	\$ 1,390
Interest Income	17,195	12,739	12,739	12,739	-	12,739
Transfers in	1,361,152	1,251,522	1,251,522	1,284,564	-	1,284,564
Miscellaneous	-	-	-	-	-	-
Total Revenues	1,384,491	1,265,651	1,265,651	1,298,693	-	1,298,693
EXPENDITURES						
Equipment & Contractual Services	1,269,947	1,383,523	1,333,523	1,346,135	-	1,346,135
Miscellaneous	-	-	-	-	-	-
Total Expenditures	1,269,947	1,383,523	1,333,523	1,346,135	-	1,346,135
Revenues Over/(Under) Expenditures	114,544	(117,872)	(67,872)	(47,442)	-	(47,442)
Fund Balance - Beginning	2,070,315	2,184,859	2,184,859	2,116,987	-	2,116,987
Fund Balance - Ending	\$ 2,184,859	\$ 2,066,987	\$ 2,116,987	\$ 2,069,545	\$ -	\$ 2,069,545

Component Units

The City of Sugar Land has five entities that are considered component units of the City and is included in the City's CAFR. They are the Sugar Land Development Corporation (SLDC), the Sugar Land 4B Corporation (SL4B), the Tax Increment Reinvestment Zone (TIRZ) #1 that covers the Town Square area, TIRZ #3 that covers the Imperial site, and TIRZ #4 that covers property in Telfair near the intersection of U.S. Highway 59 and University Boulevard. The SLDC and the SL4B are the only component units included in the City's budget as their budget is approved by City Council. A component unit is defined as a legally separate organization for which the elected officials of the primary government (the City) are financially accountable. The SLDC and SL4B are the only components units included in the City's budget. The TIRZ budgets are not part of the City's budget and are included for informational purposes.

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

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

The Tax Increment Reinvestment Zone #1 (TIRZ#1) represents the property improvements on 32 acres located at the Sugar Land Town Square development at the southeast corner of U.S. Highway 59 and State Highway 6. The City of Sugar Land, Fort Bend County, and LID#2 are the entities participating in TIRZ#1. The TIRZ#1 budget is not included in the City's total budget but is included in the document for reference.

The Tax Increment Reinvestment Zone #3 (TIRZ#3) represents the property improvements on approximately 839 acres including the former Imperial Sugar property north of U.S. Highway 90A and the former prison property north of U.S. Highway 90A and east of State Highway 6, with the exclusion of the parcel retained by TxDOT. The City of Sugar Land and Fort Bend County are the entities participating in TIRZ#3. The purpose of TIRZ#3 is to generate revenues for the costs of public infrastructure, recreational facilities, historic preservation, re-use of Imperial property, museums, and other eligible expenses. The TIRZ#3 budget is not included in the City's total budget but is included in the document for reference.

The Tax Increment Reinvestment Zone #4 (TIRZ#4) represents the property improvements on approximately 700 acres located at the intersection of U.S. Highway 59 and University Boulevard. The City of Sugar Land, Fort Bend County, Fort Bend MUD 138 and Fort Bend MUD 139 are the entities participating in TIRZ#4. The purpose of TIRZ#4 is to fund certain infrastructure costs for entertainment, office and higher density retail development proposed within its boundaries. The TIRZ#4 budget is not included in the City's total budget but is included in the document for reference.

Sugar Land Development Corporation

Fiscal Year 2017

Total revenues are projected to be \$7,410,250, which includes sales tax of \$6,075,611, interest income of \$46,000, incentives reimbursement of \$388,639, and an assignment from TIRZ#1 for \$900,000.

Expenditures are projected at \$10,720,915 and include Economic Development Program costs of \$653,655. These expenditures include items such as business recruitment, travel and training, dues and memberships, professional services for marketing efforts, research and advertising. Contractual services are estimated at \$672,183. Economic Development Incentive projections total \$2,157,662, which includes \$96,740 for a sales tax incentive grant. Capital Projects Reimbursement is estimated to be \$1,913,834. Projects funded by the corporation include CPU Land Planning, Westside Land Acquisition, Industrial Widening, Smart Financial Centre and Concert Venue Planning. The Corporation projects to pay \$4,185,890 for debt service. Transfer to other funds for \$1,137,691 includes \$555,500 to the Taxable CO Debt Service Fund, \$50,000 to the Airport Fund for international marketing, and \$532,191 to the General Fund for cost allocation overhead and reimbursement of staff salaries.

Projected available funding at 9/30/17 is \$1,299,414. The fund balance is \$691,853 higher than the policy requirement of \$607,561, which constitutes 10% of budgeted sales tax.

Fiscal Year 2018

Revenues are budgeted at \$7,164,463. Sales tax is estimated at \$6,052,463, which includes a reduction of \$125,000 as a result of the economic conditions. Other revenues include interest income of \$62,000, an assignment of \$1,050,000 from TIRZ#1 supports the debt service requirement on the sales tax revenue bonds issued for Town Square infrastructure.

Budgeted expenditures total \$7,395,046. Economic Development Program expenditures total \$597,018, and include items such as business recruitment, travel and training, dues and memberships, professional services for marketing efforts, research and advertising. Contractual services are budgeted at \$12,590. The budget includes \$1,575,000 for economic development incentives. Capital Projects Reimbursements are budgeted at \$520,575 to repay a portion of the interfund loan for the Central Prison Unit land acquisition. The Corporation has a debt service of \$4,149,896 for outstanding issues. Transfers to other funds total \$539,967 and include \$489,967 to the General Fund for Economic Development staff and support services and \$50,000 to the Sugar Land Regional Airport for international marketing. In order to accomplish a balanced budget the economic development incentive program was reduced by \$125,000 to offset sales tax revenue decrease and budgeted at \$1,575,000.

Estimated available funding at 9/30/18 is \$1,161,229. The Corporation has a bond coverage ratio of 1.49, which is above the 1.25 minimum. Ending fund balance is \$253,360 over the policy requirements, which is 15% of the budgeted sales tax. The policy requirement was changed in FY16 by Council policy from 10% to 15% effective in FY18.

Sugar Land 4B Corporation

Fiscal Year 2017

Total revenues are projected to be \$6,397,015. This includes sales tax for \$6,075,611, interest income of \$86,000, TIRZ#1 assignment of \$155,404 and miscellaneous revenue of \$80,000 from the Sugar Land Skeeters.

Total expenditures are projected to be \$12,224,947. Economic Development program costs are projected to be \$985,517 and contractual services are estimated at \$20,300. Transfers to Capital Projects are projected to be \$7,320,814, and must remain budgeted until the final project close-out is complete. Debt Service payments are estimated at \$3,345,919. Transfers to other funds are \$455,657, which includes of reimbursement to the City for support staff and CIP management fee.

Projected available funding at 9/30/17 is \$2,292,815. The fund balance is projected to be \$1,685,254 higher than policy requirements of \$607,561, which constitutes 10% of budgeted sales tax.

Fiscal Year 2018

Total revenues are projected to be \$6,358,619. Sales tax is estimated at \$6,052,463, which includes a reduction of \$125,000 as a result of the economic conditions. Other revenues include interest income of \$70,000, TIRZ#1 assignment of \$156,157 and miscellaneous revenue of \$80,000, which is lease payment for off-site parking at Constellation Field.

Expenditures are budgeted at \$7,760,831. Economic Development Program expenditures total \$561,621, and contractual services total \$21,100. Capital projects funding is budgeted at \$2,065,000, which includes Joint Participation in CIP, University Boulevard North Landscape, Public Arts Project, Central Prison Unit Demolition, and Wayfinding Signs. Reserve for Opportunities is budgeted at \$950,000. Debt Service is budgeted at \$3,352,281 and transfers to other funds are at \$720,829, which includes a reimbursement for support staff and CIP management fee. In order to accomplish a balanced budget the capital projects funding was reduced by \$125,000 to offset sales tax revenue decrease and budgeted at \$2,065,000.

Estimated available funding at 9/30/18 is \$1,036,878. Ending fund balance is \$129,008 over the policy requirements, which is 15% of the budgeted sales tax. The policy requirement was changed in FY16 by Council policy from 10% to 15% effective in FY18.

Tax Increment Reinvestment Zone #1

Fiscal Year 2017

Revenues for FY17 are projected to be \$1,376,325, \$15,577 less than budget of \$1,391,902. The budget for incremental taxes was based on the 2016 certified tax roll. Property taxes allocated from the City, Fort Bend County and LID#2 total \$1,375,710 and interest income is projected at \$475. Income from underground conduit leases is projected at \$140.

Expenditures are projected to be \$1,381,312 and include \$250,000 for marketing events in Town Square put on by the Town Square Property Owners Association. Assignments totaling \$1,055,403 were made to Sugar Land Development Corporation and Sugar Land 4B Corporation toward repayment of debt issued in December 2005 for developer reimbursements in Town Square. The projected ending fund balance at 9/30/17 is \$15,396.

Fiscal Year 2018

Revenues are budgeted to be \$1,534,760, which includes property taxes for \$1,534,285 and interest income for \$475. Property taxes are based on the added value from 2017 certified tax roll for the TIRZ#1, 2017 City tax rate, 2016 LID #2 tax rate and proposed 2017 County tax rate at a 99.5% collection rate for each participating entity.

Operating expenditures are estimated to be \$255,968, which includes \$250,000 for marketing events in Town Square, and \$5,969 for insurance, banking fees, auditing services, and administrative services from City staff. Non-operating expenditures include \$70,000 for Town Square Plaza events and anticipated assignment of revenues to the SLDC for \$900,000 and SL4B for \$156,156. The assignments will support a portion of the debt service requirements on sales tax revenue bonds issued in December 2005 to reimburse the developer for Town Square infrastructure and expansion of the Texas Garage. Estimated ending fund balance at 9/30/18 is \$18,032. TIRZ#1 has no minimum fund policy balance requirement.

Tax Increment Reinvestment Zone #3

Fiscal Year 2017

Revenues for FY17 are projected to be \$319,239. The budget for incremental taxes was based on the 2016 certified tax roll. Property taxes allocated from the City and County total \$319,132 and interest income is projected at \$107.

Expenditures are projected to be \$364,854 for administrative support, legal services, and an assignment to Imperial Redevelopment District. Fund balance at 9/30/17 is projected to be zero.

Fiscal Year 2018

Revenues are budgeted to be \$627,945, which includes City and County property taxes for \$627,895 and interest income for \$50. Property taxes are based on the added value from 2017 certified tax roll for the TIRZ#3, 2017 City tax rate and proposed 2017 County tax rate at a 99.5% collection rate for each participating entity.

Operating expenditures are estimated to be \$650,752 for administrative support, legal and an assignment to Imperial Redevelopment District. Fund balance at 9/30/18 is estimated to be zero. TIRZ#3 has no minimum fund policy balance requirement.

Tax Increment Reinvestment Zone #4

Fiscal Year 2017

Revenues for FY17 are projected to be \$598,913. Property taxes allocated from the City, County, and MUDs total \$591,833 and interest income is projected at \$7,080. Expenditures are projected to be \$73,167 for administrative support and legal services. The projected ending fund balance at 9/30/17 is \$1,558,866.

Fiscal Year 2018

Revenues are budgeted to be \$718,295, which includes City, County, and MUDs property taxes for \$717,095 and interest income for \$1,200. Operating expenditures are estimated to be \$100,500 for administrative support and legal services. Estimated ending fund balance at 9/30/18 is \$2,176,661. TIRZ#4 has no minimum fund policy balance requirement.

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

	FY16 Actuals	FY17 Current Budget	FY17 Projections	FY18 Base Budget	FY18 Changes	FY18 Adopted Budget	FY18 Budget Amendment	FY18 Final Budget
REVENUES								
Sales Tax	\$ 6,545,997	\$ 6,373,750	6,075,611	\$ 6,177,463	\$ -	\$ 6,177,463	\$ (125,000)	\$ 6,052,463
Interest Income	101,326	83,000	46,000	62,000	-	62,000	-	62,000
Miscellaneous	10	-	388,639	-	-	-	-	-
TIRZ#1	850,000	900,000	900,000	1,050,000	-	1,050,000	-	1,050,000
Total Revenues	7,497,333	7,356,750	7,410,250	7,289,463	-	7,289,463	(125,000)	7,164,463
EXPENDITURES								
Economic Development Program	280,194	806,639	653,655	597,018	-	597,018	-	597,018
Economic Development Incentives	607,323	2,386,347	2,157,662	1,700,000	-	1,700,000	(125,000)	1,575,000
Contractual Services	9,740	672,983	672,183	12,590	-	12,590	-	12,590
Total Operating Expenditures	897,257	3,865,969	3,483,500	2,309,608	-	2,309,608	(125,000)	2,184,608
Debt Service	4,227,746	4,185,890	4,185,890	4,149,896	-	4,149,896	-	4,149,896
Capital Projects Reimbursement	6,639,706	1,913,834	1,913,834	520,575	-	520,575	-	520,575
Transfers to Other Funds	1,909,763	1,167,691	1,137,691	539,967	-	539,967	-	539,967
Total Non-Operating Expenditures	12,777,215	7,267,415	7,237,415	5,210,438	-	5,210,438	-	5,210,438
Total Expenditures	13,674,472	11,133,384	10,720,915	7,520,046	-	7,520,046	(125,000)	7,395,046
Revenues Over/(Under) Expenditures	(6,177,139)	(3,776,634)	(3,310,665)	(230,583)	-	(230,583)	-	(230,583)
Fund Balance - Beginning	15,992,627	9,815,487	9,815,487	6,504,822	-	6,504,822	-	6,504,822
Accrued Sales Tax	(1,048,559)	(1,063,957)	(1,063,957)	(1,063,957)	-	(1,063,957)	-	(1,063,957)
Debt Service Reserve	(4,187,081)	(4,141,452)	(4,141,452)	(4,049,053)	-	(4,049,053)	-	(4,049,053)
Fund Balance - Ending	\$ 4,579,847	\$ 833,445	\$ 1,299,414	\$ 1,161,229	\$ -	\$ 1,161,229	\$ -	\$ 1,161,229
Minimum Fund Balance (15% by FY18)	\$ 654,600	\$ 637,375	\$ 607,561			\$ 926,619		\$ 907,869
Over/Under Policy	\$ 3,925,248	\$ 196,070	\$ 691,853			\$ 234,610		\$ 253,360
Bond Coverage Ratio (>1.25x)	1.59	1.54	1.48			1.50		1.49

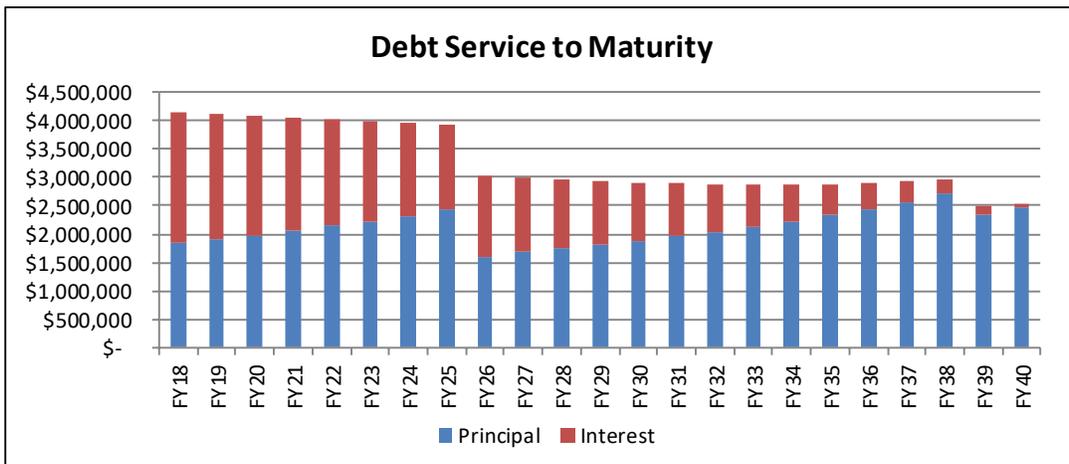
**SUGAR LAND DEVELOPMENT CORPORATION
SUMMARY OF CAPITAL PROJECTS
FISCAL YEAR 2018**

CIP			
Project #	Project Name	Project Description	Amount
SLA164	CPU Acquisition	Intra fund Loan Repayment - Reimbursement to the City cost of 121 acre CPU land acquisition for Business Park	\$ 520,575
TOTAL SLDC FUNDING			\$ 520,575

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

	Principal	Interest	Total
FY18	\$ 1,845,000	\$ 2,304,296	\$ 4,149,296
FY19	1,900,000	2,210,621	4,110,621
FY20	1,980,000	2,108,984	4,088,984
FY21	2,055,000	1,998,721	4,053,721
FY22	2,140,000	1,884,090	4,024,090
FY23	2,225,000	1,768,821	3,993,821
FY24	2,315,000	1,644,571	3,959,571
FY25	2,420,000	1,512,268	3,932,268
FY26	1,610,000	1,402,659	3,012,659
FY27	1,675,000	1,311,318	2,986,318
FY28	1,740,000	1,216,346	2,956,346
FY29	1,815,000	1,122,215	2,937,215
FY30	1,885,000	1,028,807	2,913,807
FY31	1,965,000	933,457	2,898,457
FY32	2,045,000	835,944	2,880,944
FY33	2,135,000	734,110	2,869,110
FY34	2,225,000	639,431	2,864,431
FY35	2,330,000	552,075	2,882,075
FY36	2,450,000	457,600	2,907,600
FY37	2,575,000	355,478	2,930,478
FY38	2,705,000	248,172	2,953,172
FY39	2,355,000	146,100	2,501,100
FY40	2,475,000	49,500	2,524,500
	<u>\$ 48,865,000</u>	<u>\$ 26,465,583</u>	<u>\$ 75,330,583</u>

Outstanding Debt Issues		
Series	Principal	Matures
2013	\$ 6,420,000	FY38
2014R	6,075,000	FY25
2014	36,370,000	FY40
Total	<u>\$ 48,865,000</u>	



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

	FY16	FY17	FY17	FY18	FY18	FY18	FY18	FY18
	Actuals	Current	Projections	Base	Changes	Budget	Budget	Final
		Budget		Budget		Amendment		Budget
REVENUES								
Sales Tax	\$ 6,545,997	\$ 6,373,750	\$ 6,075,611	\$ 6,177,463	\$ -	\$ 6,177,463	\$ (125,000)	\$ 6,052,463
Interest Income	88,716	57,000	86,000	70,000	-	70,000	-	70,000
TIRZ#1	154,297	155,404	155,404	156,156	-	156,156	-	156,156
TIRZ#3	-	-	-	-	-	-	-	-
Bond Proceeds	-	-	-	-	-	-	-	-
Miscellaneous	80,010	80,000	80,000	80,000	-	80,000	-	80,000
Total Revenues	6,869,020	6,666,154	6,397,015	6,483,619	-	6,483,619	(125,000)	6,358,619
EXPENDITURES								
Economic Development Program	347,584	985,517	985,517	561,621	-	561,621	-	561,621
Sales Tax Incentive Grant	107,129	96,740	96,740	-	-	-	-	-
Contractual Services	15,189	20,300	20,300	21,100	-	21,100	-	21,100
Total Operating Expenditures	469,902	1,102,557	1,102,557	582,721	-	582,721	-	582,721
Debt Service	3,364,888	3,345,919	3,345,919	3,352,281	-	3,352,281	-	3,352,281
Reserve for Opportunities	-	-	-	950,000	-	950,000	-	950,000
Transfers to Capital Projects	341,469	6,870,814	7,320,814	2,190,000	-	2,190,000	(125,000)	2,065,000
Transfers to Other Funds	415,445	455,657	455,657	720,829	-	720,829	-	720,829
Total Non-Operating Expenditures	4,121,801	10,672,390	11,122,390	7,213,110	-	7,213,110	(125,000)	7,088,110
Total Expenditures	4,591,703	11,774,947	12,224,947	7,795,831	-	7,795,831	(125,000)	7,670,831
Revenues Over/(Under) Expenditures	2,277,317	(5,108,793)	(5,827,932)	(1,312,212)	-	(1,312,212)	-	(1,312,212)
Fund Balance - Beginning	10,016,196	12,293,513	12,293,513	6,465,581	-	6,465,581	-	6,465,581
Accrued Sales Tax	(1,048,559)	(1,063,957)	(1,063,957)	(1,063,957)	-	(1,063,957)	-	(1,063,957)
Debt Service Reserve	(3,160,927)	(3,108,808)	(3,108,808)	(3,052,534)	-	(3,052,534)	-	(3,052,534)
Fund Balance - Ending	\$ 8,084,027	\$ 3,011,954	\$ 2,292,815	\$ 1,036,878	\$ -	\$ 1,036,878	\$ -	\$ 1,036,878
Minimum Fund Balance (15% by FY18)	\$ 654,600	\$ 637,375	\$ 607,561			\$ 926,619		\$ 907,869
Over/Under Policy	\$ 7,429,427	\$ 2,374,579	\$ 1,685,254			\$ 110,258		\$ 129,008
Bond Coverage Ratio (>1.25x)	1.98	1.92	1.84			1.87		1.83

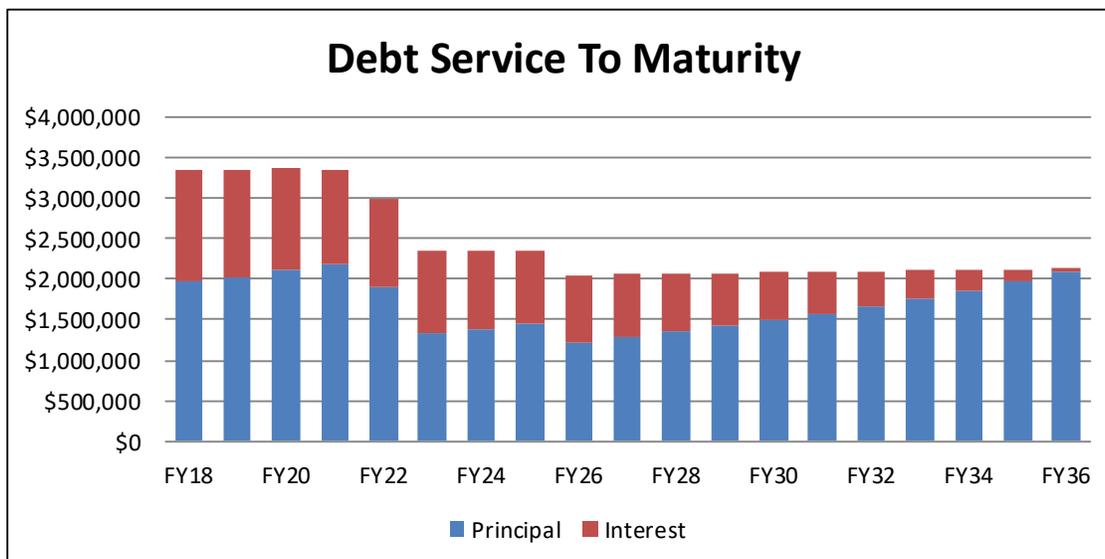
**SUGAR LAND 4B CORPORATION
SUMMARY OF CAPITAL PROJECTS
FISCAL YEAR 2018**

CIP Project #	Project Name	Project Description	Amount
SLB184	Central Prison Unit Demolition	The Central Prison Unit property has roughly 99 buildings and various structures on the site that need to be cleared so development can occur. Demolition needs to account for the abatement of asbestos / other environmental concerns and abatement monitoring.	\$ 1,400,000
SLB185	Wayfinding Signs	Next phase of way finding to improve pedestrian & bicycle access to landmarks/destinations through signage & markings.	275,000
SLB182	Public Arts Project	FY18 Public Art Projects, Cultural Arts Division, Economic Development Department. Each year and annual work plan is developed to outline public art projects that achieve the goals of the Public Art Plan (adopted Dec 2016).	190,000
SLB181	Joint Participation in CIP	Provide funds for joint participation in CIP projects between the City and Citizen based organizations that benefit the general public. Take advantage of partnership opportunities to enhance and preserve the quality of life for City residents.	100,000
SLB183	University Boulevard North Landscape	Landscape and irrigate the right-of-way after completion of the roadway project.	100,000
TOTAL SL4B FUNDING			\$ 2,065,000

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

	Principal	Interest	Total
FY18	\$ 1,960,000	\$ 1,388,781	\$ 3,348,781
FY19	2,025,000	1,316,344	3,341,344
FY20	2,115,000	1,239,175	3,354,175
FY21	2,195,000	1,156,850	3,351,850
FY22	1,900,000	1,076,631	2,976,631
FY23	1,330,000	1,011,694	2,341,694
FY24	1,390,000	953,169	2,343,169
FY25	1,460,000	888,863	2,348,863
FY26	1,225,000	828,269	2,053,269
FY27	1,290,000	771,681	2,061,681
FY28	1,355,000	712,169	2,067,169
FY29	1,425,000	648,728	2,073,728
FY30	1,500,000	580,150	2,080,150
FY31	1,580,000	506,013	2,086,013
FY32	1,670,000	425,750	2,095,750
FY33	1,765,000	339,875	2,104,875
FY34	1,865,000	249,125	2,114,125
FY35	1,970,000	153,250	2,123,250
FY36	2,080,000	52,000	2,132,000
	<u>\$ 32,100,000</u>	<u>\$ 14,298,516</u>	<u>\$ 46,398,516</u>

Outstanding Debt Issues		
Series	Principal	Matures
2005	\$ 1,970,000	FY25
2010	4,320,000	FY22
2011	<u>25,810,000</u>	FY36
	<u>\$ 32,100,000</u>	



**CITY OF SUGAR LAND
TAX INCREMENT REINVESTMENT ZONE No. 1
INCOME STATEMENT**

	FY16 Actuals	FY17 Current Budget	FY17 Projections	FY18 Base Budget	FY18 Changes	FY18 Budget
REVENUES						
Property Taxes	\$ 1,279,992	\$ 1,391,512	\$ 1,375,710	\$ 1,534,285	\$ -	\$ 1,534,285
Underground Conduit	137	140	140	-	-	-
Interest Income	457	250	475	475	-	475
Total Revenues	1,280,586	1,391,902	1,376,325	1,534,760	-	1,534,760
EXPENDITURES						
Insurance	1,822	1,840	1,840	1,859	-	1,859
Town Square POA Events	250,000	250,000	250,000	250,000	-	250,000
Contractual Services	1,036	1,453	1,453	1,468	-	1,468
Support Services Reimb	7,594	2,616	2,616	2,642	-	2,642
Other	-	-	-	-	-	-
Operating Expenditures	260,452	255,909	255,909	255,968	-	255,968
Plaza Events- Trsf to General Fund	70,000	70,000	70,000	70,000	-	70,000
Assignment to SLDC	850,000	900,000	900,000	1,050,000	-	1,050,000
Assignment to SL4B	154,297	155,403	155,403	156,156	-	156,156
Non-Operating Expenditures	1,074,297	1,125,403	1,125,403	1,276,156	-	1,276,156
Total Expenditures	1,334,749	1,381,312	1,381,312	1,532,124	-	1,532,124
Revenues Over/(Under) Expenditures	(54,163)	10,590	(4,987)	2,637	-	2,636
Fund Balance - Beginning	74,546	20,383	20,383	15,396	-	15,396
Fund Balance - Ending	\$ 20,383	\$ 30,973	\$ 15,396	\$ 18,033	\$ -	\$ 18,032

**CITY OF SUGAR LAND
TAX INCREMENT REINVESTMENT ZONE No. 3
INCOME STATEMENT**

	FY16 Actuals	FY17 Current Budget	FY17 Projections	FY18 Base Budget	FY18 Changes	FY18 Budget
REVENUES						
Incremental Property Taxes - County	\$ 101,343	\$ 183,105	\$ 176,974	\$ 360,031	\$ -	\$ 360,031
Incremental Property Taxes - City	76,164	141,643	142,158	267,864	-	267,864
Interest Income	267	50	107	50	-	50
Total Revenues	177,774	324,798	319,239	627,945	-	627,945
EXPENDITURES						
Legal Services	80,965	30,000	30,000	30,000	-	30,000
Admin Services	22,000	22,000	22,000	5,366	-	5,366
Assignment to IRD- TIRZ Revenue Fund	98,300	318,302	312,854	615,386	-	615,386
Total Expenditures	201,265	370,302	364,854	650,752	-	650,752
Revenues Over/(Under) Expenditures	(23,490)	(45,504)	(45,615)	(22,807)	-	(22,807)
Fund Balance - Beginning	126,645	83,039	103,156	57,542	-	57,542
Reserve for Admin Services	(83,000)	(37,496)	(57,542)	(34,734)	-	(34,734)
Fund Balance - Ending	\$ 20,154	\$ 39	\$ -	\$ -	\$ -	\$ -

**CITY OF SUGAR LAND
TAX INCREMENT REINVESTMENT ZONE No. 4
INCOME STATEMENT**

	FY16	FY17	FY17	FY18	FY18	FY18
	Actuals	Current Budget	Projections	Base Budget	Changes	FY18 Budget
REVENUES						
Incremental Property Taxes- City	\$ 173,116	\$ 207,835	\$ 209,375	\$ 251,771	\$ -	\$ 251,771
Incremental Property Taxes- FB County	150,530	148,745	179,406	237,003	-	237,003
Incremental Property Taxes- FB MUD 138	104,580	123,235	123,854	145,026	-	145,026
Incremental Property Taxes- FB MUD 139	78,163	78,802	79,198	83,295	-	83,295
Interest Income	1,189	750	7,080	1,200	-	1,200
Total Revenues	507,578	559,367	598,913	718,295	-	718,295
EXPENDITURES						
Support Services- Legal Services	-	50,000	43,167	50,000	-	50,000
Support Services- Admin Support	33,938	30,000	30,000	50,500	-	50,500
Total Expenditures	33,938	80,000	73,167	100,500	-	100,500
Revenues Over/(Under) Expenditures	473,641	479,367	525,746	617,795	-	617,795
Fund Balance - Beginning	559,479	1,033,120	1,033,120	1,558,866	-	1,558,866
Fund Balance - Ending	\$ 1,033,120	\$ 1,512,487	\$ 1,558,866	\$ 2,176,661	\$ -	\$ 2,176,661

Five-Year Forecast

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

The forecast outcome is highly dependent on several key assumptions that are based on information available at the time of preparation. A change in one or more of these assumptions can significantly alter the outcome of the forecast, which could have a tremendous impact on the City's operations and maintenance tax rate and capacity for future needs. The adopted budget was approved on September 19th 2017, but was later amended on October 17th, 2017. As a result of that amendment the long-range assumptions also changed, and are reflected within this section. Based on these assumptions, the forecast shows that the City will be able to accomplish the following:

- Annexation of New Territory and Greatwood in December 2017, an increase of approximately 30,000 residents
- Maintain approximately 1.5% growth from tax revenues over the forecast period
- Fund existing services at current service levels in all funds
- Support the surface water treatment plant and debt repayment
- Maintain sales tax to fund operations below 50%
- Meet current and future debt service needs
- Fund the recommended Five-Year CIP and resulting operating expenditures
- Continued Economic Development and Tourism efforts through reserves for opportunities

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

Forecast Assumptions

The calculations in this forecast and the analysis of results obtained are based on the following data.

Revenues

Valuation & Tax Rate

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

The forecast assumes no change to the property tax rate for the five-year forecast.

Tax Rate	FY18	FY19	FY20	FY21	FY22
O & M	\$0.17921	\$0.17921	\$0.17921	\$0.17921	\$0.17921
Debt	0.13841	0.13841	0.13841	0.13841	0.13841
Total	\$0.31762	\$0.31762	\$0.31762	\$0.31762	\$0.31762

The forecast assumes property tax revenues grow at an average rate of 8.0% per year based on a combination of the annexation of Greatwood and New Territory with property values of \$2.8 billion in FY19, an increase in

revaluation and growth in new value. For the five-year forecast a 1.5% revaluation was used for both residential and commercial properties.

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

	FY18	FY19	FY20	FY21	FY22
O & M	56.42%	56.42%	56.42%	56.42%	56.42%
Debt	43.58%	43.58%	43.58%	43.58%	43.58%
Total	100.00%	100.00%	100.00%	100.00%	100.00%

Sales Tax

Sales tax growth is assumed to grow an average of 3.0% annually.

Interest Earnings

Interest earnings for each fund are estimated based on available fund balances and the current rate of return trend.

Hotel Occupancy Transfer for Debt Service

Hotel occupancy tax is pledged toward repayment of existing debt issued for the Conference Center at Town Square and the Smart Financial Centre at Sugar Land. The forecast assumes a transfer to the Debt Service Fund in an amount equal to each year's debt service requirement.

Hotel Occupancy Tax Transfer	
FY18	\$ 1,431,064
FY19	1,275,151
FY20	1,445,251
FY21	1,461,732
FY22	1,483,018

Utility Transfer for Annexed & Dissolved MUD Debt

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

Utility Transfer for MUD Debt	
FY18	\$ 2,055,220
FY19	3,720,372
FY20	3,593,416
FY21	3,526,928
FY22	3,525,544

Issuance of New Debt

The forecast builds in debt service based on the timing of each anticipated issuance of debt.

	Tax Backed	Utility/Surface Water
	Debt	Revenue
		Bonds
FY18	\$ 8,042,056	\$ 4,512,800
FY19	3,350,000	6,804,350
FY20	2,629,000	2,057,840
FY21	6,659,707	3,780,000
FY22	28,139,800	7,261,820
Total	\$ 48,820,563	\$ 24,416,810

Water Consumption

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

Consumption (1,000 gallons)		
	Water	Wastewater
FY18	7,126,841	4,357,318
FY19	7,228,334	4,418,767
FY20	7,305,820	4,457,290
FY21	7,366,582	4,482,796
FY22	7,420,589	4,487,254

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

Pumpage (1,000 gallons)		
	City	Non-City
FY18	7,673,378	619,692
FY19	7,780,907	638,283
FY20	7,863,932	638,283
FY21	7,929,621	638,283
FY22	7,988,007	638,283

Airport Fuel Sales

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

Aviation Fuel Sales (Gallons)		
	Gallons	Percent Growth
FY18	3,003,271	2%
FY19	3,033,303	1%
FY20	3,078,803	2%
FY21	3,124,985	2%
FY22	3,171,860	2%

Expenditures

Operating Expenditures

Throughout the forecast, personnel costs increase by an average of 2.0%. Operations and maintenance costs grow by an average of 2% per year for the Utility Fund and Surface Water Fund, and 1% per year for the General Fund and Airport Fund.

Property Tax Rebates

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

Property Tax Rebates		
Fund	Debt Service	General
FY18	\$ 1,821,020	\$ 2,357,490
FY19	1,848,340	2,471,460
FY20	1,876,070	2,610,210
FY21	1,933,420	2,726,590
FY22	1,985,270	2,838,160

Sales Tax Grant

Sales tax grant is built in to the forecast based on estimated sales tax collections and the percentage subject to the grant calculation. There is one Section 380 agreement for Etail Direct where the City reimburses 37.50% of sales tax.

Forecast Analysis

General Fund

The General Fund encompasses the majority of the City's services. Resources to the fund are generated through property and sales taxes, franchise fees, fines, charges for services and miscellaneous income. Expenditures from the fund support municipal services such as Public Safety, Parks, Finance, Community Development, Environmental & Neighborhood Services and Public Works operations. The General Fund continues to fund all current services throughout the forecast, which now includes the annexation of Greatwood and New Territory. The forecast includes additions to operating expenditures for pay-as-you-go projects, now being included in the General Fund, instead of transferring the funds from General Fund to General CIP to cover the cost of these projects. Recurring operating expenditures increase by an average of 1.18% from FY18 to FY22 due to additions to the budget for the operating impact of capital projects, growth in personnel costs and operations and maintenance.

Sales tax receipts are the largest source of revenue for the City and have historically accounted for about 50% of operating General Fund revenues. Based on the current growth in sales tax collections, there is an average annual growth of 3.17% for each year in the forecast. Sales tax revenues make up 42.20% of the total revenues in the General Fund while property taxes represent 30.11%.

The FMPS set a target of 10% of base sales tax to be set aside for CIP funding when it is economically feasible. This strategy provides the City a cushion if sales tax collections fall short of estimates, as the first 90% of base sales tax is used to fund operations. For the 5-year year forecast, these funds will now remain the in General Fund to fund the pay-as-you-go projects instead of being transferred to General CIP.

The following is the planned PAYG for the five-year forecast.

	FY18	FY19	FY20	FY21	FY22
PAYG	\$ 1,442,540	\$ 1,767,066	\$ 2,091,592	\$ 2,416,119	\$ 2,740,645

Overall, the General Fund is in a stable financial position throughout the forecast. Between FY18 through FY22 the fund is expected to meet or exceed the fund balance requirement.

Debt Service Funds

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

Debt Service Fund

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

Property taxes make up an average of 75.79% of the revenues for the Debt Service Fund. The City will annex Greatwood and New Territory in December 2017 with an approximate property value of \$2.8 billion, which accounts for the increase in the property tax revenue starting in FY19. The forecast was prepared with an average commercial growth of 1.5% and residential revaluation of 1.5% plus new value. The fund includes a transfer from CIP non-bond fund, which is the developer fee reimbursement from the Riverstone development agreement. The developer pays \$1,750 per lot at the time of platting. These fees are used to fund debt service requirements for the issuance of 2010 Certificates of Obligation for the extension of University Boulevard. Transfers in from the Utility Fund support water and wastewater debt assumed through annexation and dissolution of MUDs at 100% recovery for the duration of the forecast. Transfers in from the Tourism Fund cover the existing debt issued for the Sugar Land Conference Center in Town Square and Smart Financial Centre at Sugar Land and adjacent plaza.

The Debt Service Fund maintains the policy requirement throughout the 5-year forecast. The fund balance continues to grow through the forecast and is able to support nearly \$48.82 million in new debt for projects in the five-year CIP.

Debt Service Fund – Taxable Debt

This fund records the taxable debt issued for the Smart Financial Centre at Sugar Land. Property tax is not used to cover the debt service payment. Lease payments from ACE supports the debt payments and will eventually fund a debt service reserve equal to the last three years of debt payment. The first reserve is budgeted in FY19 and increases over the rest of the forecast. Lease payments will be made monthly according to the terms of the 30-year lease.

Water Utility Fund

The Water/Wastewater Utility Fund is an enterprise fund providing for the administration, billing and collection activities, and operation and maintenance of the City’s water and wastewater system. Services are financed primarily through utility customer user fees. Strategies used in the generation of the Utility financial plan are aimed to ensure the fund is self-supporting and that capital improvement funding is adequate to maintain or expand the City’s infrastructure. Based on the forecast, the fund meets all reserve and bond coverage requirements.

The forecast shows that the monthly service charges for water will recover an average of 33.23% of revenue requirements. The forecast also shows that the monthly service charges for wastewater will recover an average of 43.26% of revenue requirements. The base recovery percentages are based on current rates and anticipated future rate adjustments.

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

Operating expenses shows an increase of \$1,022,323 or 5.92% during the forecast, which is due to growth in personnel and operating cost.

Revenue bonds for the forecast totals \$22.12 million that is planned to be issued for capital improvement projects. The required debt service reserve averages \$5.78 million from FY18 to FY22. The fund contributes \$10.93 million toward pay-as-you-go CIP during the forecast. The forecast shows that the volumetric rates for water increases from \$0.90 to \$1.05 in FY19 and then again in FY22 to \$1.10 per 1,000 gallons of water. The forecast shows that the volumetric rates for wastewater increases from \$2.90 to \$2.95 in FY19 and then again in FY22 to \$3.00 per 1,000 gallons of wastewater. These rate increases are need to maintain service levels and utility infrastructure. Rates will be adjusted annually as necessary to ensure cash reserves and bond coverage requirements are maintained.

Surface Water Fund

The Surface Water Fund is an Enterprise Fund and is supported by user fees. The purpose of the fund is to provide a financial mechanism for implementing the City's groundwater reduction plan for conversion from groundwater to surface water sources. The Surface Water Fund showed that the City was able to provide funding for the 30% conversion to surface water required in 2013 and 60% by 2025. As Greatwood and New Territory are being annexed in December 2017, this fund will see lower GRP fees but higher amounts in the transfers in from the Utility Fund for pumpage fees. There are planned rate increases for pumpage fees:

FY19 - \$2.00 per 1,000 gallons

FY20 - \$2.10 per 1,000 gallons

FY21 - \$2.15 per 1,000 gallons

FY22 - \$2.20 per 1,000 gallons

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

Operating revenues total \$7.19 million, which includes GRP Fees for \$6.5 million, Out-of-City Services charges for \$295,277 and interest income for \$386,794. Other revenues, which include transfers-in is from the Utility Fund for surface water fees for \$79.24 million for pumpage fees. In FY16, the Surface Water Fund loaned \$2,000,000 to the Airport and \$1,000,000 to General CIP. In FY18, the Surface Water Fund will receive its first payment of \$520,575 from General CIP Fund, and the second payment in FY19 for \$505,000. In FY19 the Airport Fund will repay the loan of \$2,000,000 to the Surface Water Fund with interest for a total of \$2,053,397.

Total expenses for the fund are approximately \$76.20 million for the forecast. Total operating expenses for the forecast are \$30.17 million, which include chemicals, electricity, other contractual, water right options, and permit fees. Debt service payments totals \$40.63 million. The next plan for debt issuance is in FY21 for CIP projects. The fund has 50% general purpose reserve that is met throughout the forecast.

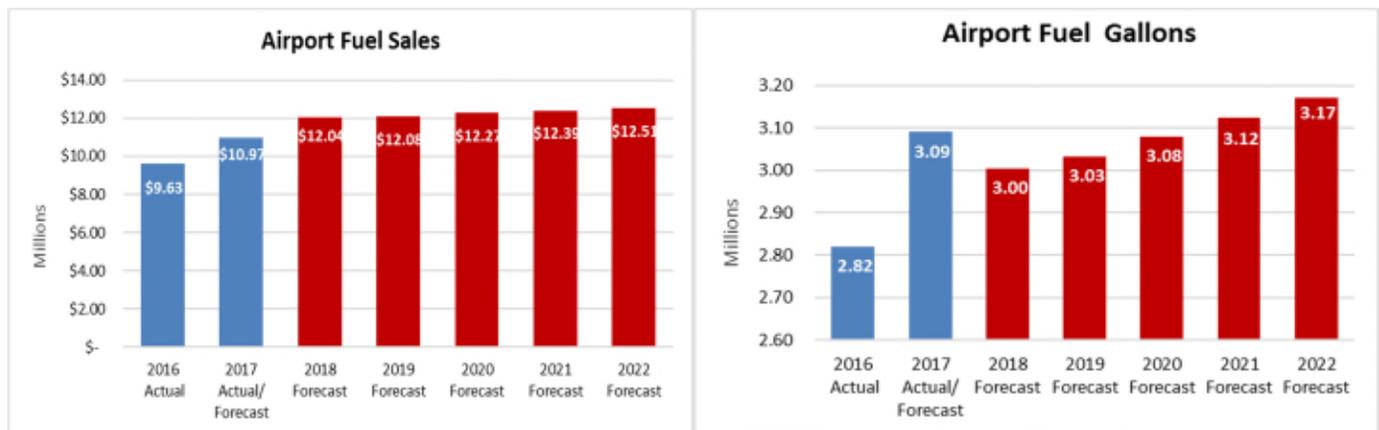
Airport Fund

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

Total Revenues for the airport are expected to increase over the next five years based on increasing fuel sales, customer distribution's changes, hangar lease fees and markup increase.

Fuels sales' projections indicate that fuel sales will steadily increase over the next five years. The graphs below depict the projected fuel revenues over the next five years, as well as gallons sold.

Airport operating expenses are projected to increase in the forecast at an average of 1.0% in the five-year forecast excluding fuel expenditures and credit card fees, which have offsetting revenues.



Tourism Fund

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

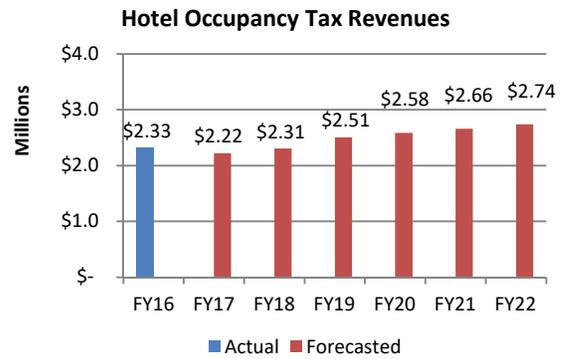
For FY18, the Tourism Fund will support the debt service for the Smart Financial Centre at Sugar Land and adjacent plaza. The Tourism Fund will contribute \$25,000 to the Public Art CIP project in FY18 and \$285,000 over the forecast period in total.

Hotel occupancy tax revenues are projected to increase 18.8% from FY18 to FY22 based on anticipated growth from existing hotels and new hotels with revenues anticipated beginning in FY18 and FY19. The City has pledged hotel tax revenues from the Marriott as a transfer to the Debt Service Fund to pay for the City's debt service requirements for the Conference Center. This arrangement confirms the City's commitment to the principle that hotel taxes should pay for the debt and not property taxes.

Expenditures in the fund are used to finance marketing and destination development for the City, according to limits imposed by state statutes. Over the forecast period, an estimated \$1.6 million will be spent on Events & Sponsorships, \$2.9 million on Tourism & Promotions, \$1.2 million on Sugar Land Visitors Center, and \$0.3 million on Cultural Art if expenditures continue based on current levels.

The fund will transfer \$7.1 million to the Debt Service Fund to support existing debt service payments for the conference center and Smart Financial Centre at Sugar Land. At the end of FY22, the projected ending fund balance is \$312,296.

There is a new fund balance policy of 10% of HOT revenues, adopted in FY16. The fund is anticipated to meet the policy requirements in FY18-FY22.



Five-Year Capital Improvement Program

The City’s Five-Year CIP totals \$96.40 million for FY18-FY22. Funding sources were identified as capacity was determined in the various financial plans and the timing of projects was adjusted to meet affordability. All projects included in the CIP have identified funding sources.

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

Project Type	5-Year Funding	% Of Funds
AIRPORT	\$ 410,500	0.43%
DRAINAGE	28,551,000	29.62%
MUNICIPAL	6,185,000	6.42%
PARKS	4,900,000	5.08%
STREETS	17,745,763	18.41%
SURFACE WATER	2,300,000	2.39%
TRAFFIC	750,000	0.78%
WASTEWATER	19,590,500	20.32%
WATER	15,970,000	16.57%
TOTAL	\$ 96,402,763	100.00%

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

Sugar Land Development Corporation (SLDC)

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

Expenditures over the forecast total \$43.78 million. Expenditures include staffing reimbursement to the City, support services contract, and the economic development program for marketing and business recruitment. The Corporation has annual debt service of approximately \$4.1 million each year. The forecast allocates \$8.3 million over the five years toward Economic Development direct incentives. A total of \$6.6 million is reserve for opportunities in the five-year forecast.

The fund is able to maintain a fund balance in excess of the 15% of budgeted sales tax policy requirement for the duration of the forecast with a budgeted fund balance amount of \$1,188,564 in FY22.

Sugar Land 4B Corporation (SL4B)

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

In the forecast the SL4B contributes \$3.4 million for capital improvements, including joint participation in CIP, Central Prison Unit Demolition, Wayfinding for Pedestrian and Bikes, University Boulevard North Landscape, and Public Art Project. The Corporation has three outstanding debt issues that mature in 2036. The annual debt service payment is \$3.35 million in FY18 and remains at that level for FY19-FY21, the annual debt service payment in FY22 is \$2.98 million. A total of \$16.35 million is available as reserve for opportunities in the five-year forecast.

SL4B meets its reserve and bond coverage requirements and is able to maintain a fund balance in excess of the 15% of budgeted sales tax receipts policy requirement during the forecast and with an ending fund balance of \$1,188,810 in FY22.

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

	FY17 Projections	FY18 Budget	FY19 Forecast	FY20 Forecast	FY21 Forecast	FY22 Forecast
REVENUES						
Property Taxes	\$ 20,846,700	\$ 22,468,289	\$ 28,129,500	\$ 28,755,000	\$ 29,305,200	\$ 29,673,500
Sales Tax	36,453,667	36,314,779	37,653,968	38,783,587	39,947,094	41,145,507
Other Taxes	6,166,432	6,550,729	6,616,236	6,682,399	6,749,223	6,816,715
Licenses & Permits	3,135,283	3,567,148	3,602,819	3,638,848	3,123,078	3,154,309
Charges for Services	5,806,894	3,924,076	3,672,073	3,719,252	3,767,183	3,815,882
Fines & Forfeitures	1,536,131	1,665,840	1,682,498	1,699,323	1,716,317	1,733,480
Other	447,808	341,808	345,226	348,678	352,165	355,687
Intergovernmental	634,517	141,955	142,675	143,401	144,135	144,877
Interest Income	187,280	192,280	194,203	196,145	198,106	200,087
Operating Revenues	75,214,712	75,166,904	82,039,198	83,966,633	85,302,501	87,040,044
Transfers In	10,023,195	14,734,998	7,780,387	7,702,686	7,776,213	7,850,475
Lease Proceeds	-	-	-	-	-	-
Non-operating Revenues	10,023,195	14,734,998	7,780,387	7,702,686	7,776,213	7,850,475
Total Revenues	85,237,907	89,901,902	89,819,586	91,669,320	93,078,714	94,890,519
EXPENDITURES						
General Government	12,881,465	12,661,365	12,701,594	12,843,148	12,986,284	13,131,021
Finance	4,089,378	4,390,763	4,425,115	4,474,431	4,524,298	4,574,723
Public Works	9,293,964	10,903,880	11,301,437	11,700,218	12,100,235	12,501,502
Parks & Recreation	4,951,834	4,751,607	4,755,388	4,839,742	4,924,676	5,010,197
Community Development	5,167,972	5,620,907	5,393,195	5,453,300	5,514,077	5,575,533
Environmental & Neighborhood SVC	5,281,267	5,700,434	5,634,817	5,698,260	5,762,368	5,827,150
Police Department	23,241,023	23,991,211	24,234,690	24,504,775	24,777,880	25,054,038
Fire Department	15,454,787	16,018,565	16,027,453	16,206,072	16,386,687	16,569,323
Departmental Expenditures	80,361,690	84,038,732	84,473,690	85,719,945	86,976,505	88,243,487
Transfers to other Funds	3,826,528	2,838,213	2,675,100	2,676,860	2,678,640	3,059,189
Miscellaneous	569,533	(316,223)	(402,145)	(371,967)	(361,686)	(351,303)
Rebates & Assignments	2,557,913	2,571,188	2,663,369	2,464,721	2,539,521	2,607,211
Debt Service	-	-	-	-	-	-
Non-departmental Expenditures	6,953,974	5,093,178	4,936,324	4,769,614	4,856,474	5,315,096
Total Expenditures	87,315,664	89,131,910	89,410,014	90,489,559	91,832,979	93,558,583
Revenues Over/(Under) Expenditures	(2,077,757)	769,992	409,572	1,179,761	1,245,735	1,331,935
Fund Balance - Beginning	28,542,348	26,464,591	27,234,583	27,644,155	28,823,916	30,069,651
Accrued Sales/Franchise Taxes	(7,066,605)	(7,066,605)	(7,066,605)	(7,066,605)	(7,066,605)	(7,066,605)
Fund Balance - Ending	\$ 19,397,986	\$ 20,167,978	\$ 20,577,550	\$ 21,757,311	\$ 23,003,046	\$ 24,334,982
Ending Fund Balance- % of Oper Exp	26%	25%	26%	27%	28%	29%
Fund Balance - Requirement	18,381,701	\$ 19,803,431	\$ 20,144,782	\$ 20,309,459	\$ 20,466,728	\$ 20,626,623
Over / (Under) Policy	1,016,285	364,547	432,769	1,447,853	2,536,319	3,708,359

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

	FY17 Projections	FY18 Budget	FY19 Forecast	FY20 Forecast	FY21 Forecast	FY22 Forecast
REVENUES						
Current Property Tax	\$ 17,817,900	\$ 17,369,811	\$ 21,725,400	\$ 22,208,500	\$ 22,633,400	\$ 22,917,900
District Property Taxes - Annexation	-	5,837,387				
Delinquent Property Taxes	42,800	118,400	99,300	55,500	56,600	57,300
Interest on Investments	45,000	50,000	51,518	59,114	69,877	83,907
Miscellaneous	-	1,664,819	-	-	-	-
Refunding Bond Proceeds	6,241	-	-	-	-	-
Operating Revenues	17,911,941	25,040,417	21,876,218	22,323,114	22,759,877	23,059,107
Total Transfers In	4,061,279	4,077,657	5,733,859	5,598,966	5,521,532	5,514,005
Non-operating Revenues	4,061,279	4,077,657	5,733,859	5,598,966	5,521,532	5,514,005
Total Revenues	21,973,220	29,118,074	27,610,078	27,922,080	28,281,410	28,573,112
EXPENDITURES						
Current Outstanding & New Debt	20,998,549	26,908,344	26,639,755	26,407,725	26,390,107	25,906,289
Fiscal Fees/Other	13,350	21,000	21,300	21,600	21,900	22,200
Total Debt Service	21,011,899	26,929,344	26,661,055	26,429,325	26,412,007	25,928,489
Rebates & Assignments	1,648,300	1,821,020	1,848,340	1,876,070	1,933,420	1,985,270
Transfers to Other Funds	80,151	102,360	90,550	91,910	93,290	94,680
Miscellaneous	4,300	4,000	4,000	4,000	4,000	4,000
Total Other Expenditures	1,732,751	1,927,380	1,942,890	1,971,980	2,030,710	2,083,950
Total Expenditures	22,744,650	28,856,724	28,603,945	28,401,305	28,442,717	28,012,439
CHANGE IN FUND BALANCE	(771,430)	261,350	(993,867)	(479,225)	(161,307)	560,673
FUND BALANCE - BEGINNING	5,690,149	4,918,719	5,180,069	4,186,202	3,706,977	3,545,670
FUND BALANCE - ENDING	\$ 4,918,719	\$ 5,180,069	\$ 4,186,202	\$ 3,706,977	\$ 3,545,670	\$ 4,106,343
Policy Requirement	\$ 2,099,855	\$ 2,690,834	\$ 2,663,975	\$ 2,640,772	\$ 2,639,011	\$ 2,590,629
Over/(Under) Policy	\$ 2,818,864	\$ 2,489,235	\$ 1,522,227	\$ 1,066,205	\$ 906,659	\$ 1,515,714

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

	FY17 Projections	FY18 Budget	FY19 Forecast	FY20 Forecast	FY21 Forecast	FY22 Forecast
REVENUES						
Rent	1,251,521	\$ 1,601,299	\$ 1,901,286	\$ 2,004,811	\$ 2,003,936	\$ 2,005,123
Interest Income	300	750	765	780	796	812
Operating Revenues	1,251,821	1,602,049	1,902,051	2,005,591	2,004,732	2,005,935
Transfers In	555,500	-	-	-	-	-
Non-operating Revenues	555,500	-	-	-	-	-
Total Revenues	1,807,321	1,602,049	1,902,051	2,005,591	2,004,732	2,005,935
EXPENDITURES						
Current Outstanding & New Debt	1,110,999	1,591,199	1,591,199	1,590,399	1,593,699	1,591,099
Fiscal Fees/Other	1,000	1,000	1,000	1,000	1,000	1,000
Total Expenditures	1,111,999	1,592,199	1,592,199	1,591,399	1,594,699	1,592,099
CHANGE IN FUND BALANCE	695,322	9,850	309,852	414,192	410,033	413,836
FUND BALANCE - BEGINNING	59,539	754,861	764,711	1,074,563	1,488,755	1,898,788
Accrued Sales Tax	-	-	-	-	-	-
Debt Service Reserve	-	-	(310,087)	(724,499)	(1,134,737)	(1,548,761)
FUND BALANCE - ENDING	\$ 754,861	\$ 764,711	\$ 764,476	\$ 764,256	\$ 764,051	\$ 763,863

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

	FY17 Projections	FY18 Budget	FY19 Forecast	FY20 Forecast	FY21 Forecast	FY22 Forecast
REVENUES						
Charges for Services	\$ 25,104,073	\$ 33,869,742	\$ 35,249,211	\$ 35,874,299	\$ 36,099,409	\$ 36,628,614
Surface Water Fees	9,463,960	13,407,370	15,057,462	16,297,247	16,927,301	17,450,256
Tap Fees	230,935	252,608	161,258	167,652	79,043	79,043
Interest Income	84,658	95,000	99,750	104,738	109,974	115,473
Other	1,341,486	1,198,863	1,139,633	1,140,426	1,141,243	1,142,084
Operating Revenues	36,225,112	48,823,583	51,707,314	53,584,362	54,356,970	55,415,470
Bond Proceeds	7,253,879	4,603,056	6,940,437	2,098,997	3,192,600	5,724,056
Transfers In - Connection Fees	581,107	581,947	869,015	868,819	869,491	1,030,408
Non-operating Revenues	7,834,986	5,185,003	7,809,452	2,967,816	4,062,091	6,754,465
Total Revenues	44,060,098	54,008,586	59,516,767	56,552,178	58,419,061	62,169,935
EXPENDITURES						
Utility Administration	906,904	868,814	764,031	783,546	803,612	824,246
Water Distribution	1,732,982	2,653,735	3,215,583	2,864,112	2,913,737	2,964,488
Water Production	2,190,208	2,936,997	2,923,408	2,964,437	3,006,231	3,048,807
Wastewater Collection	1,045,979	1,198,149	1,219,871	1,245,623	1,272,040	1,299,140
Wastewater Treatment	4,577,463	6,143,864	6,210,081	6,282,472	6,355,895	6,430,370
Customer Service	808,571	926,620	949,694	973,414	997,797	1,022,864
Water Quality	486,727	582,395	588,115	602,186	616,643	631,497
Water Conservation	293,163	294,493	299,104	303,811	308,617	313,524
Treasury	1,424,785	1,652,354	1,649,641	1,680,591	1,712,348	1,744,808
Total Operating Expenditures	13,466,782	17,257,421	17,819,528	17,700,191	17,986,919	18,279,744
Debt Service	8,483,103	9,170,655	8,743,212	8,993,648	8,925,007	9,335,325
Payment to Escrow Account	-	-	-	-	-	-
Miscellaneous	420,146	585,452	598,816	612,580	626,758	641,361
Transfers Out	5,398,543	6,149,594	7,665,077	7,522,001	7,501,035	7,545,815
Transfers Out - Surface Water	9,478,156	13,428,411	15,077,684	16,318,365	16,949,843	17,474,044
CIP Transfers	9,175,553	6,688,500	9,011,000	4,265,000	5,345,000	7,737,200
Total Non-Operating Expenditures	32,955,501	36,022,612	41,095,789	37,711,595	39,347,643	42,733,744
Total Expenditures	46,422,283	53,280,033	58,915,317	55,411,786	57,334,562	61,013,488
Revenues Over/(Under) Expenditures	(2,362,185)	728,553	601,450	1,140,392	1,084,498	1,156,447
Fund Balance - Beginning	12,617,435	10,255,250	10,983,803	11,585,253	12,725,645	13,810,143
Reserve - Debt Service	(6,069,587)	(5,782,752)	(5,782,752)	(5,782,752)	(5,782,752)	(5,782,752)
Fund Balance - Ending	\$ 4,185,663	\$ 5,201,051	\$ 5,802,501	\$ 6,942,893	\$ 8,027,391	\$ 9,183,838
Cash Operating Reserve	31%	31%	33%	39%	45%	50%
Bond Coverage	1.65	2.07	2.25	2.27	2.28	2.22

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

	FY17 Projections	FY18 Budget	FY19 Forecast	FY20 Forecast	FY21 Forecast	FY22 Forecast
REVENUES						
GRP Fees	\$ 4,423,025	\$ 1,102,242	\$ 1,256,396	\$ 1,345,192	\$ 1,385,555	\$ 1,417,844
Out of City Service Charge	38,260	49,986	57,002	61,047	62,886	64,357
Interest Income	64,754	70,000	73,500	77,175	81,034	85,085
Operating Revenues	4,573,526	1,222,228	1,386,898	1,483,415	1,529,474	1,567,287
Bond Proceeds	13,466,091	-	-	-	-	-
Inter-Fund Loan Repayment	-	520,575	2,558,397	-	-	-
Transfer In - Utilities	9,478,156	13,428,411	15,077,684	16,318,365	16,949,843	17,474,044
Non-operating Revenues	22,944,247	13,948,986	17,636,081	16,318,365	16,949,843	17,474,044
Total Revenues	27,517,773	15,171,214	19,022,978	17,801,780	18,479,317	19,041,331
EXPENDITURES						
Personnel Services	1,058,249	1,056,252	1,087,940	1,120,782	1,152,120	1,186,684
Operations & Maintenance	3,934,581	3,244,092	3,276,533	3,321,298	3,354,511	3,388,056
Raw Water	1,361,774	1,566,360	1,582,024	1,597,844	1,613,822	1,629,960
Total Operating Expenditures	6,354,604	5,866,704	5,946,496	6,039,924	6,120,453	6,204,700
Capital Projects	-	-	-	-	-	-
Debt Service	7,461,139	8,077,122	8,040,879	8,059,863	8,142,754	8,310,239
Miscellaneous	81,715	84,222	86,749	89,351	92,032	94,793
Transfers Out	13,975,866	620,890	639,517	658,702	678,463	698,817
Contingency	319,617	323,206	326,286	329,443	332,679	335,996
Total Non-Operating Expenditures	21,838,337	9,105,440	9,093,430	9,137,359	9,245,928	9,439,845
Total Expenditures	28,192,941	14,972,144	15,039,927	15,177,283	15,366,381	15,644,545
Revenues Over/(Under) Expenditures	(675,168)	199,070	3,983,052	2,624,496	3,112,936	3,396,785
Fund Balance - Beginning	10,511,767	9,836,599	10,035,669	14,018,721	16,643,217	19,756,153
Debt Service Reserve	-	(1,588,881)	(1,588,881)	(1,588,881)	(1,588,881)	(1,588,881)
Fund Balance - Ending	\$ 9,836,599	\$ 8,446,788	\$ 12,429,840	\$ 15,054,336	\$ 18,167,272	\$ 21,564,057
FB Rec'd - 50% of Total Exp	\$ 7,433,972	\$ 7,486,072	\$ 7,519,963	\$ 7,588,642	\$ 7,683,191	\$ 7,822,273
Over/Under Policy	2,402,626	2,549,596	6,498,757	9,054,575	12,072,961	15,330,664
Membrane Replacement Reserve	514,665	637,871	764,156	893,599	1,026,278	1,162,274

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

	FY17 Projections	FY18 Budget	FY19 Forecast	FY20 Forecast	FY21 Forecast	FY22 Forecast
REVENUES						
Fuel Sales	\$ 10,973,660	\$ 12,036,779	\$ 12,083,982	\$ 12,265,242	\$ 12,387,894	\$ 12,511,773
Hangar Leases	1,498,459	1,388,200	1,409,522	1,431,206	1,453,259	1,475,687
Miscellaneous Revenues	983,560	847,600	856,076	864,637	873,283	882,016
Interest Income	22,000	15,000	15,150	15,302	15,455	15,609
Operating Revenues	13,477,679	14,287,579	14,364,730	14,576,386	14,729,890	14,885,085
Transfers In	254,680	264,833	232,403	233,733	235,093	236,473
Grant Proceeds	50,000	50,000	50,000	50,000	50,000	50,000
Inter-Fund Loan & Reimbursement	-	-	-	-	-	-
TxDot Grant Reimbursement	-	-	2,340,000	540,000	-	-
Bond Proceeds	2,200,000	-	418,710	-	-	-
Non-operating Revenues	2,504,680	314,833	3,041,113	823,733	285,093	286,473
Total Revenues	15,982,359	14,602,412	17,405,843	15,400,119	15,014,983	15,171,558
EXPENDITURES						
Airport Administration	1,194,563	1,018,739	1,028,926	1,042,349	1,055,979	1,069,820
Airfield Operations	396,436	338,991	307,031	311,036	315,104	319,234
FBO Services	8,091,226	9,316,947	9,336,952	9,465,936	9,560,595	9,656,201
Café Select	261,875	260,736	263,343	266,779	270,267	273,810
Customs	209,898	259,898	211,997	214,763	217,571	220,423
Maintenance and Operations	1,161,754	1,350,763	1,005,721	1,018,841	1,032,164	1,045,692
Total Operating Expenditures	11,315,752	12,546,074	12,153,970	12,319,704	12,451,680	12,585,180
Debt Service	1,211,143	1,262,514	1,258,623	1,258,036	1,266,279	1,264,217
Payment to Escrow Account	-	-	-	-	-	-
Miscellaneous	218,658	151,557	153,073	154,603	156,149	157,711
Inter-Fund Loan & Reimbursement	-	-	2,053,397	-	-	-
Operating Transfers Out	3,208,475	973,924	1,425,627	1,041,294	1,077,136	1,114,531
Total Non-Operating Expenditures	4,638,276	2,387,995	4,890,719	2,453,933	2,499,565	2,536,459
Total Expenditures	15,954,028	14,934,069	17,044,689	14,773,636	14,951,245	15,121,639
Revenues Over/(Under) Expenditures	28,331	(331,657)	361,153	626,482	63,739	49,919
Fund Balance - Beginning	5,511,711	5,540,042	5,208,385	5,569,539	6,196,021	6,259,760
Debt Service Reserve	(659,766)	(702,546)	(702,546)	(702,546)	(702,546)	(702,546)
Fund Balance - Ending	\$ 4,880,276	\$ 4,505,839	\$ 4,866,993	\$ 5,493,475	\$ 5,557,214	\$ 5,607,132
CASH EQ. RESERVE RATIO (25% min)	103%	83%	97%	108%	108%	108%
BOND COVERAGE (1.25x min)	2.15	1.34	1.72	1.74	1.76	1.79
FUEL GALLONS SOLD	3,090,240	3,003,271	3,033,303	3,078,803	3,124,985	3,171,860

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

	FY17 Projections	FY18 Budget	FY19 Forecast	FY20 Forecast	FY21 Forecast	FY22 Forecast
REVENUES						
Hotel/Motel Occupancy Tax	\$ 2,220,100	\$ 2,309,100	\$ 2,509,236	\$ 2,584,900	\$ 2,662,400	\$ 2,742,200
Interest Income	4,200	4,200	4,242	4,284	4,327	4,371
Total Revenues	2,224,300	2,313,300	2,513,478	2,589,184	2,666,727	2,746,571
EXPENDITURES						
Events & Sponsorships	456,850	309,800	308,855	312,974	317,156	321,405
Tourism & Promotions	679,082	557,957	565,380	572,919	580,576	588,353
Sugar Land Visitors Center	49,542	239,569	242,756	245,993	249,281	252,620
Cultural Art	64,983	53,324	54,033	54,754	55,486	56,229
Total Operating Expenditures	1,250,457	1,160,650	1,171,025	1,186,640	1,202,499	1,218,607
Transfers to Other Funds	983,697	1,431,064	1,275,151	1,445,251	1,461,732	1,483,018
Total Non-Operating Expenditures	983,697	1,431,064	1,275,151	1,445,251	1,461,732	1,483,018
Total Expenditures	2,234,154	2,591,714	2,446,176	2,631,891	2,664,231	2,701,625
Revenues Over/(Under) Expenditures	(9,854)	(278,414)	67,301	(42,707)	2,496	44,946
Fund Balance - Beginning	1,058,323	1,048,469	770,055	837,357	794,650	797,146
GAAP Adjustments	(529,796)	(529,796)	(529,796)	(529,796)	(529,796)	(529,796)
Fund Balance - Ending	\$ 518,673	\$ 240,259	\$ 307,561	\$ 264,854	\$ 267,350	\$ 312,296
Fund Balance Policy (10% of Budgeted HOT)	\$ 222,010	\$ 230,910	\$ 250,924	\$ 258,490	\$ 266,240	\$ 274,220
Over/Under Policy	\$ 296,663	\$ 9,349	\$ 56,637	\$ 6,364	\$ 1,110	\$ 38,076

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

	FY17 Projections	FY18 Budget	FY19 Forecast	FY20 Forecast	FY21 Forecast	FY22 Forecast
REVENUES						
Sales Tax	6,075,611	\$ 6,052,463	\$ 6,275,661	\$ 6,463,931	\$ 6,657,849	\$ 6,857,584
Interest Income	46,000	62,000	62,000	70,000	70,000	70,000
Miscellaneous	388,639	-	-	-	-	-
TIRZ#1	900,000	1,050,000	1,150,000	1,190,000	1,350,000	1,400,000
TIRZ#3	-	-	-	4,793,527	-	-
Total Revenues	7,410,250	7,164,463	7,487,661	12,517,458	8,077,849	8,327,584
EXPENDITURES						
Economic Development Program	653,655	597,018	602,988	609,018	615,108	621,259
Economic Development Incentives	2,157,662	1,575,000	1,612,874	1,700,000	1,700,000	1,700,000
Contractual Services	672,183	12,590	12,590	12,590	12,590	12,590
Total Operating Expenditures	3,483,500	2,184,608	2,228,452	2,321,608	2,327,698	2,333,849
Debt Service	4,185,890	4,149,896	4,110,621	4,088,984	4,053,721	4,024,090
Reserve for Opporunties	-	-	-	4,150,000	1,100,000	1,350,000
Capital Projects Reimbursement	1,913,834	520,575	705,000	1,367,311	-	-
Transfers to Other Funds	1,137,691	539,967	544,823	551,853	558,985	566,220
Total Non-Operating Expenditures	7,237,415	5,210,438	5,360,444	10,158,148	5,712,706	5,940,310
Total Expenditures	10,720,915	7,395,046	7,588,896	12,479,757	8,040,404	8,274,159
Revenues Over/(Under) Expenditures	(3,310,665)	(230,583)	(101,235)	37,701	37,445	53,425
Fund Balance - Beginning	9,815,487	6,504,822	6,274,239	6,173,004	6,210,705	6,248,150
Accrued Sales Tax	(1,063,957)	(1,063,957)	(1,063,957)	(1,063,957)	(1,063,957)	(1,063,957)
Debt Service Reserve	(4,141,452)	(4,049,053)	(4,049,053)	(4,049,053)	(4,049,053)	(4,049,053)
Fund Balance - Ending	\$ 1,299,414	\$ 1,161,229	\$ 1,059,994	\$ 1,097,695	\$ 1,135,139	\$ 1,188,564
Minimum Fund Balance (15% by FY18)	\$ 607,561	\$ 907,869	\$ 941,349	\$ 969,590	\$ 998,677	\$ 1,028,638
Over/Under Policy	\$ 691,853	\$ 253,360	\$ 118,644	\$ 128,105	\$ 136,462	\$ 159,926
Bond Coverage Ratio (>1.25x)	1.48	1.49	1.55	1.61	1.67	1.73

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

	FY17 Projections	FY18 Budget	FY19 Forecast	FY20 Forecast	FY21 Forecast	FY22 Forecast
REVENUES						
Sales Tax	\$ 6,075,611	\$ 6,052,463	\$ 6,234,037	\$ 6,421,058	\$ 6,613,690	\$ 6,812,100
Interest Income	86,000	70,000	70,000	80,000	80,000	80,000
TIRZ#1	155,404	156,156	154,007	156,886	156,736	156,270
TIRZ#3	-	-	-	7,821,017	-	-
Miscellaneous	80,000	80,000	80,000	80,000	80,000	80,000
Total Revenues	6,397,015	6,358,619	6,538,044	14,558,961	6,930,426	7,128,370
EXPENDITURES						
Economic Development Program	985,517	561,621	567,237	572,910	578,639	584,425
Sales Tax Incentive Grant	96,740	-	-	-	-	-
Contractual Services	20,300	21,100	21,311	21,524	21,739	21,957
Total Operating Expenditures	1,102,557	582,721	588,548	594,434	600,378	606,382
Debt Service	3,345,919	3,352,281	3,341,344	3,354,175	3,351,850	2,976,631
Reserve for Opportunities	-	950,000	1,400,000	9,400,000	2,000,000	2,600,000
Transfers to Capital Projects	7,320,814	2,065,000	365,000	350,000	325,000	300,000
Transfers to Other Funds	455,657	720,829	814,624	666,405	678,421	690,678
Total Non-Operating Expenditures	11,122,390	7,088,110	5,920,967	13,770,580	6,355,271	6,567,309
Total Expenditures	12,224,947	7,670,831	6,509,516	14,365,013	6,955,649	7,173,691
Revenues Over/(Under) Expenditures	(5,827,932)	(1,312,212)	28,528	193,948	(25,223)	(45,321)
Fund Balance - Beginning	12,293,513	6,465,581	5,153,369	5,181,897	5,375,845	5,350,622
Accrued Sales Tax	(1,063,957)	(1,063,957)	(1,063,957)	(1,063,957)	(1,063,957)	(1,063,957)
Debt Service Reserve	(3,108,808)	(3,052,534)	(3,052,534)	(3,052,534)	(3,052,534)	(3,052,534)
Fund Balance - Ending	\$ 2,292,815	\$ 1,036,878	\$ 1,065,406	\$ 1,259,354	\$ 1,234,131	\$ 1,188,810
Minimum Fund Balance (15% by FY18)	\$ 607,561	\$ 907,869	\$ 935,106	\$ 963,159	\$ 992,053	\$ 1,021,815
Over/Under Policy	\$ 1,685,254	\$ 129,008	\$ 130,301	\$ 296,195	\$ 242,077	\$ 166,995
Bond Coverage Ratio (>1.25x)	1.84	1.83	1.88	1.94	2.25	2.94

City of Sugar Land

Financial Management Policy Statements

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City of Sugar Land

Financial Management Policy Statements

Introduction

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

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

Accounting, Auditing & Financial Reporting

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

Accounting Practices and Principles

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

Financial and Management Reports

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

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

Annual Audit

Pursuant to State Statute, the City shall have its records and accounts audited annually and shall have an annual financial statement prepared based on the audit. The audit shall be performed by a certified public accounting (CPA) firm, licensed to practice in the State of Texas. Although the Texas Local Government Code, Section 103.003 Filing: Public Record requires the annual financial statement including the auditor's opinion on the statement to be filed with the City Secretary within 180 days after the last day of the fiscal year, it is the City's goal to file the audit at the second City Council meeting in February. The audit firm shall provide a management letter to the City prior to the filing of the audit. The audit firm shall also provide a Single Audit of Federal and State grants, when necessary. An official Comprehensive Annual Financial Report (CAFR) shall be issued no later

than six (6) months following the end of the fiscal year. The Chief Accountant (or equivalent) shall be responsible for establishing a process to ensure timely resolution of audit recommendations.

Finance/Audit Committee

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

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

Annual Financial Disclosure

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

Signature of Checks

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

FINANCIAL CONSULTANTS

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

Selection of Auditors

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

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

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

Arbitrage

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

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

Delinquent Tax Collection Attorney

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

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

Bond Counsel

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

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

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

Disclosure Counsel

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

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

Municipal Advisor Services

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

- While retaining the services of an independent registered municipal advisor (IRMA), the City shall post an IRMA Exemption Certificate on the City's website and on EMMA (Electronic Municipal Market Access, a service of the Municipal Securities Rulemaking Board). The IRMA Exemption Certificate states that the City has retained a Municipal Advisor and that the City will rely on the advice of the Municipal Advisor in the issuance of municipal securities.
- The Municipal Advisor must be registered with the Securities & Exchange Commission and Municipal Securities Rulemaking Board as a Municipal Advisor

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

Depository Bank

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

BUDGET AND LONG RANGE FINANCIAL PLANNING

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

Balanced Budget

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

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

Current Funding Basis (Recurring Revenues)

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

Use of Non-Recurring Revenues

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

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

1. Sales Tax Incentive Grant Payment
2. Transfers to Replacement Funds (Fleet and High Technology)
3. Capital Expenditures
4. Contingency Funds

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

1. Grant Revenues
2. Red Light Camera proceeds
3. Dissolution Proceeds
4. Reimbursements for One Time Items
5. Short Term/Inter Fund Loans

Property Taxes

Tax Rate

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

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

Homestead Exemption

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

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

Over-Age Exemptions and Disabled Persons Exemption

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

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

Sales Tax

Sales tax used to fund recurring operations shall be capped at 50%. As sales tax revenue fluctuates due to changes in economic conditions, the City shall endeavor through long-term strategies to reduce its reliance on sales tax revenues for funding recurring operating expenditures. The goal is to maintain sales tax for operations well under 50%, and use the sales tax transfer for PAYG CIP to manage this dependence.

Sales Tax from Incentive Grant Agreements

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

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

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

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

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

Revenue Estimating for Budgeting

In order to protect the City from revenue shortfalls and to maintain a stable level of services, the City shall use a conservative, objective, and analytical approach when preparing revenue estimates. The process shall include analysis of probable economic changes and their impacts on revenues, historical collection rates, and trends. This approach should reduce the likelihood of actual revenues falling short of budget estimates and should avoid mid-year service changes.

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

Employee Compensation

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

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

Budget Management

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

- Amendment- an increase to the overall appropriation in the fund or capital project. Must be approved by City Council through one reading of an ordinance.
- Adjustment- a reallocation of funds between departments without changing the total operating fund budget. Must be approved by the City Manager

Operating Budget Adjustments

The City Manager is responsible for managing the operating budget after it is formally adopted by City Council, including the transfer of funds within program, between programs, between departments, and expenditure of contingency funds as long as there is no change in service levels as a result of the adjustments. The City Manager may further delegate levels of authority for the daily operation of the budget.

Operating Budget Amendments

In order to preserve projected fund balances/ ending balances based on projected revenues and expenditures for the current fiscal year, City Council will amend the annual operating budget for all funds, excluding capital improvements funds, as set forth in the projections. City Council will amend the current fiscal year budget to projections annually through adoption of an ordinance amending the budget.

Contracts or purchases presented for City Council approval shall identify the budgeted amount for the item within the current approved budget. A budget amendment by City Council is only necessary if the total appropriation for the fund is increased. This could occur under, but is not limited to, the following situations:

1. The budgeted appropriation will be exceeded at the fund level prior to year end.
2. Acceptance of a grant that was not included in the annual budget.
3. Appropriation from fund balances for items that were not budgeted.
4. A donation or sponsorship that exceeds estimated revenues and cannot be absorbed in contingency funding.

To streamline the process, budget amendments are to be considered by City Council on an as-needed basis and then formally adopted by ordinance periodically. Each budget ordinance shall summarize and include all budget amendments approved by City Council for affected funds since the last ordinance was approved.

At year end, the annual operating budget will be amended by ordinance through projections and will reflect adjustments that were approved by the City Manager.

Capital Projects Budget Amendments

As capital projects are budgeted on a project length basis and not a fiscal year basis, a project budget needs approval of a budget amendment when one of the following applies:

1. Increase to project funding with a corresponding increase in revenues
 - a. Inter-local Agreements
 - b. Award of a grant to enhance or expand the project
2. Reallocation of funding from one capital project to another, except:
 - a. When splitting funding for a project into multiple projects for tracking purposes when the total amount budgeted for the overall project does not change, or
 - b. When allocating additional funds from CIP fund balance to a project to accommodate a change order, as long as the additional funding needed does not exceed the lesser of 5% of the original project budget or \$50,000, and the change order does not need approval from City Council nor materially change the scope of the project.
3. Increase to project funding from the Capital Projects Fund Balance
4. Reduction to project budgets as discussed below

Capital Project budgets shall be amended (reduced) when construction bids come in significantly under estimates, project estimates shall be adjusted to reflect the construction bid plus a sufficient contingency and other project needs, and the remaining budget shall be reduced as necessary to reflect savings. When a project is funded from the issuance of debt, if the debt has not been sold at the time of the budget reduction, the revenue budget for bond proceeds shall be reduced accordingly.

Operating Deficits

The City shall take immediate corrective actions if at any time during the fiscal year expenditure and revenue re-estimates are such that an operating deficit is projected at year end. Corrective actions in order of precedence are:

1. Reduce transfers to the Capital Improvement Fund for pay-as-you-go CIP.
2. Manage Vacant Positions
3. Deferral of capital purchases
4. Expenditure reductions
5. Hiring freezes
6. Freeze merit increases
7. Use of fund balance, including Replacement Fund balances.
8. Increase fees
9. Lay-off employees

Short-term loans shall be avoided to balance the budget.

The use of fund balance, which is a one-time revenue source, may be used to fund an annual operating deficit, only with a subsequent approval of a plan to replenish the fund balance if it is brought down below policy level.

Five-year Forecast of Revenues and Expenditures

A five-year forecast of revenues and expenditures shall be prepared in conjunction with the annual budget process for the following funds:

- General Fund

- Debt Service Fund
- Tourism Fund
- Water/Wastewater Utility Fund
- Surface Water Fund
- Airport Fund
- Economic Development Corporations
- Five-Year Capital Improvement Program

The forecast assesses long-term financial implications of current and proposed policies, programs, and assumptions that develop appropriate strategies to achieve the City's goals. The forecast will provide an understanding of available funding; evaluate financial risk; assess the likelihood that services can be sustained; assess the level at which capital investment can be made; identify future commitments and resource demands; and identify the key variables that may cause change in the level of revenue. The forecast will be used to identify anticipated financial issues so that a plan can be developed to correct anticipated issues before they become reality.

REVENUES AND OTHER RESOURCES

The City shall strive to maintain a balanced and diversified revenue system to protect the City from fluctuations in any one source due to changes in local economic conditions, which may adversely impact that source. The Budget Office shall maintain a revenue manual documenting the various revenue sources of the City and how those revenues are derived and estimated.

Property Taxes

- a. Taxes on Airport Value- Property taxes collected on taxable property at the Airport will be transferred to the Airport Fund to use for operations and development. This will ensure that users paying the property tax will see a direct benefit to the Airport.
- b. Rebates to Municipal Utility Districts (MUDs) – As stipulated in the individual utility agreements, the City has agreed to rebate a portion of City taxes collected on properties within in-city MUDs back to the districts through various utility agreements. Rebate payments shall be calculated based on the taxes collected by the City on properties within the district since the point of the last rebate calculation (quarterly or semi-annually depending on the MUD), less any refunds given on those properties during that period.
- c. Payments to Tax Increment Reinvestment Zones (TIRZ)- The City has several TIRZ established within the City. Taxes paid to the City on properties in each zone are paid to each TIRZ annually; payments due shall be adjusted for any refunds given on those properties since the last TIRZ payment was made.

Sales Tax Revenue

- a. Monthly, the Economic Development Corporations will be allocated their percentage of the actual monthly sales tax remittances.
- b. Of the remaining monthly amount available to the City, funds will be allocated first to General Fund operations, based upon the budgeted sales tax for operations, to ensure operating expenditures are funded. Transfers of Sales Tax to the Capital Projects Fund shall be made upon funds availability.
- c. Each month the City will ensure that the cumulative sales tax for operations is met and will appropriately adjust the transfer to the Capital Improvement Fund as necessary.
- d. Actual sales tax revenue received above the amount budgeted on an annual basis and over the fund balance policy will only be used to fund non-recurring expenses or be transferred to the Capital Improvement Fund for pay-as-you-go capital improvement projects.

- e. Sales Tax from Sale of Aircraft
 - 1. Sales/Use tax remitted to the City that is determined to be from the sale/purchase of aircraft at the City's Airport will be transferred to the Airport Fund, excluding the percent allocated to the Economic Development Corporations.
 - 2. The proceeds that are allocated to the Economic Development Corporations will be identified as potential funding for Airport projects that legally meet the requirements of the Corporations.

Administrative Services Charges

The City shall determine annually the administrative services charges due to the General Fund from the enterprise funds for overhead and staff support using a cost allocation model.

Utility Transfer to the Debt Service Fund for Assumed Water/Wastewater Debt

The Utility Fund shall transfer to the Debt Service fund an amount/percent calculated annually for water/wastewater infrastructure debt assumed by the City due to annexation and dissolution of municipal utility districts.

- a. The goal is to have water/wastewater debt funded by water/wastewater revenues as much as possible within the financial resources of the Utility Fund.
- b. The City's intent is to fund a transfer amount that equates to 100% of the annual debt service requirements for water/wastewater debt in the Debt Service Fund.
- c. If the City should assume additional debt from municipal utility districts in the Debt Service Fund, the annual transfer for water/wastewater infrastructure debt will be reviewed and recalculated, if necessary.

Surface Water Revenues

The City will maintain a Surface Water Fund to account for revenues and expenses associated with the mandated reduction in groundwater usage.

- a. All participants in the City's Groundwater Reduction Plan will pay into the fund an amount based on water supplied at a rate established per 1,000 gallons (GRP fee).
- b. The GRP fee shall be paid monthly based on metered water pumped from groundwater sources.
- c. City customers will be billed a surface water fee based on billed water consumption. The City shall contribute monthly GRP fees to the Surface Water Fund for City customers.

Water/Wastewater Billings

Water, wastewater and surface water charges are billed in arrears, as customer meters are read monthly for the previous month's water usage. At year end, revenues are accrued to adjust revenues to full accrual basis but during the year, revenues are recorded on a modified accrual basis (when billed).

Revenue Collections

The City shall maintain high collection rates for all revenues by monitoring monthly receivables. The City shall follow an aggressive, consistent, yet reasonable approach to collecting revenues to the fullest extent allowed by law for all delinquent taxpayers and others overdue in payments to the City.

- a. The City shall contract for billing and collection services when it makes financial sense to do so. For example, Emergency Medical Transport billing requires a high level of knowledge relating to medical

billing that the City does not currently possess; in this case, outsourcing the billing & collection of EMS transport fees is the most prudent thing to do.

- b. The City shall contract for collection of delinquent receivables when it makes economic sense for the City to do so. The City currently contracts directly for the following delinquent receivables:
 - a. Court Fines & Warrants
 - b. Photographic Traffic Signal Fines
 - c. Emergency Medical Services
 - d. Miscellaneous Receivables, including Alarm Response Fees
- c. Write-off of Un-collectible Receivables (excludes court fines and warrants)
 - a. Receivables shall be considered for write-off as follows:
 - i. Undeliverable mail – accounts that remain outstanding for 6 months and all steps have been exhausted
 - ii. State Statute authorizing the release or extinguishment, in whole or in part, of any indebtedness, liability, or obligation, if applicable
 - iii. Accounts outstanding for 3 years, identified as uncollectible, and all attempts to collect have been taken
 - iv. The write-off of uncollected accounts is a bookkeeping entry only and does not release the debtor from any debt owed to the City.
 - v. The City shall estimate uncollectible accounts through an allowance for doubtful accounts in each fund with receivables.

User Fees

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

General Fund

- a. For services that benefit specific users the City shall establish and collect fees to recover the costs of those services.
- b. Where services provide a general public benefit, the City shall finance those services through property and sales taxes.
- c. For services that provide both specific benefits and a general public benefit, it may be appropriate to subsidize from property and sales tax revenues.
- d. Costs of Services are defined as full-cost; direct, indirect, and overhead.
- e. Factors in setting of fees shall include but not be limited to: market and competitive pricing, effect on demand for services, and impact on users, which may result in recovering something less than full cost.

Enterprise Funds

- a. Utility rates and other fund user fees shall be set at levels sufficient to cover operating expenditures (direct and indirect), meet debt obligations and debt service coverage, provide pay-as-you-go funding for capital improvements, and provide adequate levels of working capital.
- b. The City shall seek to eliminate all forms of subsidization between the General Fund and Enterprise Funds
- c. The Five-Year Financial Plan shall serve as the basis for rate change considerations.
- d. If rate increases are necessary, the Five-Year Financial Plan shall be built around smaller rate increases annually versus higher rate increases periodically.

User Fee Creation and Revision

Working with the department or office, the Budget Office will determine the cost for each service and determine a full-cost price. Once a fee has been proposed for a particular service, the fee will be compared to market, evaluated for potential effects on users such as low-income households, market demands of service, etc. A fee will then be recommended to the City Manager and City Council based on all information gathered through the fee evaluation.

User fees shall be adjusted by the Houston- Sugar Land- Baytown MSA CPI annually as part of the budget process, and a fee ordinance shall be adopted at the beginning of each fiscal year to reflect the fee revisions. Fee changes will be reflected for all activity billed or generated after the effective date of the fee revision.

Non-Resident Surcharges

For services provided to municipal utility districts or individuals who reside outside the city limits, the City may assess an out-of-city service fee or non-resident user fee. The surcharges shall be set either as an additional percentage fee or a separate fee for non-residents and can be established by ordinance or by contract.

EXPENDITURES AND SERVICES

Operating Expenditures

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

Purchasing and Vendor Selection

The City Manager shall maintain policies and procedures to ensure compliance with state laws relating to procurement of goods and services.

It is the policy of the city that, when lowest qualified bid is not the sole determining factor for a contract award, the contract shall be awarded to the highest ranked vendor based on merit as determined by a thorough evaluation by a team of at least 3 qualified staff evaluators, as identified in the City's inter-departmental policy PU109 . Merit factors that can be taken into consideration include: qualifications, past experience, quality of team, equipment, scheduling, and proven performance. In accordance with state law, City Council approval is required on purchases that will expend more \$50,000 of City funds. After Purchasing verification that all applicable state laws, purchasing policies, and procedures have been followed, a recommendation for award is made to City Council by staff.

Departmental & Office Business Plans

Departments and Offices shall prepare a business plan to define their operating objectives.

- a. The business plan should provide a link between the budget and the services provided; there should be no gaps or holes in accountability, either in accounting for resources provided or in defining services delivered.
- b. The business plan shall include an organizational chart, service description and service levels, and measures that indicate how well the service is being delivered.
- c. The business plan shall include an explanation of how services are delivered (by city staff or contracted) and expected results of the service delivery.

Annual Program of Services

Annually, as part the budget document, a program of services for each department will be established for the ensuing year. The program of services will include a summary of services and service levels from the business plan, as well as service level expectations and staffing levels.

Maintenance of Capital Assets

Within the resources available each fiscal year, the City shall maintain capital assets and infrastructure at a sufficient level to protect the City's investment, to minimize future replacement and maintenance costs, and to maintain service levels.

Periodic Program/Service Reviews

The City Manager and staff shall undertake periodic reviews of City programs and services for both efficiency and effectiveness. Outsourcing and contracting with other governmental agencies and/or the private sector will be evaluated as alternative approaches to service delivery. Programs or services determined to be inefficient and/or ineffective shall be recommended through the annual budget process to be reduced in scope or eliminated.

Outsourcing of City Services

The City provides many municipal services to its citizens covering a wide variety of disciplines. Attempting to perform all of these services in-house could dilute the City's efficiency and not be cost effective. Two of the management tools utilized by the City to maximize efficiency and cost effectiveness are outsourcing and managed competition processes, the mere consideration of which provides economic benefits that flow from competition. The economic benefits of competition include lower costs and improved quality of performance irrespective of whether a given service is ultimately performed in-house or outsourced.

FUND BALANCE/WORKING CAPITAL

Maintain the fund balance and working capital of the various operating funds at levels sufficient to protect the City's creditworthiness as well as its financial position during emergencies or economic fluctuations. Should the budgeted fund balance drop below the minimum identified by the policy below, the City will establish a plan to replenish the balances within two years.

Governmental Fund Balances

There are five categories of Fund Balance in all governmental funds, not all will always be present. The categories are defined below:

1. Non-spendable- cannot be spent due to being non-spendable in form or the city being legally or contractually required to maintain this amount intact.
2. Restricted- balances are subject to external restrictions from creditors, grantors, contributors, or laws of other governments.
3. Committed- use of funds is only for specific purposes as determined by City Council. City Council will approve obligations of funds such as multi-year contracts prior to the end of the fiscal year.
4. Assigned- intended use of balances for specific purposes is established by the City Council or delegated to the City Manager that is neither restricted or committed and includes the remaining positive balance of all governmental funds except the General Fund. Balances for encumbrances, other than those committed by City Council, fall into this category.
5. Unassigned- balances are available for any purpose; excess fund balances after above categories have been deducted. This type of balance is reported in the General Fund and negative fund balances in other than General Fund.

General Fund Unassigned Fund Balance

The City shall maintain the General Fund unassigned fund balance equivalent to three months of normal recurring operating costs, based on current year budgeted expenditures. If the fund balance exceeds this amount, the amount in excess of policy requirements may be utilized to fund one-time expenditures in the next fiscal year's budget.

Other governmental operating funds that do not have a policy minimum defined shall adhere to the general fund balance policy.

The City will typically use Restricted fund balances first, followed by Committed resources, and then Assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend Unassigned resources first to defer the use of these other classified funds.

Working Capital of Enterprise Operating Funds

In enterprise operating funds, the City shall maintain working capital sufficient to provide for reserves for emergencies and revenue shortfalls, specifically in the Utility and Airport Funds. Enterprise funds without major infrastructure or assets will have no minimum balance requirement. A cash equivalent operating reserve will be established and maintained as follows:

1. Utility Fund - 25% of the current year's budget appropriation for recurring operations and maintenance.
2. Airport Fund - 25% of the current year's budget appropriation for recurring operations and maintenance, excluding fuel for resale.
3. Surface Water Fund – 50% of the current year's budgeted expenses. Funds in the reserve may be utilized as a general purpose reserve without limitation to type (debt, capital expense, etc).

The cash equivalent operating reserve is derived by dividing the total cash equivalents balance by recurring operating expenses. (Cash equivalents = Cash + Investments + Accounts Receivable – Accounts Payable)

Use of Fund Balance/Working Capital

Fund Balance/Working Capital shall be used only for emergencies, non-recurring expenditures/ expenses, or major capital purchases that cannot be accommodated through current year savings. Should such use reduce balances below the level established as the minimum for that fund, the request/decision to utilize said balances will include a plan to replenish funds within two years.

Inter Fund Loans

Through the long range financial planning process, the City may identify a short term capital financing need that does not qualify for debt financing, and funds are available in special revenue or enterprise funds balances. An Inter Fund Loan is a loan from one fund to another that specifies repayment terms, and requires approval by City Council Resolution. Inter Fund Loans may not be used to support operating needs, but are allowable for cash flow needs related to capital projects involving third party financial transactions, such as grants or reimbursements.

Inter Fund Loans may be considered in cases where a short term loan is needed to cash-flow a project that does not qualify for tax-exempt bond financing. An example of this situation, but not limiting to this case, is a future reimbursement by a grant or developer for project funding that needs to move forward prior to funds being available. This is similar to how the IRS allows the City to reimburse itself from future bond proceeds, except the funds are coming from a source other than tax exempt bonds. Inter Fund Loans may be considered when

one fund has excess reserves (over policy requirements) that are not anticipated to be needed prior to repayment.

The Inter Fund Loan shall be documented by City Council Resolution and shall define the following:

1. Source of the Funding
2. Use of the Funds (project)
3. Maximum Amount
4. Repayment Schedule
5. Interest accrual, consistent with City investment rates

The proposed inter fund loan shall be identified during the annual budget and CIP process as a funding source, and discussed with the Council Finance/Audit Committee prior to the Resolution being considered by City Council.

Debt Service Funds

The City shall maintain the debt service fund balance at 10% of annual debt service requirements OR a fund balance reserve as required by bond ordinances, whichever is greater.

The City shall maintain a separate Debt Service Fund for any taxable bonds. This debt service fund shall have a reserve requirement separate from the tax –exempt debt service fund to be defined in the bond documents as bonds are issued.

Internal Service Funds

1. Fleet Replacement Fund-The Fleet Replacement Fund reserve will be maintained based upon a lifecycle or useful life replacement plan to ensure adequate fund balance required for systematic replacement of fleet vehicles. Fund Balance shall not be less than 10% of the total inventory asset value.
2. Technology Replacement Fund- The High Technology Replacement Fund reserve will be maintained based upon a lifecycle or useful life replacement plan to ensure adequate fund balance required for systematic replacement of technology. Fund Balance shall not be less than 10% of the total technology asset value.
3. Employee Benefits Fund- The Employee Benefits Fund is funded through City and employee contributions. Estimated costs shall be determined during each budget year and the contributions adjusted accordingly. There is no minimum balance for this fund.

Special Revenue Funds

Tourism Fund is supported by a 7% City tax on hotel occupancy within the City, which can fluctuate based on changes in the economy. A fund balance no less than 10% of budgeted occupancy tax collections shall be maintained in the fund.

Economic Development Corporations

As sales taxes fluctuate due to changes in the economy, the SLDC and SL4B Corporations shall maintain an unreserved fund balance of no less than 10% of budgeted sales tax collections. By fiscal year 2018 each corporation shall maintain a minimum fund balance of 15% of budgeted annual sales tax revenues.

CAPITAL EXPENDITURES AND IMPROVEMENTS

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

Capitalization Threshold for Tangible Capital Assets

Tangible capital items should be capitalized only if they have an estimated useful life of at least two years following the date of acquisition or significantly extend the useful life of the existing asset and cannot be consumed, unduly altered, or materially reduced in value immediately by use and has a cost of not less than \$5,000 for any individual item.

The capitalization threshold of \$5,000 will be applied to individual items rather than to a group of similar items, (i.e.: desks, chairs, etc.) unless doing so would have a material impact on financial reporting.

The capitalization threshold for infrastructure will be \$50,000 or more.

GASB requires software to be capitalized if criteria described in GASB Statement 51 (Accounting & Financial Reporting for Intangible Assets) is met. Internally developed or contracted development of or off-the-shelf and then modified software should be capitalized given cost & useful life threshold is met. Other licensed software implemented without modification or minimal modification is not capitalized.

To maintain adequate control over non-capitalized tangible items, items costing \$1,000 to \$4,999 will be monitored and tracked through the City's financial software system.

Five-Year Capital Improvement Plan (CIP)

The City shall annually prepare a five-year capital improvement plan based on the needs for capital improvements and equipment, the status of the City's infrastructure, replacement and renovation needs, and potential new projects. Capital projects are improvements or additions to the City's physical plant/facilities and become part of the City's asset inventory. Capital projects can be further categorized into land, buildings, improvements other than buildings, and infrastructure, which includes roads, sidewalks, bridges, utility lines, etc. Capital costs typically consist of preliminary design, final design, and construction, and may involve the acquisition of land or easements. For every project identified in the plan, a project scope and project justification will be provided. Also, project costs shall be estimated, funding sources identified and annual operation and maintenance costs computed.

Citizens, Parks Board and the Planning and Zoning Commission will be provided opportunities to review the list of CIP projects for the Five-Year Capital Improvement Plan and may suggest additions and/or changes to the plan as appropriate. Pursuant to the City Charter, the Planning & Zoning Commission makes recommendations to the City Manager and the City Council on the City's Five-Year Capital Improvement Plan.

The City Manager is charged with recommending a Capital Improvement Plan to City Council. Projects submitted, either by staff, through a neighborhood or citizen request, or through joint participation, will be reviewed in conjunction with the entire capital improvement program and submitted to City Council for final consideration. The Five-Year Capital Improvement Plan shall be filed and year one funding approved with the annual budget. Years two through five are for planning purposes only, and may move up, back, or be phased as the project becomes more refined based on preliminary engineering and design work gets completed.

The Five-Year CIP shall be limited to the affordability limits identified in the long-range financial plans of the City, taking into consideration pay-as-you go funding debt capacity, operating costs, etc.

Projects that cannot be funded in the Five Year CIP will be included in the CIP for future reference as an appendix of unfunded requests.

The City will establish and maintain Capital Project Funds based on various funding sources as identified below:

- General Capital Projects (non-bond) - includes projects funded from general fund sales tax transfers, corporation reimbursements, grants and other funding sources. Includes rehabilitation of infrastructure to extend its useful life.
- General Capital Projects (tax-exempt bond funds)- supported by proceeds of tax exempt bonds that are to be repaid from property taxes and interest earned thereon; projects funded from this source must be consistent with the uses identified in the bond documents.
- Taxable Bonds Capital Projects- supported by proceeds of taxable bonds that are to be repaid from sources other than property taxes.
- Utility Enterprise CIP (non-bond) - includes projects funded from revenues of the utility system. Includes rehabilitation of infrastructure to extend its useful life. Revenues are budgeted as a transfer from the Utility System Operating fund.
- Utility Enterprise CIP (bond funds) - supported by proceeds of tax-exempt bonds that are to be repaid from enterprise utility revenue sources. Bonds payable are recognized in the Utility Enterprise Fund as long term liabilities.
- Surface Water CIP (non-bond)- includes projects funded from revenues of the surface water fund. Includes projects that facilitate the objectives of the Groundwater Reduction Plan. Revenues are budgeted as a transfer from the Surface Water Operating fund.
- Surface Water CIP (Bond Funds)- supported by proceeds of tax-exempt bonds that are to be repaid from the Surface Water Enterprise Fund. Bonds payable are recognized in the Surface Water Enterprise Fund as long term liabilities.
- Airport Enterprise CIP (non-bond) - includes projects funded from revenues of Sugar Land Regional Airport and outside funding sources. Revenues are budgeted as a transfer from the Airport Operating fund or as grants from third parties (FAA/TxDOT).
- Airport Enterprise CIP (bond funds) - supported by proceeds of tax-exempt bonds that are to be repaid from enterprise airport revenues. Bonds payable are recognized in the Airport Enterprise Fund as long term liabilities.

Annually, through the budget process and at year-end, projects are to be reviewed and if identified as complete will be closed according to the Project Close out Procedure by Budget & Research and any remaining funds closed to the CIP fund balance, which can then be re-appropriated during the next fiscal year capital budget. Funds remaining from bond proceeds will only be used in accordance with the legal use of those funds.

Appropriations for capital projects are for the life of the project; therefore re-appropriation of capital funding for budgeted projects will not be necessary.

1. Infrastructure Evaluation and Replacement/Rehabilitation

Water, wastewater, drainage, street lighting, streets and sidewalks, municipal facilities, and other infrastructure are fundamental and essential functions for public health and safety, environmental protections and the economic well-being of the City. As a result, the City's CIP should be focused on ensuring that infrastructure is replaced or rehabilitated as necessary to protect the City's investment, to minimize future replacement and maintenance costs, extend the useful life of the asset, and to maintain existing levels of service and accommodate growth.

Infrastructure will be replaced or rehabilitated at the end of its useable service life if it is financially feasible to do so.

2. If upgrades are warranted to meet current design standards, a cost/benefit analysis will be performed. (See Infrastructure Evaluation Policy)

Community Redevelopment Projects

A Community Redevelopment Project is a capital project approved, funded, and implemented within an identified neighborhood for the purpose of upgrading public infrastructure to an established standard without regard to the remaining serviceable life of the infrastructure. Requests will be reviewed and prioritized in conjunction with the entire capital improvement program and within the City's financial ability for pay-as-you-go funding, not to exceed ½ of one percent of the total City operating budget. There will be a dollar for dollar match to City funds from non-City third-party sources. (See Capital Improvement Projects for Community Redevelopment Policy)

Joint Capital Improvement Projects

The City will establish guidelines for City participation in Joint Capital Improvement Projects with community based organizations that would either add to or enhance the City's Five-Year Capital Improvement Plan (See Resolution 14-27, Policy No. 5000-09 Joint Capital Improvement Projects with Community Based Organizations using Sugar Land 4B Funds)

The projects must benefit the general public and be located in the public right of way. In the proposed budget, \$200,000 will be set aside annually for the City's participation in these type projects, funded through the Sugar Land 4B Corporation, pending funds availability. A maximum of \$75,000 will be contributed to any one project, and in no case will the Corporation contribute over 50% of project funding. The request will be reviewed, verified to ensure the request meets the criteria set forth in the policy, and prioritized within the financial ability of the Sugar Land 4B Corporation.

Replacement of Capital Assets on a Regular Schedule (Fleet and Technology)

The City shall annually prepare a schedule for the replacement of its fleet and high technology capital assets. Funding for the replacement of these assets will be accomplished through the use of an annual depreciation structure charged to each participating fund at 100% of annual depreciation based on lifecycle or useful life of the asset. Within the resources available each fiscal year, the City shall replace these assets according to the Fleet and High Technology Replacement Policies.

Capital Expenditure Financing

The City recognizes that there are three basic methods of financing its capital requirements: Funding from current revenues; funding from fund balance/working capital as allowed by the Fund Balance/Working Capital Policy; or funding through the issuance of debt. Types of debt and guidelines for issuing debt are set forth in the Debt Policy Statements.

Pay-As-You-Go Capital Improvements

1. The City will pay cash for capital improvements within the financial affordability of each fund versus issuing debt when funding capital improvements and capital purchases. This will reduce/minimize the property tax and utility rate impacts on Sugar Land citizens.

2. Pay-as-you-go projects shall be budgeted based on funding available in the section on Revenues
3. Unless CIP balances are sufficient to pre-fund pay-as-you-go projects, scheduling of pay-as-you-go capital improvement projects shall coincide with the collection and accumulation of sales tax and system revenues. CIP projects shall be initially scheduled based on the budgeted accumulation of funding. CIP projects funded by pay-as-you-go funding must receive approval from the Budget Office before they begin, to ensure funding is available.

Capital Projects Management

Capital project status reports shall be completed by project managers monthly, and project status and issues shall be reported to the City Council quarterly.

- a. Project Close Out- A project will be closed once the original scope of the stated project has been completed as determined by Engineering and the project manager.
- b. Remaining Funds- Funds left in a project after completion shall be closed out and fall to the CIP fund balance. Engineering, Accounting and Budget will identify and close out projects on a quarterly basis to facilitate identification of funds that can be used for other projects.
- c. Annual rehabilitation projects- unused funds budgeted for annual rehabilitation and repairs will close out at the end of each fiscal year if not encumbered.

DEBT

Establish guidelines for debt financing that will provide needed facilities, land, capital equipment and infrastructure improvements while minimizing the impact of debt payments on current and future revenues.

Use of Debt Financing

Debt financing, to include general obligation bonds, revenue bonds, certificates of obligations, certificates of participation, lease/purchase agreements, and other obligations permitted to be issued or incurred under Texas law, shall only be used to purchase capital assets that cannot be prudently acquired from either current revenues or fund balance/working capital and to fund infrastructure improvements and additions. Debt will not be used to fund current operating expenditures.

The City will pay cash when possible for capital improvements within the financial affordability of each fund versus issuing debt when funding capital expenditures and capital improvements. Projects that are rehabilitative in nature shall be earmarked for funding from cash instead of debt when possible. (This is not intended to include reconstruction projects that significantly extend the useful life of an asset.) Cash sources include, but are not limited to general fund sales tax, utility and airport system revenues, economic development corporation funding, developer fees, inter-local agreements, and state and federal grants.

Bond Ratings

In evaluating the issuance of additional debt to finance projects, the City shall consider the statements of the rating agencies in regards to the City's financial condition. Ratings reflect the assessment of the following factors, and these should be evaluated to determine the impact of potential bond issues:

- Local economic activity
- Strong financial policies as evaluated under the Financial Management Assessment methodology
- Budgetary performance & flexibility
- Total liquidity and reserve balances
- Debt and contingent liability- evaluation of debt carrying costs as a percent of expenditures

- With adjustments for self-supporting debt
- Impact of future debt issuance on bond ratings/debt profile and outlook

Affordability

The City shall use an objective analytical approach to determine whether it can afford to issue new general-purpose debt, both General Obligation bonds and Certificates of Obligation. This process shall compare City accepted standards of affordability to the current values for the City. These standards may include debt per capita, debt as a percent of taxable value, taxable value per capita, and tax rate. The process shall also examine the direct costs and benefits of the proposed expenditures. In addition, the analysis will evaluate the capacity within the General Fund to take on the operating expenditures associated with the completion of the proposed capital improvements. When a project will have a significant impact on the operating budget, the tax rate shall be shifted from debt service to maintenance & operations to support the increased expenditures. Further debt capacity shall be evaluated based on the remaining debt service tax capacity. The decision on whether or not to issue new debt shall be based on these costs and benefits, current conditions of the municipal bond market, and City's ability to "afford" new debt as determined by the aforementioned standards.

Debt Capacity

The City shall complete an annual debt capacity assessment to ensure that proposed debt is affordable and contributes to the financial strength of the City. The debt capacity is the upper limit on the dollar amount of capital improvements that the City can afford to fund from debt.

Debt capacity calculations for long-term planning shall assume market rates for the average annual interest costs at the time the capacity is determined. The analysis shall not assume future refunding of any outstanding bonds and shall consider both debt service requirements on current and proposed debt.

For property tax supported debt, maximum capacity shall be determined by an amount of annual debt service that the City can absorb within the proposed tax rate allocation for debt based on assumed growth in assessed valuation.

For revenue debt, maximum capacity shall be determined by the amount of annual debt service that the City can absorb within a proposed rate structure that has been reviewed with City Council and which can support the proposed debt within the additional bonds test as defined in the revenue bond covenants. The City shall not exceed debt capacity as defined through bond covenants or fall below bond coverage ratios for additional revenue bonds.

Factors that will be included in the annual debt capacity determination shall include:

- Existing debt obligations
- Evaluation of revenue and expenditure trends
- Various measures of debt burden on the community
- Debt per capita
- Debt to assessed value ratio
- Taxable value per capita
- Statutory or constitutional requirements
- Market factors such as interest rates, credit ratings or market status

Certificates of Obligation

Certificates of Obligation may be issued without voter approval to finance any public works project or capital improvement, as permitted by State law. However, it is the policy of the City to utilize Certificates of Obligation to finance public improvements in certain circumstances and only after determining the City's ability to assume additional debt based on the standards identified above.

Circumstances in which Certificates might be issued include, but are not limited to the following:

- The City may issue CO's when there is insufficient funding on a general obligation bond-financed capital improvement;
- The City may issue CO's when conditions require a capital improvement to be funded rapidly rather than waiting for a GO bond election;
- The City may issue CO's for projects when the City can leverage dollars from others to reduce the City's capital cost for a community improvement;
- The City may issue CO's for projects when there is no other funding source available and the project is determined to be in the best interest of the City.
- The City may issue CO's if it would be more economical to issue Certificates of Obligation rather than issuing revenue bonds; and
- The City may issue CO's for projects for which the City will be reimbursed by Developer (principal plus interest)

General Obligation Bonds (GO)

General Obligation bonds require voter approval. When the list of unfunded projects contains projects that the City Council wishes to fund but cannot afford, then the City will consider taking a GO Bond Proposition(s) to the voters.

1. Bond Elections-

- a. Timing of general obligation bond elections shall be determined by the inventory of current authorized, unissued bonds remaining to be sold and the Five-Year Capital Improvement Program
 - b. The total dollar amount of bond election propositions recommended to the voters may not exceed the City's estimated ability to issue the bonds within a seven year period after the election passes.
 - c. An analysis showing how the new debt combined with current debt impacts the City's tax rate and debt capacity will accompany every bond issue proposal. The analysis will also include the estimated impact on the operations and maintenance portion of the tax rate.
2. General Obligation bonds must be issued to accomplish projects identified in the bond referendum and associated material.
 3. General Obligation bonds must be issued for projects that are consistent with the wording in the bond propositions.

Revenue Bonds

For the City to issue new revenue bonds, revenues, as defined in the ordinance authorizing the revenue bonds in question, shall be a minimum of 125% of the average annual debt service and 110% of the debt service for the year in which debt requirements are scheduled to be the greatest. Annual adjustments to the City's rate structures for enterprise funds will be made as necessary to maintain the coverage factor.

When the City issues CO's for enterprise fund projects, the City shall prepare a five year financial plan to ensure that the enterprise fund maintains -appropriate reserves and coverage without overly burdening rates and user fees.

General purpose reserves in the Surface Water Fund shall be maintained at levels high enough to meet debt service payments should pledged revenues fall short of projections in addition to serving as a normal operating reserve.

Debt Structures

- The City shall normally issue bonds with a life not to exceed 25 years for general obligation bonds and 25 years for revenue bonds, but in no case longer than the useful life of the asset.
- The City shall seek level or declining debt repayment schedules and shall seek to retire 50% of the total principal outstanding within 10 years of the year of issuance.
- There should be no debt structures that include increasing debt service levels in subsequent years, with the first and second year of a bond payout schedule the exception or as special situations may warrant.
- There shall be no “balloon” bond repayment schedules, which consist of low annual payments and one large payment of the balance due at the end of the term.
- There shall always be at least interest paid in the first fiscal year after a bond sale and principal payments starting generally no later than the second fiscal year after the bond issue.
- Normally, there shall be no capitalized interest included in the debt structure except for debt issuances reimbursing developers for infrastructure, which shall not exceed 2 years of capitalized interest.

Debt Refunding

The City’s financial advisor shall monitor the municipal bond market for opportunities to obtain interest savings by refunding outstanding debt. As a general rule, the net present value savings of a particular refunding should exceed 3.0% of the refunded maturities unless (1) a debt restructuring is necessary or (2) bond covenant revisions are necessary to facilitate the ability to provide services or to issue additional debt.

Interest Earnings and Remaining Bond Proceeds

Interest earnings on bond proceeds will be limited to funding changes to the bond financed Capital Improvement Plan in compliance with the voted propositions, cost overruns on bond projects, or be applied to debt service payments on the bonds issued. Issued but unspent bond proceeds may be appropriated for projects consistent with the ballot language after completion of projects identified in the approved bond propositions.

Sale Process

The City shall use a competitive bidding process in the sale of debt unless the nature of the issue warrants a negotiated sale. The City will utilize a negotiated process when the issue is, or contains, a refinancing that is dependent on market/interest rate timing. The City shall award the bonds based on a true interest cost (TIC) basis. However, the City may award bonds based on a net interest cost (NIC) basis as long as the financial advisor agrees that the NIC basis can satisfactorily determine the lowest and best bid.

Underwriting Syndicates

In response to the MSRB Rule G-17, which recognizes that the motivations of an underwriter may not be consistent with the best interest of the City, the City shall refer underwriters to its Municipal Advisor to review potential refunding opportunities. The City’s municipal advisor is prohibited from underwriting the City’s bonds while under contract with the City for municipal advisory services, and for a period of one year after termination of the municipal advisory contract.

The City will consider past participation and results of competitive City of Sugar Land and component unit bond sales when engaging one or more firm to underwrite a negotiated bond transaction.

Rating Agency Presentations

Full disclosure of operations and open lines of communications shall be maintained with the rating agencies. City staff, with the assistance of financial advisors, shall prepare the necessary materials and presentation to the rating agencies. Credit ratings will be sought from one or more of the nationally recognized municipal bond rating agencies, currently Standard & Poor's and Fitch Inc., as recommended by the City's municipal advisor.

Bond Ratings

The City will prudently manage the General, Economic Development Corporations, and Enterprise Funds and attempt to issue and structure debt to help maintain or increase the current bond ratings.

Lease/Purchase Agreements

The City will use lease/purchase agreements for capital items (such as fire trucks) when it is cost-efficient and provides for more attractive terms than issuance of bonds.

CASH MANAGEMENT AND INVESTMENTS

To maintain the City's cash in such a manner so as to ensure the absolute safety of principal, to meet the liquidity needs of the City, and to achieve the highest possible yield in compliance with the Public Funds Investment Act (Chapter 2256 of the Local Government Code or equivalent provision) and the City's Investment Policy & Strategy, as adopted annually by City Council.

Investment Management

Investment Policy

All aspects of cash/investment management shall be designed to ensure safety and integrity of the City's financial assets. Cash/Investment management activities shall be conducted in full compliance with prevailing local, state, and federal regulations. Please reference the City's Investment Policy as adopted annually by City Council.

The City shall design and establish policies relating to a variety of cash/investment management issues, such as the eligibility and selection of various broker/dealers, safekeeping requirements, collateral requirements, delivery versus payment requirements, weighted average maturity requirements and such other aspects of the program, which necessitate standard setting in pursuit of appropriate prudence and enhanced protection of assets.

Investment Strategy

The City of Sugar Land maintains a consolidated portfolio in which it pools its funds for investment purposes. The City's investment program seeks to achieve safety of principal, adequate liquidity to meet cash needs, and reasonable yield commensurate with the preservation of principal and liquidity. Refer to the City's Investment Strategy as adopted by City Council annually for detail.

Interest Income

Interest earned from investments shall be distributed to the funds from which the funds were provided.

Arbitrage Investments and Reporting

The City's investment position as it relates to arbitrage is as follows: Investments on bond proceeds will be made with safety of principal and liquidity in mind, but with a competitive rate of return. Investment of bond proceeds will be clearly tracked and investment earnings recorded for arbitrage purposes.

Depository

The City of Sugar Land will select its official bank depository through a formal bidding process in order to provide the City with the most comprehensive, flexible, and cost-effective banking services available. The City will at a minimum, bid depository services every five years. Only officials authorized by the City Council through the depository contract may open accounts in the name of the City or its component units.

Collateralization of Deposits

The City of Sugar Land shall have pledged collateral held at an independent third-party institution and evidenced by a written receipt.

The value of the pledged collateral should be marked to market monthly and shall be at least 102 percent of par or market value of the investments, whichever is greater. The City's depository bank monitors the required collateral and makes necessary adjustment to increase or decrease it.

Substitutions of collateral shall meet the requirements of the collateral agreement and have prior written approval. Collateral shall not be released until the replacement collateral has been received.

The pledge of collateral shall comply with the City's Investment Policy.

GRANTS

The City will seek, apply for, and effectively administer federal, state and local grants, which support the City's current priorities and policy objectives.

Grant Guidelines

The City shall apply and facilitate the application for only those grants that are consistent with the objectives and high priority needs identified by Council and City Management.

Grant funding will be considered to leverage City funds. Inconsistent and/or fluctuating grants should not be used to fund ongoing programs.

The potential for incurring ongoing costs, to include assumptions of support for grant-funded positions from local revenues, will be considered prior to applying for a grant.

Grant Review and Acceptance

All grant submittals shall be reviewed for their cash match requirements, their potential impact on the operating budget, and the extent to which they meet the City's goals. If there is a cash match requirement, the source of funding shall be identified prior to application. (Refer to City's Inter-Departmental Grant Policy AC104)

All grants over \$50,000 awarded to the City of Sugar Land must be submitted to City Council for consideration and approval. All grants must be reflected in the budget. Grants may be officially accepted by action of the City Council during budget adoption or with a budget adjustment. If the funding is not already included in the annual budget, the budget shall be amended to reflect revenues and expenditures associated with the grant.

Grant Termination and/or Reduced Grant Funding

In the event of reduced grant funding, City resources will be substituted only after all program priorities and alternatives are considered during the budget process, unless the City is obligated through the terms of the grant to maintain the positions.

The City shall terminate grant-funded programs and associated positions when grant funds are no longer available, and it is determined that the program no longer supports City goals and/or is no longer in the best interest of the City, unless the City has obligated itself through the terms of the grant to maintain the positions after the grant period ends.

ORDINANCE NO. 2113

AN ORDINANCE ADOPTING THE ANNUAL BUDGET FOR THE CITY OF SUGAR LAND, TEXAS, FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2017 AND ENDING SEPTEMBER 30, 2018; APPROPRIATING THE SUMS AS SET FORTH THEREIN; ADOPTING THE CAPITAL IMPROVEMENTS PROGRAM 2018 – 2022; AND ADOPTING A COMPENSATION PLAN.

WHEREAS, section 6.03 of the City Charter requires that the:

- (1) City manager prepare an annual budget for the ensuing fiscal year;
- (2) City manager submit to the city council for its review, consideration and revision, both a letter describing the proposed budget as well as a balanced budget for the forthcoming fiscal year, not later than sixty days prior to the end of the City's fiscal year;
- (3) Budget, as adopted, set forth the funding for services, programs, and activities of the various city departments and meet all fund requirements provided by law and required by bond covenants;
- (4) Budget include a multi-year capital improvement program and a current year capital budget;
- (5) Budget not be adopted or appropriations made unless the total of estimated revenues, income and funds available are equal to or in excess of the budget or appropriations, except as otherwise provided by the Charter; and
- (6) Budget be adopted by ordinance by one reading not later than the 25th day of the last month of the fiscal year; and

WHEREAS, Chapter 102 of the Texas Local Government Code requires that the:

- (1) City manager file the proposed budget with the city secretary before the 30th day before the date the city council makes its tax levy for the fiscal year; and
- (2) City council hold a public hearing on the proposed budget at least fifteen days after the date the budget is filed with the city secretary but before the date the city council makes its tax levy, notice of which hearing is to be published as required by law; and

WHEREAS, all the requirements of the City's Charter and State law have or will be met upon passage of this ordinance; NOW, THEREFORE,

**BE IT ORDAINED BY THE CITY COUNCIL
OF THE CITY OF SUGAR LAND, TEXAS:**

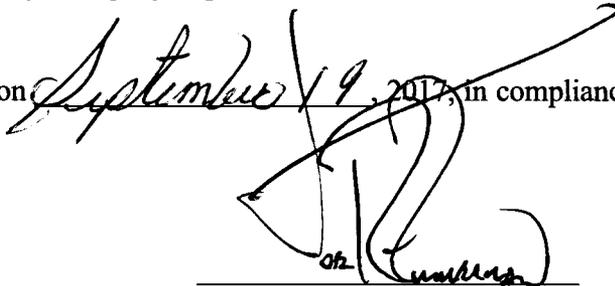
Section 1. That the budget of the City of Sugar Land, Texas, for the fiscal year beginning October 1, 2017, and ending September 30, 2018, as shown in attached Exhibit A, is adopted and the amounts specified therein for the programs, services, and activities of the City's various departments are appropriated as shown therein.

Section 2. That the Capital Improvements Program 2018 - 2022, as set forth in Exhibit B, is adopted.

Section 3. That the Compensation Plan, as set forth in Exhibit C, is adopted.

Section 4. That the budget as approved be filed with the City Secretary who in turn is authorized and directed to comply with all filing, publication and other requirements set forth in Chapter 102, Texas Local Government Code, including filing copies of this ordinance and the budget with the County Clerk of Fort Bend County, Texas, and including posting the cover page, record vote, property tax rates and such other information on the City's website as may be legally required.

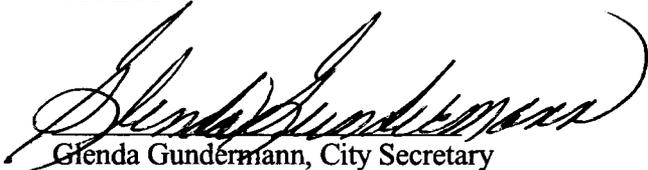
APPROVED on one reading on September 19, 2017, in compliance with section 6.03 (b) of the City's Charter.



Joe R. Zimmerman, Mayor

ATTEST:

APPROVED AS TO FORM:



Glenda Gundermann, City Secretary



Attachments: Exhibit A – 2017-2018 Budget
Exhibit B – 2018 - 2022 Capital Improvements Program
Exhibit C – Compensation Plan

ORDINANCE NO. 2114

AN ORDINANCE OF THE CITY OF SUGAR LAND, TEXAS, LEVYING A PROPERTY TAX RATE FOR THE YEAR 2017; AND DIRECTING THE TAX ASSESSOR-COLLECTOR TO ASSESS, ACCOUNT FOR, AND DISTRIBUTE THE PROPERTY TAXES AS HEREIN LEVIED.

WHEREAS, Section 26.05 (a) of the Tax Code requires taxing authorities to adopt a property tax rate before the later of September 30 of each year or the 60th day after the date of receipt of the certified appraisal roll; and

WHEREAS, Section 26.05 (a) of the Tax Code requires the property tax rate be approved separately in two components: (1) Maintenance and Operations; and (2) Debt Service; and

WHEREAS, Section 26.05 (b) of the Tax Code requires that the vote on the ordinance setting a tax rate that exceeds the effective tax rate must be a record vote; and

WHEREAS, Section 26.05 (b) of the Tax Code additionally requires that a motion to adopt an ordinance setting a tax rate that exceeds the effective tax rate must be made in the following form:

“I move that the property tax rate stay be increased with the adoption of a tax rate of \$0.31762, which is effectively a 1.50 percent increase in the tax rate”; and

WHEREAS, Section 26.05 (b) of the Tax Code further requires that if the ordinance sets a tax rate that, if applied to the total taxable value, will impose an amount of taxes to fund maintenance and operation expenditures of the taxing unit that exceeds the amount of taxes imposed for that purpose in the preceding year, the taxing unit must include in the ordinance in type larger than the type used in any other portion of the ordinance the following statement: "THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE" and if the tax rate exceeds the effective maintenance and operations rate, the following statement: “THE TAX RATE WILL EFFECTIVELY BE RAISED BY x.xx PERCENT AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY \$x.xx”.

WHEREAS, Section 26.05 (b) of the Tax Code requires that certain statements be included in the ordinance adopting the tax rate and that those statements to be in type larger than the type used in any other portion of the document; NOW, THEREFORE,

**BE IT ORDAINED BY THE CITY COUNCIL
OF THE CITY OF SUGAR LAND, TEXAS:**

Section 1. That the property tax rate per \$100.00 valuation for the City of Sugar Land for tax year 2017 is adopted as follows:

Maintenance and Operations	\$0.17921
Debt Service	\$0.13841
Tax Rate	\$0.31762

Section 2. THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE. THE TAX RATE WILL EFFECTIVELY BE RAISED BY 3.29 PERCENT AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME

BY APPROXIMATELY \$8.86.

Section 3. That the record vote of the City Council adopting this ordinance is:

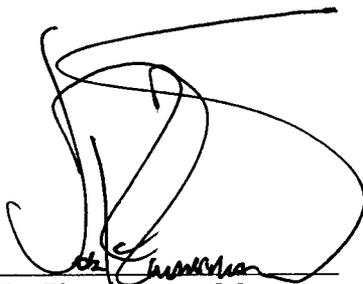
Council Members voting FOR adoption: **Joe Zimmerman, Mayor; Council Members Himesh Gandhi, Steve Porter, Bridget Yeung, Carol McCutcheon**

Council Members voting AGAINST adoption: **Council Members Amy Mitchell, Mary Joyce**

Council Members absent: **None**

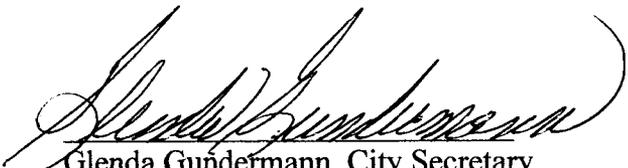
Section 4. That this ordinance is adopted upon one reading in compliance with Section 6.03 of the City Charter.

APPROVED on September 19, 2017.



Joe R. Zimmerman, Mayor

ATTEST:



Glenda Gundermann, City Secretary

APPROVED AS TO FORM:



ORDINANCE NO. 2115

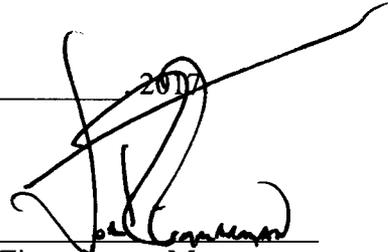
AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SUGAR LAND, TEXAS, AMENDING THE FISCAL YEAR 2017-2018 BUDGET FOR THE CITY OF SUGAR LAND, TEXAS TO ADDRESS FUNDS RELATING TO CAPITAL AND OPERATING BUDGET MATTERS; AND PROVIDING FOR THIS AMENDMENT BE ADOPTED AS THE BUDGETED AMOUNT FOR THOSE FUNDS.

**BE IT ORDAINED BY THE CITY COUNCIL
OF THE CITY OF SUGAR LAND, TEXAS:**

Section 1. That the budget of the City of Sugar Land, Texas for the fiscal year ending September 30, 2018, as adopted by Ordinance No. 2113, is amended as shown in the attached Exhibit A.

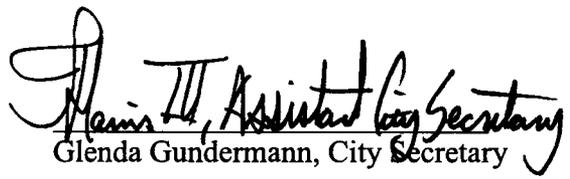
Section 2. That this ordinance is adopted upon one reading in compliance with Section 6.03 of the City Charter.

APPROVED on October 17 2017



Joe R. Zimmerman, Mayor

ATTEST:



Glenda Gundermann, City Secretary

APPROVED AS TO FORM:



**CITY OF SUGAR LAND
SALARY STRUCTURE
FOR NON-EXEMPT POSITIONS
FY18**

Range	Position Title	Minimum	Midpoint	Maximum
N-01	COURIER	\$ 12.58	\$ 15.97	\$ 19.37
	CUSTODIAN	\$ 26,166	\$ 33,218	\$ 40,290
	RECEPTIONIST			
N-02	CUSTOMER SERVICE REP	\$ 13.21	\$ 16.77	\$ 20.32
	GENERAL MAINTENANCE WORKER I	\$ 27,477	\$ 34,882	\$ 42,266
	WARRANT CLERK			
N-03	ADMINISTRATIVE SECRETARY	\$ 13.88	\$ 17.61	\$ 21.37
	CAFÉ ATTENDANT I	\$ 28,870	\$ 36,629	\$ 44,450
	COURT CLERK			
	PERMIT TECHNICIAN			
	RECORDS CLERK			
	TRAFFIC TECHNICIAN I			
N-04	311 CONTACT CENTER AMBASSADOR	\$ 14.57	\$ 18.64	\$ 22.72
	AIRPORT SERVICES REP I	\$ 30,306	\$ 38,771	\$ 47,258
	BILLING/COLLECTION SPEC. I			
	CAFÉ ATTENDANT II			
	COURT SERVICES SPECIALIST			
N-05	ADMINISTRATIVE ASSISTANT	\$ 15.43	\$ 19.75	\$ 24.07
	ADMINISTRATIVE SPECIALIST	\$ 32,094	\$ 41,080	\$ 50,066
	ANIMAL SERVICES OFFICER			
	BILLING SPECIALIST II			
	GENERAL MAINTENANCE WORKER II			
	GROUNDS & RUNWAY TECHNICIAN			
	LINE CREW I			
	PARKS FACILITIES TECHNICIAN			
	SR. PERMIT TECHNICIAN			
	VETERINARY TECHNICIAN			
WARRANT CLERK				
N-06	AIRPORT SERVICES REP II	\$ 16.36	\$ 20.94	\$ 25.52
	CONTRACT SERVICES MONITOR	\$ 34,029	\$ 43,555	\$ 53,082
	FACILITIES SERVICES TECHNICIAN			
	FACILITY SUPPORT SPECIALIST			
	LINE CREW II			
	PUMP & MOTOR TECHNICIAN I			
	WARRANT COORDINATOR			
WATER QUALITY TECHNICIAN				
N-07	ACCOUNTS PAYABLE SPECIALIST	\$ 17.35	\$ 22.37	\$ 27.40
	AUTOMOTIVE TECHNICIAN I	\$ 36,088	\$ 46,530	\$ 56,992
	CAFE SUPERVISOR			
	COURT DOCKET COORDINATOR			
	DEPARTMENT SPECIALIST			
	LINE CREW III			
PUMP & MOTOR TECHNICIAN II				
	ACCOUNTANT I	\$ 18.65	\$ 24.06	\$ 29.48
	ADMINISTRATIVE SUPERVISOR	\$ 38,792	\$ 50,045	\$ 61,318
	AIRPORT OPERATIONS AGENT			

Range	Position Title	Minimum	Midpoint	Maximum
N-08	ANIMAL SHELTER SUPERVISOR			
	BUYER			
	CODE ENFORCEMENT INSPECTOR			
	CREW CHIEF			
	DEPARTMENT ANALYST			
	DEVELOPMENT REVIEW COORDINATOR			
	ENVIRONMENTAL SERVICES INSPECTOR			
	EXECUTIVE SECRETARY			
	LABORATORY TECHNICIAN			
	PERMITS SUPERVISOR			
	SR. ACCOUNTS PAYABLE SPECIALIST			
	SR. FACILITY SERVICES TECH			
	TRAFFIC TECHNICIAN II, SIGNALS			
UTILITIES OPERATOR				
N-09	CONTRACT SERVICES COORDINATOR	\$ 19.96	\$ 25.74	\$ 31.54
	CONTRACTS SPECIALIST	\$ 41,517	\$ 53,539	\$ 65,603
	ELECTRICIAN			
	LEAD UTILITIES OPERATOR			
	MECHANIC			
	RESIDENTIAL RENTAL INSPECTOR			
N-10	SANITARIAN			
	ACCOUNTANT II	\$ 21.56	\$ 28.02	\$ 34.49
	ADMINISTRATIVE COORDINATOR	\$ 44,845	\$ 58,282	\$ 71,739
	AUTOMOTIVE TECHNICIAN II			
	BUILDING INSPECTOR			
	CONSTRUCTION INSPECTOR			
	CRIME SCENE TECHNICIAN			
	EMERGENCY MANAGEMENT SPECIALIST			
	EXECUTIVE ASSISTANT			
	INFORMATION PROCESS TECHNICIAN			
	LINE SUPERVISOR			
	PROJECT ANALYST			
N-11	TELECOMMUNICATIONS SPECIALIST			
	AIRPORT LEASING COORDINATOR	\$ 24.77	\$ 32.20	\$ 39.64
	CRIME ANALYST	\$ 51,522	\$ 66,976	\$ 82,451
	END USER SUPPORT SPECIALIST			
	FIELD SUPERVISOR			
	FLEET SERVICES SUPERVISOR			
	G.I.S. SPECIALIST			
	INSTRUMENTATION & CONTROL TECHNICIAN			
	PLANS EXAMINER			
	SR. ACCOUNTANT			
	SR. ADMINISTRATIVE COORDINATOR			
N-12	SR. BUILDING INSPECTOR			
	SR. CONSTRUCTION INSPECTOR			
	SYSTEM ANALYST			
	SYSTEM ADMINISTRATOR	\$ 27.26	\$ 35.42	\$ 43.60
		\$ 56,701	\$ 73,674	\$ 90,688

Effective for January 1, 2018

**CITY OF SUGAR LAND
SALARY STRUCTURE
FOR EXEMPT POSITIONS
FY18**

Range	Position Title	Minimum	Midpoint	Maximum
E-01	BUDGET ANALYST	\$ 23.61	\$ 29.21	\$ 34.81
	CONTRACTS COORDINATOR	\$ 49,109	\$ 60,757	\$ 72,405
	EVENT COORDINATOR			
	GRAPHICS COORDINATOR			
	MANAGEMENT ASSISTANT I			
	PLANNER I			
	RECREATION COORDINATOR			
	RIGHT OF WAY SERVICES COORDINATOR			
	SAFETY COORDINATOR			
	TOURISM COORDINATOR			
E-02	AGENDA COORDINATOR	\$ 24.40	\$ 31.00	\$ 37.58
	AIRPORT OPERATIONS SPECIALIST	\$ 50,752	\$ 64,480	\$ 78,166
	AIRPORT SERVICES REPRESENTATIVE SUPERVISOR			
	BILLING SUPERVISOR			
	CODE COMPLIANCE COORDINATOR			
	COLLECTIONS & CUSTOMER SERVICE SUPERVISOR			
	COMMUNITY ENGAGEMENT COORDINATOR			
	ENVIRONMENTAL COORDINATOR			
	FACILITIES SERVICES SUPERVISOR			
	HR BUSINESS PARTNER			
	MANAGEMENT ASSISTANT II			
	PLANNER II			
	PRETREATMENT COORDINATOR			
	PUBLIC/PRIVATE PARTNERSHIP COORDINATOR			
SR. BUDGET ANALYST				
TRAFFIC MANAGEMENT CENTER OPERATOR				
E-03	ACCOUNTS PAYABLE SUPERVISOR	\$ 26.36	\$ 33.48	\$ 40.59
	ADMINISTRATIVE MANAGER	\$ 54,829	\$ 69,638	\$ 84,427
	COMMUNICATIONS MANAGER			
	DEPUTY COURT ADMINISTRATOR			
	ENGINEER I			
	FINANCIAL ANALYST			
	LINE SERVICES SUPERINTENDENT			
	PRINCIPAL ACCOUNTANT			
	PUBLICATIONS MANAGER			
	RECORDS MANAGER			
	SR. PLANNER			
	SR. VIDEOGRAPHER/PRODUCER			
	USER SERVICES SUPERVISOR			
WATER CONSERVATION MANAGER				
WEBSITE MANAGER				
E-04	ACCOUNTING SUPERVISOR	\$ 28.47	\$ 36.16	\$ 43.84
	AIRPORT BUSINESS MANAGER	\$ 59,218	\$ 75,213	\$ 91,187
	ANIMAL SERVICES MANAGER			
	BUSINESS RETENTION MANAGER			
	COMMUNITY ENGAGEMENT MANAGER			
	COMPLIANCE MANAGER			
	CONTRACTS MANAGER			
	CUSTOMER SERVICE MANAGER			
	DESTINATION EVENT MANAGER			
	ENGINEER II			
	EVENT PRODUCTION MANAGER			
	FACILITIES SERVICES MANAGER			
	FINANCIAL/INVESTMENT ANALYST			
	FLEET SERVICES MANAGER			
	HUMAN RESOURCES MANAGER			
	IT PROJECT MANAGER			
	LAB MANAGER			
	LEAD PROGRAMMER ANALYST			
	LINE SERVICES MANAGER			

Range	Position Title	Minimum	Midpoint	Maximum
	PROJECT MANAGER			
	REAL PROPERTY MANAGER			
	RECREATION MANAGER			
	RISK MANAGER			
	SR. SANITARIAN			
	STRATEGIC INITIATIVES MANAGER			
	SURFACE WATER CHIEF OPERATOR			
	TOURISM & MARKETING MANAGER			
	TRAFFIC OPERATIONS MANAGER			
	WATER RESOURCES MANAGER			
	AIRFIELD & FACILITIES MANAGER	\$ 30.73	\$ 39.05	\$ 47.34
	AIRPORT DEVELOPMENT MANAGER	\$ 63,918	\$ 81,224	\$ 98,467
	AIRPORT OPERATIONS MANAGER			
	ASSET & OPERATIONS MANAGER			
	CODE COMPLIANCE MANAGER			
	CONSTRUCTION SERVICES MANAGER			
	CULTURAL ARTS MANAGER			
	DEPUTY BUILDING OFFICIAL			
E-05	ENGINEER III			
	ENVIRONMENTAL MANAGER			
	FIELD OPERATIONS MANAGER			
	MUNICIPAL COURT ADMINISTRATOR-IN TRAINING			
	PARKS DEVELOPMENT MANAGER			
	PARKS SUPERINTENDENT			
	PRINCIPAL PLANNER			
	RIGHT OF WAY SERVICES MANAGER			
	SR. FINANCIAL ANALYST			
	STREET/DRAINAGE SUPERINTENDENT			
	ASSISTANT CITY ATTORNEY	\$ 33.51	\$ 42.56	\$ 51.60
	ASSISTANT TO THE CITY MANAGER	\$ 69,701	\$ 88,525	\$ 107,328
	CODE COMPLIANCE ADMINISTRATOR			
	DEPUTY CHIEF ACCOUNTANT			
E-06	ENGINEERING MANAGER			
	FACILITY OPERATIONS MANAGER			
	INTERGOV'L RELATIONS MANAGER			
	MANAGER, VERTICAL CONSTRUCTION			
	PUBLIC/PRIVATE PARTNERSHIP MANAGER			
	SURFACE WATER PLANT MANAGER			
	ASSISTANT CITY SECRETARY	\$ 36.52	\$ 46.40	\$ 56.25
	ASSISTANT COMMUNICATIONS DIRECTOR	\$ 75,962	\$ 96,512	\$ 117,000
	CITY TRAFFIC ENGINEER			
	IT MANAGER			
E-07	MUNICIPAL COURT ADMINISTRATOR			
	PURCHASING MANAGER			
	SR. ENGINEER			
	TOURISM & DESTINATION SERVICES ADMINISTRATOR			
	TRANSPORTATION & MOBILITY PLANNING MGR			
	TREASURY MANAGER			
	ASSISTANT CITY ENGINEER	\$ 39.45	\$ 50.10	\$ 60.75
	ASSISTANT DIRECTOR OF AVIATION	\$ 82,056	\$ 104,208	\$ 126,360
	ASSISTANT DIRECTOR OF ECONOMIC DEVELOPMENT			
	ASSISTANT DIRECTOR OF ENVIRON & NEIGHBORHOOD SVS			
	ASSISTANT DIRECTOR OF FINANCE			
	ASSISTANT DIRECTOR OF HUMAN RESOURCES			
	ASSISTANT DIRECTOR OF PARKS & RECREATION			
	ASSISTANT DIRECTOR OF PUBLIC WORKS			
E-08	BUDGET OFFICER			
	CHIEF ACCOUNTANT			
	CITY PLANNER - DEVELOPMENT PLANNING			
	CITY PLANNER - LONG RANGE PLAN			
	FIRST ASSISTANT CITY ATTORNEY			

Effective for January 1, 2018

**CITY OF SUGAR LAND
SALARY STRUCTURE
MANAGEMENT & ELECTED OFFICIAL POSITIONS
FY18**

Range	Position Title	Minimum	Midpoint	Maximum
M-01	BUILDING OFFICIAL	\$ 39.81	\$ 50.57	\$ 61.31
	CITY SECRETARY	\$ 82,805	\$ 105,186	\$ 127,525
	COMMUNICATIONS DIRECTOR			
	PUBLIC SAFETY DISPATCH DIRECTOR			
	STRATEGIC INITIATIVES DIRECTOR			
M-02	CITY ENGINEER	\$ 48.86	\$ 61.08	\$ 73.30
	DIRECTOR OF AVIATION	\$ 101,629	\$ 127,046	\$ 152,464
	DIRECTOR OF ECONOMIC DEVELOPMENT			
	DIRECTOR OF ENVIRON & NEIGHBORHOOD SVS			
	DIRECTOR OF FINANCE			
	DIRECTOR OF HUMAN RESOURCES			
	DIRECTOR OF INFORMATION TECHNOLOGY			
	DIRECTOR OF PARKS & RECREATION			
	DIRECTOR OF PLANNING			
	DIRECTOR OF PUBLIC WORKS			
M-03	CITY MANAGER		UNGRADED	
	FIRST ASSISTANT CITY MANAGER			
	ASSISTANT CITY MANAGER			
	EXECUTIVE DIRECTOR			
	CITY ATTORNEY			
	FIRE CHIEF			
	POLICE CHIEF			
	MUNICIPAL COURT JUDGE			
EO-1	COUNCIL MEMBER		\$ 736.46 (Monthly)	
			\$ 8,838 (Annually)	
EO-2	MAYOR		\$ 1,472.91 (Monthly)	
			\$ 17,675 (Annually)	

Effective for January 1, 2018

**CITY OF SUGAR LAND
SALARY STRUCTURE
POLICE, DETENTION & DISPATCH**

FY18

Job Title	Range	Hourly Annual Minimum	Hourly Annual Midpoint	Hourly Annual Maximum
PUBLIC SAFETY DISPATCHER - RECRUIT	PTR	\$18.02		
		\$37,482		
PUBLIC SAFETY DISPATCHER I (CERTIFIED)	PT1	\$18.79	\$23.03	\$27.27
		\$39,083	\$47,902	\$56,722
PUBLIC SAFETY DISPATCHER II (CERTIFIED)	PT2	\$21.13	\$26.08	\$31.01
		\$43,950	\$54,246	\$64,501
PS DISPATCH SHIFT SUPERVISOR	PT3	\$24.89	\$29.80	\$34.70
		\$51,771	\$61,984	\$72,176
DEPUTY PS DISPATCH MANAGER	PT4	\$30.50	\$35.84	\$41.18
		\$63,440	\$74,547	\$85,654
DETENTION OFFICER - RECRUIT	PDR	\$17.98		
		\$37,398		
DETENTION OFFICER (CERTIFIED)	PD1	\$18.94	\$22.72	\$26.50
		\$39,395	\$47,258	\$55,120
POLICE OFFICER - RECRUIT	P-1	\$23.26		
		\$48,381		
POLICE OFFICER	P-2	\$27.08	\$31.81	\$36.54
		\$56,326	\$66,165	\$76,003
POLICE SERGEANTS	P-3	\$36.20	\$39.83	\$43.45
		\$75,296	\$82,846	\$90,376
POLICE LIEUTENANT	P-4	\$41.87	\$45.93	\$50.00
		\$87,090	\$95,534	\$104,000
POLICE CAPTAIN	P-5	\$46.45	\$51.09	\$55.74
		\$96,616	\$106,267	\$115,939
ASSISTANT CHIEF OF POLICE	P-6	\$51.60	\$58.05	\$64.50
		\$107,328	\$120,744	\$134,160

Effective for January 1, 2018

CITY OF SUGAR LAND
SALARY STRUCTURE
FIRE
FY18

Job Title	Range	Hourly Annual Minimum	Hourly Annual Midpoint	Hourly Annual Maximum
FIREFIGHTER	F-1	\$18.06	\$21.22	\$24.38
<i>(2912 Hours Annually)</i>		\$52,591	\$61,793	\$70,995
FIRE DRIVER	F2F	\$22.10	\$25.55	\$29.02
<i>(2912 Hours Annually)</i>		\$64,355	\$74,402	\$84,506
FIRE LIEUTENANT (SHIFT)	F3F	\$26.29	\$28.92	\$31.56
<i>(2912 Hours Annually)</i>		\$76,556	\$84,215	\$91,903
FIRE INSPECTOR/INVESTIGATOR	F3G	\$36.81	\$40.49	\$44.18
FIRE LIEUTENANT (NON-SHIFT) <i>(2080 Hours Annually)</i>		\$76,565	\$84,219	\$91,894
FIRE CAPTAIN (SHIFT)	F4F	\$28.69	\$31.57	\$34.43
<i>(2912 Hours Annually)</i>		\$83,545	\$91,932	\$100,260
FIRE CAPTAIN (NON-SHIFT)	F4G	\$40.17	\$44.20	\$48.20
<i>(2080 Hours Annually)</i>		\$83,554	\$91,936	\$100,256
BATTALION CHIEF (SHIFT)	F5F	\$30.96	\$34.18	\$37.39
<i>(2912 Hours Annually)</i>		\$90,156	\$99,532	\$108,880
BATTALION CHIEF (NON-SHIFT)	F5G	\$43.34	\$47.85	\$52.35
ASSISTANT FIRE MARSHAL <i>(2080 Hours Annually)</i>		\$90,147	\$99,528	\$108,888
ASSISTANT FIRE CHIEF	F6G	\$48.71	\$54.97	\$61.22
<i>(2080 Hours Annually)</i>		\$101,317	\$114,338	\$127,338

Effective for January 1, 2018

**Schedule of Depreciation - FY16
For FY18 Fire Fee Calculation**

Fleet

2005 PUMPER UNIT#117	19,923
PIERCE 75'AERIAL UNIT#128 L2	67,203
FIRE TRUCK 2008 CRIMSON PUMPER UNIT #131	62,330
2009 EXPLORER UNIT#122	1,555
2010 EXPLORER UNIT#111	3,097
2010 FIRE TRUCK UNIT#137	66,350
GOLF CART-UNIT#168	736
INFLATABLE DIVE TEAM BOAT	1,338
FIRELIGHT SKID UNIT-UNIT#140	1,117
2012 GATOR UNIT# 139	1,747
2013 SPARTAN FIRE TRUCK UNIT#132	138,000
2014 TAHOE UNIT#170	5,678
2015 TAHOE UNIT#118	2,899
FIRE TRUCK 2014 SPARTEN PUMPER UNIT#155	34,951
FIRE TRUCK 2014 SPARTEN PUMPER UNIT#156	34,951
2015 SPARTAN PUMPER UNIT#153	35,001
Total Fleet Depreciation	476,875

Capital

GENERATOR (GAS)- FIRE ST #5	1,029
AIR PACK #42	190
AIR PACK #45	190
AIR PACK #43	190
AIR PACK #44	190
AUX, GENERATOR FOR ALT. EOC	723
STORAGE CONTAINER 40' PORTABLE	77
GAS LINE AT EOC- FOR EOC GENERATOR	65
GENERATOR ELECTRICITY(BACK-UP)	1,000
PRECOR TREADMILL C956	239
AUTOMATIC DEFIBRILLATOR	829
BREATHING AIR COMPRESSOR	935
IN CAR VIDEO	427
IN CAR VIDEO	384
THERMAL IMAGING CAMERA CAMFD08	1,428
IN CAR VIDEO SYSTEMS(4)	833
BUNKER GEAR WASHER/EXTRACTOR	1,214
PORTABLE RADIO XTS5000	880
THERMAL IMAGING CAMERA	1,500
FIRE STATION #2 GENERATOR	2,736
FLAG POLES FIRE #1	250
SCBA SYSTEM BREATHING COMPRESSOR	3,000
INDOOR SPRINKLER SYSTEM FIRE #1	2,933
COMPACT DUO PUMP	993
COMPACT DUO PUMP	993
SPREADERS 4242	856
GEAR WASHER/EXTRACTOR	2,353
THERMAL IMAGER CAMERA	1,487

**Schedule of Depreciation - FY16
For FY18 Fire Fee Calculation**

THERMAL IMAGER CAMERA	958
AUDIO/VISUAL SYSTEM AT FIRE ADMIN	5,843
HVAC-FIRE #7	34,384
APPLIANCES-FIRE #7	5,224
DSX ACCESS CONTROL SYSTEM @FS#2	1,681
DSX ACCESS CONTROL SYSTEM @ FS#3	1,145
DSX ACCESS CONTROL SYSTEM @ FS#4	1,184
DSX ACCESS CONTROL SYSTEM @ FS#5	1,244
DSX ACCESS CONTROL SYSTEM @ FS#6	1,187
Total Capital Depreciation	86,577

Building

FIRE STATION #2 BLDG	3,556
FIRE STATION #4 BLDG	4,356
FIRE STATION #3 BLDG	5,356
2 BASIN S/S SINK	-
A/C UNIT AT FIRE STATION #1	231
FIRE STATION #5 BLDG	22,071
FIRE STATION # 5	2,654
FS#6 ADMIN BLDG	15,404
FS#6 BLDG INTERIOR:CARPET	505
FS#6 BLDG INTERIOR:TILE	168
FS#6 BLDG INTERIOR:ELECTRICAL	4,500
FS#6 BLDG INTERIOR:COOLING/HEATING SYSTEM AIR CIRC	3,307
FS#6 BLDG :ROOF	-
FS#6 BLDG INTERIOR:SPRINKLER SYSTEM	2,425
FS#6 BLDG INTERIOR:WATER SYSTEM	5,350
FIRE STATION #5 BLDG -IMPROVEMENT	703
BUILDING RENOVATIONS	10,905
BUILDING CARPET REPLACEMENT	1,948
BUILDING FIRE#1 @ MATLAGE WAY	65,656
HVAC UNIT W/ ELECTRONIC CONTROLS FIRESTATION#2	5,896
HVAC CONTROL SYS @ FIRE ADMIN/ANNEX	4,255
FIRE ADMIN BLDG RENOVATIONS	2,143
FIRE #7 BUILDING-1301 CHATHAM AVE	58,762
Total Building	220,147

Dispatch

COMMUNICATION EQUIPMENT	-
Total Dispatch Depreciation	-

Glossary

A

ACCOUNT: An accounting unit established to record expenditures or revenues by detailed categories.

ACCOUNTS PAYABLE: A liability account reflecting amounts on an open account owing to private persons or organizations for goods and services received by a government (but not including amounts due to other funds of the same government or to other governments).

ACCOUNTS RECEIVABLE: An asset account reflecting amounts owing to open accounts from private persons or organizations for goods and services furnished by a government.

ACCRUAL ACCOUNTING: A basis of accounting in which debits and credits are recorded at the time they are incurred as opposed to when cash is actually received or spent.

AD VALOREM: Refers to the tax assessed against real (land and buildings) and personal (equipment and furniture) property.

AGENDA: A formal listing of items to be discussed during a public meeting. Agendas for public meetings are posted 72 hours in advance, in compliance with the open meetings act.

AGENDA REQUEST: A formal summary of a topic to be discussed during an open meeting. Included in the request are the proceeding, clearances, appropriation and action required, and an executive summary and attachments to explain the topic.

ANNEX: Refers to a portion of the City's Emergency Operations Plan.

APPROPRIATION: A legal authorization granted by City Council to make expenditures and incur obligations for designated purposes.

ARBITRAGE: The interest earnings derived from invested bond proceeds or debt service fund balances.

ARCIMS: The Internet map server allowing users to interact with maps on the City's web page.

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

ASSETS: Property with monetary value owned by the City.

AUDIT: A systematic examination of resource utilization concluding in a written report. It is a test of management's internal accounting controls and is intended to accomplish the following:

- Ascertain whether financial statements fairly represent financial position and results of operations
- Ascertain whether transactions have been recorded accurately and consistently, and
- Identify areas for possible improvements in accounting practices and procedures.

B

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

BALANCED BUDGET: A budget refers to a budget in which revenues are equal to expenditures.

BASE BUDGET: Funding required meeting current service levels.

BENEFIT BURDEN: The ratio of the cost of defined benefits to the base payroll of employees eligible to receive benefits.

BOND: A written promise to pay a specified sum of money, called the face value or principal amount, at a specified date or dates in the future, called the maturity date(s), together with periodic interest at a specified date.

BOND REFERENDUM: A proposal to be voted on by registered voters within the City regarding the sale of bonds for which ad valorem taxes are pledged for repayment.

BRAZOS RIVER AUTHORITY: An agency of the State of Texas whose mission is to develop and maintain the resources of the Brazos River basin. The BRA has operated a wastewater treatment plant that serves the City since 1975.

BUDGET: A plan of financial operation embodying an estimate of proposed expenditures for a given period and the proposed means of financing them. For a local government, a budget is a legal restriction on expenditures.

C

CAPITAL IMPROVEMENT PROGRAM / PROJECT (CIP): Projects that purchase or construct capital assets. Typically a capital project encompasses a purchase of land and/or the construction of a building or facility.

CAPITAL OUTLAYS: Expenditures that result in the acquisition of or addition to fixed assets that are individually priced more than \$5,000, per the City's capitalization policy.

CARRYOVER: Expenditures budgeted in one year for materials, equipment, programs, etc but not spent until the following fiscal year. Funding for non-recurring expenditures can carry over to the following fiscal year if approved by the City Manager and City Council. City Council formally amends the budget to approve carryover funding. Revenues can also carryover if they were anticipated in one fiscal year but not received until the following year.

CERTIFICATE OF OBLIGATION (CO): A debt instrument that is issued by the City and has the same legal status as a general obligation bond. Proceeds from the issuance of the certificates may be used for construction of public works; purchase of materials, supplies, equipment, machinery, builds, land, and right a ways for authorized needs and purposes; or payment of contractual obligations for professional services. However, certificates of obligation are not authorized by the voters.

CONSUMER PRICE INDEX (CPI): The monthly data on the changes in the prices paid by urban consumers for a representative basket of goods and services.

CONTINGENCY: An amount of money set aside for unforeseen incidents.

CONTRACTUAL SERVICES: The costs related to services performed for the City by individuals, businesses, or utilities.

COST: The amount of money or other consideration exchanged for property or services. Costs may be incurred even before money is paid; that is, as soon as a liability is incurred. Ultimately, however, money or other consideration must be given in exchange.

CURRENT ASSETS: Assets which are available or can be made readily available to finance current operations or to pay current liabilities. Current assets also include those which will be used up or converted into cash within one year. Some examples are cash, temporary investments, and taxes receivable which will be collected within one year.

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

D

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

DEFICIT: The excess of expenditures over revenues during an accounting period; or, in the case of Enterprise and Intra- governmental Service Funds, the excess of expense over income during an accounting period.

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

DEPARTMENT: A section of the total organization that is comprised of Divisions and is under the oversight of an Executive Director, Assistant City Manager or City Manager.

DEPARTMENT HEAD: A mid-management employee charged with oversight of one or more programs. Department Heads may report to an Executive Director, Assistant City Manager or the City Manager.

DEPRECIATION: Is the process by which the City allocates an asset's cost over the duration of its useful life. Depreciation results in depreciation expense.

DEVELOPER REIMBURSEMENT: Payment to a private developer for installation of public infrastructure. The developer typically installs infrastructure such as water and sewer utilities, traffic signals and streets & sidewalks. The City or MUD can reimburse the developer through issuance of debt.

DIVISION: A subsection of a Department that carries out a specific line of work assigned to the Department. A Division may have more than one Program.

E

EFFECTIVE TAX RATE: When compared to the same property, the tax rate that produces the same effect in terms of the total amount of taxes as compared to the prior year, based on the value of properties taxed in both years.

ENCUMBRANCES: Commitments related to unperformed contracts for goods or services used in budgeting. Encumbrances are not expenditures or liabilities, but represent the estimated amount of expenditures ultimately to result if unperformed contracts in process are completed.

ENHANCEMENTS: Funds that the City has earmarked for a new service not provided in the past, or allowing an increase in the level of service already provided.

ENTERPRISE FUND: A fund established to account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs of providing goods or services the general public on a continuing basis be financed or recovered primarily through user charges.

ETJ: See Extraterritorial Jurisdiction.

EXECUTIVE DIRECTOR: An upper management employee charged with oversight of one or more departments. Executive Directors participate in high-level policy and strategic decision-making and report either to an Assistant City Manager or the City Manager.

EXEMPT: Personnel not eligible to receive overtime pay and who are expected to put in whatever hours are necessary to complete job assignments. The respective Department Head, as partial compensation for overtime hours worked, may allow compensatory time off.

EXPENDITURES: Decreases in net financial resources. Expenditures include current operating expenses, which require the current or future use of net current assets, debt service, and capital outlays.

EXTRATERRITORIAL JURISDICTION (ETJ): The land bordering a City's limits that the City has limited control over but does not furnish City services to nor collect ad valorem taxes from. This is an area outside of City limits that is subject to annexation.

F

FISCAL YEAR: A 12-month period to which the annual operating budget applies and at the end of which a government determines its financial position and the results of its operations. The City of Sugar Land's fiscal year begins each October 1 and ends the following September 30. The term fiscal year 2014 connotes the fiscal year beginning October 1, 2013 and ending September 30, 2014.

FIXED ASSETS: Assets of a long-term character which are intended to continue to be held or used, such as land, buildings, improvements other than buildings, and machinery and equipment.

FIXED BASE OPERATOR (FBO): An operating company providing customer services including fuel and line service personnel at an airport.

FRANCHISE: A special privilege granted by a government permitting the continuing use of public property such as, City rights-of-way.

FULL-TIME EQUIVALENT (FTE): One full-time equivalent works 2,080 hours a year; a person working 1,040 hours per years is equivalent to 0.5 FTE.

FUND: A fiscal and accounting entity with a self balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

FUND BALANCE: The difference between governmental fund assets and liabilities. Also referred to as fund equity.

FUND BALANCE POLICY: A minimum fund balance that is required to be kept in reserve as defined in the Financial Management Policy Statements. Fund balances over the policy requirement may be appropriated in the budget.

G

GENERAL FUND: Is used to account for all transactions not properly includable in other funds.

GENERAL LEDGER: A book, file, or other device, which contains the accounts needed to reflect the financial position and the results of operations of an entity. In double entry bookkeeping, the debits and credits in the general ledger are equal; therefore, the debit balances equal the credit balances.

GENERALLY ACCEPTED ACCOUNTING PRINCIPALS (GAAP): Uniform minimum standards and guidelines used for financial accounting and reporting as set forth by the Governmental Accounting Standards Board (GASB).

GENERAL OBLIGATION (GO) BONDS: Bonds for the payment of which the full faith and credit of the issuing government are pledged. In issuing its general obligation bonds, the City of Sugar Land pledges to levy whatever property tax is needed to repay the bonds for any particular year. Bonds cannot be issued without voter approval and are usually issued with maturities between 15 and 30 years.

GOVERNMENTAL ACCOUNTING STANDARDS BOARD (GASB): A governing board set up to establish and improve standards of state and local governmental accounting and financial reporting that will result in useful information for users of financial reports and guide and educate the public, including issuers, auditors, and users of those financial reports.

GOVERNMENTAL FUNDS: Those funds through which most governmental functions typically are financed. The acquisition, use, and financial resources and the related current liabilities are accounted for through governmental funds (General, Special Revenue, Capital Projects, and Debt Service Funds).

GROUNDWATER: Water obtained by drilling a well and pumping water from below the surface, typically at depths of thousands of feet. Pumping of groundwater is a contributing factor to subsidence.

H
HOMEOWNERS' ASSOCIATION (HOA): A group of property owners in a residential area, in which membership may be mandatory by deed restriction.

HOUSTON-GALVESTON AREA COUNCIL (HGAC): A voluntary association of counties, cities, independent school districts, and soil and water conservation districts in the Gulf Coast State Planning Region of Texas. H-GAC serves almost 150 local governments, and its region includes about 4 million people in an area of about 12,500 sq. miles.

I
ISO RATING: The Insurance Service Office (ISO) performs surveys to assist insurance organizations with setting up the insurance ratings for the communities. The ISO will perform a survey to assign a public protection grade to each fire department, which is used in the development of insurance rates for all properties within the protected area. Grading starts at 1, which is the best possible score and ends at 10 which is considered unacceptable.

INTERGOVERNMENTAL REVENUE: Grants, entitlements and cost reimbursements from another governmental entity.

INVESTMENT: Securities and real estate purchased and held for the production of income in the form of interest, dividends, rentals or base payments.

K
KEY PERFORMANCE INDICATORS (KPI): Specific quantitative and qualitative measures of work performed as a productivity indicator of the program.

L
LANDSCAPE COST SHARE PROGRAM: A program that credits private funds that are used to irrigate public areas, specifically right-of-ways along arterials and state roads. Secondary goals of the program include helping to reduce peak water demand by limiting the times participants in the program can irrigate and promoting water conservation by means of rain sensors and well managed timers and management of irrigation systems.

LEASE/PURCHASE: A financing tool utilized to fund large capital outlays where the City may not have cash available immediately for purchase. The arrangement allows the City use of the item while payments are being made. A lien is placed on the item purchased and upon completion of lease payments, typically 5-7 years, the City gains ownership of the assets.

LEVEE IMPROVEMENT DISTRICT (LID): A special district with authority to levy ad valorem taxes that is used to improve flood control within its boundaries through the use of levies.

LEVY: The City Council has authority to impose or collect taxes, special assessments, or service charges.

LOCAL LAW ENFORCEMENT BLOCK GRANT: A grant program of the Department of Justice in which a local law enforcement agency is given a specified amount of funding to accomplish a goal.

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

M

MAINTENANCE: The upkeep of physical properties in condition for use or occupancy. Examples are the inspection of equipment to detect defects and the making of repairs.

MAJOR FUND: Governmental or Enterprise Funds reported as a separate column in the basic fund financial statements and subject to a separate opinion by the independent auditor.

MODIFIED ACCRUAL ACCOUNTING: The basis of accounting in which revenues are recognized when they become measurable and available to finance expenditures of the current period. Expenditures are recognized when the goods or services are received.

MUNICIPAL UTILITY DISTRICT (MUD): A special district whose purpose is to provide water and sewer services to the residences and businesses within its boundaries. The district has ad valorem taxing power and can issue bonds to pay for construction and improvements to the district's system. Districts are typically established in unincorporated areas, but can also lie within the boundaries of one or more cities.

N

NON-CAPITAL ASSETS: Expenditures that result in the acquisition of or addition to assets that are individually priced \$2,500 to \$5,000, per the City's capitalization policy. These items are not added to the fixed assets, but are tracked for inventory purposes.

NON-EXEMPT: Personnel eligible to receive overtime pay when overtime work has been authorized or requested.

O

OPERATING BUDGET: Plans of current expenditures and the proposed means of financing them. The annual operating budget is the primary means by which most of the financing, acquisition, spending, and services delivery activities of the City are controlled, and are required by state law.

ORDINANCE: A formal legislative enactment by the governing board of a municipality that has the full force and effect of law within the boundaries of the municipality to which it applies so long as it is not in conflict with any higher form of law. Revenue raising measures, such as the imposition of taxes, special assessments, and service charges, universally require ordinances.

P

PART I CRIMES: Crimes such as homicide, sexual assault, robbery, aggravated assault, burglary, larceny, auto theft and arson.

PERSONNEL SERVICES: The costs associated with compensating employees for their labor (salaries, wages, insurance, payroll taxes, and retirement contributions).

PROGRAM: A subset of a Department in which expenditures are focused on a primary function of work to be performed.

PROJECTION: Anticipated total for the current fiscal year. During the budget process, the City projects expected revenues and expenditures through the remainder of the fiscal year to gain a better picture of the City's finances. These projections are adopted as the revised budget during the budget adoption process.

PROPERTY TAX: Taxes levied on all real and personal according to the property's valuation and the tax rate, in compliance with State Property Tax Code.

PROPRIETARY FUND: In governmental accounting is a business-like fund. Examples of proprietary funds include enterprise funds and internal service funds.

PUBLIC FUNDS INVESTMENT ACT: A law that governs the investment of government funds in Texas. Under this law, specific parameters are set for Texas cities, requiring them to adopt an investment policy and to designate an investment officer who is required to attend an approved training course. The act, first adopted in 1995 and most recently amended in 2003, also limits the types of investments that can be made and requires quarterly reporting of investment activity to the governing body.

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

R

RATING: The credit worthiness of an entity as evaluated by independent agencies.

REPLACEMENT COST: The cost as of certain date of a property that can render similar service (but which need not be of the same structural form) as the property to be replaced.

RESERVE: An account used to indicate that a portion of a fund's balance is legally restricted for a specific purpose and is, therefore, not available for general appropriation.

RETAINED EARNINGS: Is a form of equity resulting from earning activities.

REVENUE BONDS: Legal debt instruments which finance public projects for such services as water or sewer. Revenues from the public project are pledged to pay principal and interest of the bonds. In Texas, revenue bonds may or may not be authorized by public referenda.

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

RIGHT-OF-WAY: The area immediately adjacent to a City's roadway or drainage channel.

S

SALES TAX: A state tax of 6.25% is imposed on all retail sales, leases and rentals of most goods, as well as taxable services. Texas cities and counties have the option of imposing additional local sales taxes for a combined total of state and local taxes of 8.25%.

SERVICE LEVEL STANDARD: The expected outcome for a service that is provided. Can include minimum staffing, hours of operation, or outcome goals.

SPECIAL ASSESSMENT: A compulsory levy made against certain properties to defray part or all of the cost of a specific improvement or service deemed to primarily benefit those properties.

SPECIAL REVENUE FUND: A fund used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The term "proceeds for specific revenue sources" establishes that one or more restricted or committed revenues should be the foundation for a special revenue fund.

STRUCTURAL BALANCE: A term used to define a budget that includes recurring revenues greater than or equal to recurring expenditures.

SUBSIDENCE: A gradual settling or sudden sinking of the Earth's surface owing to subsurface movement of earth materials. Land subsidence occurs when there is a loss of support below ground such as when water is taken out of the soil and the soil collapses. This situation occurs throughout the United States, but has had more impact in California, Texas, and Arizona.

SUGAR LAND 101: A municipal government course sponsored by the City, educating future City leaders in the workings of the Sugar Land Municipal Government.

SUGAR LAND DEVELOPMENT CORPORATIONS: Corporations that are financed by additional sales taxes approved by the voters. State law allows the City to collect this sales tax to assist in the promotion, enhancement, and development on behalf of the City.

SUGAR LAND TOWN SQUARE DEVELOPMENT AUTHORITY: A local government corporation created by the City for the sole purpose of carrying out the necessary tasks to accomplish the Town Square project.

SUPPLIES: A cost category for minor items (individually priced at less than \$500) required by departments to conduct their operations.

SURFACE WATER: Drinking water can come from either ground water sources (via wells) or surface water sources (such as rivers, lakes, and streams). Nationally, most water systems use a ground water source (80%), but most people (66%) are served by a water system that uses surface water. Large metropolitan areas tend to rely on surface water, whereas small and rural areas tend to rely on ground water.

T

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

TAX RATE: The amount of tax levied for each \$100 of taxable valuation. The tax rate multiplied by the taxable valuation equals the tax levy.

TAXES: Compulsory charges levied by a government for the purpose of financing services performed for the common benefit. This term does not include specific charges made against particular persons or property for current or permanent benefits such as special assessments. Neither does the term include charges for services rendered only to those paying such charges as, for example, sewer service charges.

TEXAS COMMISSION ON LAW ENFORCEMENT OFFICERS STANDARDS AND EDUCATION (TCLEOSE): A commission that allocates funds each year to public safety agencies in Texas earmarked for peace officer training based on the number of peace officers on staff for each agency.

TEXAS DEPARTMENT OF TRANSPORTATION (TxDOT): A state agency that provides funding, with a local match, for improvement of state highways within the City limits.

TML: See Texas Municipal League.

TEXAS MUNICIPAL LEAGUE: An organization that exists to provide services to Texas cities.

U

USER FEES: The payment of a fee for direct receipt of a public service by the party benefiting from the service.

W

WATER CONTROL IMPROVEMENT DISTRICT (WCID): A special purpose district established to provide water and sewer facilities and services within the district. The District has taxing authority separate from any other taxing authority,

and maybe, subject to voter approval, issue an unlimited amount of bonds and levy an unlimited rate of tax in payment of such bonds.

WORKING CAPITAL: Is the current assets less current liabilities.

Y
YIELD: rate earned on an investment based on the cost of the investment, the par value of the investment, plus interest to be earned to maturity, and less any accrued interest.

Acronyms

A

AED: Automated External Defibrillator
ADA: Americans with Disability Act
AFIS: Automated Fingerprint Identification System

C

CAC: Community Action Center
CAFR: Comprehensive Annual Financial Report
CDBG: Community Development Block Grant
CID: Criminal Investigation Division
CIP: Capital Improvement Program
CO: Certificate of Obligation
CPR: Cardiopulmonary Resuscitation

D

DEM: Department of Emergency Management
DPS: Department of Public Safety

E

EMS: Emergency Medical Service
EOC: Emergency Operations Center
EPA: Environmental Protection Agency
ETJ: Extraterritorial Jurisdiction

F

FAA: Federal Aviation Administration
FBISD: Fort Bend Independent School District
FBO: Fixed Base Operator
FEMA: Federal Emergency Management Agency
FMPS: Financial Management Policy Statements
FTE: Full-time Equivalent
FY: Fiscal Year

G

GAAP: Generally Accepted Accounting Principals
GASB: Governmental Accounting Standards Board
GFOA: Government Finance Officers Association
GIS: Geographic Information Systems
GRP: Groundwater Reduction Plan

H

H-GAC: Houston - Galveston Area Council
HAZ-MAT: Hazardous Materials

K

KSLB: Keep Sugar Land Beautiful

L

LID: Levee Improvement District
LLEBG: Local Law Enforcement Block Grant

M

M&O: Maintenance and Operations
MG: millions of gallons
MGD: millions of gallons per day
MSA: metropolitan statistical area
MUD: Municipal Utility District

O

O&M: Operations and Maintenance

P

PER: Preliminary Engineering Report
PM: Preventative Maintenance
PO: Purchase Order

R

RFP: Request for Proposal
RFS: Request for Services
ROW: Right-of-Way

S

SCADA: Supervisory Control and Data Acquisition
SPA: Strategic Partnership Agreement
STEP: Selective Traffic Enforcement Program
SWAT: Special Weapons and Tactics

T

TCEQ: Texas Commission of Environmental Quality. The name changed from TNRCC effective September 1, 2002
TEEX: Texas Engineering Extension Service
TML: Texas Municipal League
TMRS: Texas Municipal Retirement System

V

VOIP: Voice over Internet Protocol

W

WCID: Water Control Improvement District

City Resources

Goal Measures

The city's goal measures dashboard serves as an account of the city's performance on 30 key operations. These operations are organized into priorities, also known as City Council's Mid-Term priorities. Through the establishment of mid-term priorities, City Council provides direction for city management in order to meet Vision 2032.

Link: <https://sugarland.clearpointstrategy.com/>

Business Plans

Business plans are the documents that departments and offices use to detail the services they provide as well as their commitment to service levels. For each service listed in the business plan, there is a definition of the service level expected. Some services include further detail through a definition of activities.

Link: <http://www.sugarlandtx.gov/126/Business-Plans>