

FOUNDERS' OAK , GRÜNDER-EICHE , ROBLE DE LOS FUNDADORES

FY 2012-13

Operating Budget and Work Plan

INDEX

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Overview



MISSION STATEMENT:

The City of New Braunfels will add value to our community by planning for the future, providing quality services, encouraging community involvement and being responsive to those we serve.

CORE VALUES:

Integrity

We operate with integrity, holding ourselves to the highest standards of performance, transparency, accountability, and ethical conduct.

Service

We are responsive and respectful to those we serve with an attitude that everything is worth our best effort.

Visionary Leadership

We anticipate needs, looking to our community's future, and execute to achieve our goals.

Stewardship of Local Resources

We use our resources responsibly. We treasure our unique heritage and natural environment and wish to preserve them for future generations.

Fiscal Responsibility

Our decisions reflect sound fiscal management and prudence.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of New Braunfels
Texas**

For the Fiscal Year Beginning

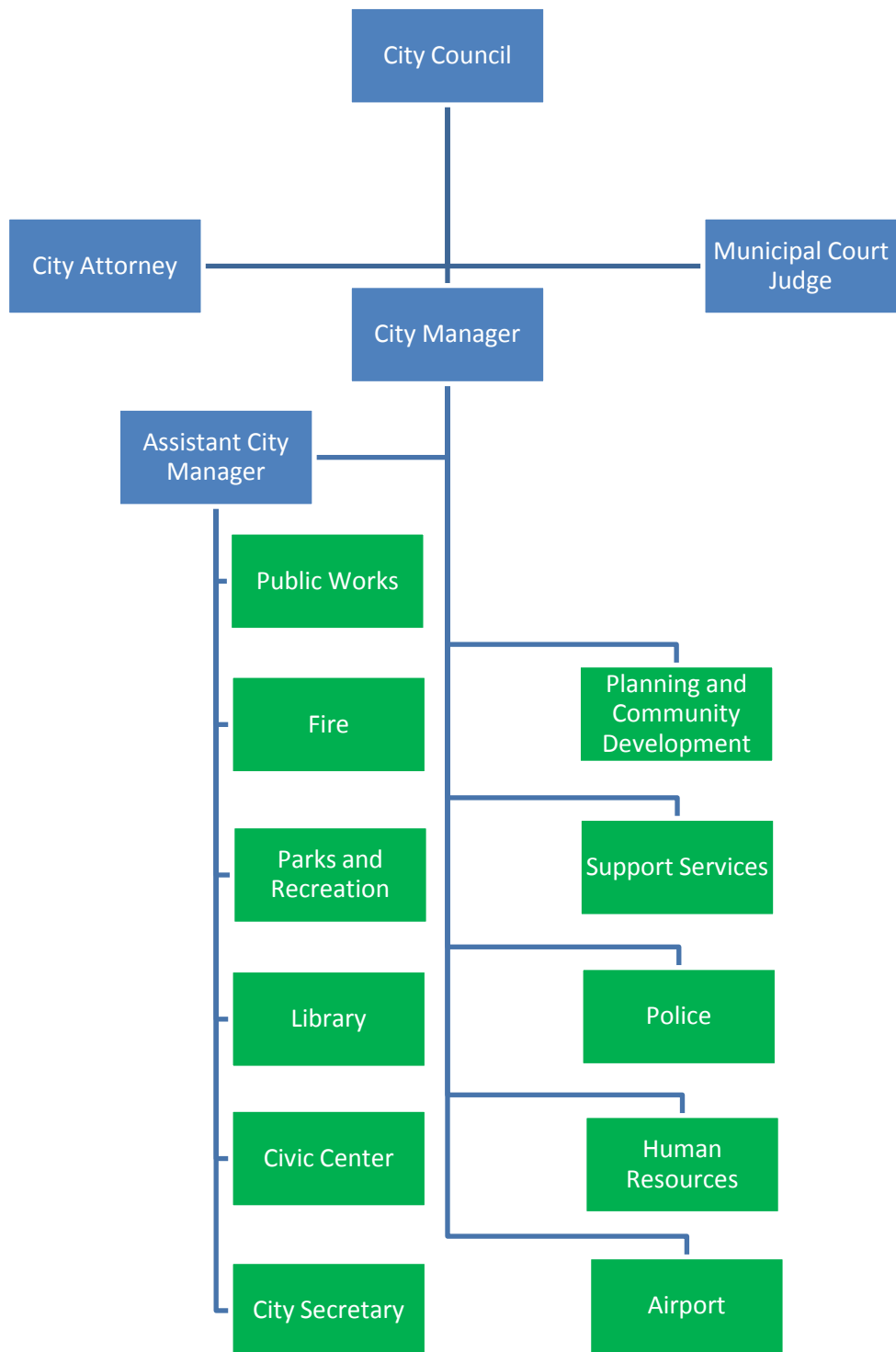
October 1, 2011

Linda C. Dandson *Jeffrey R. Emen*

President

Executive Director

The Government Finance Officer Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of New Braunfels, Texas for the Annual Budget beginning October 1, 2011. To receive this award, a governmental unit must publish a document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device. This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements and we are submitting it to GFOA to determine eligibility for another award.





OFFICE OF THE CITY MANAGER

Honorable Mayor and Members of the New Braunfels' City Council:

By any definition, this has been an incredible year. By working together, much has been accomplished.

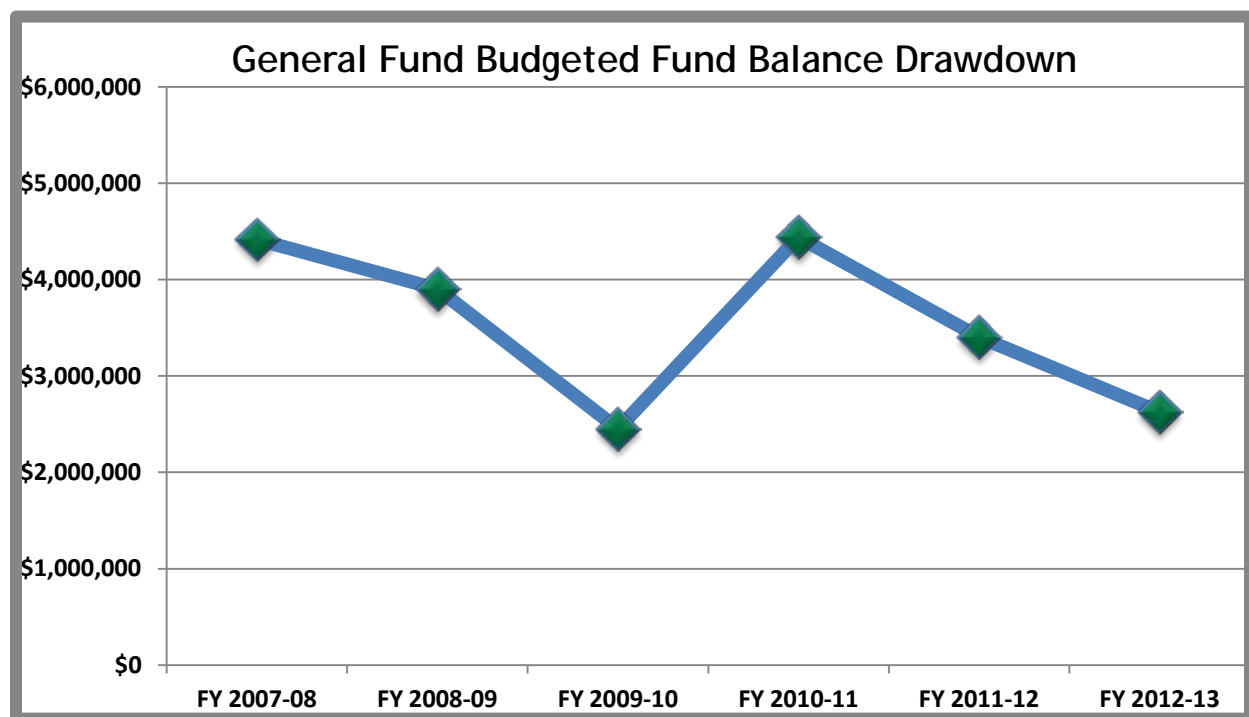
- Activities at the Westside Community Center have expanded and we had over 1,500 participants in City sponsored programs. Included are the beginning stages of branch library services;
- Working in partnership with the City of Seguin, Comal County, Guadalupe County, and hundreds of residents, the Council adopted a regional transportation plan;
- Fire Station #4 will be completed and operational this year;
- The first phase of the silent rail crossings project will be completed;
- An historic district was created in the downtown, continuing the implementation of the Downtown Plan;
- 7.13 miles (an increase of 51.6 percent) more miles of streets were repaired than last year;
- The South Tributary Project was completed;
- The County Line Memorial Hike and Bike Trail is substantially complete;
- The community's Economic Development Strategic Plan will be completed by the end of the year;
- Design for repair of the Landa Park retaining walls is being finalized and work will be bid this fall;
- Fischer Park design is well underway;
- The golf course redesign is beginning;
- Walnut Avenue widening is on schedule for a 2013 completion.

After three years of little or no economic growth, there are clear signs that the New Braunfels economy is recovering. Subdivision activity has increased, with a 67 percent increase in platting over last year. Building permits are up over 35.7 percent and permit revenue is expected to end the year 36.5 percent higher than last year. Sales tax revenue through May is up 9.8 percent over the same period last year and hotel tax is up 28 percent. Property values are increasing again, showing a 3.7 percent increase overall. While higher than we would like, unemployment is down compared to last year.

During the economic downturn, we met the needs of our community through mid-year adjustments in our expenditures and through use of our fund balance while being extremely conservative in generating new revenue from property tax. ***The current property tax rate devoted to operations and maintenance is 29.2 percent (10.7637 cents) less today than it was in FY 2005-06.***

Over the last three years, the Council and staff have discussed how we needed to continue to meet the needs of the community without increasing tax rates. We succeeded through temporarily reducing staffing levels with the remaining staff taking on additional duties and responsibilities, managing expenditures such as travel and small equipment purchases, deferring capital purchases, and by drawing on the General Fund reserves.

Two years ago (FY 2010-11), we budgeted \$4.44 million in fund balance draw down to meet our operational needs (\$2.94 million of this amount was used for recurring expenses). In FY 2011-12, we began a program to end the unsustainable use of fund balance for recurring expenses and reduced our use of fund balance to \$3.4 million (\$1.8 million for recurring expenses). This year's budget will again use fund balance to offset our operational needs.



When the decision was made to fully staff Fire Station #4 while keeping Fire Station #2 operational, staff presented a three year plan to pay for the additional 18 fire personnel. The plan called for a tax increase combined with use of fund balance. Our goal is to eliminate the use of fund balance for recurring expenses by FY 2014-15. The FY 2012-13 Budget continues the strategy to reduce our reliance on fund balance.

Our financial management approach has allowed the City to maintain or expand needed services, avoid lay-offs, maintain healthy reserves and sustain our excellent bond ratings. However, we can no longer expand service levels by relying on our fund balance.

For the upcoming year, the budget calls for funding two-thirds of cost of the additional 18 fire firefighters (\$867,000) with property tax revenue. Public Safety salary increases will require \$270,000 for FY 2012-13 (\$240,000 for civilian employees), and the addition of three Police patrol positions, excluding vehicles will require \$175,000 (reflects funding for these positions for the last six months of the fiscal year). Combined with the need to staff the Westside Center and address critical staffing needs in other areas of the organization, additional funding for street maintenance along with other ongoing infrastructure needs, and to move toward achieving our goal of eliminating the use of fund balance for recurring expenses, the budget proposes a property tax rate increase of 3.232 cents to support operations and maintenance. The original projected tax rate impact of the recently issued debt was 4.5 cents. The combined effect of reallocating existing debt, the favorable interest rate obtained when the debt was sold, and the increase in property values has reduced the debt rate increase to 1.1178 cents. This has resulted in a combined proposed tax rate increase of 4.41 cents. This equates to \$57.50 per year or \$4.79 per month on a house valued at \$130,550.

The budget assumes a 5 percent increase in sales tax over our projected actual collections for this year. The budget also accounts for a 3.7 percent increase in property valuation. The continued upward trend in construction is also anticipated, resulting in a 5 percent increase in permit revenue in comparison to the current year.

As with past budgets, our efforts are focused on meeting the Council's five Strategic Priorities:

Quality of Life
Infrastructure
Growth and Development
Effective Management
Public Safety

QUALITY OF LIFE

Parks

Since 2006, we have added about 80 acres to our parks inventory. We have also installed irrigation systems and have stepped up our commitment to proper park maintenance. In order to keep up with our overall park maintenance, an additional Parks Maintenance Worker is proposed (\$36,456 annually and \$18,228 for FY 2012-13). Two replacement zero turn mowers are included in the budget (\$27,000) to also support parks maintenance efforts.

Camp Minnehaha has been extremely successful, attracting participation from residents and non-residents alike. The program is always over-enrolled. In order to meet the increasing cost of the program, the budget proposes an increase in camp fees for residents from \$77 to \$82 per week. A non-resident rate will be established at \$100, an increase of 30 percent from the \$77 they pay

currently. The budget proposes adding two camp counselors (\$10,000) to assure proper supervision and excellent programming at the camps.

Next year, we will replace pipes, toilets, and urinals at the Aquatics Center at an estimated cost of \$41,500 which will be paid from the available proceeds from prior debt issuance (2011 Certificates of Obligation). This portion of the center was not renovated during the major improvements accomplished several years ago. We will also continue the replacement of back flow preventers in our park irrigation systems and City facilities (\$50,000), to be funded from the Facilities Maintenance Fund.

The purchase of a replacement fairway mower and a triplex mower will be funded from the Golf Fund (\$82,000). This equipment is currently needed to replace mowers that have exceeded their useful life. This equipment will also be used on the course once it is renovated.

Library

During the initial transition period for the Westside Community Center (through FY 2011-12), we have used existing staff to cover the activities offered by the City. We have also contracted with TIPHER to have a part time individual help with building issues. This arrangement was always intended to be temporary. For the upcoming year, the budget proposes the addition of two positions to support the Westside Community Center. One is an Outreach Coordinator, the other is a Children's Library Technician (\$93,438 annually for both positions). The City had been in partnership with Communities in Schools (CIS) with CIS's ongoing after school program. As of this date, we are in conversations with CIS about the possibility of their existing after school program making use of the Westside Community Center. The funding for the CIS program will end next fiscal year, so we will look for other partnerships and/or adding additional staff going forward for FY 2013-14.

The budget also funds computers for the children's room at the main library (\$6,000) and four ipads for use in assisting patrons, particularly students using ipads for homework (\$1,600).

Civic/Convention Center

Several years ago, the Civic/Convention Center received \$650,000 from available hotel/motel tax proceeds held in reserve in the Convention and Tourism Fund to use for building improvements. In FY 2012-13, some of these funds remain and \$13,000 will be utilized to upgrade the software package that supports the HVAC system of the Civic Center.

We are also reviewing the Civic Center's rate schedule. After we have had an opportunity to discuss with the Convention and Visitors Bureau, we will present the revised rates for Council consideration.

Solid Waste

The demand for solid waste services continues to grow along with our population. \$81,920 is provided for one Maintenance Worker and one Solid Waste Operator position. With the additional staff, residential, commercial and recycling collection will be able to adequately meet increasing service demands. These positions have no impact on the General Fund. In addition, a vehicle for the Fleet Manager is included in the Solid Waste Fund (\$20,500).

INFRASTRUCTURE

Streets

Repair and maintenance of our streets is an ongoing priority. Since FY 2006-07, we have increased funding for street maintenance from \$665,000 to \$1.156 million in FY 2011-12, an increase of \$491,000 or 74 percent. For FY 2012-13, funding for street repair will increase by another \$365,000. Over the last two years, we have increased our capacity to address our street maintenance efforts through increased training, upgrades to equipment and contracting for certain repairs. Last fiscal year was the first year where we expended all our budgeted street repair funds. We will once again expend all of our maintenance funds for the current fiscal year. The proposed funding increase for FY 2012-13 will pay for street repair materials and contracting cost for our mill and overlay program.

Traffic Signals

When New Braunfels exceeded 50,000 in population, responsibility for maintaining signalized intersections on most State roadways within the City limits transferred from TxDOT to the City. The budget includes \$15,600 to purchase two traffic control cabinets. In addition, \$7,000 is set aside for traffic tube counters.

Drainage

A sprayer assembly is proposed (\$8,400) for our Drainage Division to assist in weed control.

Because the City has exceeded the 50,000 population mark, we are now required to meet federal stormwater management requirements (MS4). The City will file our permit application by February 2013 and enhance our existing stormwater management efforts. The FY 2012-13 Budget continues funding for the new drainage maintenance crew added in FY 2011-12 and includes funding of \$43,000 for operating costs associated with MS4 compliance.

Facilities

The City's current facilities continue to pose challenges to keep them adequately maintained as they age. The FY 2012-13 Budget proposes to add one Maintenance Worker (\$22,025 net annual cost including savings from reduced contract services, \$11,012 for FY 2012-13) to assist in these efforts. In addition, because of the added facilities, the budget proposes to fund an outside contract for cleaning services at the Library (\$24,000). This will allow existing custodial staff to focus their efforts in the other City facilities including the Westside Community Center.

EFFECTIVE MANAGEMENT

Use of Equipment Replacement Fund

In 2006, the City's General Fund had an undesignated fund balance of approximately 76 percent. At the same time, basic needs in facilities and vehicles had gone unmet. The City had no maintenance reserves to deal with the inevitable failures in aging building systems. We also had no reserves to provide for the ongoing replacement of vehicles and other equipment. These vehicle purchases had to compete with all other funding needs.

At the time, the average age of our fleet was eight years. The police fleet was over six years, parks and recreation fleet was eleven years, with some vehicles over fifteen years old. There was no planned program for replacement, nor was there a consistent method for determining when it was appropriate to replace vehicles. Working with the Council, a program was established that allows for the replacement of vehicles, when needed, without creating a strain on our operating budget and minimizing the impact on the operating tax rate. The Council provided for seed capital by allocating a portion of the 76 percent fund balance (\$1.5 million) to the equipment reserve. Each department contributes to the reserve in an amount equal to one-eighth of the projected replacement cost for the particular vehicle/equipment. In addition, computer equipment is included in this replacement program with a four year replacement cycle as well as Fire Department self contained breathing apparatus. While fund contributions are made on an assumed replacement schedule, the decision to replace a vehicle is done on a case by case basis (once it reaches the criteria for replacement consideration). In the coming years, we are scheduled to replace numerous vehicles (see below).

Replacement Schedule

YEAR	Number of Vehicles	Estimated Cost	Equivalent Tax Rate
FY 2012-13	6	\$204,000	\$.00523
FY 2013-14	19	\$720,000	\$.01846
FY 2014-15	24	\$790,000	\$.02026
FY 2015-16	66	\$1,950,000	\$.05000
Total	115	\$3,664,000	\$.09395

For the coming year, we will tap into the equipment replacement fund to purchase a vehicle for our emergency management function (\$20,850), two replacement zero turn mowers for the Parks Department (\$25,000), and a zero turn mower and batwing grass cutter tractor attachment for the Airport (\$30,000). As we replace other vehicles, we will reserve some of the used vehicles to create a motor pool which will potentially reduce the need for new vehicles. We would normally make additions to the fleet out of our operating budget, but believe the limited use of the equipment replacement fund will not harm its long term viability. We will closely monitor this fund in the next few years to determine what additional amounts will need to be contributed to ensure that funds are available for scheduled purchases of replacement vehicles.

Employee Compensation

Our goal has been to maintain our employee compensation at a level that is competitive with nineteen comparator cities throughout Texas. For non-uniform employees, a pay for performance system was created and funded in FY 2010-11. No performance increases were given in FY 2011-12. For our uniform public safety employees, we instituted a step pay system. That system was initiated in FY 2010-11. Because of fiscal constraints, step plan increases were suspended in FY 2011-12 and no performance pay increases were awarded. The FY 2012-13 Budget calls for the compensation plan to be fully implemented on January 1, 2013. Non-uniform employees will be eligible for performance increases of up to five percent, with an average increase of three percent, reflecting the funding level included in the proposed budget (\$240,000). Uniform public safety employees will receive their respective step increases,

“catching them up” to their current appropriate step based on their time in position (\$270,000 in General Fund for FY 2012-13 and \$360,000 annually).

Another component of the compensation program is to ensure that we are paying wages that are competitive with the market. We have made adjustments to pay ranges to specific positions if it is evident that compensation is making recruiting or retention difficult. We have also made adjustments if other market indicators warrant. In FY 2012-13, Human Resources staff will conduct a market survey to ensure that our salary structure overall is in line with other cities. Depending on the results, we may recommend some mid-year adjustments.

Self Insurance

Health benefits are also an important component of employee compensation and maintaining our market competitiveness. The City is self-insured; what is paid out in health benefits is funded through contributions from the City and from employees. Due to significantly above average claims in FY 2009-10 coupled with rising health care costs, the Self-Insurance Fund balance became unacceptably low. As a result, we began the process of restructuring our health benefits in an effort to maintain the Self Insurance Fund. A plan was developed for a phased increase in employee contributions along with changing (increasing) deductibles and co-pays. These steps, along with budgeted General Fund transfers to the Self Insurance Fund have resulted in improvements in this fund’s fund balance.

For FY 2012-13, we will once again increase premiums paid by our employees. ***Unlike past years, however, a General Fund transfer to support the Self Insurance Fund Balance will not be required.***

Community Engagement

In an effort to improve communication with our residents, the City’s website has been completely redesigned, with a variety of tools provided for our citizens to keep up-to-date on City projects. The website also allows citizens to subscribe and receive notifications on several topics such as City Council and Planning Commission meetings and agendas, boards and commissions vacancies, emergency management news, severe weather warnings, employment opportunities, City sponsored events and programs, general interest items and more. This fall we plan to complete a community survey to allow our citizens to rank our services and to let us know how we are doing. The data received from the survey will assist and support policy decisions made such as program planning, budgeting, goal and priority setting, strategic planning, service improvements and citizen communications. This survey will tell us how we compare to other cities in the state and across the United States. We will also continue the very successful City University.

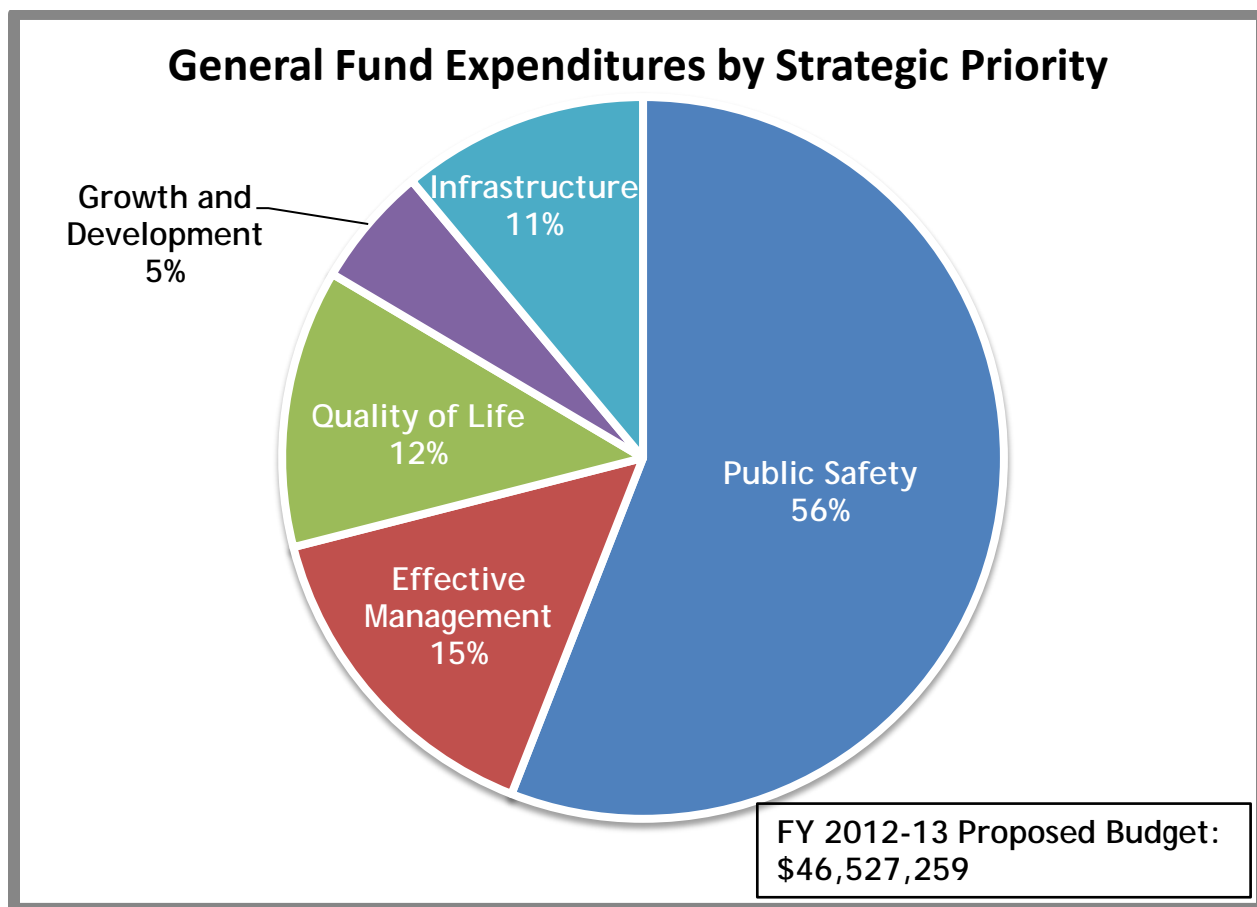
Technology Improvements

Currently, the City pays for two major software systems – the Accela land and asset management software and the ONESolution financial/human resources system – to be hosted by the software companies. These contracts cost about \$50,500 annually and the hosted services have not been reliable or efficient. Therefore, the FY 2012-13 Budget proposes to add a senior information technology position and servers to bring these software programs in-house. The servers will be purchased from the equipment replacement fund. The cost of the position is partially offset by

the savings in the contracts with a net annual cost of \$18,000. In addition, staff plans to implement the Accela Citizen Access portal in FY 2012-13 to allow contractors and others the ability to utilize a computer or smart phone to apply and pay for permits, schedule/reschedule or cancel inspections, and check the status of a permit or inspection at any time with easy and convenient online access. The budget includes funding for this project and continued enhancements to the Accela software (\$100,000).

Project Management

During Council discussions regarding the City's Capital Improvement Program, staff discussed the need for personnel dedicated to capital project management. The FY 2012-13 proposes the additions of three staff positions (paid from debt proceeds) to enable us to better manage our capital projects. This additional staff will help with the design, construction and financial management of the more than \$50 million in active capital improvement projects.



PUBLIC SAFETY

Fire

In addition to the 18 firefighters previously approved by Council (a total annual cost of \$1.3 million with \$867,000 supported by new General Fund revenue from property tax and \$433,000 in fund balance draw down,) the budget proposes the acquisition of a variety of equipment to

assist our firefighters and ensure their safety. We have an active dive team that is frequently called to assist with rescue and recovery. The budget includes \$20,200 for dive team scuba suits. Traditional fire bunker gear is not appropriate for fighting wild land fires. Since our department is often called to fight local grass/wild land fires, \$33,000 is included in the budget to purchase wild land gear. A thermal imaging camera will be purchased for the Rescue 1 vehicle (\$11,000). The camera is used in a variety of low visibility situations to aid our firefighters in locating people that may be trapped in structures. Finally, new and replacement rope rescue equipment and various fitness equipment is budgeted at \$21,100.

With the recently approved 18 firefighters, the total number of uniform firefighters has increased by 37 or 40 percent since FY 2005-06.

It is my goal to adopt personnel policies that are uniform for all City employees. Currently, all City employees except uniform Fire Department personnel in Operations are on a seven or fourteen day pay cycle for purposes of determining and paying overtime. Fire Department operations staff are on a twenty-eight day pay cycle for overtime purposes. The budget proposed to change this group to a fourteen day pay cycle effective January 1, 2013. This will be consistent with the current policy for certified Police Officers, which was recently changed from a twenty-eight to fourteen day pay cycle. It will allow the Fire Department to more efficiently plan schedules; it will create consistency in their pay checks; and it will allow for the accrual of compensatory time in lieu of immediate overtime payment, which is currently available to all other employees. The cost to implement this change is approximately \$130,000 (\$97,000 for FY 2012-13) annually because of shift driven overtime. At the same time, it is proposed that the policy regarding counting vacation as productive time be changed for all employees, also effective January 1, 2013. The new policy would not allow vacation to count towards productive work time and, therefore, overtime. The budget anticipates annual savings of about \$50,000 (\$37,000 for FY 2012-13) from this policy change.

Police

Last year, the Council approved the addition of much needed personnel for our Emergency Dispatch function. This year's budget will add one police officer and two police corporal positions (\$175,400 for FY 2012-13 and \$210,800 annually). With these additions, we will have increased the size of our police force by 22 officers (a 27 percent increase) since 2006. To ensure the safety of our officers, we will purchase eleven replacement ballistic panels and helmets. The Police Chief has increased the level of training our officers are receiving. Part of that increase is additional time at the firing range. \$18,000 has been added to the budget for additional ammunition.

River Enforcement

In FY 2011-12, the number of seasonal ranger positions was increased to provide the staff resources expected to be needed to educate the public and enforce the disposable container ban on the rivers. A total of 52.5 seasonal positions were authorized for this initiative. In FY 2011-12 the activity on the river and high level compliance allowed us to reduce the number of river rangers needed. Based on the actual experience in the summer of 2012, a reduction of thirteen River Ranger seasonal positions is proposed in the FY 2012-13 Budget. Funding is provided to adequately staff expected activity on the river in 2013. The number of positions and budget

funding authorized exceeds that which is estimated to be utilized in 2012. In addition, police overtime costs are reduced, based on the deployment strategy in 2012 that will carry into 2013. **The FY 2012-13 Budget for the River Activities Fund is \$320,000 less than the FY 2011-12 appropriations.**

GROWTH AND DEVELOPMENT

Planning and Permitting

Development activity is increasing. As stated, we have seen a 35.7 percent increase in permitting. Last year, 54 plats were filed. So far this year we have had 62 plats filed through May, with an estimated 90 plats to be filed for the year. Should the Council approve the Veramendi development, we will see the impact in the latter part of FY 2012-13. The proposed budget includes an additional Permit Technician to support the Building Inspections Division and funding for an additional Planner for the Planning Division. These positions will be brought on in the last quarter of FY 2012-13 (\$57,500 for next fiscal year, \$100,700 in annual cost).

Health Inspections

In the last three years, the Environmental Health Division responded to over 11,000 contacts for service. During the same period, 121 new food establishments have opened (and sometimes closed) in the City. The division has been handling the increased calls for service at the same staffing level for the past ten years. By ordinance, food establishments are to be inspected every three months. Due to the significant increase in food related facilities, we are able to inspect once every twelve to eighteen months. An additional Environmental Services Sanitarian position is included in this year's budget (\$51,000 annually and \$29,100 for FY 2012-13).

Airport

Over the last several years, significant efforts at the Airport have resulted in new businesses operating at the facility, infrastructure improvements and a higher level of customer service. To continue these initiatives, the addition of an Airport Operations Supervisor is included in the FY 2012-12 Budget (\$65,011). The Airport Operations Supervisor will focus on day-to-day maintenance and repair issues, allowing the director to continue and enhance efforts to market the airport, bringing increased business through aircraft operations and companies operating at the airport. This position will be paid in the Airport Fund with Airport revenues.

OVERVIEW

The FY 2012-13 Budget totals \$164,208,878 for all funds which represents an increase of \$16,183,602 or 10.9 percent from the FY 2011-12 Adopted Budget, mainly due to the 2013 proposed debt issuances. The FY 2012-13 Budget includes \$104,043,259 in total revenue, an increase of \$6,270,844 from the FY 2011-12 Adopted Budget. The FY 2012-13 Budget also includes beginning fund balances of \$60,165,617 an increase of \$9,912,757 from the FY 2011-12 Budget. These balances include the proceeds of certificates of obligation and tax notes issued since 2003. Expenditures for all funds are \$137,705,889 or \$15,482,233 more than the FY 2011-12 Adopted Budget. The FY 2012-13 Budget includes \$15.7 million in proposed new capital expenditures. The FY 2012-13 expenditures include \$48,735,706 for capital improvement

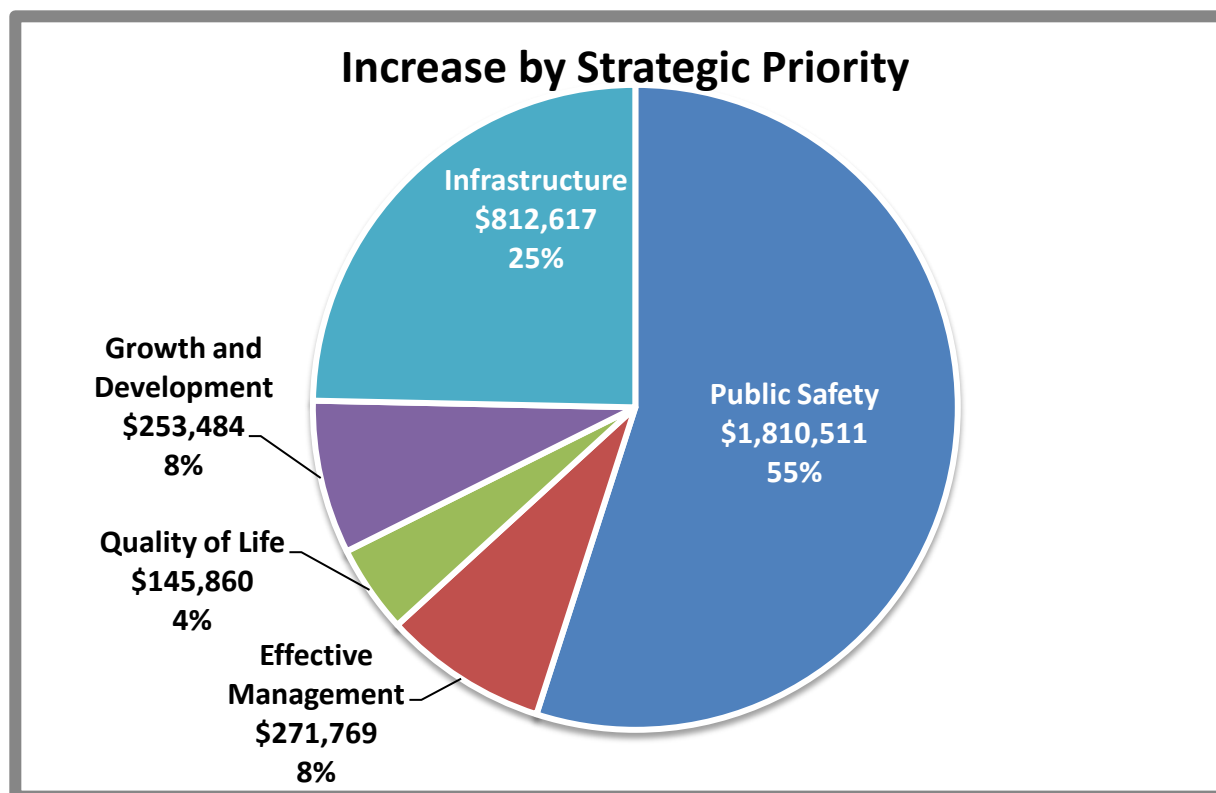
projects and \$10,352,917 for debt service. The appropriated fund balance across all funds for FY 2012-13 is \$26,502,989.

The debt service requirements increase significantly in FY 2012-13 due to the certificates of obligation issued in July 2012. This year's total principal and interest payments are \$10,152,917, an increase of \$1,466,904 in comparison to FY 2011-12. Of this amount, \$1,1001,520 is paid by the New Braunfels Industrial Development Corporation and \$611,598 is paid from Hotel/Motel tax as the debt was issued for the Civic/Convention Center construction. The debt service paid from property taxes totals \$8,539,799. The debt service requirement for the 2012 issuance is driving the need for the \$.01178 increase in the debt service tax rate.

The proposed property tax rate for FY 2012-13 is \$.492462, an increase of \$.0441 or 4.41 cents in comparison to the current rate. The debt service component of this rate is \$.19878 with the operations and maintenance rate at \$.2936823.

The General Fund budget for FY 2012-13 totals \$60,720,412. This includes a fund balance of \$14,193,152. The total budget (including fund balance) represents an increase of \$2,859,322 or 4.9 percent in comparison to the FY 2011-12 Adopted Budget. The expenditures in the General Fund for FY 2012-13 are budgeted at \$46,527,259 an increase of \$3,294,239 or 7.6 percent in comparison to the FY 2011-12 Adopted Budget.

As stated, the General Fund budget increases \$2.86 million in comparison to last year's budget. The following graph shows how that increase is spent by strategic priority.



Also included in the budget for Council's consideration is a proposed issuance of debt during FY 2012-13. The debt issuance will meet our last remaining funding obligation for the Walnut Avenue Widening project (\$4 million). It will also provide the funds needed for the City's portion of the construction of FM 306 (\$4 million). A portion of this debt (\$1.5 million) will be funded by the New Braunfels Industrial Development Corporation (NBIDC). Also included in this issuance is funding for completion of the Fischer Park improvements. Again, NBIDC will fund \$1.7 million of this \$4.35 million remaining cost. The City expects to receive FEMA funding for the purchase of four properties in the current flood plain. The City's match requirement for this grant is \$385,200 and is proposed to be funded through the debt issuance. The last project included is the replacement of the public safety radio system which is required to be upgraded under federal requirements and timelines (\$2.1 million).

I am pleased to submit the proposed FY 2012-13 Operating Budget for City Council's consideration. This has been a year where much was accomplished. The coming years will bring additional community growth and continuing demands for City services. The City will be well positioned to meet those needs so long as we match the expectations for service levels with appropriate increases in our revenue. It should be noted that staff has identified an additional \$5.4 million in unmet operating needs, \$5.0 million in the General Fund – staff and equipment – to continue to provide high quality customer service. These amounts do not include capital improvements that impact our ability to provide customer service. These projects add another \$4 million to this total.

Your staff looks forward to discussing the proposed budget and how we can continue to make New Braunfels great, together.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'M. Morrison', with a long horizontal flourish extending to the right.

Michael Morrison
City Manager

STRATEGIC PLAN

Adopted May 2009

CITY OF NEW BRAUNFELS MISSION

The City of New Braunfels will add value to our community by planning for the future, providing quality services, encouraging community involvement, and being responsive to those we serve.

CITY OF NEW BRAUNFELS CORE VALUES

- **Integrity:** We operate with integrity, holding ourselves to the highest standards of performance, transparency, accountability, and ethical conduct.
- **Service:** We are responsive and respectful to those we serve with an attitude that everything is worth our best effort.
- **Visionary Leadership:** We anticipate needs, look to our community's future, and execute to achieve our goals.
- **Stewardship of Resources:** We use our resources responsibly. We treasure our unique heritage and natural environment and wish to preserve them for future generations.
- **Fiscal Responsibility:** Our decisions reflect sound fiscal management and prudence.

CITY OF NEW BRAUNFELS - 2020 VISION

The City of New Braunfels will be a thriving, self reliant community that builds on its unique history, location, and community spirit. It will be noticed and noted for the following:

- Boulevards, trees, developed park land, clean rivers, historic buildings, and safe, happy citizens.
- A dedication to quality in everything the City accomplishes.
- Capitalizing our heritage into the future by maintaining the best aspects of our history while adapting to future needs and accepting the diversity in our community. We are a well-planned and well-maintained community that retains its historic charm and identity.
- Fostering premium mixed-use development within the community.
- Maintaining a small-town feel while taking advantage of our proximity to major metro areas.
- Keeping New Braunfels a safe, livable, and family-friendly community.
- Engaged community and citizens with strong community involvement. Citizens are proud and happy to live here. Our youth are active in community activities.
- Being business friendly.
- A community that is accepting, welcoming, and open.
- A pedestrian friendly downtown.
- Strong communication within and between all constituent groups.
- A commitment to continually upgrade City services, infrastructure, and development.
- Strong and varied recreation and leisure opportunities including an upgraded hike and bike trail system.
- A balanced economy, low tax rate and strong year-round tourism.

The City of New Braunfels' organization is recognized for providing extraordinary service. It is a place where people want to work and where employees appreciate the opportunity to do important work for the community. The following accurately describes City employees.

- Professional and progressive, always willing to go beyond the “expected.”
- Caring and respectful with the citizens they serve.
- Creative problem-solvers.
- Innovative in anticipating the future needs and crafting efficient and effective service delivery for those needs.
- Empowered and accountable.
- Anticipate and manage intended and unintended consequences of their decisions and actions.
- Continually raise the bar of expectation for excellence.

CITY OF NEW BRAUNFELS STRATEGIC PRIORITIES

Infrastructure - Long-Term Objectives

1. Use a variety of funding sources for operational and capital needs
2. Continue an ongoing program of infrastructure construction and maintenance
3. Develop operating and capital plans considering community input and realistic population and revenue projections

Public Safety - Long-Term Objectives:

4. Maintain and review benchmarks for public safety services delivery
5. Develop and maintain a comprehensive program for watershed issues
6. Continue to develop proactive programs for traffic control
7. Develop and enhance community partnerships with residential neighborhoods, businesses, and other entities

Effective Management - Long-Term Objectives:

8. Maintain fiscal stability of City operations
9. Maintain an ongoing program for improving customer service
10. Create a comprehensive program for communicating with the public
11. Be proactive in influencing legislative policies
12. Promote and encourage a sustainable high-performing workforce and environment

Quality of Life - Long-Term Objectives:

13. Implement comprehensive programs to address quality-of-life issues identified in the community needs assessment, especially as it pertains to youth
14. Ensure expanded age-appropriate recreational, literacy and enrichment opportunities
15. Preserve and improve our open space
16. Protect the integrity of our neighborhoods

Growth and Development - Long-Term Objectives:

17. Establish a vision for the future of the City of New Braunfels
18. Work with existing entities to ensure sustainable quality development
19. Improve the development process to make it more customer friendly
20. Continue to develop year-round tourism
21. Ensure community connectivity and mobility

Definition of Priority Rankings

- *A-Level priorities:* Objectives that are both urgent and important. These are the most pressing objectives based on both strategic value and time-based urgency.
- *B-Level priorities:* Objectives that are important to initiate or continue. These objectives do not share the sense of urgency seen with A-Level priorities and can represent objectives that are being continued.
- *C-Level priorities:* Objectives that we want to continue or maintain at a high quality.

LONG-TERM OBJECTIVE/ACTION ITEMS	COUNCIL PRIORITY/ STATUS	RELATED PLAN/ ACTIVITIES COMPLETED
INFRASTRUCTURE		
<i>Use a variety of funding sources for operational and capital needs</i>	B+	
Action Items for 1 to 3 Year Time Horizon:		
<ul style="list-style-type: none"> Explore creative funding alternatives and partnerships 	On-going	Participation in Healthy Living Coalition with possible grant funding; Exploring opportunities for Transportation Enhancement Grant funding; CDBG funding received for replacement of Jesse Garcia Park playground
<ul style="list-style-type: none"> Plan and implement a bond election 	On-going	Bond advisory committee appointed October 2012; committee will work to develop Council consideration throughout the fall and winter of FY 2012-13.
<ul style="list-style-type: none"> Continue to work with Congressional delegation to obtain federal funds 	On-going	Reprioritized federal FEMA funds to purchase properties in the floodway
<ul style="list-style-type: none"> Effectively manage impact fees 	On-going	Parks Master Plan, Comprehensive Plan, Roadway Impact Fee Study
<ul style="list-style-type: none"> Improve capital project expenditure tracking 	Underway	Five Year Capital Improvement Program; Implemented new financial management software in June 2011 that improves expenditure tracking; Capital Project group and additional staff has been authorized in FY 2012-13 which will assist in tracking project spending.
<ul style="list-style-type: none"> Implement comprehensive storm water utility and storm water fees 	Planning Stage	
<i>Continue an ongoing program of infrastructure construction and maintenance</i>	A	
Action Items for 1 to 3 Year Time Horizon:		
<ul style="list-style-type: none"> Implement long-range capital improvement program (CIP) projects 	On-going	Five Year Capital Improvement Program
<ul style="list-style-type: none"> Continue the annual CIP process with community input 	On-going	Five Year Capital Improvement Program

LONG-TERM OBJECTIVE/ACTION ITEMS	COUNCIL PRIORITY/ STATUS	RELATED PLAN/ ACTIVITIES COMPLETED
<ul style="list-style-type: none"> Expand program to inform public about all capital projects 	On-going	Project specific press releases along with updates on project are currently produced for public consumption and posted on the website.
<ul style="list-style-type: none"> Manage projects based on street condition survey 	On-going	Street condition survey used to update maintenance activities.
<ul style="list-style-type: none"> Upgrade City facilities in accordance with Facilities Master Plan 	Planning Stage	Park Maintenance Facility funded for building preservation; design underway for Public Works/Fire Training facility
<ul style="list-style-type: none"> Enhance the process for acquiring professional services to effectively implement the CIP program 	On-going	Implemented a program to employ local engineering consultants to design maintenance projects and capital improvement projects.
<i>Develop operating and capital plans considering community input and realistic population and revenue projections</i>	A	
Action Items for 1 to 3 Year Time Horizon:		
<ul style="list-style-type: none"> Improve communication with Council and the community regarding CIP process and projects 	On-going	Project specific press releases along with updates on project are currently produced for public consumption and posted on the website.
<ul style="list-style-type: none"> Identify and work to acquire the human and financial resources needed to implement capital projects 	On-going	Staffing levels adjusted to meet CIP management demands. In FY 2012-13, capital projects division has been created to effectively manage projects
<ul style="list-style-type: none"> Operate the solid waste program within parameters established by the rate study 	On-going	Transition to once a week residential trash and recycling collection accomplished along with rate adjustments; updating rate study in 2013
<ul style="list-style-type: none"> Develop five-year forecast of the General Fund and Debt Service Fund annually 	Completed	Forecast prepared annually
<ul style="list-style-type: none"> Work with other public entities to develop consistent population and other growth factor projections 	On-going	
<ul style="list-style-type: none"> Develop a clear strategic plan for Fire Department 	Underway	Plan will be completed in FY 2012-13

LONG-TERM OBJECTIVE/ACTION ITEMS	COUNCIL PRIORITY/ STATUS	RELATED PLAN/ ACTIVITIES COMPLETED
<ul style="list-style-type: none"> Work with TXDOT to develop a pavement management plan at airport 	On-going	Airport Master Plan
<ul style="list-style-type: none"> Update Library long-range plan 	Underway	Library Long Range Plan
<ul style="list-style-type: none"> Conduct a citizen survey regarding service needs and satisfaction 	Underway	ICMA National Citizen Survey will be completed in FY 2012-13
<ul style="list-style-type: none"> Complete improvements to Landa Park waterways (Landa Dam, spring-fed pool, retaining walls) 	Underway	Landa Park Master Plan; Construction drawings are underway for all projects; permits have been received from US Army Corps of Engineers for all projects
PUBLIC SAFETY		
<i>Maintain and review benchmarks for public safety services delivery</i>	C	
Action Items for 1 to 3 Year Time Horizon:		
<ul style="list-style-type: none"> Conduct SWOT (Strengths, Weaknesses, Opportunities and Threats) analysis that includes broad-based participation 	Planning Stage	
<ul style="list-style-type: none"> Conduct internal and external surveys of customer needs and customer satisfaction 	On-going	Have begun external surveys. Will conduct internal survey beginning in FY 2012-13 – Internal survey disbursement and data collection is included in the performance measures of the Human Resources Department
<ul style="list-style-type: none"> Conduct study to benchmark New Braunfels against comparable cities 	Underway	ICMA National Citizens Survey will be conducted in FY 2012-13 which will assist in benchmarking New Braunfels with comparable cities including Police Department data
<ul style="list-style-type: none"> Review staffing, response protocols, and resource placement to maximize response efficiency 	Completed	The Police Department revised officer schedules to determine and implement the most efficient way to allocate resources.
<ul style="list-style-type: none"> Improve technology and enhance access to our public 	Year 4	CAD/Records Management software implementation in FY 2012-13 that will increase staff capability and enhance officer safety
<ul style="list-style-type: none"> Establish an emergency response protocol with the Fire Department to provide the airport with aircraft fire and safety services 	Complete	Updated response protocol and signed agreement with airport tower management.

LONG-TERM OBJECTIVE/ACTION ITEMS	COUNCIL PRIORITY/ STATUS	RELATED PLAN/ ACTIVITIES COMPLETED
<i>Develop and maintain a comprehensive program for watershed issues</i>	C	
Action Items for 1 to 3 Year Time Horizon:		
<ul style="list-style-type: none"> Develop storm water runoff regulations 	Underway	Council approved contract with consultant to review drainage criteria and develop federally mandated stormwater requirements. Coordination with Watershed Advisory Committee and stakeholders continues.
<ul style="list-style-type: none"> Expand flood-prone land acquisition 	On-going	Parks Master Plan; The City was recently awarded a FEMA disaster mitigation grant to acquire several flood prone properties. Acquisition will occur during FY 2012-13
<ul style="list-style-type: none"> Revise ordinances to address building in floodway and floodplain 	On-going	Last completed in FY 2010-11. On-going review in regards to potential drainage and water quality improvements
<i>Continue to develop proactive programs for traffic control</i>	B	
Action Items for 1 to 3 Year Time Horizon:		
<ul style="list-style-type: none"> Explore red light camera technologies 	Year 4	
<ul style="list-style-type: none"> Improve review process for traffic control issues 	Underway	A Traffic Engineer was hired in FY 2011-12 who is developing a comprehensive plan for traffic control.
<ul style="list-style-type: none"> Partner with internal and external stakeholders to address proactive programs through design, engineering, traffic calming, and education 	On-going	Comprehensive Plan
<ul style="list-style-type: none"> Add a traffic planning and engineering function 	Completed	Traffic Engineer, hired in FY 2011-12, is developing a comprehensive plan for traffic control.
<i>Develop and enhance community partnerships with residential neighborhoods, businesses, and other entities</i>	B	
Action Items for 1 to 3 Year Time Horizon:		

LONG-TERM OBJECTIVE/ACTION ITEMS	COUNCIL PRIORITY/ STATUS	RELATED PLAN/ ACTIVITIES COMPLETED
<ul style="list-style-type: none"> Develop communication clarity with developers, builders, and business owners regarding ordinances and code compliance 	On-going	Comprehensive Plan; Continue to clarify ordinances through pre-development meetings; Developing consolidation of office space for development services in FY 2012-13 to improve communication and service.
<ul style="list-style-type: none"> Evaluate creation of a City youth advisory board 	Year 4	Comprehensive Plan
<ul style="list-style-type: none"> Enhance youth programs 	On-going	Parks Master Plan, Comprehensive Plan, Community Needs Assessment; Parks and Recreation Programs are expanded and enhanced yearly based on customer input. Library long range plan issued in spring 2012 and includes youth programming issues. Operation of Westside Community Center will provide more options for youth programming; including the Digital Media Creation Lab, and hosting Focus on the Future with Communities in Schools. The Police Department has on-going programs such as Operation Intervention and Kid Print.
<ul style="list-style-type: none"> Continue to hold community stakeholder meetings 	On-going	
<ul style="list-style-type: none"> Expand partnerships with school districts 	On-going	Parks Master Plan, Comprehensive Plan, Community Needs Assessment; Library Master Plan includes expanding services to districts.
<ul style="list-style-type: none"> Develop a Citizens Fire Academy 	Planning/ Evaluating Stage	
<ul style="list-style-type: none"> Enhance local speakers bureau for all departments 	Planning Stage	Police has speakers bureau on website with over 20 available topics
<ul style="list-style-type: none"> Improve emergency management preparedness and coordination 	On-going	Training non-public safety employees in emergency management. Conducting

LONG-TERM OBJECTIVE/ACTION ITEMS	COUNCIL PRIORITY/ STATUS	RELATED PLAN/ ACTIVITIES COMPLETED
<ul style="list-style-type: none"> Improve emergency management preparedness and coordination 		exercises with City employees. Developed a Community Emergency Response Team (CERT), Training personnel in WebEOC, and utilizing planned events to test system.
<ul style="list-style-type: none"> Encourage City staff participation in community organizations and boards 	On-going	Staff participates in United Way, Lions Club, Rotary Clubs and other community service organizations. A United Way employee committee was implemented in October 2012 to increase participation.
EFFECTIVE MANAGEMENT		
<i>Maintain fiscal stability of City operations</i>	A	
Action Items for 1 to 3 Year Time Horizon:		
<ul style="list-style-type: none"> Explore health clinic in partnership with other entities 	On-going	Employee Benefits Committee will continue to review along with other initiatives, such as a Health Savings Account plan option for employees.
<ul style="list-style-type: none"> Complete policy updates 	On-going	Personnel policies update will be completed in December 2012
<ul style="list-style-type: none"> Develop sound indirect cost rates for enterprise funds and grants 	Year 4	
<ul style="list-style-type: none"> Implement a “Buy Local” program 	Planning Stage	
<ul style="list-style-type: none"> Improve performance measurement tracking and reporting (including training) 	On-going	Internal committee has been formed and will work with ICMA for Performance Management. Enhanced performance measures included in FY 2012-13 will be tracked and reported quarterly.
<ul style="list-style-type: none"> Develop predictors for property tax value changes 	Planning Stage	
<ul style="list-style-type: none"> Update user fees 	Planning Stage	Parks and Recreation rental fees updated to include non-resident rates. Rate study is currently being conducted on other various fees, modifications will be recommended during the FY 2013-14 budget process.

LONG-TERM OBJECTIVE/ACTION ITEMS	COUNCIL PRIORITY/ STATUS	RELATED PLAN/ ACTIVITIES COMPLETED
<ul style="list-style-type: none"> Develop NBU payment alternatives 	Year 4	
<ul style="list-style-type: none"> Implement new finance, purchasing, HR, and budget software 	Completed	Project Completed, additional software interfaces and modules are implemented as needed
<ul style="list-style-type: none"> Provide periodic budget updates to directors with both revenues and expenses 	Completed	Support Services conducts quarterly budget reviews with department directors to review revenues and expenses.
<ul style="list-style-type: none"> Review workers compensation, property, and health insurance programs and expenditures for efficiencies and possible cost management measures 	On-going	Workers compensation policy changed; Initial review of health insurance program completed with some changes implemented; employee committee in place to complete more extensive review.
<ul style="list-style-type: none"> Develop and fund heavy equipment replacement program 	Year 4	
<i>Maintain an ongoing program for improving customer service</i>	B	
Action Items for 1 to 3 Year Time Horizon:		
<ul style="list-style-type: none"> Create a cultural shift to a problem resolution focus 	On-going	Implemented Ethics Point in October 2011
<ul style="list-style-type: none"> Continue customer service training 	On-going	Implemented New Hire and NB101(class for employees about all City departments/services) to include customer service segments; offering additional customer service training in fall 2012
<ul style="list-style-type: none"> Continue the focus on the “Good to Great” program 	On-going	Incorporated into New Hire Orientation and NB101
<ul style="list-style-type: none"> Provide training to educate employees about City services 	On-Going	NB101 started in June of 2011 and continues to be provided monthly to all City employees.
<ul style="list-style-type: none"> Continue process improvement efforts 	On-going	
<ul style="list-style-type: none"> Implement front lobby and receptionist customer service efforts 	Completed	

LONG-TERM OBJECTIVE/ACTION ITEMS	COUNCIL PRIORITY/ STATUS	RELATED PLAN/ ACTIVITIES COMPLETED
<ul style="list-style-type: none"> Continue improvements to the development processes including realignment of responsibilities 	On-going	Constant review and adjustment as needed. Consolidation of office space for development services in the Planning Department will be created in FY 2013-14.
<i>Create a comprehensive program for communicating with the public</i>	B	
Action Items for 1 to 3 Year Time Horizon:		
<ul style="list-style-type: none"> Better utilization of resources — Channel 21 and website 	On-going	Now in use for City-wide emergency communications; improved content on both media
<ul style="list-style-type: none"> Utilize organizations such as service clubs and neighborhood associations to communicate information to the public about the City's activities/successes/etc. 	On-Going	Quarterly Parks Foundation newsletter issued
<ul style="list-style-type: none"> Provide periodic updates on projects to City Council and the community 	On-going	Parks and Recreation updates provided regularly via email newsletters
<ul style="list-style-type: none"> Expand the City's website 	On-Going	The City's website was upgraded in FY 2011-12. Council meetings can be watched via the City website as well.
<ul style="list-style-type: none"> Expand and publicize the online feedback system 	Planning Stage	
<ul style="list-style-type: none"> Develop a City public information presentation for various uses 	Year 4	Press releases issued routinely with additional outreach when warranted.
<ul style="list-style-type: none"> Use radio and newspapers more proactively 	On-going	Both are contacted when Emergency Operations Center is activated; used throughout emergency.
<ul style="list-style-type: none"> Develop a City of New Braunfels page in the newspaper 	Year 4	
<ul style="list-style-type: none"> Create a City University 	Completed	Inaugural class was held in spring of 2011. Session was offered in spring of 2012. There will be a spring - 2013 session also offered. An alumni group will also be formed in FY 2012-13.
<ul style="list-style-type: none"> Publicize Accela on-line services once it goes "live" 	Year 4	Work has begun to implement Accela's citizen access portal.

LONG-TERM OBJECTIVE/ACTION ITEMS	COUNCIL PRIORITY/ STATUS	RELATED PLAN/ ACTIVITIES COMPLETED
<i>Be proactive in influencing legislative policies</i>	C+	
Action Items for 1 to 3 Year Time Horizon:		
<ul style="list-style-type: none"> Maintain legislative pressure on Texas local delegation to promote local goals (examples: river cleanup costs, Green Valley SUD, Edwards Aquifer, UICID – Word Ranch, and TXG0) 	On-going	
<ul style="list-style-type: none"> Monitor and communicate legislation affecting employment 	On-going	Staff in the Human Resources Department participates on a legislative committee of a municipal Human Resources professional organization; distributes information to staff.
<ul style="list-style-type: none"> Monitor benefits changes at the federal level as well as in national healthcare 	On-going	Implementing changes in City's employee medical benefits to comply with new federal legislation; major changes take effect in 2014
<i>Promote and encourage a sustainable high-performing workforce and environment</i>	B	
Action Items for 1 to 3 Year Time Horizon:		
<ul style="list-style-type: none"> Promote a “corporate” culture of customer service to employees 	On-going	Customer service training provided; “NB 101”
<ul style="list-style-type: none"> Develop intern programs 	On-going	Intern program in place through various departments
<ul style="list-style-type: none"> Continue and promote tuition reimbursement and other learning opportunities 	On-going	Increased participation in program
<ul style="list-style-type: none"> Develop and expand technology training for City staff 	On-going	Completed One Solution and Executime software training for all staff; Provided Civic Plus (website) training (fall 2011); Excel and outlook training provided in 2012, additional training opportunities are already scheduled for FY 2012-13
<ul style="list-style-type: none"> Conduct phone system training 	On-going	Incorporated into New Hire Orientation
<ul style="list-style-type: none"> Develop online employment application 	Planning Stage	Implementation will occur in FY 2012-13

LONG-TERM OBJECTIVE/ACTION ITEMS	COUNCIL PRIORITY/ STATUS	RELATED PLAN/ ACTIVITIES COMPLETED
<ul style="list-style-type: none"> • Improve how to communicate the benefits of working for the City to applicants 	On-going	Completed and distributed benefits brochure; information on website updated; booklet detailing all benefits will be compiled for employees in FY 2012-13.
<ul style="list-style-type: none"> • Complete personnel policies update 	Underway	Will be completed in December 2012
<ul style="list-style-type: none"> • Keep salaries market competitive 	On-going	Survey was completed May 2011; Next survey to be completed in December 2012 – will complete pay scale review in spring 2013
<ul style="list-style-type: none"> • Improve facilities in which employees work 	On-going	Park Maintenance modular in place, Funding in place to preserve/improve Park Maintenance shop
<ul style="list-style-type: none"> • Complete the technology plan implementation 	On-going	Two major software implementations completed – Acella (land and asset management) and One Solution (finance/payroll/human resources). Document management is the remaining major project identified.
<ul style="list-style-type: none"> • Develop career paths 	Planning Stage	Career paths have been developed in several departments
<ul style="list-style-type: none"> • Initiate succession planning 	Underway	Implemented Management Assistant Program in the fall of 2011; next session in spring of 2013. Leadership training is a requirement now for all Fire Department officers.
<ul style="list-style-type: none"> • Expand the wellness program 	Programs added	Added gym reimbursement and Weight Watchers programs. Firefighters assigned to Operations Division required to participate in physical training on duty days.
<ul style="list-style-type: none"> • Continue effective management of employee benefits and insurance programs 	On-going	Held mandatory employee meetings to brief all on employee benefits; active employee benefits committee

LONG-TERM OBJECTIVE/ACTION ITEMS	COUNCIL PRIORITY/ STATUS	RELATED PLAN/ ACTIVITIES COMPLETED
<ul style="list-style-type: none"> Enhance the employee recognition program 	On-going	Expanded service awards luncheon and enhanced annual employee picnic. Annual awards ceremony for Fire Department and Police Department implemented.
<ul style="list-style-type: none"> Complete and adopt safety policies; analyze safety trends in departments and communicate with departments to reduce accidents 	On-going	Fire Department Standard Operating Procedures include mandated safety policies; City-wide policies included in Personnel Policies which will be completed December 2012; invited TML to review trends with Departments
QUALITY OF LIFE		
<i>Implement comprehensive programs to address quality-of-life issues identified in the community needs assessment, especially as it pertains to youth</i>	A	
Action Items for 1 to 3 Year Time Horizon:		
<ul style="list-style-type: none"> Partner with other entities to develop appropriate after school and weekend programs 	On-going	Library Long Range Plan, Community Needs Assessment; Parks and Recreation partnering with Communities in Schools for after school program for middle school children. Teen "late night" program implemented at Westside Community Center
<ul style="list-style-type: none"> Expand the Bigs in Blue program (Big Brothers/Big Sisters) 	Planning Stage	Community Needs Assessment.
<ul style="list-style-type: none"> Increase police officer presence in schools and after school programs 	Year 4	The Police Department will apply for a grant to receive funding for 5 full time officers to serve as School Resource Officers assigned to schools in New Braunfels Independent School District.
<ul style="list-style-type: none"> Increase partnership with Central Texas Technology Center (CTTC) to prepare the workforce for <i>New Braunfels</i> job opportunities 	Planning Stage	Library Master Plan includes CTTC assessment.
<ul style="list-style-type: none"> Increase interdepartmental programs between Parks, Police Department, Fire Department and the Library 	Planning Stage	Community Needs Assessment; Westside Community Center will provide opportunities for joint programming targeting youth.

LONG-TERM OBJECTIVE/ACTION ITEMS	COUNCIL PRIORITY/ STATUS	RELATED PLAN/ ACTIVITIES COMPLETED
<ul style="list-style-type: none"> Encourage non-alcohol events and activities targeting youth 	On-going	Community Needs Assessment. On-going programs such as Operation Intervention and Project Graduation; Friday night programs being held at Westside Community Center; Increase in Library teen programs.
<i>Ensure expanded age-appropriate recreational, literacy and enrichment opportunities</i>	B+	
Action Items for 1 to 3 Year Time Horizon:		
<ul style="list-style-type: none"> Expand off-hours programs for literacy and learning 	Year 4	Library Long Range Plan; Westside Community Center will begin offering programs in a previously underserved area.
<ul style="list-style-type: none"> Explore mobility options for library outreach 	Year 4	Library Long Range Plan; Library received two grants for outreach through the Westside Community Center and will continue to seek grant opportunities.
<ul style="list-style-type: none"> Develop intergenerational programming for recreational learning 	On-going	Programs held such as Grandparents tee time, mommy/me classes held by the Parks and Recreation Department and the Library.
<ul style="list-style-type: none"> Explore options to implement a youth sports complex and recreation center 	Planning Stage	Parks Master Plan, Sports Complex Master Plan, Sports Tourism Study.
<ul style="list-style-type: none"> Expand intradepartmental programs with parks and library 	Planning Stage	Library Long Range Plan, Parks Master Plan, Comprehensive Plan. Westside Community Center will provide opportunities for programming targeting youth.
<ul style="list-style-type: none"> Explore a community literacy program such as One Read 	Underway	Library Long Range Plan
<ul style="list-style-type: none"> Encourage and promote a healthy community fitness and wellness campaign 	Planning Stage	Parks Master Plan, Comprehensive Plan, Community Need Assessment; inaugural fitness program with elementary school being developed the Parks and Recreation Department
<ul style="list-style-type: none"> Explore multiuse facilities in the Library Master Plan 	Underway	Library Long Range Plan

LONG-TERM OBJECTIVE/ACTION ITEMS	COUNCIL PRIORITY/ STATUS	RELATED PLAN/ ACTIVITIES COMPLETED
<ul style="list-style-type: none"> Review and possibly update the hike and bike trail plan 	Completed	Parks Master Plan, Comprehensive Plan
<ul style="list-style-type: none"> Expand career and employment resources and training 	On-going	Library has increased online employment services such as providing classes at the library and the Texas Workforce Commission.
<ul style="list-style-type: none"> Explore opportunities to involve high school students in City government 	Year 4	
<i>Preserve and improve our open space</i>	B	
Action Items for 1 to 3 Year Time Horizon:		
<ul style="list-style-type: none"> Complete and implement the Parks, Recreation and Open Space Master Plan 	On-Going	Parks Master Plan; Fischer Park construction to begin 2013; Landa Park Golf Course renovation drawings underway
<ul style="list-style-type: none"> Implement Landa Park Master Plan 	Planning Stage	Parks Master Plan, Landa Park Master Plan; Landa Park design principals completed; retaining walls and bridge replacement projects underway.
<ul style="list-style-type: none"> Analyze and implement improvements to river infrastructure 	Underway	River Ad Hoc Committee recommended improvements to river operations, which include infrastructure improvements; Council will continue to consider in FY 2012-13.
<ul style="list-style-type: none"> Purchase open space land as opportunities arise 	On-going	Parks Master Plan, Comprehensive Plan
<ul style="list-style-type: none"> Acquire floodplain properties and riverfront properties 	On-going	Parks Master Plan, Comprehensive Plan; FEMA grant awarded in FY 2011-12; four properties will be acquired during FY 2012-13
<ul style="list-style-type: none"> Complete Fischer Park Master plan 	Complete	Parks Master Plan; preliminary design completed; construction drawings to be completed early 2013.
<ul style="list-style-type: none"> Encourage neighborhood adoption of small parks for maintenance and upkeep 	On-going	Parks Master Plan
<i>Protect the integrity of our neighborhoods</i>	A	
Action Items for 1 to 3 Year Time Horizon:		

LONG-TERM OBJECTIVE/ACTION ITEMS	COUNCIL PRIORITY/ STATUS	RELATED PLAN/ ACTIVITIES COMPLETED
<ul style="list-style-type: none"> Continue creation of historic districts 	On-going	Comprehensive Plan; Downtown historic district has been created along with others.
<ul style="list-style-type: none"> Develop a Neighborhood Action Program to address individual neighborhood concerns 	On-going	Working with neighborhoods to address appropriate zoning options; Fire Department fuel reduction project underway.
<ul style="list-style-type: none"> Develop additional options for bulk trash pickup 	On-going	Call in service offered along with quarterly pickups. Household hazardous waste drop off reinitiated. Continuing to evaluate other options.
<ul style="list-style-type: none"> Implement railroad quiet zones 	Underway	Phase I plans complete; Phase II design will be completed in the fall of 2012, construction will commence in the summer of 2013.
<ul style="list-style-type: none"> Review development ordinances to ensure compatible land use 	On-going	Comprehensive Plan/ Land Use Plan
GROWTH AND DEVELOPMENT		
<i>Establish a vision for the future of the City of New Braunfels</i>	B+	
Action Items for 1 to 3 Year Time Horizon:		
<ul style="list-style-type: none"> Work with other entities and the community to develop a City vision including available resources 	On-going	Comprehensive plan will be updated in FY 2011-12. Economic Strategic Plan completed and adopted.
<ul style="list-style-type: none"> Update the Comprehensive Plan to ensure that it matches the City's vision 	On-going	Comprehensive Plan
<i>Work with existing entities to ensure sustainable quality development</i>	B	
Action Items for 1 to 3 Year Time Horizon:		
<ul style="list-style-type: none"> Define affordable housing for various income levels and determine how it can help attract a great, diversified workforce to New Braunfels 	Planning Stage	The City is working with the Department of Housing and Urban Development through their technical assistance program to develop a comprehensive plan that will assess the City's housing needs. The next step will be to use the comprehensive plan's identified strategies to develop a work plan that addresses affordable housing in the City

LONG-TERM OBJECTIVE/ACTION ITEMS	COUNCIL PRIORITY/ STATUS	RELATED PLAN/ ACTIVITIES COMPLETED
<ul style="list-style-type: none"> Develop a plan to encourage affordable housing 	Year 4	Reviewing ordinance options for diversified housing; Library is providing training for Habitat for Humanity computer grant; utilizing HOME grant revolving program for housing rehabilitation.
<ul style="list-style-type: none"> Revise ordinance regarding residential landscaping 	Underway	Comprehensive Plan, Land Use Plan; revising platting and zoning ordinances; updating as a part of federally mandated stormwater regulations in FY 2012-13.
<ul style="list-style-type: none"> Revise Planned Development District ordinance to encourage mixed-use development 	Year 4	Revising zoning ordinance; Comprehensive Plan, Land Use Plan.
<ul style="list-style-type: none"> Implement the Downtown Plan (including addressing parking) 	On-going	Committee working towards implementation including downtown improvements; Comprehensive Plan, Downtown Implementation Plan. Two billboards were installed in October 2012 to market downtown. Construction plans are currently underway for sidewalk/pedestrian improvements
<ul style="list-style-type: none"> Offer the City's resources to partner organizations to increase their effectiveness (e.g. GIS) 	On-going	GIS staff will work on developing a database for emergency events to assist all agencies in preparing for disaster situations more effectively.
<ul style="list-style-type: none"> Define and document the City's economic development policy 	Complete	Mayor's Economic Development Summit held in October 2011 to initiate this process. In FY 2011-12, the Economic Development Strategic Plan was completed
<i>Improve the development process to make it more customer friendly</i>	A-	
Action Items for 1 to 3 Year Time Horizon:		
<ul style="list-style-type: none"> Continue to streamline the development process 	Underway	Consolidation of offices for development services will be created and implemented in FY 2013-14.
<i>Continue to develop year-round tourism</i>	B	
Action Items for 1 to 3 Year Time Horizon:		

LONG-TERM OBJECTIVE/ACTION ITEMS	COUNCIL PRIORITY/ STATUS	RELATED PLAN/ ACTIVITIES COMPLETED
<ul style="list-style-type: none"> Use the existing tourism study to identify opportunities for year round tourism 	Completed	Cemetery Master Plan complete; historic cemetery tour event held; walking tour of historic cemetery developed; downtown historic walking tour held; Wein and Saengerfest promoted regionally
<ul style="list-style-type: none"> Increase use of the Civic/Convention Center as a meeting destination <ul style="list-style-type: none"> Encourage regional meetings to locate in New Braunfels using employees participation in professional organizations 	On-going	Created webpage: www.nbtexas.org/civic-center . Submitted photos for www.meetnb.com (Chamber managed site); finalizing a new brochure; listings created on associated websites (wedding, meeting planners).
<ul style="list-style-type: none"> Focus on developing and marketing hike and bike trails and opportunities 	On-going	Parks and Recreation Master Plan, Hike/Bike portion of Comprehensive Plan, participation in Active Living Coalition; grant submitted for trail development.
<ul style="list-style-type: none"> Enhance marketing of the Landa Park golf course 	On-going	Parks and Recreation Master Plan, Golf Renovation Plan; implementing new social media initiatives to increase golf course exposure.
<ul style="list-style-type: none"> Attract youth sports tournaments 	On-going	
<ul style="list-style-type: none"> Enhance City services to attract more winter Texans 	On-going	
<ul style="list-style-type: none"> Explore opportunities to link holiday activities and events to make New Braunfels a destination holiday experience 	On-going	Participation in Festagge Celebration through coordination of Downtown Lighting and Wassailfest.
<i>Ensure community connectivity and mobility</i>	A	
Action Items for 1 to 3 Year Time Horizon:		
<ul style="list-style-type: none"> Actively pursue bringing light rail through New Braunfels 	On-going	Work closely with Lone Star Rail; Regional Transportation Plan; Comprehensive Plan, Thoroughfare Plan

LONG-TERM OBJECTIVE/ACTION ITEMS	COUNCIL PRIORITY/ STATUS	RELATED PLAN/ ACTIVITIES COMPLETED
<ul style="list-style-type: none"> • Revise platting ordinances to include connectivity issues 	On-going	Comprehensive Plan, Thoroughfare Plan; Regional Transportation Plan was adopted in FY 2011-12. Address platting ordinance for Fire Code connectivity requirements' consistency and overall City-wide connectivity
<ul style="list-style-type: none"> • Work on a regional transportation plan 	Completed	Plan was adopted in FY 2011-12, On-going updates will be incorporated as needed

RANKING OF OBJECTIVES BY STRATEGIC PRIORITIES

A Level	
Continue an ongoing program of infrastructure construction and maintenance	Infrastructure
Develop operating and capital plans considering community input and realistic population and revenue projections	Infrastructure
Maintain fiscal stability of City operations	Effective Management
Implement comprehensive programs to address quality-of-life issues identified in the community needs assessment, especially as it pertains to youth	Quality of Life
Improve the development process to make it more customer friendly	Growth and Development (A-)
Ensure community connectivity and mobility	Growth and Development
B Level	
Use a variety of funding sources for operational and capital needs	Infrastructure (B+)
Continue to develop proactive programs for traffic control	Public Safety
Develop and enhance community partnerships with residential neighborhoods, businesses and other entities	Public Safety
Maintain an ongoing program for improving customer service	Effective Management
Create a comprehensive program for communicating with the public	Effective Management
Promote and encourage a sustainable high-performing workforce and environment	Effective Management
Ensure expanded age-appropriate recreational, literacy and enrichment opportunities	Quality of Life (B+)
Preserve and improve our open space	Quality of Life
Protect neighborhood integrity	Quality of Life
Establish a vision for the future of the City of New Braunfels	Growth and Development (B+)
Work with existing entities to ensure sustainable quality development	Growth and Development
Continue to develop year-round tourism	Growth and Development
C Level	
Maintain and review benchmarks for public safety services delivery	Public Safety
Develop and maintain a comprehensive program for watershed issues	Public Safety
Be proactive in influencing legislative policies	Effective Management (C+)

BUDGET PROCESS OVERVIEW

Charter Provisions:

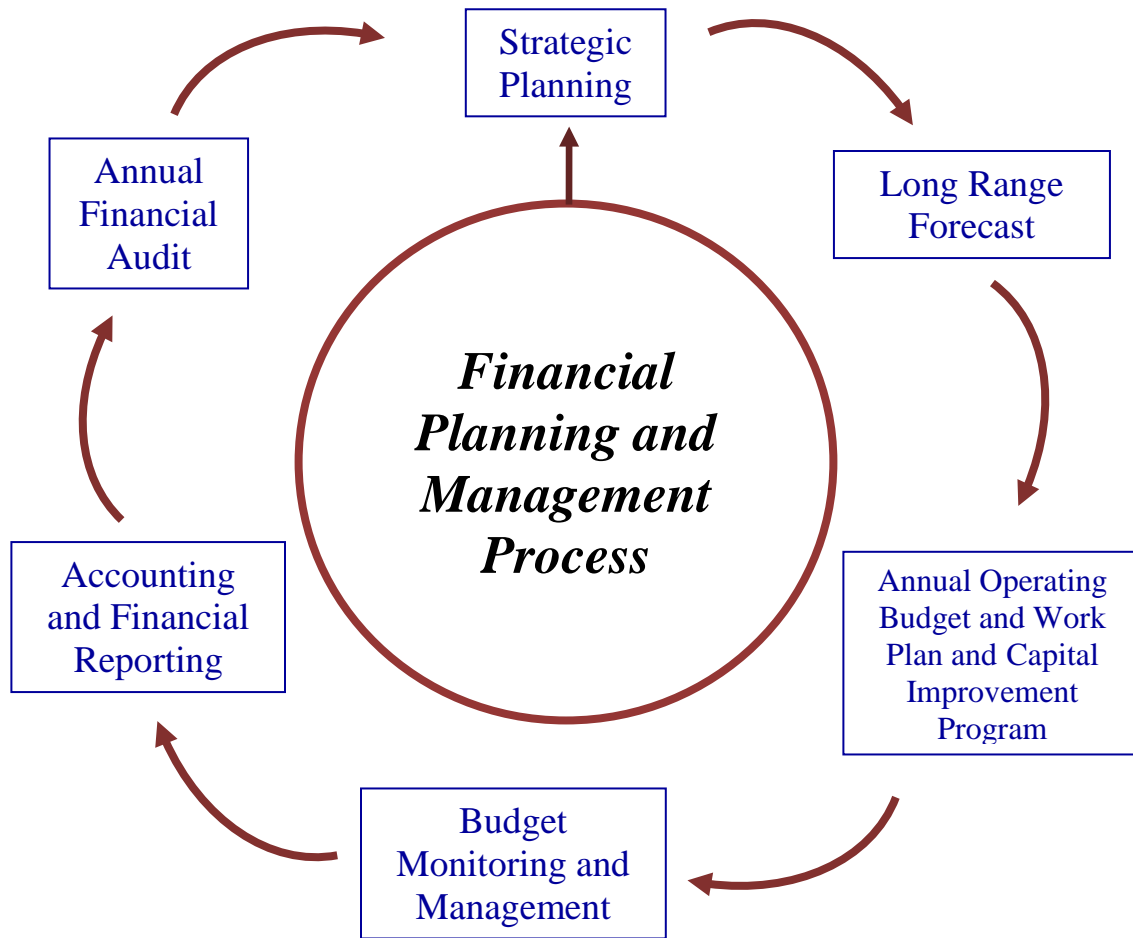
- The City Manager shall....*prepare and submit the annual budget and a five (5) year capital improvement program to the City Council* (Sec. 7.01).
- The City Manager shall....*submit to the City Council a proposed budget, which budget shall provide a complete financial plan for the fiscal year and shall contain....a budget message, explanatory of the budget...and...outline of the proposed financial policies of the City* (Sec. 9).

Policy and Management Objectives:

The Budget should serve as a *financial tool* as well as serve other policy and management objectives as follows:

- ***Policy Document*** which outlines the overall policy direction and priorities of the City Council regarding the budget
- ***Operational and Business Plan*** for the City departments for the fiscal year
- ***Communication Tool*** to communicate to and receive input from citizens regarding City issues, policies, and activities.
- ***Planning Process*** which looks ahead several years to develop strategies to address future management and financial issues and challenges.

The graphic on the following page shows the City's planning, forecasting and budget development process as well as the year-long activities that manage and report on the success of the budget and work plan's implementation. Each step is described following the graphic.



Strategic Planning Process:

The City Council completes a full strategic planning process every three years. That process results in the establishment of broad Council policy direction through adopted mission and vision statements as well as strategic goals and objectives. The current strategic plan is documented earlier in this section of the budget document. In addition, annually, the Council reviews the current strategic plan to ensure its continued relevance and to make any updates/improvements that may be warranted by changing conditions or events. Council also then clarifies policy statements, sets priorities and gives direction to staff regarding issues for development of the budget.

Financial Planning and Management Process:

A comprehensive Financial Planning and Management Process which addresses the policy and management objectives outlined above includes the following development steps:

- City Manager, working with all department heads, prepares a *five year financial forecast* of the General Fund and Debt Service Fund to provide the Council with projections regarding the financial position of the City into the future – based on a set of

assumptions. If the assumptions change, the forecast will change. The forecast incorporates the Council's stated strategic priorities.

- City Manager, with the assistance of the Support Services Director and department heads, prepares and submits a comprehensive ***annual budget and work plan as well as a five year capital improvement program*** in accordance with City Council policy direction and priorities for the operation of the City during the fiscal year. Staff works to implement components of the action plans included in the three year forecast, funding the resources needed to carry out those plans.
- City departments are held accountable for implementation of their budgets. Finance personnel provide fiscal information to Council on agenda items with financial implications. Finance staff also ***monitors the budget*** to insure that functions and activities stay within the budget appropriations. If additional funding is required, a budget transfer or amendment is prepared for Council consideration.
- The Support Services Director, under the direction of the City Manager, submits ***monthly reports on the finances and activities*** of the City in accordance with the City Charter.
- City Manager submits the ***annual report and audited financial statements*** as of the end of the fiscal year.

The following component will be added to the Financial Planning and Management Process in future years:

- ***Enhanced Performance Measurement*** to provide Council and citizens with information regarding the efficiency and effectiveness of City functions and program. These measures will better reflect the Council's strategic priorities and the departmental objectives that address these priorities.

General Calendar:

The following is a general calendar for the budget development process.

Budget requests, revenue estimates and all associated schedules due to Support Services	early May
Budget submissions collated, formatted for City Manager review and individual line item questions resolved	May
City Manager review of budgets with department heads	June
Proposed Budget document prepared	July
Proposed Budget document presented to City Council	early August
City Council work sessions on the Proposed Budget	August
Public hearings on the budget and tax rate	late August/early September
Adoption of the budget	by September 20

Budget Amendment Process:

The FY 2012-13 Budget, as adopted by City Council, controls expenditures by fund, department and at the group level for all funds in these categories. These groups are: Employee Expenses, Operations Expenses, Capital Expenses, Interfund Transfers, Debt Service and Contingencies. This means that, although funds are allocated into individual line items in each budget and those line item allocations are adopted as part of the FY 2012-13 Budget, departments have some flexibility in expensing these funds within the group. As long as the total appropriation for a group (for example employee expenses) is not exceeded, one or more line items in the group (for example health insurance) may exceed its budget allocation.

In the CDBG, HOME, Special Revenue, Grant, Capital Improvements, and New Braunfels Industrial Development Corporation (NBIDC) funds budgets, appropriations are controlled at the project level. As the Council accepts federal entitlements and grants, as donations are received from outside sources, and as projects are approved, those proceeds are appropriated and available to departments and to NBIDC to expend for identified City purposes and needs.

The budget may be changed through a budget transfer or a budget amendment only through an action of the City Council. Transfers move appropriations within a fund from one of the appropriation groups listed above to another of those groups, for example from operations expenses to capital expenses. These transfers most often occur within one department but can occur between departments within the same fund. Budget amendments generally reflect changes in revenues and may allocate additional funds into a budget expenditure appropriation. Staff prepares an agenda item for Council consideration that describes the proposed budget amendment or budget transfer. A vote by the majority of the Council is required for approval of changes to the budget.

ACCOUNTING SYSTEM

The City's accounting records for governmental fund types and agency funds are maintained on a modified accrual basis for most funds. Revenues are recorded when available and measurable, and expenditures are recorded when the services or goods are received and the liabilities are incurred. In addition, encumbrances are recorded during the year. Property and sales tax revenues are susceptible to accrual, and are considered available to the extent collected within sixty days after the end of the fiscal year. Proprietary (enterprise)/internal service funds are accounted for using the accrual basis of accounting. Revenues are recognized when earned and expenses when they are incurred.

The City of New Braunfels budgets are developed on a cash basis. Revenues are recognized only when collected and expenditures are recognized when paid. The City is required to and annually does adopt a balanced budget – meaning that total budgeted expenditures do not exceed total available funds (a combination of fund balance carried forward and revenues). The City appropriates all available funds, including projected ending fund balances so that they can be used in the event of extraordinary, unexpected occurrences such as floods or hurricanes. Beginning fund balance is the amount of money available from the prior fiscal year (excess revenues over the amount actually expended in that year). It is accounted for and, as stated, can be appropriated annually in both the City's annual financial reports and budgets.

Appropriations in the capital improvement funds, grant funds and some other project driven funds are made on a project basis (from inception to completion) rather than on an annual basis and are carried forward until the projects are completed. Except for capital project, grant and federal entitlement appropriations, or for encumbrances outstanding in any fund, unused appropriations lapse at the end of each fiscal year.

The FY 2012-13 Adopted Budget appropriates funds using the following expenditure groups. Capital expenditures are defined as the purchase of an asset where the individual cost of an item is \$5,000 or greater.

- Employee Expenses
- Operations Expenses
- Capital Expenses
- Debt Service
- Interfund Transfers
- Contingencies

Each expenditure group is the sum of individual, similar line item allocations. (Each group is defined in the Glossary section of the Appendix.) This presentation of budget data is designed to provide departments with detailed information but with greater flexibility in the management and control of their budgets. This system reduces unnecessary bureaucratic control while continuing to provide sound financial and management information. Although budgetary data is presented in the budget document according to expenditure group, detailed line item information has been input into the City's financial management system.

ACCOUNT STRUCTURE AND DESCRIPTION OF FUNDS

The City maintains budgetary control of its operating accounts through the use of various funds. A "fund" is a self-balancing set of accounts with identifiable revenue sources and expenditures. It is segregated for the purposes of measuring a specific activity. Additionally, these funds are further separated into either major funds or non-major funds based on a criterion that compares the amount of assets, liabilities, revenues or expenditures they report in comparison to the total governmental funds or the combination of the governmental funds and the enterprise funds.

The City has two kinds of funds:

- ***Governmental funds*** – Most of the City's basic services are included in governmental funds such as the General Fund and Special Revenue Funds. These funds focus on how cash and other financial assets can readily be converted to cash flow in/out and on the balances left at year-end and available for spending.

The following governmental funds are classified as major funds:

- The General Fund including the Equipment Replacement Fund and the Facilities Maintenance Fund
- the Hotel/Motel Tax Fund, classified as a Special Revenue Fund.
- the Debt Service Fund
- the 2009 Certificates of Obligation Capital Improvement Fund
- the 2011 Certificates of Obligation Capital Improvement Fund
- the 2012 Certificates of Obligation Capital Improvement Fund
- the 2013 Certificates of Obligation Capital Improvement Fund

All other governmental funds are classified as non-major funds.

- ***Proprietary funds*** –
 - *Enterprise Funds* –activities described as the City's business-type, such as the Airport, Solid Waste, Golf and Civic Center Funds, are classified as enterprise funds because their revenues are derived from collecting fees from only those citizens that benefit from the service provided. These fees are normally based on a cost of service study and are meant to only recover the cost to provide this service. All of these funds are classified as major funds.
 - *Internal service funds* – report activities that provide supplies and services for the City's other programs and activities. Currently, the City's Self Insurance Fund is the only internal service fund and it is classified as a non-major fund.

The following describes each of the City's funds (or groups of funds) that account for all the City's revenues and expenditures.

General Fund – is the City's main fund and includes expenditures for general government, planning and community development, public safety, public works, parks and recreation, and the library. Interfund transfers and capital expenditures related to these activities are also accounted for in this fund.

Enterprise Funds – are used to account for governmental activities that are similar to those found in the private sector or business type. The City has five enterprise funds – the Airport Fund, the Civic/Center Fund, the Golf Fund, the Stormwater Utility Fund and the Solid Waste Fund. Each fund accounts separately for the function it supports.

Airport Fund – The City owns and operates the New Braunfels Regional Airport. Revenue comes from leases, fuel sales and commercial activity fees. Expenses relate to personnel, the cost of fuel sold and other operating expenditures.

Civic/Convention Center Fund – The City owns and operates a 60,000 square foot facility that generates revenue through rental and other user charges. Expenditures include personnel, utilities and other operating costs.

Golf Fund – The City owns and operates the Landa Park Golf Course. Revenues come from greens and cart rental fees as well as other customer charges. Expenditures for personnel and maintenance of the course dominate the budget.

Stormwater Utility Fund – The City is now responsible by federal mandate to manage stormwater runoff in accordance with MS4 regulations. This fund was set up to account for revenue generated by the Stormwater Utility fee and expenditures to maintain and improve the City's existing drainage infrastructure. This fund was closed for FY2012-13.

Solid Waste Fund – The City collects refuse (residential and commercial) and transports it to the landfill as well as staffing a vibrant recycling program. This fund receives revenues from customer charges for collection services. Expenditures relate to personnel, the refuse collection vehicles, landfill charges and other operating expenditures.

Debt Service Fund – is funded through ad valorem property tax and is used to pay principal and interest on all bonds, certificates of obligation, and tax notes issued by the City.

Capital Improvement Funds – include all the funds used by the City to pay for capital improvement projects such as park land purchases and park improvements, streets and drainage improvements, fire station construction and equipment, municipal facilities (land and building construction), the Civic/Convention Center expansion and airport improvements. The City currently has nine active capital improvement funds: the 2004 Certificates of Obligation (C of O's), the 2007 C of O's, the 2008 C of O's, the 2009 C of O's, the 2011 C of O's, the 2012 C of O's, the 2013 C of O's, the Parks Improvement, and the Roadway Impact Fees Capital Improvement Funds. Previously, the City had a 2003 Certificates of Obligation fund, a Civic/Convention Center fund and a Streets and Drainage fund. In all three of these funds, all available revenue has been expended and the funds have been closed. For the active funds, most of these funds' revenues come from the proceeds of debt issuances. The Parks Improvement Capital Improvement Fund now receives proceeds from the City's Parks Development Fees which must be used for neighborhood park improvements. The Roadway Development Impact Fees Fund also gets its funding from impact fees which must be used in the roadway district in which they are generated.

Other City funds are used to provide resources and services for specific purposes and/or to account for funds in the way proscribed by statute. These other active funds include:

Self Insurance Fund – is used to account for the City’s cost of providing employees medical, dental and vision insurance as well as the City’s wellness program.

Special Revenue Funds – are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

CDBG Fund – is used to track expenditures of all Community Development Block Grants federal entitlement funds.

Cable Franchise (PEG) Fund – is established as required by recently passed legislation that stipulates that the 1 percent franchise payment that the City receives from the cable service provider to be accounted for in a separate fund. Funds from this account are only to be used for equipment intended for improving broadcast capabilities of the organization.

Cemetery Improvements Fund – is used to pay for maintenance and improvements at the City’s cemeteries.

Child Safety Fund – is required by statute to be used to pay for safety programs for school age children including school crossing guards and other projects that enhance child safety, health or nutrition.

Convention and Tourism Fund – is used to account for the funds allocated by Council to the Chamber of Commerce under a contract for the promotion of tourism, marketing and other professional services. The only source of funding for this account is a percentage of the revenue generated from hotel/motel tax.

Court Security Fund – is required by statute to be used to fund security at the City’s Municipal Court, including personnel.

Court Technology Fund – is required by statute to be used to fund technology improvements at the City’s Municipal Court.

Creekside Tax Increment Reinvestment Zone (TIRZ) Fund – is used to account for sales tax and property tax revenue generated by the City’s TIRZ. The proceeds pay for administrative expenses as well as debt service for debt issued to repay the developer for public improvements.

Economic Development Fund – is used to account for expenditures related to economic development projects, such as tax increment investments zones and for which the City receives reimbursement from the developer(s).

Edwards Aquifer Habitat Conservation Plan Fund - The City of New Braunfels officially entered into the Edwards Aquifer Recovery Implementation Plan (EARIP) on October 24, 2011 and, at the same time, approved the Habitat Conservation Plan (HCP), the Funding Management Agreement (FMA) and the Implementing Agreement. The Edwards Aquifer Habitat Conservation Plan Fund allows the City of New Braunfels to track all revenues and expenditures related to this important program.

Enterprise Maintenance and Equipment Replacement Fund - This fund is used to account for the replacement of all light vehicles that are assigned to the enterprise funds and for heavy equipment assigned to the Solid Waste division. The enterprise funds include the Airport, Golf, Civic/Convention Center and Solid Waste. In addition, facility improvements and repair funding for the Civic Center is a component of this fund. This fund is established for the first time in FY 2012-13. Prior to this year, the enterprise funds and all other funds were combined in a single Equipment Replacement Fund.

Equipment Replacement Fund – is used to account for the replacement of all City-owned vehicles except for those assigned to the City’s four enterprise funds, computer equipment, ambulances and Fire Department self contained breathing apparatus. The City annually makes contributions into the fund to build up sufficient amounts to purchase replacement equipment when scheduled based on the City’s adopted replacement guidelines.

Facilities Maintenance Fund – is used to set aside funds for unexpected repairs on the City’s aging infrastructure. Funds are used to address major structural and system repairs in City buildings and parks and for unexpected requirements such as repairs from floods.

Faust Library Fund – was originally funded through a bequest and is used to fund programs and projects at the New Braunfels Library.

Grant Fund – accounts for revenues and expenditures related to any grants the City receives.

Hotel/Motel Tax Fund – accounts for the City’s seven percent hotel/motel tax revenue. Expenditures in the fund support the City’s convention and visitor’s bureau, arts and heritage organizations and the debt service and some operations expenses associated with the expansion of the Civic/Convention Center.

Judicial Efficiency Fund – is required by statute to be used to fund efforts that increase the Municipal Court’s efficiency and effectiveness.

Juvenile Case Manager Fund – is required by statute to be used to fund salary and benefits costs of a juvenile case manager who provides services in cases involving juvenile offenders.

New Braunfels Industrial Development Corporation Fund – the New Braunfels Industrial Development Corporation (NBIDC) works with the City of New Braunfels to promote

economic development in the community. This fund receives 25 percent of the sales tax collected in the City to fund various programs and projects that benefit the citizens.

River Activities Fund – accounts for revenue and expenditures related to the City’s tourism along the Comal and Guadalupe Rivers. Major activities include public safety and litter clean up.

Special Revenue Fund – is used to account for funds donated from various benefactors – mainly for the library and parks and recreation activities.

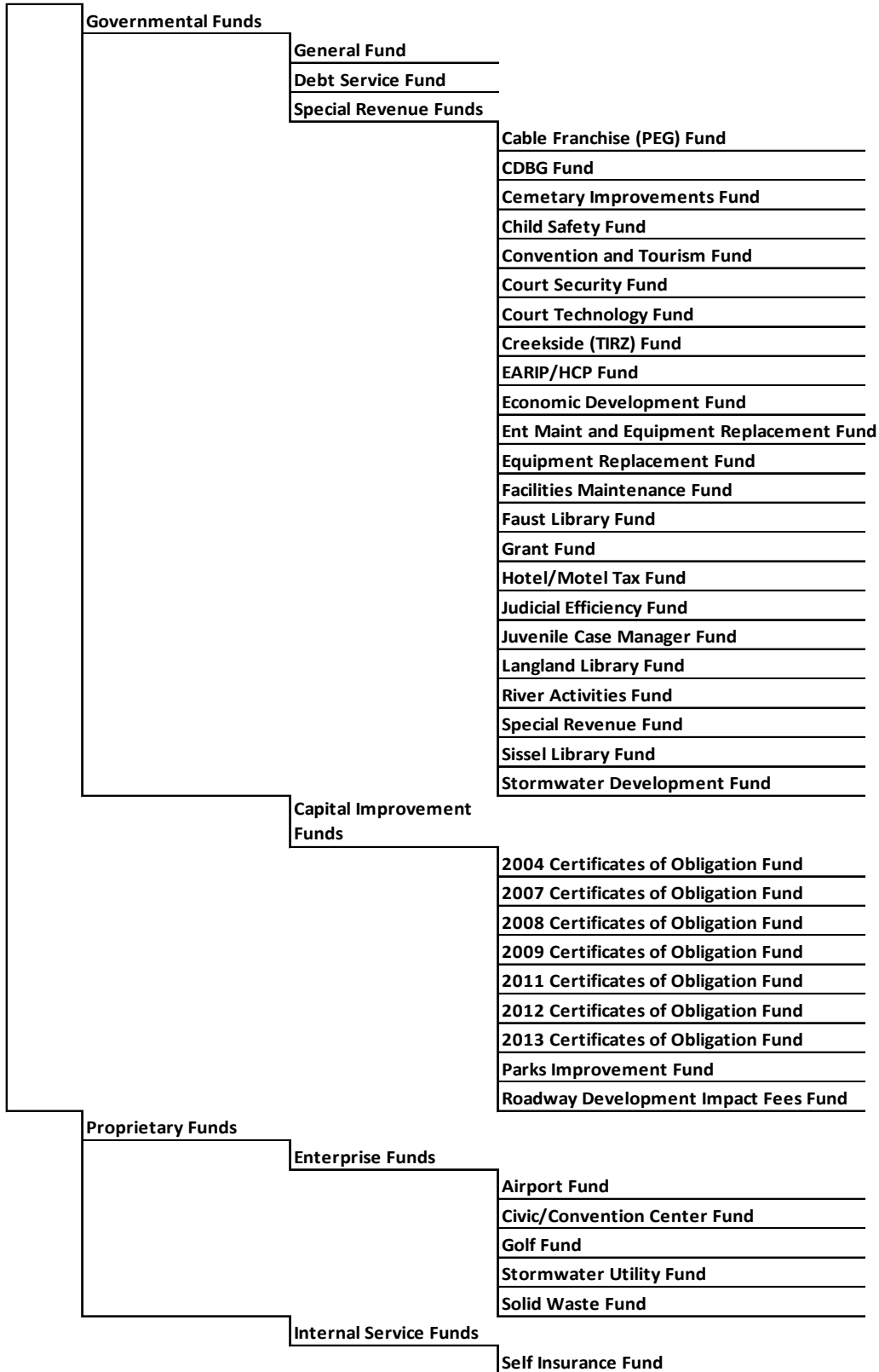
Stormwater Development Fund – is used to account for development fees assessed to support drainage maintenance and upkeep.

Langland Library Fund and Dittlinger Library Fund – were originally funded through bequests and were used to fund programs and projects at the New Braunfels Library. These funds have now been closed as all revenue has been expended.

Sissel Trust Fund - The Sissel Library Fund is funded by an endowment to the Library. The fund is managed by an outside depository bank. As the City identifies projects that are eligible for use of this fund, the Library Board must consider and approve the project before it can move forward.

Fund Structure Chart

ALL FUNDS



Positions Listing by Department

	FY 2010-11 <u>Actual</u>	FY 2011-12 <u>Estimate</u>	FY 2012-13 <u>Adopted Budget</u>
Airport Fund	6	6	7
City Manager's Office	4	5	5
City Council	1	1	1
City Secretary	3	3	3
City Attorney's Office	3	4	4
Civic/Convention Center Fund	8	8	8.5
Support Services			
Finance, Purchasing and Budget	10	10	10
Municipal Courts	10	9	9
Information Technology and Geographic Information Systems	5	6	7
<i>Total Support Services</i>	25	25	26
Human Resources	6	7	7
Fire			
Support Services	13	13	13
Operations	102	120	120
Emergency Management	1	1	1
<i>Total Uniform Positions</i>	113	131	131
<i>Total Fire</i>	116	134	134
Library Services			
Library	26.5	26.5	26.5
Westside Community Center	0	0	2
<i>Total Library Services</i>	26.5	26.5	28.5
Parks			
Administration	7	7	7
Recreation	18	18	20
Athletics	6.5	6.5	7.5
Aquatics	71	71	76
Rangers	18.5	17	17
Maintenance	19.5	21.5	22.5
Golf Fund	12	12	12
<i>Total Parks</i>	152.5	153	162
Planning and Community Development			
Environmental Services	8	9	10
Building Inspection	9	10	11
Planning	7	7	8
Main Street	1	1	1
<i>Total Planning and Community Development</i>	25	27	30

Positions Listing by Department (continued)

	FY 2010-11 <u>Actual</u>	FY 2011-12 <u>Estimate</u>	FY 2012-13 <u>Adopted Budget</u>
Police			
Administration	10	10	10
Patrol	71	71	74
Criminal Investigations	22	22	22
Support Services	24	27	27
Capital Improvement Fund	0	0	1
School Crossing Guards (Child Safety Fund)	12	13	14
<i>Total Uniform Positions</i>	<i>101</i>	<i>101</i>	<i>104</i>
<i>Total Police</i>	<i>139</i>	<i>143</i>	<i>148</i>
Public Works			
Engineering	11.5	12.5	12.5
Streets	18	18	18
Drainage	7	11.5	9.5
Facilities Maintenance	4	5	6
Facilities Maintenance Fund	1	1	1
River Activities Fund	16	68.5	56
Solid Waste Fund	44.5	48	50.5
Capital Improvement Funds	0	0	3
<i>Total Public Works</i>	<i>102</i>	<i>164.5</i>	<i>156.5</i>
<i>Total – All Positions</i>	<i>617</i>	<i>707</i>	<i>720.5</i>
 <i>Full time regular positions</i>	 <i>471</i>	 <i>511</i>	 <i>530</i>
<i>Part time regular positions</i>	<i>26</i>	<i>26</i>	<i>25.5</i>
<i>Seasonal positions</i>	<i>120</i>	<i>170</i>	<i>165</i>

Program Changes included in FY 2012-13 Budget

<u>Department/Division</u>	Description of Program Changes	One-Time Cost	Recurring Cost	Savings	Total Net Cost
<u>Capital Project Management</u>					
Capital Project Management	Two Capital Project Manager positions - <i>To provide project management for the increasing number of capital projects</i>	\$ 5,000	\$ 160,836		\$ 165,836
	One Capital Project Specialist position - <i>will provide administrative support for capital project and engineering staff to ensure all capital projects are kept in budget</i>	\$ 1,000	\$ 56,296		\$ 57,296
	Total - Capital Project Management	\$ 6,000	\$ 217,132	\$ -	\$ 223,132
<u>Support Services</u>					
Information Technology	One Senior IT Specialist position - <i>will oversee hosting and infrastructure responsibilities for two software platforms, Accella and One Solution</i>	\$ 56,825	\$ 68,125	\$ 50,465	\$ 74,485
	Total - Support Services	\$ 56,825	\$ 68,125	\$ 50,465	\$ 74,485
<u>Planning and Community Development</u>					
Environmental Services	One Assistant Sanitarian position - <i>to meet the increasing work load demands of health related inspections.</i>	\$ 3,625	\$ 50,909		\$ 54,534
Planning	Authorize and fund one Planner position - <i>to meet the increasing work load from continued growth and significant development projects such as Veramendi and Creekside</i>	\$ 7,160	\$ 59,329		\$ 66,489

Program Changes included in FY 2012-13 Budget

<u>Department/Division</u>	Description of Program Changes	One-Time Cost	Recurring Cost	Savings	Total Net Cost
<u>Planning and Community Development (continued)</u>					
<i>Building Inspections</i>	Authorize and fund one Permit Technician position - <i>to meet the increasing work load from continued growth and significant development projects such as Veramendi and Creekside</i>		\$ 41,382		\$ 41,382
	Total - Planning and Community Development	\$ 10,785	\$ 151,620	\$ -	\$ 162,405
<u>Library Services</u>					
<i>Westside Community Center</i>	One Outreach Coordinator position - <i>will serve as the new building liaison to coordinate programming and bookings</i>		\$ 50,907		\$ 50,907
	Children's Library Technician position - <i>will serve as the main point of contact for library programs occurring at this new facility</i>		\$ 42,531		\$ 42,531
	Total - Library Services	\$ -	\$ 93,438	\$ -	\$ 93,438
<u>Parks and Recreation</u>					
<i>Aquatics</i>	Eliminate two Aquatic Part Time Positions (Aquatic Specialist and Maintenance Worker) to one Full Time position - <i>will provide a needed level of year round management within this division</i>		\$ 39,762	\$ 39,762	\$ -

Program Changes included in FY 2012-13 Budget

<u>Department/Division</u>	Description of Program Changes	One-Time Cost	Recurring Cost	Savings	Total Net Cost
<u>Parks and Recreation (continued)</u>					
<i>Recreation</i>	Two additional Seasonal Camp Counselor positions and increase camp fees - <i>to improve counselor-camper ratios</i>		\$ 10,000	\$ 15,000	\$ (5,000)
<i>Maintenance</i>	One Parks Maintenance Worker position - <i>to meet the increasing demands on the Park Operations division</i>		\$ 36,456		\$ 36,456
<i>Athletics and Aquatics</i>	Six additional seasonal positions (five lifeguards and one attendant) - <i>to meet increasing service demands during the summer season. Additional positions will provide additional scheduling flexibility, but will not require additional funding</i>		\$ -	\$ -	\$ -
	Total - Parks and Recreation	\$ -	\$ 86,218	\$ 54,762	\$ 31,456
<u>Fire</u>					
	Implement 14 day pay cycle - <i>Creates a consistent pay schedule for all City employees</i>		\$ 130,000	\$ 50,000	\$ 80,000
	Total - Fire	\$ -	\$ 130,000	\$ 50,000	\$ 80,000

Program Changes included in FY 2012-13 Budget

<u>Department/Division</u>	<u>Description of Program Changes</u>	<u>One-Time Cost</u>	<u>Recurring Cost</u>	<u>Savings</u>	<u>Total Net Cost</u>
<u>Police</u>					
<i>Administration</i>	One Senior IT Specialist - <i>to manage the implementation of the CAD/RMS dispatch software</i>		\$ 68,125		\$ 68,125
<i>Patrol</i>	One officer and two Corporal Positions - <i>all positions will be deployed to the field to improve patrol capabilities.</i>	\$ 70,000	\$ 210,779		\$ 280,779
	Total - Police	\$ 70,000	\$ 278,904	\$ -	\$ 348,904
<u>Public Works</u>					
<i>Facilities Maintenance</i>	One additional Maintenance Worker position - <i>to improve preventative maintenance efforts and reduce contract repair costs</i>		\$ 35,925	\$ 13,900	\$ 22,025
	Cleaning contract for Library - <i>To provide a consistent level of maintenance for a facility open seven days a week to the public</i>		\$ 24,000		\$ 24,000
<i>Drainage</i>	Reduction of two positions in the Drainage division - <i>Two positions were authorized in FY 2011-12 that were incorporated into the anticipated stormwater utility</i>			\$130,043	\$ (130,043)
	Total - Public Works	\$ -	\$ 59,925	\$143,943	\$ (84,018)
<u>River Activities Fund</u>					
	Reduction of 13 seasonal river ranger positions - <i>the high level compliance and level of activity on the river provides the opportunity to reduce the number of river rangers needed</i>		\$ -		\$ -
	Total - River Activities Fund	\$ -	\$ -	\$ -	\$ -

Program Changes included in FY 2012-13 Budget

<u>Department/Division</u>	Description of Program Changes	One-Time Cost	Recurring Cost	Savings	Total Net Cost
<u>Solid Waste</u>					
<i>Residential</i>	Authorize and fund one Maintenance Worker position - <i>to better service the increasing customer base and work load demands</i>		\$ 37,345		\$ 37,345
<i>Commercial</i>	Authorize and fund one Solid Waste Operator position - <i>to better service the increasing customer base and work load demands</i>		\$ 44,575		\$ 44,575
	Total - Solid Waste	\$ -	\$ 81,920	\$ -	\$ 81,920
<u>Civic Center</u>					
	One additional part time event attendant - <i>Will provide additional scheduling flexibility. This addition will not have a fiscal impact</i>	\$ -	\$ -	\$ -	\$ -
	Total - Civic Center	\$ -	\$ -	\$ -	\$ -
<u>Airport</u>					
	One Airport Operations Supervisor position - <i>To meet the associated work load demands that have been created by the increased traffic and business activity at the Airport</i>	\$ -	\$ 68,647		\$ 68,647
	Total - Airport	\$ -	\$ 68,647	\$ -	\$ 68,647
<u>Child Safety Fund</u>					
	Authorize and fund one additional school crossing guard - <i>The superintendent of New Braunfels Independent School District requested one additional school crossing guard to work at County Line Elementary School</i>		\$ 5,000		\$ 5,000
	Total - Child Safety Fund	\$ -	\$ 5,000	\$ -	\$ 5,000

Program Changes included in FY 2012-13 Budget

<u>Department/Division</u>	Description of Program Changes	One-Time Cost	Recurring Cost	Savings	Total Net Cost
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Total - All Funds	\$ 143,610	\$1,240,927	\$299,170	\$1,085,367
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General Fund Total	\$ 137,610	\$ 800,104	\$299,170	\$ 638,544
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** Descriptions of proposed program changes are included in the department/fund narratives

Equipment and Initiatives Included in FY 2012-13 Budget

<u>Department/ Division</u>	Description	One-Time Cost	Savings	Total Net Cost	Current Funding Source
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Police

Patrol

Replacement - Ballistic Panels and helmets (11)	\$	37,720		\$	37,720	General Fund
Total - Police	\$	37,720	\$ -	\$	37,720	

Fire

Operations

Wild land Firefighting Gear (33)	\$	33,000		\$	33,000	General Fund
Dive team scuba suits (8)	\$	20,200		\$	20,200	General Fund
Various fitness equipment (addition/replacement /repair)	\$	10,600		\$	10,600	General Fund
Rope Rescue Equipment (replacement and new)	\$	10,500		\$	10,500	General Fund
Thermal Imaging Camera for Rescue #1 vehicle	\$	11,000		\$	11,000	General Fund
Truck for Emergency Management Coordinator	\$	20,850		\$	20,850	Equipment Replacement Fund
Total - Fire	\$	106,150	\$ -	\$	106,150	

Library Services

Library

Public computers for the Children's room (4)	\$	6,000		\$	6,000	Equipment Replacment Fund
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Equipment and Initiatives Included in FY 2012-13 Budget

<u>Department/</u> <i>Division</i>	Description	One-Time Cost	Savings	Total Net Cost	Current Funding Source
<u>Library Services - Continued</u>					
	ipads to support patrons' use including homework (4)	\$ 1,600		\$ 1,600	Equipment Replacement Fund
	Total - Library	\$ 7,600	\$ -	\$ 7,600	
<u>Parks and Recreation</u>					
<i>Aquatics</i>					
	Plumbing Project - Replace pipes, toilets and urinals at the Landa Bathhouse Restroom	\$ 41,450		\$ 41,450	2011 Certificates of Obligation
<i>Maintenance</i>	Two replacement zero turn mowers	\$ 27,000	\$ 2,000	\$ 25,000	Equipment Replacement Fund
	Back Flow Preventer Replacement - Phase 2	\$ 50,000		\$ 50,000	Facilities Maintenance Fund
	Total - Parks and Recreation	\$ 118,450	\$ 2,000	\$ 116,450	
<u>Public Works</u>					
<i>Streets</i>	Traffic tube counters	\$ 7,000		\$ 7,000	General Fund
	Traffic Signal Control Cabinet (2) - Testing and training and spare	\$ 15,600		\$ 15,600	General Fund
<i>Drainage</i>	Sprayer Assembly	\$ 8,400		\$ 8,400	Stormwater Development Fund
	Total - Public Works	\$ 31,000	\$ -	\$ 31,000	
<u>Airport</u>					
	Zero turn radius mower - replacement (1)	\$ 14,000		\$ 14,000	Enterprise Maintenance and Equipment Replacement Fund

Equipment and Initiatives Included in FY 2012-13 Budget

<u>Department/ Division</u>	Description	One-Time Cost	Savings	Total Net Cost	Current Funding Source
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Airport - Continued

	15' Batwing grass cutter attachment for tractor	\$ 16,000		\$ 16,000	Enterprise Maintenance and Equipment Replacement Fund
	Total - Airport	\$ 30,000	\$ -	\$ 30,000	

Civic Center

	Upgrade HVAC Software - <i>annual fee of \$2,700</i>	\$ 12,763		\$ 12,763	Enterprise Maintenance and Equipment Replacement Fund
	Total - Civic Center	\$ 12,763	\$ -	\$ 12,763	

Golf

	Fairway Mower - replacement (1)	\$ 49,000	\$ 5,000	\$ 44,000	Golf Fund
	Triplex Mower (1)	\$ 33,000		\$ 33,000	Golf Fund
	Total - Golf Course	\$ 82,000	\$ 5,000	\$ 77,000	

Solid Waste

	Truck for Fleet Manager	\$ 20,500		\$ 20,500	Solid Waste Fund
	Total - Solid Waste	\$ 20,500	\$ -	\$ 20,500	

Grand Total	\$ 446,183	\$ 7,000	\$ 439,183	
General Fund Total	\$ 174,070	\$ -	\$ 174,070	

Unmet Needs By Department

<u>Department/Division</u>	Description	One-Time Cost	Recurring Cost	Savings	Total Net Cost
<u>City Administration</u>					
<i>City Manager's Office</i>	One additional Assistant City Manager position	\$ 6,000	\$ 157,668		\$ 163,668
	Two Management Assistant positions	\$ 6,000	\$ 103,308		\$ 109,308
	Total - City Administration	\$ 12,000	\$ 260,976	\$ -	\$ 272,976
<u>Human Resources</u>					
	One Safety and Risk Management Coordinator position	\$ 3,000	\$ 59,279		\$ 62,279
	Total - Human Resources	\$ 3,000	\$ 59,279	\$ -	\$ 62,279
<u>Support Services</u>					
	One Assistant Director of Support Services position	\$ 6,825	\$ 95,482		\$ 102,307
<i>Information Technology</i>	One additional IT specialist position	\$ 6,825	\$ 55,890		\$ 62,715
	Total - Support Services	\$ 13,650	\$ 151,372	\$ -	\$ 165,022
<u>Police</u>					
<i>Patrol</i>	Nine new officer positions	\$ 495,744	\$ 592,736	\$ -	\$ 1,088,480
	Truck for use in river related activities	\$ 39,975			\$ 39,975
	Multiple DVD burner	\$ 11,848			\$ 11,848
	COBAN Cameras for spares (4)	\$ 25,200			\$ 25,200

Unmet Needs By Department

<u>Department/Division</u>	Description	One-Time Cost	Recurring Cost	Savings	Total Net Cost
<u>Police - Continued</u>					
<i>Support Services</i>	One Emergency Dispatcher position	\$ 100	\$ 36,636		\$ 36,736
	One Evidence Manager	\$ 2,375	\$ 53,952		\$ 56,327
	One Records Manager	\$ 3,025	\$ 53,952		\$ 56,977
	Solar powered radar trailer - replacement	\$ 8,000			\$ 8,000
	Police Station Roofing Repairs	\$ 5,500			\$ 5,500
	Parking lot seal coat and striping for police station	\$ 12,000			\$ 12,000
	Total - Police	\$ 603,767	\$ 737,275	\$ -	\$ 1,341,042
<u>Fire</u>					
<i>Operations</i>	I-PAD Implementation (21)	\$ 23,250	\$ 10,080		\$ 33,330
	One Quartermaster position	\$ 2,500	\$ 40,000		\$ 42,500
	Oceanid RDC Rescue Boat	\$ 5,500			\$ 5,500
	Dive helmets with communication module (8)	\$ 30,500			\$ 30,500
	Structural repairs for Fire Station #2	\$ 60,000			\$ 60,000
	Fire Station #5 generator replacement and electrical upgrades	\$ 17,000			\$ 17,000

Unmet Needs By Department

<u>Department/Division</u>	Description	One-Time Cost	Recurring Cost	Savings	Total Net Cost
<u>Fire - Continued</u>					
	Annual overhead bay door service contract - all stations		\$ 2,500		\$ 2,500
	Structural repairs and upgrades to Fire Station #3	\$ 45,000			\$ 45,000
	Hose Roller Cart (1)	\$ 7,595			\$ 7,595
	Paratech Special Mission Tender trailer used to house specialized equipment	\$ 200,000			\$ 200,000
	Holmatro Porta Power Unit and RAM replacement (1)	\$ 14,880			\$ 14,880
	Additional fire engine to provide reliable spare	\$ 800,000			\$ 800,000
	Additional Pickup truck for Fire Station #1	\$ 36,191			\$ 36,191
	Ambulance Remount (1)	\$ 115,000			\$ 115,000
	Total - Fire	\$ 1,357,416	\$ 52,580	\$ -	\$ 1,409,996

Public Works

River Activities

One River Recreation Coordinator position	\$ 5,000	\$ 53,143		\$ 58,143
One Watershed Technician position		\$ 62,880		\$ 62,880

Unmet Needs By Department

<u>Department/Division</u>	Description	One-Time Cost	Recurring Cost	Savings	Total Net Cost
<u>Public Works - Continued</u>					
<i>River Activities</i>	One EARIP coordinator position	\$ 5,000	\$ 72,893		\$ 77,893
<i>Facilities Maintenance</i>	City Hall window replacement	\$ 13,000			\$ 13,000
	City Hall lighting replacement and upgrade	\$ 15,000			\$ 15,000
	City Hall main water line replacement	\$ 14,000			\$ 14,000
<i>Engineering</i>	Vehicle for use by Engineering staff	\$ 18,500		\$ 2,000	\$ 16,500
<i>Streets</i>	High Load Detection System (Landa Street and RR underpass)	\$ 30,250			\$ 30,250
	Total - Public Works	\$ 100,750	\$ 188,916	\$ 2,000	\$ 287,666
<u>Parks</u>					
<i>Administration</i>	One Park Development Specialist position	\$ 4,360	\$ 58,342		\$ 62,702
	Funding to complete a Landa Park Master Plan	\$ 25,250			\$ 25,250
	One Volunteer Coordinator position	\$ 6,060	\$ 50,909		\$ 56,969
<i>Park Operations</i>	One Park Maintenance Worker position - Landa Park	\$ 4,000	\$ 35,478		\$ 39,478
	One Park Maintenance Worker position - irrigation	\$ 4,000	\$ 35,478		\$ 39,478

Unmet Needs By Department

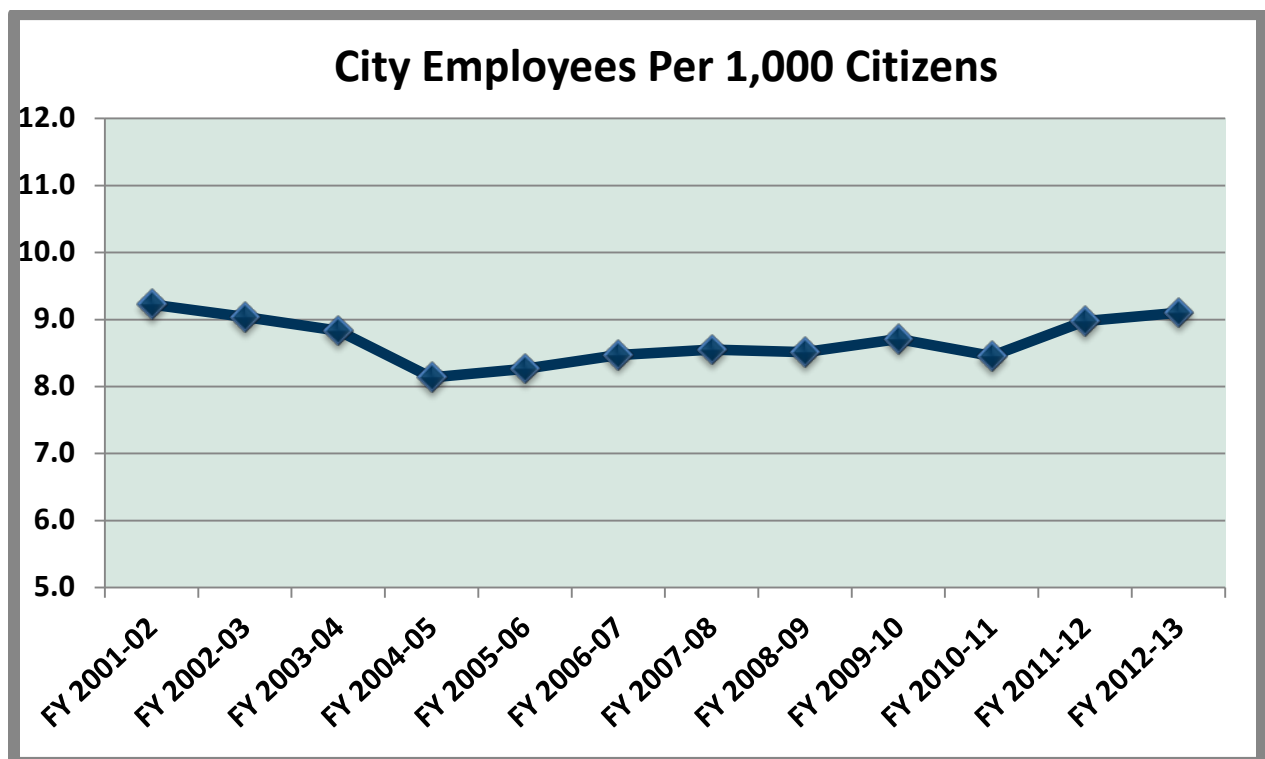
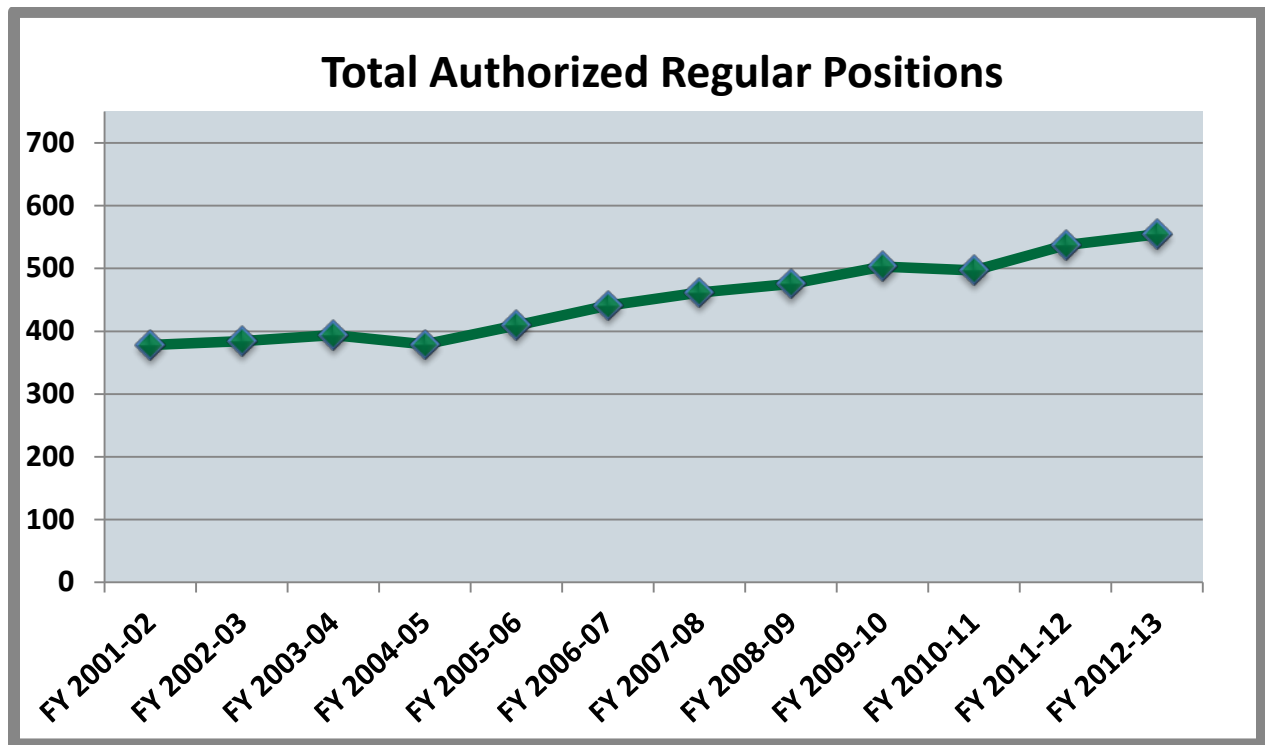
<u>Department/Division</u>	Description	One-Time Cost	Recurring Cost	Savings	Total Net Cost
<u>Parks - Continued</u>					
<i>Park Operations</i>	One Park Maintenance Worker position - forestry	\$ -	\$ -		\$ -
	John Deere gator with electric dump bed	\$ 13,000			\$ 13,000
	Towable cherry picker - man lift	\$ 50,000			\$ 50,000
	Truck for forestry operations	\$ 20,500			\$ 20,500
	Replacement Christmas tree for Main Plaza	\$ 35,000			\$ 35,000
<i>Aquatics</i>	Slide Replacement for springfed pool		\$ 4,000		\$ 4,000
	Utility vehicle (gator) for Aquatic Operations	\$ 6,500			\$ 6,500
	Replaster the Zero Depth pool at the Landa Park Aquatic Complex	\$ 15,000			\$ 15,000
<i>Athletics</i>	Paddleboat replacements (2)	\$ 5,600			\$ 5,600
	Shade Structures at Bomber Field - Camp Comal	\$ 46,000			\$ 46,000
	Bleachers for Bomber Field - Camp Comal	\$ 17,000			\$ 17,000

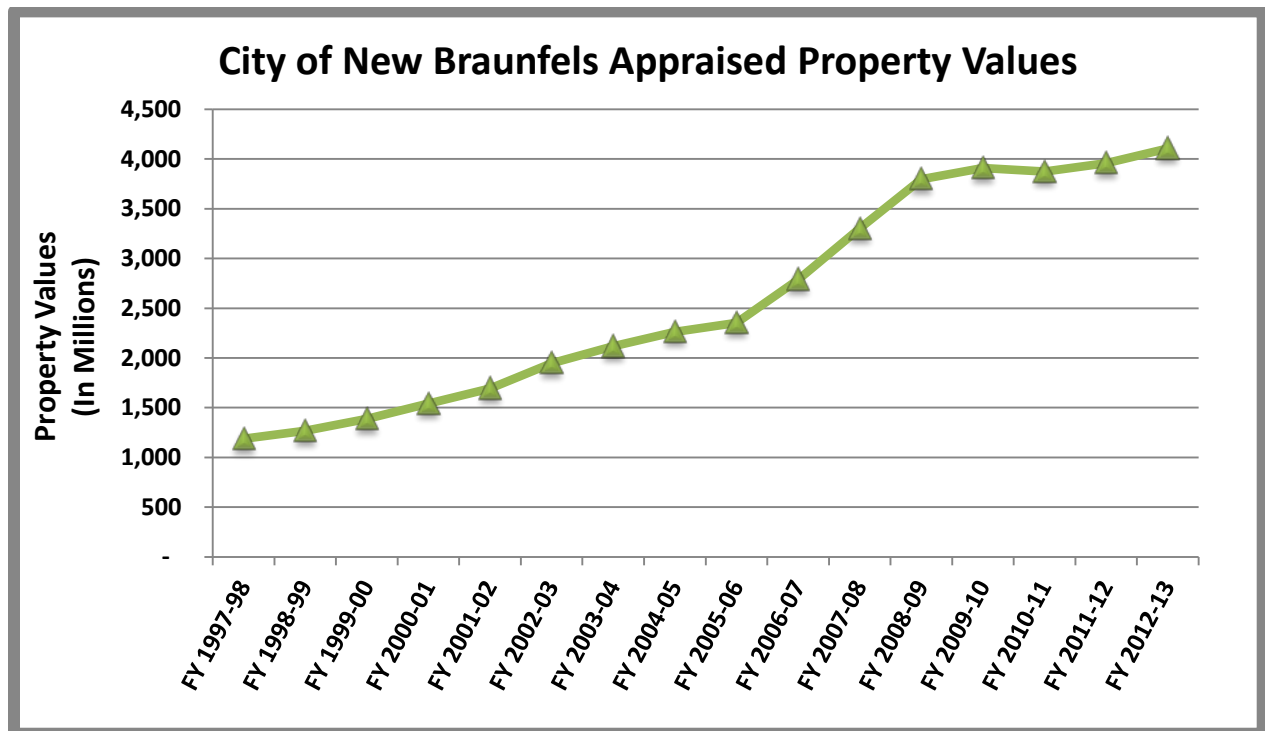
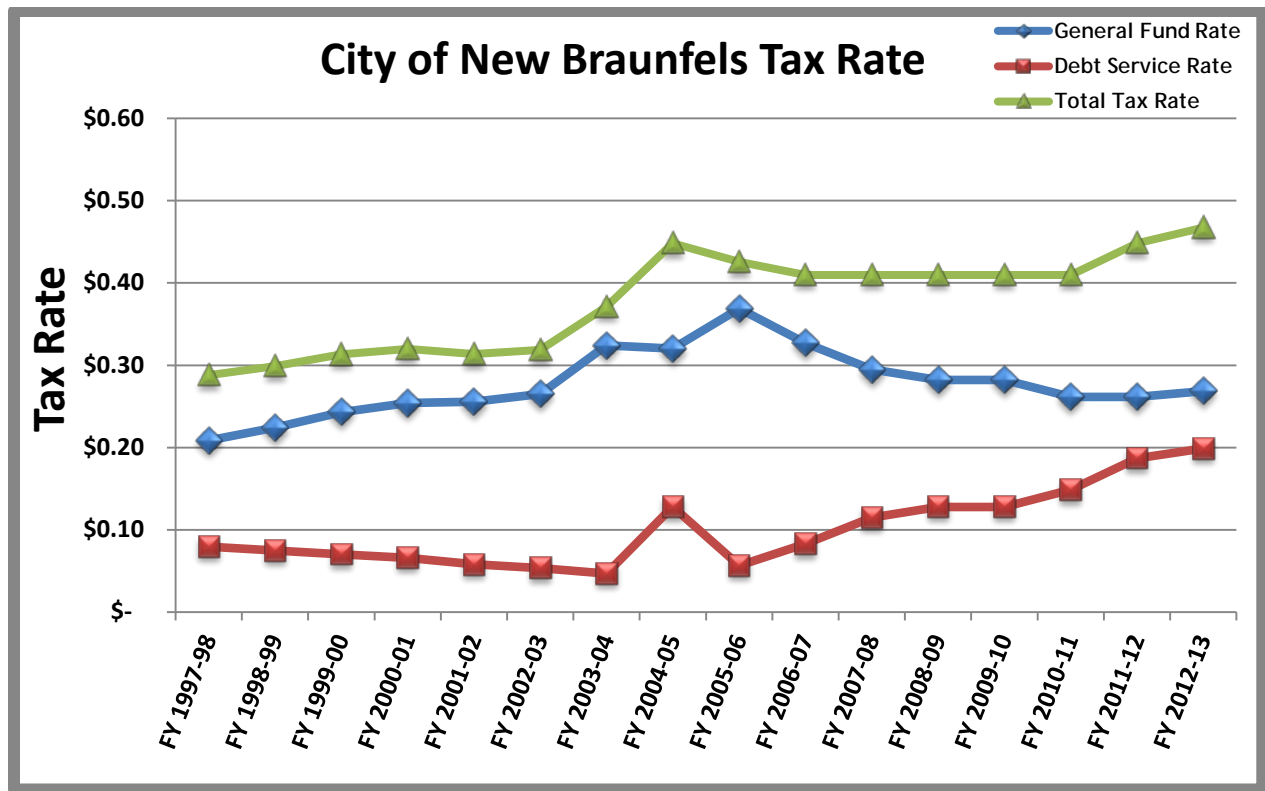
Unmet Needs By Department

<u>Department/Division</u>	Description	One-Time Cost	Recurring Cost	Savings	Total Net Cost
<u>Parks - Continued</u>					
<i>Athletics</i>	Light replacement for New Braunfels High School tennis courts	\$ 175,000			\$ 175,000
	Additional fields for HEB soccer complex	\$ 185,000			\$ 185,000
	HEB soccer complex lighting	\$ 200,000			\$ 200,000
	Perimeter fence at Camp Comal	\$ 190,000			\$ 190,000
<i>Recreation</i>	15 passenger van for day camp and recreation programs' use	\$ 30,500	\$ 1,000		\$ 31,500
	Recreation Center Gym Insulation	\$ 10,000			\$ 10,000
	Recreation Center Gym lighting replacement	\$ 5,200			\$ 5,200
	Two-way commercial grade radios for Recreation staff (14)	\$ 5,320	\$ 1,680		\$ 7,000
<i>Rangers</i>	Additional bikes for Park Rangers (8)	\$ 6,900			\$ 6,900
	15 passenger van for Ranger transport	\$ 30,500	\$ 1,000		\$ 31,500
	Total - Parks	\$ 1,094,690	\$ 223,365	\$ -	\$ 1,318,055
<u>Library Services</u>					
<i>Library</i>	Replacement Carpeting for library	\$ 120,000			\$ 120,000

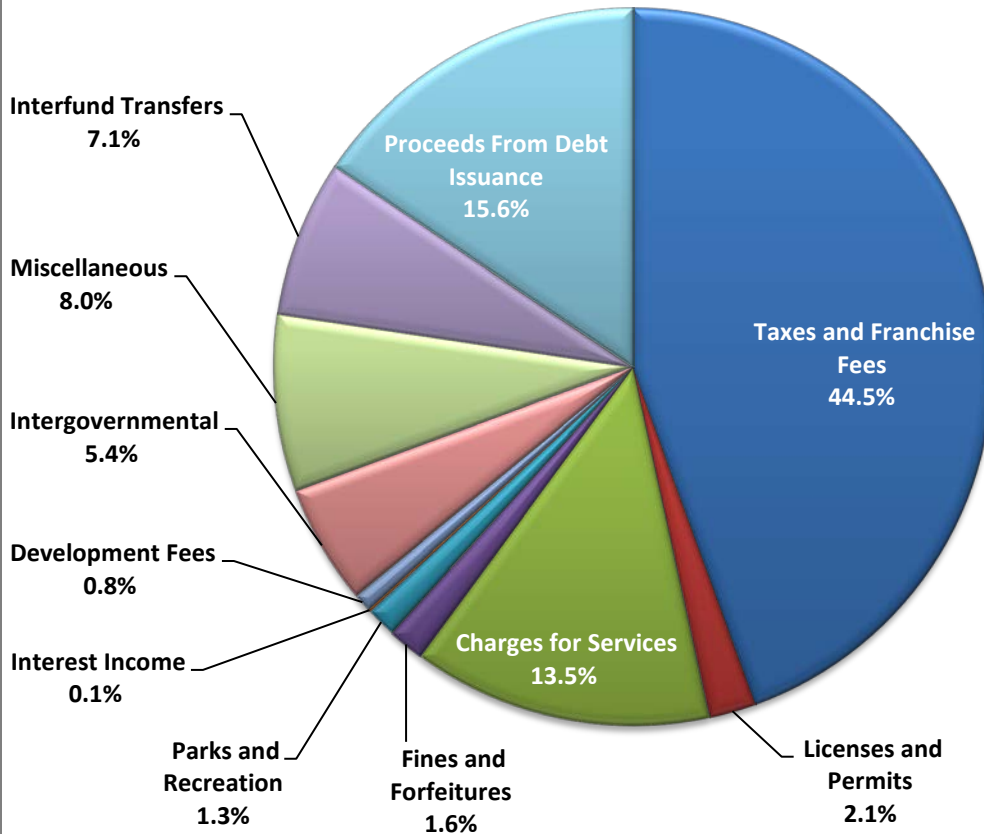
Unmet Needs By Department

<u>Department/Division</u>	Description	One-Time Cost	Recurring Cost	Savings	Total Net Cost
<u>Library Services - Continued</u>					
	Parking lot sealcoat and striping	\$ 15,000			\$ 15,000
	Platform lift and storage enclosure	\$ 11,500			\$ 11,500
	Total - Library Services	\$ 146,500	\$ -	\$ -	\$ 146,500
<u>Airport</u>					
	All Terrain Diesel Utility Vehicle	\$ 16,000			\$ 16,000
	Bobcat skid steer loader and attachments	\$ 75,000			\$ 75,000
	Total - Airport	\$ 91,000	\$ -	\$ -	\$ 91,000
<u>Golf</u>					
	Cart barn modification	\$ 65,000		\$ -	\$ 65,000
	Deep Tine Aerifier	\$ 35,000			\$ 35,000
	Replacement of golf cart fleet	\$ 233,000		\$ 30,000	\$ 203,000
	Clubhouse parking lot patching, sealcoat and striping	\$ 22,000			\$ 22,000
	Replacement of tables and chairs for dining rooms	\$ 19,500			\$ 19,500
	Turbine Blower	\$ 7,500			\$ 7,500
	Total - Golf	\$ 382,000	\$ -	\$ 30,000	\$ 352,000
Grand Total		\$ 3,804,773	\$ 1,673,763	\$ 32,000	\$ 5,446,536
General Fund Total		\$ 3,331,773	\$ 1,673,763	\$ 2,000	\$ 5,003,536



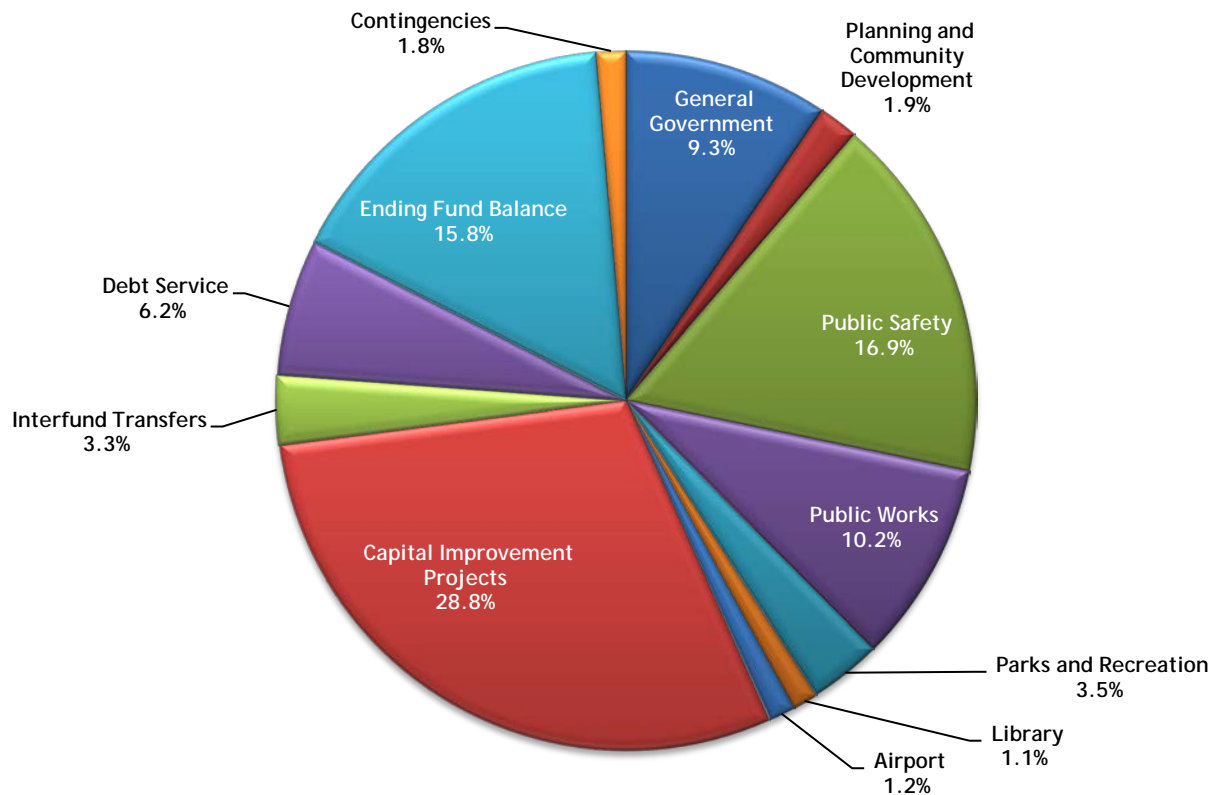


All Funds Summary - Total Revenue by Percentage FY 2012-13 Budget



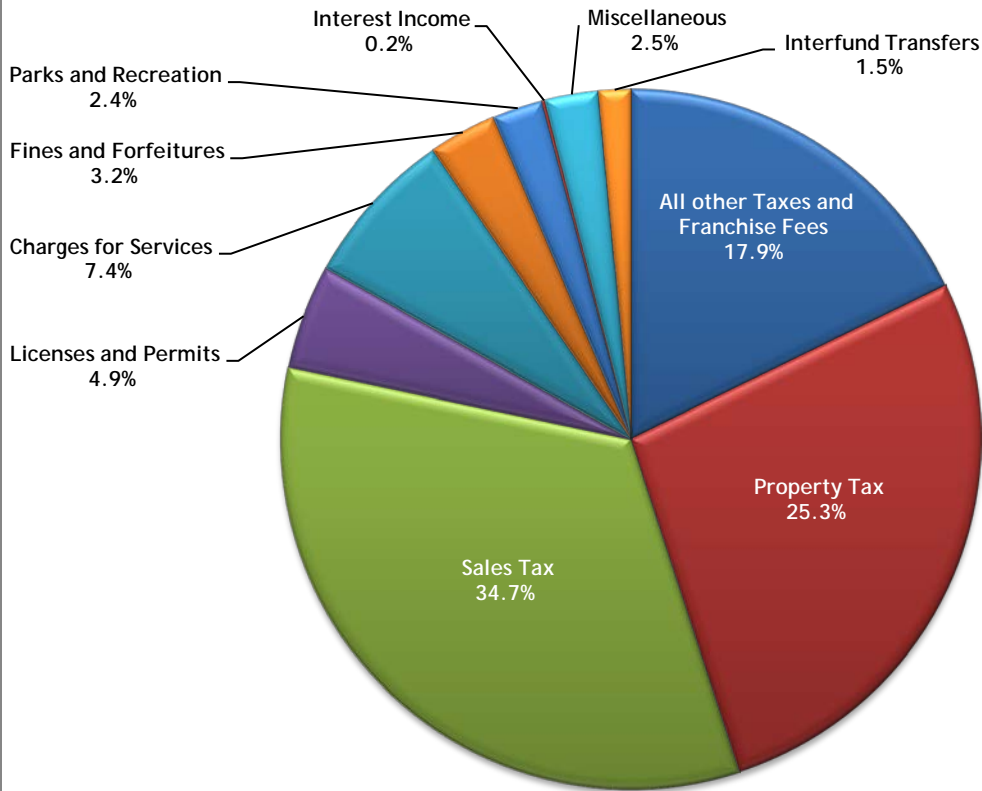
Category	FY 2012-13 Budget
Taxes and Franchise Fees	\$44,857,670
Licenses and Permits	2,123,550
Charges for Services	13,620,196
Fines and Forfeitures	1,643,489
Parks and Recreation	1,353,600
Interest Income	140,533
Development Fees	816,000
Intergovernmental	5,434,255
Miscellaneous	1,236,338
Proceeds from Debt Issuances	15,700,000
Contributions	6,816,363
Interfund Transfers	7,133,880
Total	\$100,875,874

All Funds Summary - Total Appropriations by Percentage FY 2012-13



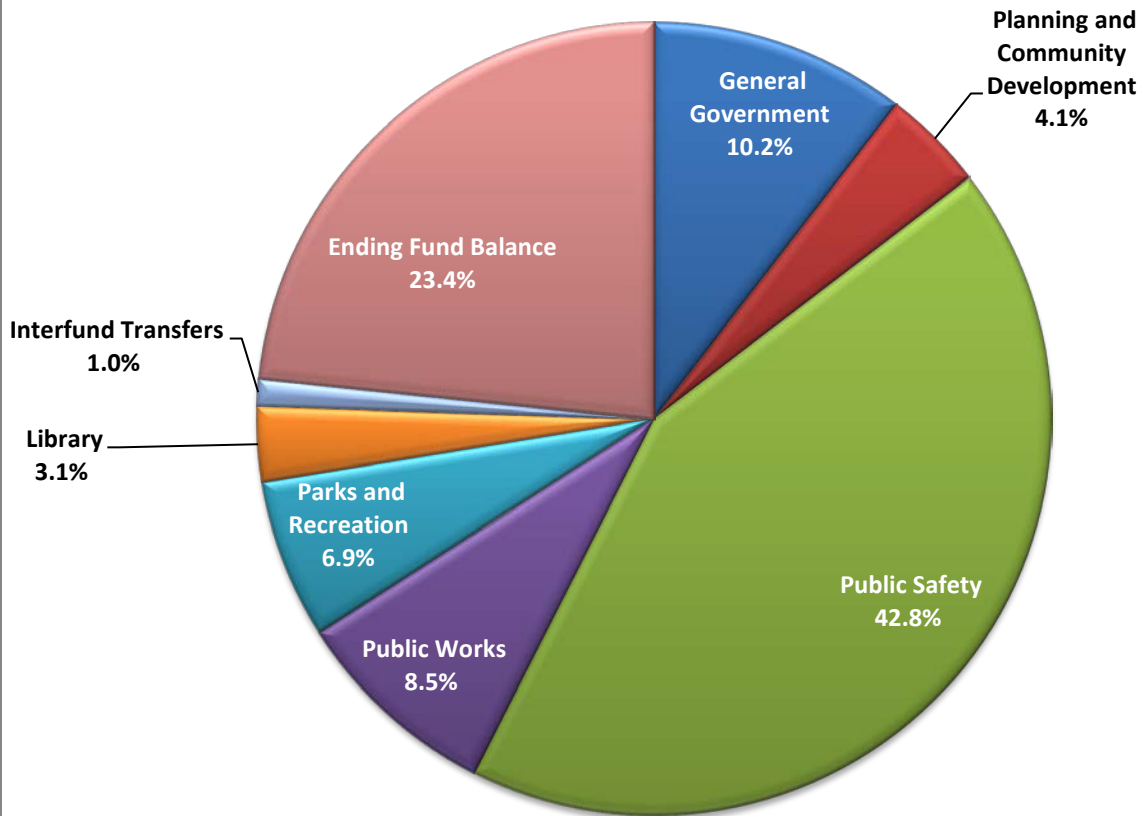
Category	FY 2012-13 Budget
General Government	\$15,167,900
Planning and Community Development	2,969,750
Public Safety	27,590,786
Public Works	16,539,744
Parks and Recreation	5,736,371
Library	1,935,990
Airport	1,984,670
Capital Improvement Projects	46,753,187
Interfund Transfers	5,223,935
Debt Service	10,152,917
Contingencies	2,964,642
Ending Fund Balance	25,777,020
Total	\$162,796,910

General Fund - Total Revenue FY 2012-13 Budget



Category	FY 2012-13 Budget
Property Tax	\$10,942,352
Sales Tax	15,059,909
All other Taxes and Franchise Fees	7,798,058
Licenses and Permits	2,117,100
Charges for Services	3,214,012
Fines and Forfeitures	1,379,000
Parks and Recreation	1,023,600
Interest Income	70,000
Miscellaneous	1,069,850
Interfund Transfers	652,562
Total	\$43,326,443

General Fund - Total Appropriations by Percentage FY 2012-13



Category	FY 2012-13 Budget
General Government	\$6,231,839
Planning and Community Development	2,469,039
Public Safety	25,826,286
Public Works	5,123,741
Parks and Recreation	3,923,407
Library	1,845,686
Interfund Transfers	611,738
Ending Fund Balance	14,167,924
Total	\$60,199,659



Schedules



City of New Braunfels
Fund Balance Summaries
Fiscal Year Ending September 30, 2012

	FY 2010-11 Actual	FY 2011-12 Estimate	FY 2012-13 Budget
<u>All Funds Summary</u>			
Beginning Balance	\$ 47,838,918	\$ 56,310,875	\$ 61,921,035
Total Revenue	\$ 91,101,899	\$ 95,519,520	\$ 100,875,873
Total Available Funds	\$ 138,940,817	\$ 151,830,395	\$ 162,796,908
 Total Expenditures	 \$ 82,629,942	 \$ 89,909,360	 \$ 137,019,890
Ending Fund Balance	\$ 56,310,875	\$ 61,921,035	\$ 25,777,020
 <u>General Fund</u>			
Beginning Balance	\$ 19,750,371	\$ 18,293,298	\$ 16,873,217
Total Revenue	\$ 40,004,182	\$ 41,426,443	\$ 43,326,443
Total Available Funds	\$ 59,754,553	\$ 59,719,741	\$ 60,199,659
 Total Expenditures	 \$ 41,461,255	 \$ 42,846,524	 \$ 46,031,735
Ending Fund Balance	\$ 18,293,298	\$ 16,873,217	\$ 14,167,924
 <u>Special Revenue Funds</u>			
Beginning Balance	\$ 7,639,095	\$ 10,398,338	\$ 8,798,507
Total Revenue	\$ 9,328,033	\$ 7,486,956	\$ 13,579,554
Total Available Funds	\$ 16,967,128	\$ 17,885,294	\$ 22,378,061
 Total Expenditures	 \$ 6,568,790	 \$ 9,086,787	 \$ 15,193,667
Ending Fund Balance	\$ 10,398,338	\$ 8,798,507	\$ 7,184,393
 <u>Capital Improvement Project Funds</u>			
Beginning Balance	\$ 16,966,228	\$ 24,729,694	\$ 31,916,909
Total Revenue	\$ 19,129,854	\$ 21,932,628	\$ 17,642,079
Total Available Funds	\$ 36,096,082	\$ 46,662,322	\$ 49,558,988
 Total Expenditures	 \$ 11,366,388	 \$ 14,745,413	 \$ 49,390,657
Ending Fund Balance	\$ 24,729,694	\$ 31,916,909	\$ 168,331
 <u>Debt Service Fund</u>			
Beginning Balance	\$ 679,114	\$ 600,519	\$ 856,612
Total Revenue	\$ 8,021,668	\$ 8,942,106	\$ 10,361,744
Total Available Funds	\$ 8,700,782	\$ 9,542,625	\$ 11,218,356
 Total Expenditures	 \$ 8,100,263	 \$ 8,686,013	 \$ 10,152,917
Ending Fund Balance	\$ 600,519	\$ 856,612	\$ 1,065,439

City of New Braunfels
Fund Balance Summaries
Fiscal Year Ending September 30, 2012

	FY 2010-11 Actual	FY 2011-12 Estimate	FY 2012-13 Budget
<u>Airport Fund</u>			
Beginning Balance	\$ 35,620	\$ (8,798)	\$ 22,595
Total Revenue	\$ 1,513,139	\$ 1,773,000	\$ 1,954,800
Total Available Funds	\$ 1,548,759	\$ 1,764,203	\$ 1,977,395
Total Expenditures	\$ 1,557,556	\$ 1,741,607	\$ 1,977,395
Ending Fund Balance	\$ (8,798)	\$ 22,595	\$ -
<u>Civic/Convention Center Fund</u>			
Beginning Balance	\$ 258,440	\$ 245,050	\$ 191,000
Total Revenue	\$ 656,845	\$ 689,134	\$ 669,702
Total Available Funds	\$ 915,285	\$ 934,184	\$ 860,702
Total Expenditures	\$ 670,236	\$ 743,184	\$ 860,702
Ending Fund Balance	\$ 245,050	\$ 191,000	\$ -
<u>Golf Fund</u>			
Beginning Balance	\$ 220,328	\$ 178,248	\$ 189,495
Total Revenue	\$ 959,579	\$ 932,750	\$ 1,009,250
Total Available Funds	\$ 1,179,907	\$ 1,110,998	\$ 1,198,745
Total Expenditures	\$ 1,001,660	\$ 921,502	\$ 1,030,560
Ending Fund Balance	\$ 178,248	\$ 189,495	\$ 168,186
<u>Solid Waste Fund</u>			
Beginning Balance	\$ 2,115,498	\$ 1,495,983	\$ 2,178,806
Total Revenue	\$ 6,432,532	\$ 6,993,652	\$ 7,312,134
Total Available Funds	\$ 8,548,030	\$ 8,489,635	\$ 9,490,941
Total Expenditures	\$ 7,052,047	\$ 6,310,829	\$ 7,350,257
Ending Fund Balance	\$ 1,495,983	\$ 2,178,806	\$ 2,140,684
<u>Stormwater Utility Fund</u>			
Beginning Balance	\$ -	\$ -	\$ -
Total Revenue	\$ -	\$ 861,037	\$ -
Total Available Funds	\$ -	\$ 861,037	\$ -
Total Expenditures	\$ -	\$ 861,037	\$ -
Ending Fund Balance	\$ -	\$ -	\$ -

City of New Braunfels
Fund Balance Summaries
Fiscal Year Ending September 30, 2012

FY 2010-11	FY 2011-12	FY 2012-13
Actual	Estimate	Budget

Self Insurance Fund

Beginning Balance	\$ 174,224	\$ 378,544	\$ 893,894
Total Revenue	\$ 5,056,067	\$ 5,342,850	\$ 5,020,169
Total Available Funds	\$ 5,230,291	\$ 5,721,394	\$ 5,914,063
 Total Expenditures	 \$ 4,851,747	 \$ 4,827,500	 \$ 5,032,000
Ending Fund Balance	\$ 378,544	\$ 893,894	\$ 882,063

City of New Braunfels
All Funds Summary
Fiscal Year Ending September 30, 2013

Available Funds	FY 2012-13 All Funds	FY 2012-13 General Fund
Beginning Balance		
Undesignated Funds	\$ 33,484,437	\$ 16,873,217
Reserve for Projects	28,436,597	
Total Beginning Balance	\$ 61,921,034	\$ 16,873,217
Revenue		
Taxes and Franchise Fees	\$ 44,857,670	\$ 33,800,319
Licenses and Permits	2,123,550	2,117,100
Charges for Services	13,620,196	3,214,012
Fines and Forfeitures	1,643,489	1,379,000
Parks and Recreation	1,353,600	1,023,600
Interest Income	140,533	70,000
Development Fees	816,000	
Intergovernmental	5,434,256	-
Contributions	6,816,363	
Proceeds from Debt Issuance	15,700,000	
Miscellaneous	1,236,337	1,069,850
Interfund Transfers	7,133,880	652,562
Total Revenue	\$ 100,875,874	\$ 43,326,443
TOTAL AVAILABLE FUNDS	\$ 162,796,908	\$ 60,199,659
APPROPRIATIONS		
General Government	\$ 15,167,900	\$ 5,545,617
Planning and Community Development	2,969,750	2,469,039
Public Safety	27,590,786	25,826,286
Public Works	16,539,744	5,123,741
Parks and Recreation	5,736,371	3,923,407
Library	1,935,990	1,845,686
Airport	1,984,670	
Capital Improvement Projects	46,753,187	
Interfund Transfers	5,223,935	611,738
Debt Service	10,152,917	
Contingencies	2,964,642	686,222
TOTAL APPROPRIATIONS	\$ 137,019,890	\$ 46,031,735
Ending Fund Balance	\$ 25,777,020	\$ 14,167,924
TOTAL APPROPRIATIONS	\$ 162,796,910	\$ 60,199,659

City of New Braunfels
All Funds Summary
Fiscal Year Ending September 30, 2013

Enterprise Funds

Available Funds	FY 2012-13 Airport	FY 2012-13 Solid Waste	FY 2012-13 Golf	FY 2012-13 Civic Center
Beginning Balance				
Undesignated Funds	\$ 22,595	\$ 2,178,806	\$ 189,495	\$ 191,000
Reserve for Projects				
Total Beginning Balance	\$ 22,595	\$ 2,178,806	\$ 189,495	\$ 191,000
Revenue				
Taxes and Franchise Fees				
Licenses and Permits				
Charges for Services	1,904,800	7,228,634	992,750	280,000
Fines and Forfeitures				
Parks and Recreation				
Interest Income		3,500		
Development Fees				
Intergovernmental	50,000			
Contributions				
Proceeds from Debt Issuance				
Miscellaneous		80,000	16,500	
Interfund Transfers	-			389,702
Total Revenue	\$ 1,954,800	\$ 7,312,134	\$ 1,009,250	\$ 669,702
TOTAL AVAILABLE FUNDS	\$ 1,977,395	\$ 9,490,941	\$ 1,198,745	\$ 860,702
APPROPRIATIONS				
General Government				\$ 662,551
Planning and Community Development				
Public Safety				
Public Works		6,537,851		
Parks and Recreation			974,417	
Library				
Airport	1,970,670			
Capital Improvement Projects			-	
Interfund Transfers		766,906	45,656	191,000
Debt Service			-	
Contingencies	6,725	45,500	10,487	7,151
TOTAL APPROPRIATIONS	\$ 1,977,395	\$ 7,350,257	\$ 1,030,559	\$ 860,702
Ending Fund Balance	\$ -	\$ 2,140,684	\$ 168,186	\$ -
TOTAL APPROPRIATIONS	\$ 1,977,395	\$ 9,490,941	\$ 1,198,745	\$ 860,702

City of New Braunfels
All Funds Summary
Fiscal Year Ending September 30, 2013

Special Revenue Funds

Available Funds	FY 2012-13 CDBG	FY 2012-13 Grant	FY 2012-13 Special Revenue
Beginning Balance			
Undesignated Funds	\$ 0	\$ 0	\$ 128,702
Reserve for Projects			
Total Beginning Balance	\$ 0	\$ 0	\$ 128,702
Revenue			
Taxes and Franchise Fees			
Licenses and Permits			
Charges for Services			
Fines and Forfeitures			
Parks and Recreation			
Interest Income			-
Development Fees			
Intergovernmental	500,711	1,689,108	
Contributions			125,000
Proceeds from Debt Issuance			
Miscellaneous		10,304	-
Interfund Transfers		-	-
Total Revenue	\$ 500,711	\$ 1,699,411	\$ 125,000
TOTAL AVAILABLE FUNDS	\$ 500,711	\$ 1,699,412	\$ 253,702

APPROPRIATIONS

General Government		\$ 500,000	
Planning and Community Development	500,711	-	
Public Safety		483,730	108,500
Public Works		705,378	
Parks and Recreation		-	20,000
Library		10,304	80,000
Airport			
Capital Improvement Projects			
Interfund Transfers		-	
Debt Service			
Contingencies			
TOTAL APPROPRIATIONS	\$ 500,711	\$ 1,699,411	\$ 208,500
Ending Fund Balance	\$ -	\$ -	\$ 45,202
TOTAL APPROPRIATIONS	\$ 500,711	\$ 1,699,411	\$ 253,702

City of New Braunfels
All Funds Summary
Fiscal Year Ending September 30, 2013

Special Revenue Funds

Available Funds	FY 2012-13 River	FY 2012-13 EARIP/HCP	FY 2012-13 Court Security
Beginning Balance			
Undesignated Funds	\$ 0	\$ -	\$ 49
Reserve for Projects			
Total Beginning Balance	\$ 0	\$ -	\$ 49
Revenue			
Taxes and Franchise Fees			
Licenses and Permits	5,700	-	
Charges for Services			
Fines and Forfeitures	150,000	-	24,663
Parks and Recreation	330,000	-	
Interest Income	-	-	-
Development Fees			
Intergovernmental Contributions		2,236,919	
Proceeds from Debt Issuance			
Miscellaneous	-	-	
Interfund Transfers	516,391	64,853	
Total Revenue	\$ 1,002,091	\$ 2,301,772	\$ 24,663
TOTAL AVAILABLE FUNDS	\$ 1,002,091	\$ 2,301,772	\$ 24,712
APPROPRIATIONS			
General Government		\$ 19,630	
Planning and Community Development			
Public Safety	511,920	-	21,064
Public Works		45,223	
Parks and Recreation	475,272	-	
Library			
Airport			
Capital Improvement Projects		2,236,919	
Interfund Transfers		-	
Debt Service			
Contingencies	14,899		
TOTAL APPROPRIATIONS	\$ 1,002,091	\$ 2,301,772	\$ 21,064
Ending Fund Balance	\$ -	\$ -	\$ 3,649
TOTAL APPROPRIATIONS	\$ 1,002,091	\$ 2,301,772	\$ 24,712

City of New Braunfels
All Funds Summary
Fiscal Year Ending September 30, 2013

Special Revenue Funds

Available Funds	FY 2012-13 Judicial Efficiency	FY 2012-13 Court Technology	FY 2012-13 Child Safety
Beginning Balance			
Undesignated Funds	\$ 10,009	\$ 11,508	\$ 141,253
Reserve for Projects			
Total Beginning Balance	\$ 10,009	\$ 11,508	\$ 141,253
Revenue			
Taxes and Franchise Fees			
Licenses and Permits			
Charges for Services			
Fines and Forfeitures	5,051	33,304	10,000
Parks and Recreation			
Interest Income	-	-	-
Development Fees			
Intergovernmental			102,000
Contributions			
Proceeds from Debt Issuance			
Miscellaneous			
Interfund Transfers			
Total Revenue	\$ 5,051	\$ 33,304	\$ 112,000
TOTAL AVAILABLE FUNDS	\$ 15,059	\$ 44,812	\$ 253,253
APPROPRIATIONS			
General Government			
Planning and Community Development			
Public Safety	12,000	38,000	247,808
Public Works			
Parks and Recreation			
Library			
Airport			
Capital Improvement Projects			
Interfund Transfers			
Debt Service			
Contingencies			
TOTAL APPROPRIATIONS	\$ 12,000	\$ 38,000	\$ 247,808
Ending Fund Balance	\$ 3,059	\$ 6,812	\$ 5,445
TOTAL APPROPRIATIONS	\$ 15,059	\$ 44,812	\$ 253,253

City of New Braunfels
All Funds Summary
Fiscal Year Ending September 30, 2013

Special Revenue Funds

Available Funds	FY 2012-13 Stormwater	FY 2012-13 Juvenile Case Mgr	FY 2012-13 Economic Dev
Beginning Balance			
Undesignated Funds	\$ 47,257	\$ 160,177	\$ -
Reserve for Projects			
Total Beginning Balance	\$ 47,257	\$ 160,177	\$ -
Revenue			
Taxes and Franchise Fees			.
Licenses and Permits			
Charges for Services			
Fines and Forfeitures		41,472	
Parks and Recreation			
Interest Income	-	-	-
Development Fees	10,000		
Intergovernmental			
Contributions			-
Proceeds from Debt Issuance			
Miscellaneous			
Interfund Transfers			
Total Revenue	\$ 10,000	\$ 41,472	\$ -
TOTAL AVAILABLE FUNDS	\$ 57,257	\$ 201,649	\$ -
APPROPRIATIONS			
General Government			\$ -
Planning and Community Development			
Public Safety		54,571	
Public Works	48,400		
Parks and Recreation			
Library			
Airport			
Capital Improvement Projects			
Interfund Transfers			\$ -
Debt Service			
Contingencies			
TOTAL APPROPRIATIONS	\$ 48,400	\$ 54,571	\$ -
Ending Fund Balance	\$ 8,857	\$ 147,078	\$ -
TOTAL APPROPRIATIONS	\$ 57,257	\$ 201,649	\$ -

City of New Braunfels
All Funds Summary
Fiscal Year Ending September 30, 2013

Special Revenue Funds

Available Funds	FY 2012-13 PEG Cable Fund	FY 2012-13 Equipment Repl	FY 2012-13 Ent. Equip. Replacement
Beginning Balance			
Undesignated Funds	\$ 388,890	\$ 6,993,001	\$ -
Reserve for Projects			
Total Beginning Balance	\$ 388,890	\$ 6,993,001	
Revenue			
Taxes and Franchise Fees	\$ 154,000		
Licenses and Permits			
Charges for Services			
Fines and Forfeitures			
Parks and Recreation			
Interest Income		9,858	10,000
Development Fees			
Intergovernmental			
Contributions			
Proceeds from Debt Issuance			
Miscellaneous		4,684	20,000
Interfund Transfers	-	931,935	3,755,653
Total Revenue	\$ 154,000	\$ 946,477	\$ 3,785,653
TOTAL AVAILABLE FUNDS	\$ 542,890	\$ 7,939,478	\$ 3,785,653
APPROPRIATIONS			
General Government	\$ 425,000	\$ 400,000	\$ 191,000
Planning and Community Development		-	
Public Safety		225,052	
Public Works		209,000	1,473,146
Parks and Recreation		27,000	
Library			
Airport		-	14,000
Capital Improvement Projects			
Interfund Transfers		2,579,149	
Debt Service			
Contingencies			
TOTAL APPROPRIATIONS	\$ 425,000	\$ 3,440,201	\$ 1,678,146
Ending Fund Balance	\$ 117,890	\$ 4,499,277	\$ 2,107,507
TOTAL APPROPRIATIONS	\$ 542,890	\$ 7,939,478	\$ 3,785,653

City of New Braunfels
All Funds Summary
Fiscal Year Ending September 30, 2013

Special Revenue Funds

Available Funds	FY 2012-13 Facilities Maint	FY 2012-13 Hotel-Motel	FY 2012-13 Cemetery
Beginning Balance			
Undesignated Funds	\$ 693,292	\$ 136,480	\$ 87,889
Reserve for Projects			
Total Beginning Balance	\$ 693,292	\$ 136,480	\$ 87,889
Revenue			
Taxes and Franchise Fees		\$ 2,835,000	
Licenses and Permits			750
Charges for Services			
Fines and Forfeitures			
Parks and Recreation			
Interest Income	1,000	1,200	-
Development Fees			
Intergovernmental			
Contributions			
Proceeds from Debt Issuance			
Miscellaneous		-	
Interfund Transfers	-		
Total Revenue	\$ 1,000	\$ 2,836,200	\$ 750
TOTAL AVAILABLE FUNDS	\$ 694,292	\$ 2,972,680	\$ 88,639
APPROPRIATIONS			
General Government	\$ 183,000	\$ 1,929,101	\$ 80,000
Planning and Community Development			
Public Safety	61,855		
Public Works	160,087		
Parks and Recreation	100,650		
Library	-		
Airport			
Capital Improvement Projects			
Interfund Transfers		1,001,300	
Debt Service			
Contingencies			
TOTAL APPROPRIATIONS	\$ 505,592	\$ 2,930,401	\$ 80,000
Ending Fund Balance	\$ 188,700	\$ 42,279	\$ 8,639
TOTAL APPROPRIATIONS	\$ 694,292	\$ 2,972,680	\$ 88,639

City of New Braunfels

All Funds Summary Fiscal Year Ending September 30, 2013	Debt Service Fund	Internal Svce Fund	Capital Improvement Funds
Available Funds	FY 2012-13 Debt Service	FY 2012-13 Insurance	FY 2012-13 Parks CIP
Beginning Balance			
Undesignated Funds	\$ 856,612	\$ 893,894	\$ 225,873
Reserve for Projects			
Total Beginning Balance	\$ 856,612	\$ 893,894	\$ 225,873
Revenue			
Taxes and Franchise Fees	\$ 8,068,352		
Licenses and Permits			
Charges for Services			
Fines and Forfeitures			
Parks and Recreation			
Interest Income	500	100	125
Development Fees			6,000
Intergovernmental			
Contributions	1,681,294	5,010,069	
Proceeds from Debt Issuance			
Miscellaneous	-	10,000	
Interfund Transfers	611,598	-	
Total Revenue	\$ 10,361,744	\$ 5,020,169	\$ 6,125
TOTAL AVAILABLE FUNDS	\$ 11,218,356	\$ 5,914,063	\$ 231,998
APPROPRIATIONS			
General Government		\$ 5,032,000	
Planning and Community Development			
Public Safety			
Public Works			
Parks and Recreation			215,625
Library			
Airport			
Capital Improvement Projects			
Interfund Transfers			
Debt Service	10,152,917		
Contingencies			
TOTAL APPROPRIATIONS	\$ 10,152,917	\$ 5,032,000	\$ 215,625
Ending Fund Balance	\$ 1,065,439	\$ 882,063	\$ 16,373
TOTAL APPROPRIATIONS	\$ 11,218,356	\$ 5,914,063	\$ 231,998

City of New Braunfels
All Funds Summary
Fiscal Year Ending September 30, 2013

Capital Improvement Funds

Available Funds	FY 2012-13 2004 C of O's	FY 2012-13 2007 C of O's	FY 2012-13 2008 C of O's
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Beginning Balance

Undesignated Funds	\$	-		
Reserve for Projects		32,935	1,395,075	736,094
Total Beginning Balance	\$	32,935	\$ 1,395,075	\$ 736,094

Revenue

Taxes and Franchise Fees				
Licenses and Permits				
Charges for Services				
Fines and Forfeitures				
Parks and Recreation				
Interest Income		250	1,500	4,000
Development Fees				
Intergovernmental				
Contributions				
Proceeds from Debt Issuance				
Miscellaneous				
Interfund Transfers				28,186
Total Revenue	\$	250	\$ 1,500	\$ 32,186

TOTAL AVAILABLE FUNDS	\$	33,186	\$	1,396,575	\$	768,280
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APPROPRIATIONS

General Government				
Planning and Community Development				
Public Safety				
Public Works				
Parks and Recreation				
Library				
Airport				
Capital Improvement Projects		5,000	1,396,575	572,631
Interfund Transfers		28,186		
Debt Service				
Contingencies				195,649
TOTAL APPROPRIATIONS	\$	33,186	\$ 1,396,575	\$ 768,280
Ending Fund Balance	\$	-	\$ -	\$ -
TOTAL APPROPRIATIONS	\$	33,186	\$ 1,396,575	\$ 768,280

City of New Braunfels
All Funds Summary
Fiscal Year Ending September 30, 2013

Capital Improvement Funds

Available Funds	FY 2012-13 2009 C of O's	FY 2012-13 2011 C of O's	FY 2012-13 2012 C of O's
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Beginning Balance

Undesignated Funds

Reserve for Projects 2,381,343 3,131,150 \$ 20,760,000

Total Beginning Balance \$ 2,381,343 \$ 3,131,150 \$ 20,760,000

Revenue

Taxes and Franchise Fees

Licenses and Permits

Charges for Services

Fines and Forfeitures

Parks and Recreation

Interest Income 2,000 10,000 20,000

Development Fees

Intergovernmental -

Contributions

Proceeds from Debt Issuance

Miscellaneous 25,000

Interfund Transfers 183,000

Total Revenue \$ 2,000 \$ 218,000 \$ 20,000

TOTAL AVAILABLE FUNDS \$ 2,383,343 \$ 3,349,150 \$ 20,780,000

APPROPRIATIONS

General Government

Planning and Community Development

Public Safety

Public Works

Parks and Recreation

Library

Airport

Capital Improvement Projects 2,373,848 2,972,453 19,938,000

Interfund Transfers

Debt Service

Contingencies 9,495 376,697 842,000

TOTAL APPROPRIATIONS \$ 2,383,343 \$ 3,349,150 \$ 20,780,000

Ending Fund Balance \$ - \$ - \$ -

TOTAL APPROPRIATIONS \$ 2,383,343 \$ 3,349,150 \$ 20,780,000

City of New Braunfels

All Funds Summary

Fiscal Year Ending September 30, 2013

Capital Improvement Funds

Available Funds	FY 2012-13 2013 C of O's	FY 2012-13 Rdway Impact Fee
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Beginning Balance

Undesignated Funds		\$ 3,254,438
Reserve for Projects		
Total Beginning Balance	\$ -	\$ 3,254,438

Revenue

Taxes and Franchise Fees

Licenses and Permits

Charges for Services

Fines and Forfeitures

Parks and Recreation

Interest Income 5,000 1,500

Development Fees 800,000

Intergovernmental 855,518

Contributions

Proceeds from Debt Issuance 15,700,000

Miscellaneous

Interfund Transfers

Total Revenue \$ 16,560,518 \$ 801,500

TOTAL AVAILABLE FUNDS \$ 16,560,518 \$ 4,055,938**APPROPRIATIONS**

General Government \$ 200,000

Planning and Community Development

Public Safety

Public Works -

Parks and Recreation

Library

Airport

Capital Improvement Projects 15,590,700 3,903,980

Interfund Transfers

Debt Service

Contingencies 769,818

TOTAL APPROPRIATIONS \$ 16,560,518 \$ 3,903,980

Ending Fund Balance \$ - \$ 151,958

TOTAL APPROPRIATIONS \$ 16,560,518 \$ 4,055,938

**City of New Braunfels
Consolidated Fund Balances**

Fiscal Year Ending September 30, 2012

	All Funds		
	FY 2010-11 Actual	FY 2011-12 Estimate	FY 2012-13 Budget
Available Funds			
Beginning Balance			
Undesignated Funds	\$ 47,838,918	\$ 56,310,875	\$ 61,921,034
Reserve for Projects	-	-	-
Total Beginning Balance	\$ 47,838,918	\$ 56,310,875	\$ 61,921,034
Revenue			
Taxes and Franchise Fees	\$ 39,152,981	\$ 42,237,496	\$ 44,857,670
Licenses and Permits	1,693,076	2,048,401	2,123,550
Charges for Services	16,567,601	17,722,176	18,630,265
Fines and Forfeitures	1,845,184	1,459,825	1,643,489
Parks and Recreation	1,352,265	1,231,500	1,353,600
Interest Income	274,445	141,650	140,532
Development Fees	733,124	1,023,000	816,000
Intergovernmental	1,754,313	1,145,176	5,434,256
Contributions	5,703,572	6,069,991	6,816,363
Proceeds from Debt Issuance	18,255,910	20,750,000	15,700,000
Miscellaneous	2,314,001	1,729,663	1,236,337
Interfund Transfers	6,002,802	4,859,394	7,133,880
Total Revenue	\$ 91,101,899	\$ 95,519,520	\$ 100,875,874
TOTAL AVAILABLE FUNDS	\$ 138,940,817	\$ 151,830,395	\$ 162,796,908
APPROPRIATIONS			
General Government	\$ 12,405,060	\$ 13,381,955	\$ 14,984,899
Planning and Community Development	2,873,692	2,809,708	2,965,596
Public Safety	25,995,998	26,117,329	27,590,786
Public Works	8,837,675	9,551,530	13,880,777
Parks and Recreation	4,997,943	5,379,051	5,781,594
Library	1,509,991	1,585,621	1,935,990
Airport	1,566,283	1,797,678	1,984,670
Capital Improvement Projects	11,337,887	14,657,660	49,018,292
Interfund Transfers	5,120,146	3,855,096	5,378,749
Debt Service	8,150,293	8,686,013	10,152,917
Contingencies	-	-	1,868,321
TOTAL APPROPRIATIONS	\$ 82,629,942	\$ 89,909,360	\$ 137,019,890
Ending Fund Balance	\$ 56,310,875	\$ 61,921,035	\$ 25,777,020
TOTAL APPROPRIATIONS	\$ 138,940,817	\$ 151,830,395	\$ 162,796,910

**City of New Braunfels
Consolidated Fund Balances**

Fiscal Year Ending September 30, 2012

	General Fund		
	FY 2010-11 Actual	FY 2011-12 Estimate	FY 2012-13 Budget
Available Funds			
Beginning Balance			
Undesignated Funds	\$ 19,750,371	\$ 18,293,298	\$ 16,873,217
Reserve for Projects			
Total Beginning Balance	\$ 19,750,371	\$ 18,293,298	\$ 16,873,217
Revenue			
Taxes and Franchise Fees	\$ 30,841,771	\$ 32,052,185	\$ 33,800,319
Licenses and Permits	1,687,285	2,042,101	2,117,100
Charges for Services	2,984,975	3,029,773	3,214,012
Fines and Forfeitures	1,522,791	1,189,475	1,379,000
Parks and Recreation	992,874	1,001,500	1,023,600
Interest Income	58,301	70,000	70,000
Development Fees			
Intergovernmental	18,436	15,000	-
Contributions			
Proceeds from Debt Issuance			
Miscellaneous	1,258,937	1,390,503	1,069,850
Interfund Transfers	638,812	635,906	652,562
Total Revenue	\$ 40,004,182	\$ 41,426,443	\$ 43,326,443
TOTAL AVAILABLE FUNDS	\$ 59,754,553	\$ 59,719,741	\$ 60,199,659
APPROPRIATIONS			
General Government	\$ 4,702,037	\$ 5,084,946	\$ 5,545,617
Planning and Community Development	2,295,741	2,111,659	2,469,039
Public Safety	23,648,258	24,448,937	25,826,286
Public Works	4,016,434	3,786,785	5,123,741
Parks and Recreation	3,620,398	3,913,896	3,923,407
Library	1,446,476	1,483,584	1,845,686
Airport			
Capital Improvement Projects			
Interfund Transfers	1,731,912	2,016,717	611,738
Debt Service			
Contingencies			686,222
TOTAL APPROPRIATIONS	\$ 41,461,255	\$ 42,846,524	\$ 46,031,735
Ending Fund Balance	\$ 18,293,298	\$ 16,873,217	\$ 14,167,924
TOTAL APPROPRIATIONS	\$ 59,754,553	\$ 59,719,741	\$ 60,199,659

**City of New Braunfels
Consolidated Fund Balances**

Fiscal Year Ending September 30, 2012

	Enterprise Funds		
	FY 2010-11 Actual	FY 2011-12 Estimate	FY 2012-13 Budget
Available Funds			
Beginning Balance			
Undesignated Funds	\$ 2,629,886	\$ 1,910,482	\$ 2,581,896
Reserve for Projects			
Total Beginning Balance	\$ 2,629,886	\$ 1,910,482	\$ 2,581,896
Revenue			
Taxes and Franchise Fees	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-
Charges for Services	9,035,250	9,793,653	10,406,184
Fines and Forfeitures	-	-	-
Parks and Recreation	-	-	-
Interest Income	3,318	3,250	3,500
Development Fees	-	-	-
Intergovernmental	53,538	50,000	50,000
Contributions	22,181	6,000	-
Proceeds from Debt Issuance			
Miscellaneous	84,427	124,500	96,500
Interfund Transfers	363,380	411,134	389,702
Total Revenue	\$ 9,562,095	\$ 10,388,537	\$ 10,945,886
TOTAL AVAILABLE FUNDS	\$ 12,191,981	\$ 12,299,019	\$ 13,527,783
APPROPRIATIONS			
General Government	\$ 670,236	\$ 743,184	\$ 662,551
Planning and Community Development	-	-	-
Public Safety	-	-	-
Public Works	4,643,265	5,545,614	6,537,851
Parks and Recreation	895,356	871,472	974,417
Library	-	-	-
Airport	1,557,556	1,741,607	1,970,670
Capital Improvement Projects	-	-	-
Interfund Transfers	2,465,056	815,245	1,003,562
Debt Service	50,030	-	-
Contingencies	-	-	69,863
TOTAL APPROPRIATIONS	\$ 10,281,499	\$ 9,717,123	\$ 11,218,913
Ending Fund Balance	\$ 1,910,482	\$ 2,581,896	\$ 2,308,870
TOTAL APPROPRIATIONS	\$ 12,191,981	\$ 12,299,019	\$ 13,527,783

**City of New Braunfels
Consolidated Fund Balances**

Fiscal Year Ending September 30, 2012

	Special Revenue Funds		
	FY 2010-11 Actual	FY 2011-12 Estimate	FY 2012-13 Budget
Available Funds			
Beginning Balance			
Undesignated Funds	\$ 7,639,095	\$ 10,398,338	\$ 8,798,507
Reserve for Projects			
Total Beginning Balance	\$ 7,639,095	\$ 10,398,338	\$ 8,798,507
Revenue			
Taxes and Franchise Fees	\$ 2,613,202	\$ 2,846,750	\$ 2,989,000
Licenses and Permits	5,791	6,300	6,450
Charges for Services	-	-	-
Fines and Forfeitures	322,392	270,350	264,490
Parks and Recreation	359,391	230,000	330,000
Interest Income	24,631	22,200	22,058
Development Fees	46,764	-	10,000
Intergovernmental	1,682,340	1,080,176	4,528,738
Contributions	150,624	174,793	125,000
Proceeds from Debt Issuance			
Miscellaneous	232,086	56,632	34,987
Interfund Transfers	3,890,812	2,799,755	5,268,832
Total Revenue	\$ 9,328,033	\$ 7,486,956	\$ 13,579,554
TOTAL AVAILABLE FUNDS	\$ 16,967,128	\$ 17,885,294	\$ 22,378,061
APPROPRIATIONS			
General Government	\$ 2,181,040	\$ 2,726,325	\$ 3,544,730
Planning and Community Development	549,450	610,296	496,557
Public Safety	2,347,740	1,668,392	1,764,500
Public Works	177,976	219,130	1,122,865
Parks and Recreation	482,189	593,682	668,145
Library	63,515	102,037	90,304
Airport	8,727	56,071	14,000
Capital Improvement Projects	-	-	2,236,919
Interfund Transfers	923,178	1,023,134	3,763,449
Debt Service	-	-	-
Contingencies	-	-	14,899
TOTAL APPROPRIATIONS	\$ 6,568,790	\$ 9,086,787	\$ 15,193,667
Ending Fund Balance	\$ 10,398,338	\$ 8,798,507	\$ 7,184,393
TOTAL APPROPRIATIONS	\$ 16,967,128	\$ 17,885,294	\$ 22,378,061

**City of New Braunfels
Consolidated Fund Balances**

Fiscal Year Ending September 30, 2012

	Capital Project Funds		
	FY 2010-11 Actual	FY 2011-12 Estimate	FY 2012-13 Budget
Available Funds			
Beginning Balance			
Undesignated Funds			
Reserve for Projects	\$ 16,966,228	\$ 24,729,694	\$ 31,916,909
Total Beginning Balance	\$ 16,966,228	\$ 24,729,694	\$ 31,916,909
Revenue			
Taxes and Franchise Fees	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-
Charges for Services	-	-	-
Fines and Forfeitures	-	-	-
Parks and Recreation	-	-	-
Interest Income	187,584	45,600	44,375
Development Fees	686,360	1,023,000	806,000
Intergovernmental	-	-	855,518
Contributions	-	-	-
Proceeds from Debt Issuance	18,255,910	20,750,000	15,700,000
Miscellaneous	-	114,028	25,000
Interfund Transfers	-	-	211,186
Total Revenue	\$ 19,129,854	\$ 21,932,628	\$ 17,642,079
TOTAL AVAILABLE FUNDS	\$ 36,096,082	\$ 46,662,322	\$ 49,558,988
APPROPRIATIONS			
General Government	\$ -	\$ -	\$ 200,000
Planning and Community Development	28,501	87,753	-
Public Safety	-	-	-
Public Works	-	-	1,096,321
Parks and Recreation	-	-	215,625
Library	-	-	-
Airport	-	-	-
Capital Improvement Projects	11,337,887	14,657,660	46,781,373
Interfund Transfers	-	-	-
Debt Service	-	-	-
Contingencies	-	-	1,097,338
TOTAL APPROPRIATIONS	\$ 11,366,388	\$ 14,745,413	\$ 49,390,657
Ending Fund Balance	\$ 24,729,694	\$ 31,916,909	\$ 168,331
TOTAL APPROPRIATIONS	\$ 36,096,082	\$ 46,662,322	\$ 49,558,988

**City of New Braunfels
Consolidated Fund Balances**

Fiscal Year Ending September 30, 2012

	Debt Service Fund		
	FY 2010-11 Actual	FY 2011-12 Estimate	FY 2012-13 Budget
Available Funds			
Beginning Balance			
Undesignated Funds	\$ 679,114	\$ 600,519	\$ 856,612
Reserve for Projects			
Total Beginning Balance	\$ 679,114	\$ 600,519	\$ 856,612
Revenue			
Taxes and Franchise Fees	\$ 5,698,009	\$ 7,338,560	\$ 8,068,352
Licenses and Permits			
Charges for Services			
Fines and Forfeitures			
Parks and Recreation			
Interest Income	471	500	500
Development Fees			
Intergovernmental			
Contributions	983,391	990,448	1,681,294
Proceeds from Debt Issuance			
Miscellaneous	730,000	-	-
Interfund Transfers	609,798	612,598	611,598
Total Revenue	\$ 8,021,668	\$ 8,942,106	\$ 10,361,744
TOTAL AVAILABLE FUNDS	\$ 8,700,782	\$ 9,542,625	\$ 11,218,356
APPROPRIATIONS			
General Government			
Planning and Community Development			
Public Safety			
Public Works			
Parks and Recreation			
Library			
Airport			
Capital Improvement Projects			
Interfund Transfers			
Debt Service	8,100,263	8,686,013	10,152,917
Contingencies			
TOTAL APPROPRIATIONS	\$ 8,100,263	\$ 8,686,013	\$ 10,152,917
Ending Fund Balance	\$ 600,519	\$ 856,612	\$ 1,065,439
TOTAL APPROPRIATIONS	\$ 8,700,782	\$ 9,542,625	\$ 11,218,356

**City of New Braunfels
Consolidated Fund Balances**

Fiscal Year Ending September 30, 2012

	Internal Service Fund		
	FY 2010-11 Actual	FY 2011-12 Estimate	FY 2012-13 Budget
Available Funds			
Beginning Balance			
Undesignated Funds	\$ 174,224	\$ 378,544	\$ 893,894
Reserve for Projects			
Total Beginning Balance	\$ 174,224	\$ 378,544	\$ 893,894
Revenue			
Taxes and Franchise Fees			
Licenses and Permits			
Charges for Services			
Fines and Forfeitures			
Parks and Recreation			
Interest Income	141	100	100
Development Fees			
Intergovernmental			
Contributions	4,547,376	4,898,750	5,010,069
Proceeds from Debt Issuance			
Miscellaneous	8,550	44,000	10,000
Interfund Transfers	500,000	400,000	-
Total Revenue	\$ 5,056,067	\$ 5,342,850	\$ 5,020,169
TOTAL AVAILABLE FUNDS	\$ 5,230,291	\$ 5,721,394	\$ 5,914,063
APPROPRIATIONS			
General Government	\$ 4,851,747	\$ 4,827,500	\$ 5,032,000
Planning and Community Development			
Public Safety			
Public Works			
Parks and Recreation			
Library			
Airport			
Capital Improvement Projects			
Interfund Transfers			
Debt Service			
Contingencies			
TOTAL APPROPRIATIONS	\$ 4,851,747	\$ 4,827,500	\$ 5,032,000
Ending Fund Balance	\$ 378,544	\$ 893,894	\$ 882,063
TOTAL APPROPRIATIONS	\$ 5,230,291	\$ 5,721,394	\$ 5,914,063

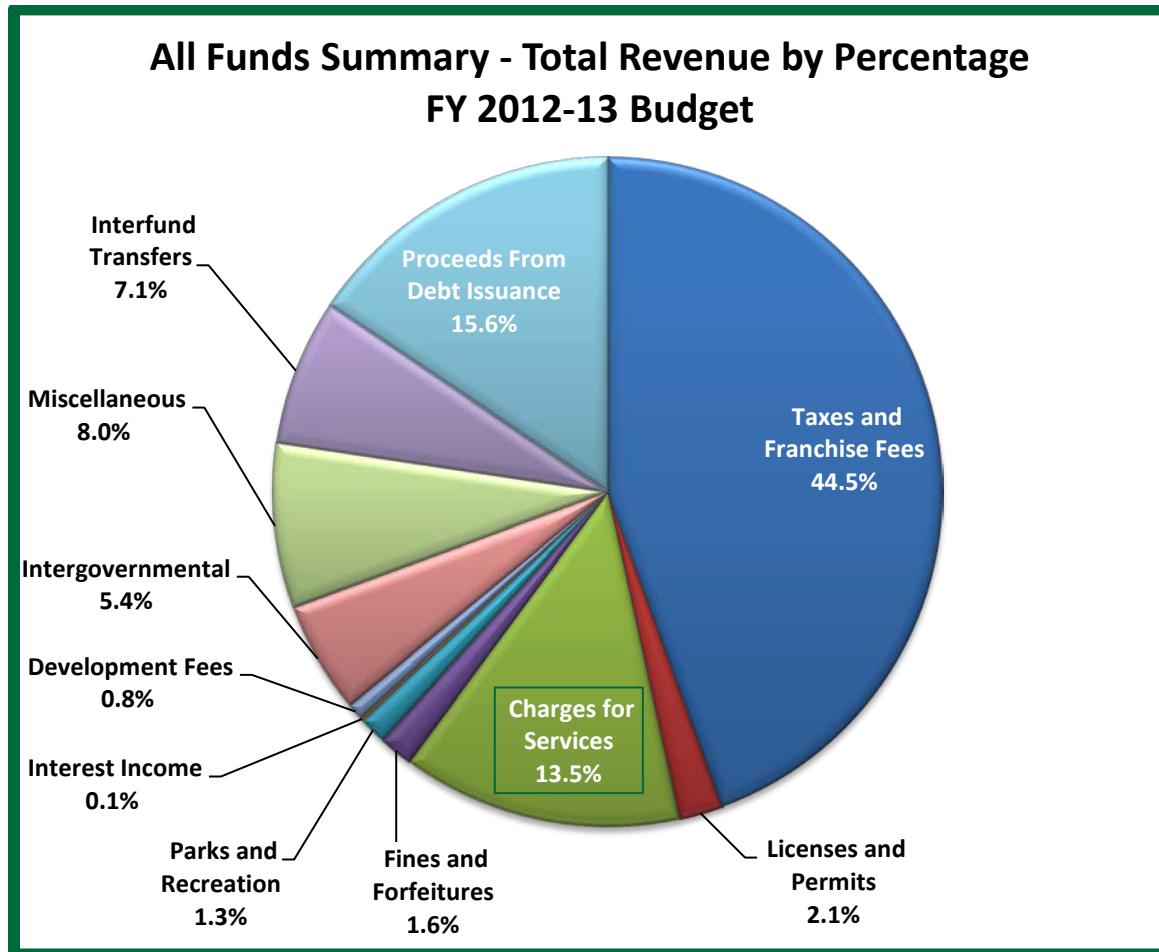
REVENUES

The City, as part of the annual budget development process, projects revenues from all the various sources to determine the amount of funds that will be available to pay for needed programs and projects. Most revenue projections are based on historical trends for that unique revenue source. Of course, recent history weighs more heavily when completing this trend analysis. License and permit revenue is generated from construction activity in the City. Revenue projections are based on an analysis of current and projected future activity in this area. Fines and forfeitures reflect court activity as well as any changes to procedures and ordinances that may impact revenue from this source. For example, several years ago, the City created a traffic unit in the Police Department and grant funding for traffic enforcement also impacts this revenue source. This changed the revenue projections from this source. Charges for services include parks and recreation, golf course fees, solid waste collection services and other City functions for which user fees are charged. Solid waste revenue looks at current rates and customer base plus anticipated growth to determine the revenue that will be received.

In addition, several major revenue sources' projections are done using more in-depth analysis. This includes property tax, and sales tax. The revenue from another major source – franchise payments from the New Braunfels Utilities – is set by the utility themselves. This payment is based on their current budget and a reconciliation of prior year's actual revenues versus budgeted revenues.

Property tax revenues are calculated with a different methodology than historical trends. That method is explained below in the property tax section of this revenue narrative. Sales tax has several unique characteristics in the City of New Braunfels that make it more challenging to project. First, sales tax, which is approximately one third of the City's total revenues, is driven to some extent by New Braunfels strong tourism sector in the economy. Second, the City has economic development agreements with two major distributors – one for home furnishings and the other construction materials for contractors, as well as a tax increment investment zone and other economic development agreement with two major retailers to show sales tax. These businesses contribute a significant portion of the City's sales tax. Their business success, therefore, could impact the City's sales tax revenues. Finally, as is true for all municipalities, sales tax is dependent on the health of the economy. New Braunfels sales tax revenues are developed by separating out the revenue from the major businesses with economic development agreements from the rest of the sales tax. Then, the current economic climate is considered when setting a growth rate for the rest of the sales tax revenue. All this is combined for an overall sales tax revenue budget amount. Before the economic downturn, New Braunfels experienced double digit percentage growth in sales tax revenue. The sluggish economy dampened that growth with FY 2008-09 showing a reduction in total sales tax revenue and FY 2009-10 and FY 2010-11 showing flat or very moderate growth. FY 2011-12 rebounded strongly with a 10.2 percent increase from the prior year. The FY 2012-13 Budget assumes an eight percent growth in sales tax.

Interest income also has two components – expected fund balances and projected interest rates. These two factors are combined to determine the budget for interest income.



Category	FY 2012-13 Budget
Taxes and Franchise Fees	\$44,857,670
Licenses and Permits	2,123,550
Charges for Services	13,620,196
Fines and Forfeitures	1,643,489
Parks and Recreation	1,353,600
Interest Income	140,533
Development Fees	816,000
Intergovernmental	5,434,255
Miscellaneous	1,236,338
Proceeds from Debt Issuances	15,700,000
Contributions	6,816,363
Interfund Transfers	7,133,880
Total	\$100,875,874

As shown in the graph, taxes (ad valorem property and sales tax) and franchise fees (from the City owned utility as well as other cable, telephone and utility operators using the City's rights-of-way and easements) make up \$44,907,753 or 44.8 percent of the City's total revenue. Proceeds from debt issuances total \$15.7 million or 15.7 percent of revenue; these proceeds are entirely driven by the proposed 2013 Certificates of Obligation. Charges for services (parks, solid waste collection, golf, airport operations, etc.) are the next largest source of revenue at \$13,620,196 or 13.6 percent. Interfund transfers of \$7,133,880 or 7.1 percent reflect monies moved from one fund to another – mainly from the General Fund and Solid Waste fund for equipment replacement funds. Additionally, other funds that receive Interfund transfers from the General Fund to support their operations when their revenues do not fully cover their expenditures are the Civic/Convention Center Fund and the River Activities Fund. Contributions of \$6,136,589 or 6.1 percent are coming from contributions made by the City and employees for health insurance premiums, as well as contributions towards the Debt Service Fund from other funds. Intergovernmental with revenues totaling \$5,434,255 or 5.4 percent represent revenues coming from other governments such as the federal or state government through grants and federal entitlement programs.

All other revenue sources – Miscellaneous (\$1,236,338), Interest Income (\$140,533), Parks and Recreation (\$1,353,600), Fines and Forfeitures (\$1,643,489), Development Fees (\$816,000), and Licenses and Permits (\$2,123,550) each represent less than 2.5 percent of the total revenue and total to 13.5 percent of all revenues.

As stated above, the City is heavily dependent on property tax (for the General Fund and the Debt Service Fund) and sales tax (for the General Fund). Property tax is a steady, predictable source of revenue. Sales tax can be much more volatile. The City had experienced steady, robust growth in sales tax until the latter part of FY 2008-09 when the economic downturn hit this revenue source causing its growth to decline slightly in FY 2008-09, in FY 2009-10 sales tax began to rebound, showing a 4.5 percent increase. Sales tax revenues have continued to grow in FY 2011-12 (estimated at 6.8% for the year). In FY 2012-13, the City is projecting an 8% increase in sales tax revenue based on the FY 2011-12 estimates. The City continually evaluates user fees to determine if they are recovering the appropriate portion – or all – of the costs of providing services. This cost analysis is balanced against what the “market” will bear in terms of cost of services and affordability for citizens. For example, pool admission fees have remained at a very low level so that all of the community as well as tourists can enjoy this low cost activity.

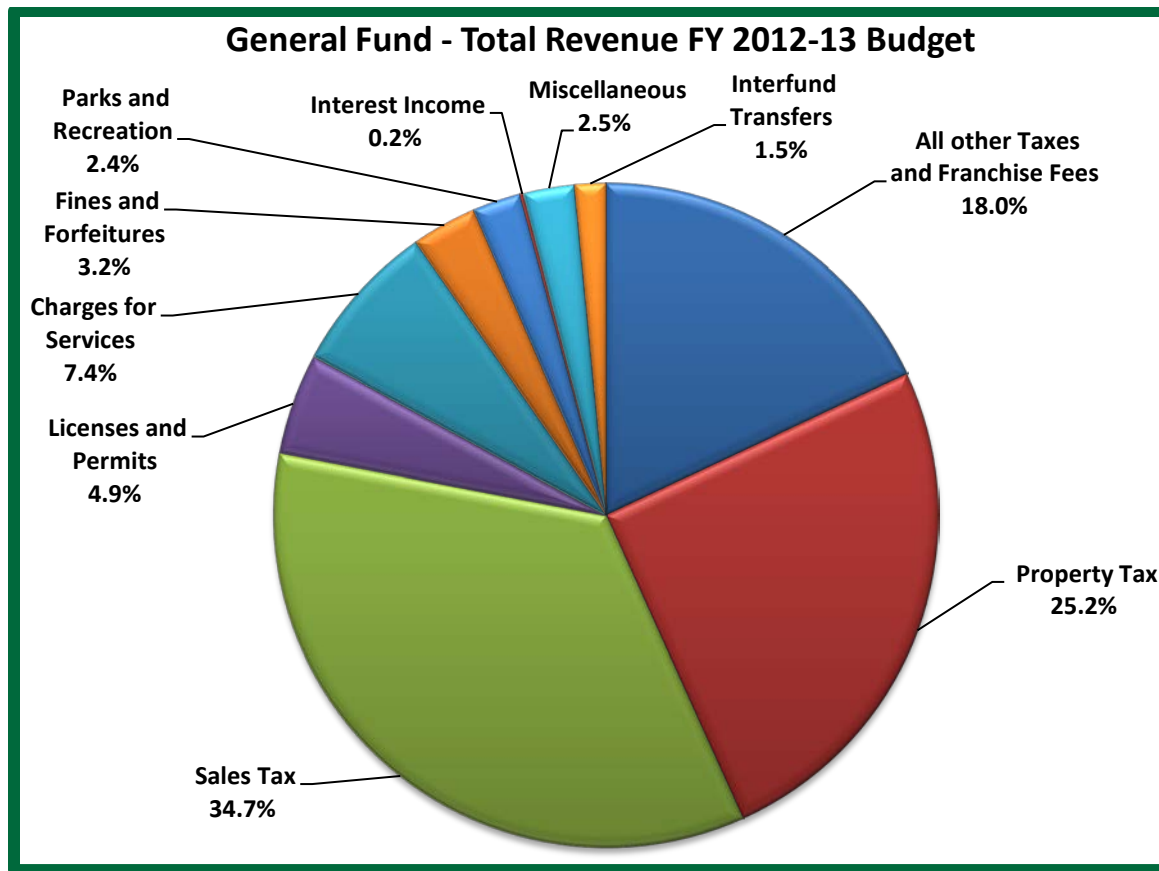
Recognizing that a significant portion of the City's overall revenue – sales tax, hotel/motel tax, even court costs and fines – are driven by tourism activity, the City works constantly to build reserves and manage other revenue sources to protect the overall financial position of the City.

The following describes each fund's budgeted revenues and compares them to the prior year's estimated revenue.

General Fund:

The FY 2012-13 Adopted Budget for the General Fund includes total revenues of \$43,326,443. This represents an increase of \$1.9 million or 4.6 percent more than the FY 2011-12 estimated revenues. However, it is an increase of \$3.32 million or 8.3 percent relative to the FY 2010-11 actual revenues. As shown in the graph, the City of New Braunfels General Fund has two major revenue sources – ad valorem (property) tax (\$10,942,352 or 25.2 percent) and sales tax (\$15,059,909 or 34.7percent). These two sources make up 59.9 percent of the General Fund revenue. The next largest source of revenue is other taxes and franchise payments (\$7,798,058 or 18 percent), particularly from New Braunfels Utilities, a City owned water, wastewater and electric service provider. The remaining revenue sources include licenses and permits (\$2,117,100 or 4.9 percent), charges for services (\$3,214,012 or 7.4 percent), court fees and fines (\$1,379,000 or 3.2 percent), parks and recreation fees (\$1,023,600 or 2.4 percent), interest income (\$70,000 or .2 percent), interfund transfers (\$652,562 or 1.5 percent) and miscellaneous revenue (\$1,069,850 or 2.5 percent). As shown on the graph below, the City’s revenue sources are diverse. When the largest property tax payers or the largest collectors of sales tax are analyzed, these companies are classified as stable such as hospitals that pay property taxes or the City owned utility that collects user fees. Property values, as discussed in more detail below, now show moderate growth and sales tax growth has rebounded significantly.

The increase in the budgeted revenues in comparison to the estimate for FY 2011-12 is mostly attributed to projected sales tax revenue for FY 2012-13 (\$1,126,424 or 8.1 increase from FY 2011-12) The budgeted \$558,052 increase in ad valorem tax revenues results from new property on the appraisal roles in 2012 and the increase in the tax rate for FY 2012-13. The City increased the tax rate for Operations and Maintenance by \$.0072. The Debt Service portion of the ad valorem tax was also increased by an additional \$.012 to fully fund the annual principal and interest payments from recently issued certificates of obligation.

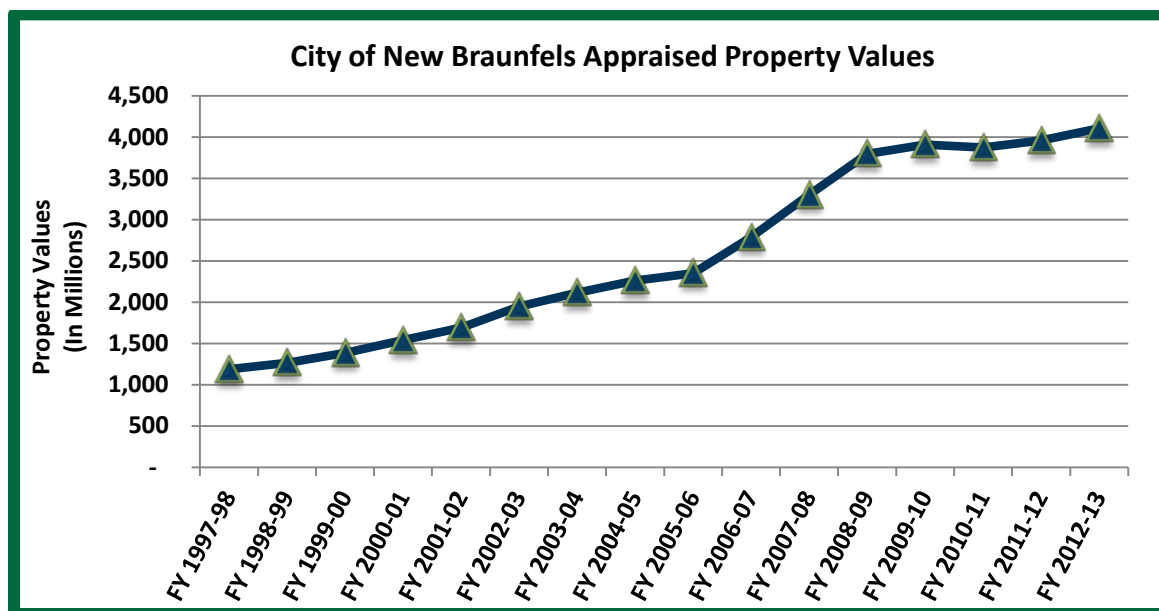


Category	FY 2012-13 Budget
All other Taxes and Franchise Fees	\$7,798,058
Property Tax	10,942,352
Sales Tax	15,059,909
Licenses and Permits	2,117,100
Charges and Services	3,214,012
Fines and Forfeitures	1,379,000
Parks and Recreation	1,023,600
Interest Income	70,000
Miscellaneous	1,069,850
Interfund Transfers	652,562
Total	\$43,326,443

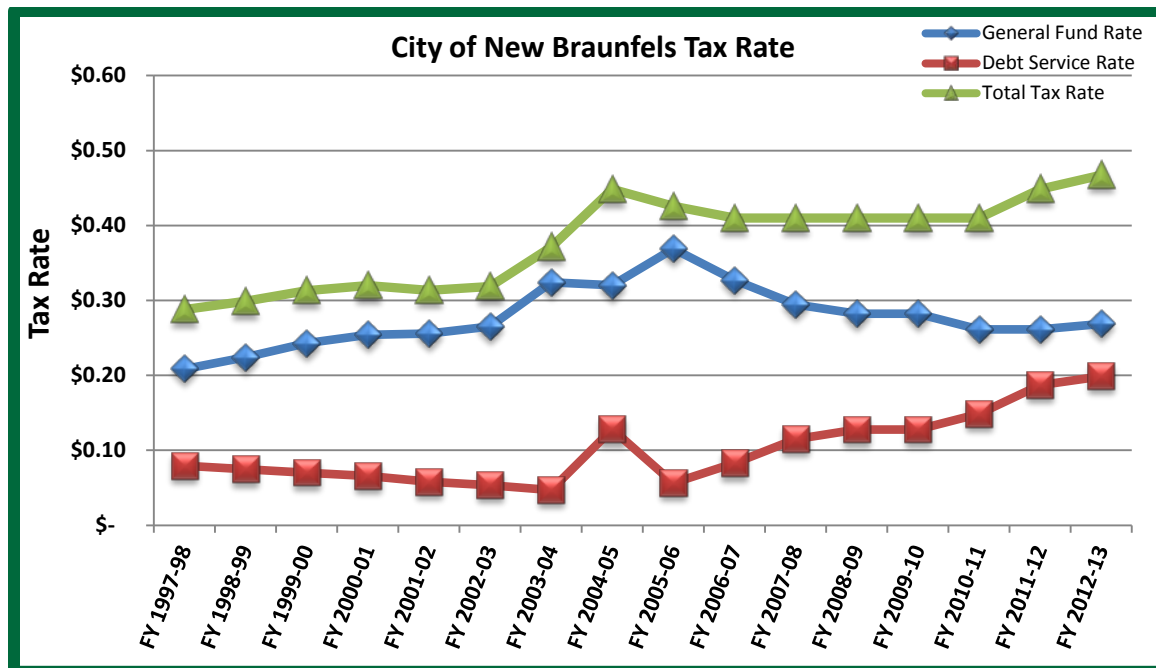
Ad Valorem Taxes

Ad valorem taxes in the General Fund for FY 2012-13 total \$10,942,352 with \$10,617,352 from current collections and \$325,000 from delinquent collections, penalties and interest. This total tax revenue represents an increase of \$558,052 or 5.4 percent more than the FY 2011-12 estimates. The General Fund property tax rate for FY 2012-13 is \$.268564 per \$100 valuation, increasing by \$.0072 when compared to FY 2011-12. This change was the first since FY 2005-06 when the General Fund portion of the tax rate was reduced by a total of \$.1076358.

The amount of ad valorem tax revenue budgeted by the City is determined by a combination of the appraised property values and the tax rate set by City Council. The Comal Appraisal District and Guadalupe Appraisal District establish the appraised property values for the City of New Braunfels as it sits in both counties. The graph below illustrates the growth in property values over the last sixteen years. The average annual growth in values since FY 2000-01 is 8.9 percent. In FY 2010-11, property values actually decreased by approximately .9 percent. In FY 2011-12, property values increased 2.1% and the FY 2012-13 values increased by 3.7 percent. Prior to FY 2010-11, every year since FY 2000-01 has seen some growth in assessed values. The highest growth occurred in FY 2006-07, which saw an 18.5 percent overall increase in property values. Growth rates were similar in the next two years (18.4 percent and 15.1 percent) for an average annual rate of 17.3 percent in those three years combined. The growth since FY 2010-11 has come almost entirely from new values on the roles as existing property values remained relatively flat. As the housing market and economy shows some signs of recovery, the City expects property values to grow at a slightly higher rate than the last few years.



The chart below shows the changes in the property tax rates since FY 1997-98. Tax rates shown include the overall tax rate as well as the two components that make up that rate – the General Fund and the Debt Service Fund. As the graph illustrates, the City raised the overall tax rate in FY 2011-12 for the first time in seven years. Additionally, it also indicates the adopted increase for FY 2012-13. This increase was necessary for both the Debt Service and the General Fund portions of the tax to support increased funding requirements in both areas.

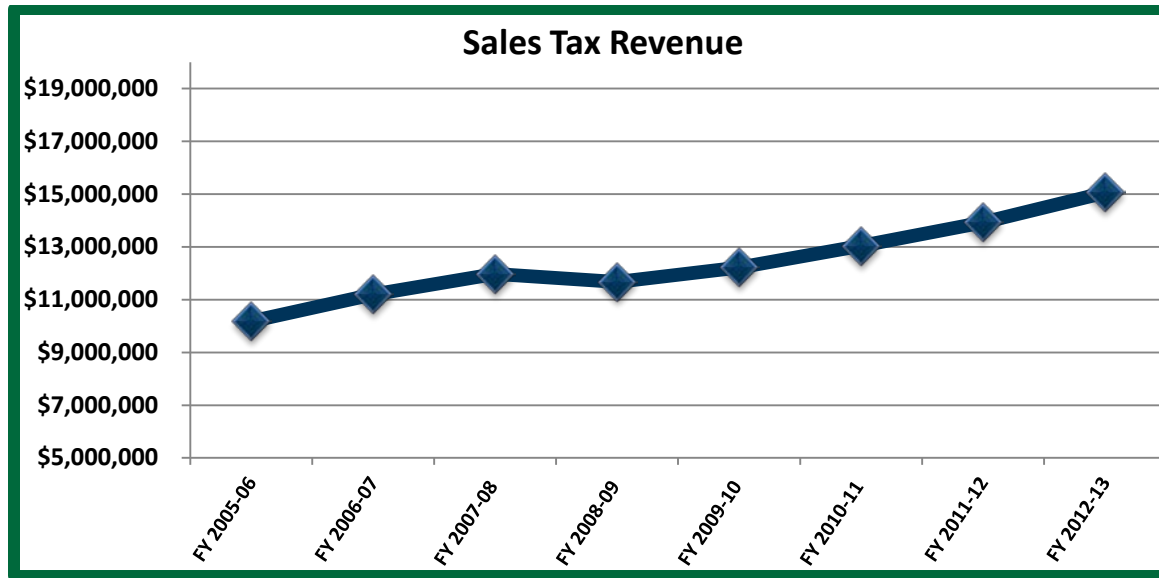


Sales Tax

The General Fund sales tax revenue for FY 2012-13 totals \$15,059,909, an increase of \$1,126,424 or 8.1 percent in comparison to the FY 2011-12 estimated revenues. Sales tax revenue shows strong growth due to signs of the economic recovery that is both impacted by tourist dollars entering the community, general consumer spending, and new retail development.

Sales tax revenue showed steady growth through FY 2007-08 (18.1 percent average annual growth over each of the three years up to and including FY 2007-08). During the economic downturn, sales tax revenues stayed relatively flat in FY 2008-09 and FY 2009-10. FY 2010-11 showed a rebound with revenue exceeding the prior year by 7.6 percent. FY 2011-12 will end the year 10.2 percent above the prior year. As stated, there are gains projected as well for FY 2012-13 (8.1 percent growth).

The City of New Braunfels recognizes that sales tax revenue has the potential for volatility, since some of this revenue depends on tourism and other seasonal influences as well as on several major businesses and retail developments and the laws surrounding those operations and sales tax collections. Therefore, the City works to use a portion of the sales tax revenue to fund non-recurring expenditures such as vehicle and other capital equipment purchases as well as funding for reserve accounts.



Other Taxes and Franchise Fees

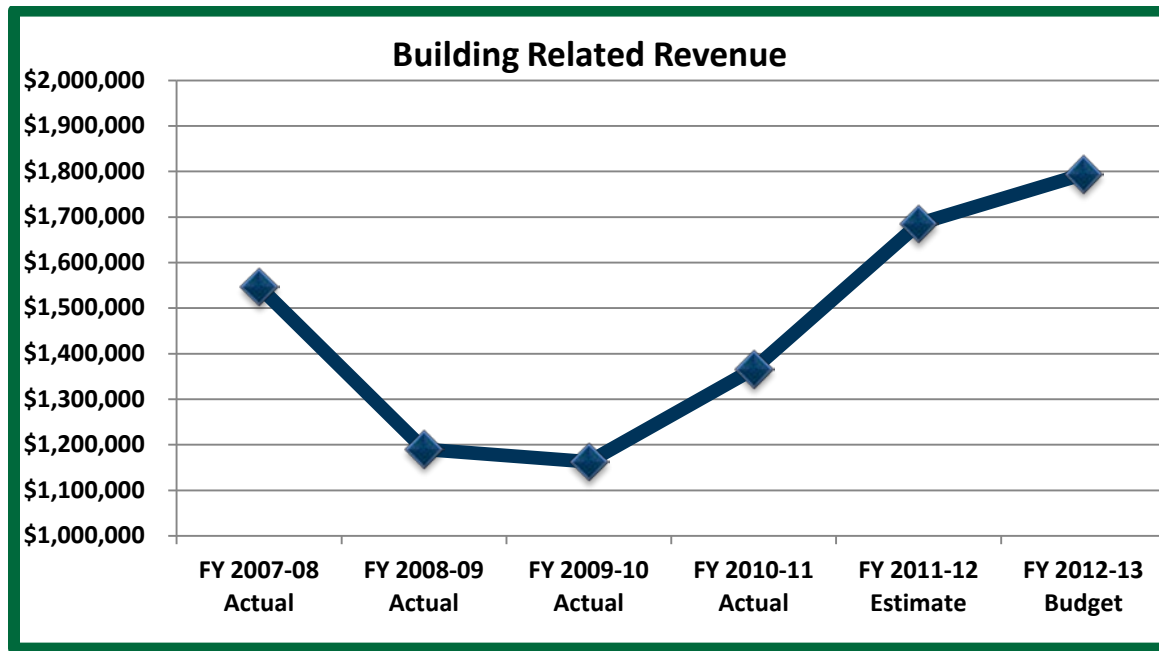
The largest source of other tax revenue comes from payments from the City-owned water, wastewater and electric utility – New Braunfels Utility (NBU). The FY 2012-13 Budget includes \$6,098,808 from this source, which represents a .8 percent increase from the FY 2011-12 estimates. NBU pays the City of New Braunfels 16 percent of their gross margin (calculated as available revenue after deducting the cost of purchased power, purchased water and principal payments for hydroelectric generation). There is a significant lag in the reconciliation of NBU's actual revenue to the computed City payment. The payment is set annually based on budgeted revenues, adjusted for prior years' actual.

Other franchise payments include voice communications, cable television and other utilities operating within the City limits and total \$1,509,250. The City also receives a mixed beverage tax (\$190,000). These revenues total \$1,699,250 for FY 2012-13 and represent an increase of \$18,250 or 1.14 percent in comparison to the FY 2011-12 estimates. This increase is driven entirely from the increase in voice communication revenues.

Licenses and Permits

Revenue from all licenses and permits totals \$2,117,100 for FY 2012-13, an increase of \$74,999 or 3.7 percent compared to the FY 2011-12 estimates. Building permits make up approximately 74.4 percent of the total revenue in this category (\$1,575,000). In FY 2006-07, activity and revenue declined significantly to the \$678,500 mark. FY 2007-08 saw some rebound, with revenues totaling \$758,369 and FY 2008-09 climbed to \$907,383. In FY 2009-10, this revenue source decreased slightly to \$890,500. As construction started to rebound from the impact of the economic downturn, and revenues increased in FY 2010-11. The FY 2011-12 Estimates show a continuation of this upward trend. For FY 2012-13, continued growth is expected, \$1,575,000 is expected to be generated in FY 2012-13. Skilled trade license revenue, which for FY 2012-13 includes general contractor licenses, totals \$116,000, equal to the FY 2011-12 estimates. Alarm

permit revenue remains at \$112,000 also equal to FY 2011-12. Some other types of permits and licensing fees have increased such as alcohol licenses, fire inspection permits and plat review licenses while others have decreased such as the commercial plan review fee and the plan review fee. Other types of permit and licensing fees make up the remainder of the revenue in this category. The following graph shows all building related revenue history beginning in FY 2007-08.



Charges for Services

Charges for services includes four major revenue sources: payments for ambulance services provided through the Fire Department's emergency management response (\$1,944,512); payment from the Emergency Services District #7 which was created in FY 2009-10 (\$1,051,250); payments from the landfill located in the City limits (\$112,500); and library fines and fees (\$96,500). Other miscellaneous items contribute to the total FY 2012-13 revenues in this category of \$3,214,012; this amount is \$184,239 or 6.1 percent more than the FY 2011-12 estimates. The increase is driven entirely by two factors. First, the City experienced an increase in the demand for ambulance services. Secondly, there has been an increase in the Emergency Services District Services payment of \$104,000 when compared to the FY 2011-12 estimates.

Fines

The FY 2012-13 Adopted Budget includes \$1,379,000 in revenues from fines, an increase of \$189,525 or a 15.9 increase from FY 2011-12 estimates. In FY 2010-11 the elimination of the Municipal Court's backlog and several efforts to increase customer service resulted in increased revenues in that year. The main sources of revenue in this category are traffic violations (\$830,000) and misdemeanors (\$340,000) where individuals pay fines. Tourism activity directly impacts this revenue source. Other revenue comes from ordinance violations, arrest fees, court costs and warrant service fees.

Parks and Recreation

Parks and Recreation charges for various activities and services provided by the City; the largest single source of revenue is the spring-fed and Olympic pools (\$425,000) and the Recreation Fees (\$274,000). Park facilities rentals (\$137,500) and tube chute entrance fees (\$75,000) are also major revenue sources in this category. The recreation programs revenue has grown steadily in the last five years due to significant increases in the number and types of programs being offered by the Parks Department. The total Parks and Recreation revenue for FY 2012-13 is \$1,023,600, a slight increase when compared to FY 2011-12 estimates (\$22,100). There is one fee increase included in the FY 2012-13 Adopted Budget which is the increase in camp fees for residents from \$77 to \$82 per week; a non-resident rate will also be established at \$100 per week.

Interest Income

Interest income represents the return on investments made with available General Fund cash. For FY 2012-13, \$70,000 in interest income is budgeted, very close to the FY 2011-12 estimates and the FY 2010-11 actuals. The actual amount for FY 2009-10 was \$88,912. This is a significant reduction from the FY 2007-08 actual amount of \$936,955 and even the FY 2008-09 actual amount of \$328,538, entirely because of the current economic conditions and low interest rates available in the market. Interest rates in investment instruments available to municipalities are currently hovering below one percent.

Intergovernmental Revenue

No revenue is budgeted in the Intergovernmental Revenue category for FY 2012-13. This category has previously been used to account for grants received from federal, state and local entities. In FY 2005-06, a new Grant Fund was established. All new grant proceeds are now accounted for in that fund.

Miscellaneous

Miscellaneous revenue for FY 2012-13 totals \$1,069,850, \$320,653 or 23.1 percent less than the FY 2011-12 estimates. The decrease is driven entirely from catch up payments that occurred in FY 2011-12 in accordance with one of the City's economic incentive/non-annexation contracts. Of the total revenue in miscellaneous, \$766,350 represents payments from economic development contracts with businesses that have economic incentives and non-annexation agreements. Other sources of revenue in this category include leases, merchandise sales for the City sponsored events (Wassail and Saengerfest) and reimbursements from prior years.

Interfund Transfers

For FY 2011-12 interfund transfers total \$652,562, a nominal increase to the FY 2011-12 estimates. The City's enterprise funds (Airport, Golf, Civic/Convention Center and Solid Waste) all receive support from other City functions such as Information Technology, Finance, Human Resources, the City Attorney, and the City Secretary. The General Fund budgets the full cost of these support departments. However, since these other funds receive services, it is appropriate for them to contribute to the cost of those functions. This is accomplished through interfund transfers. In FY 2012-13, two of the City

enterprise funds will contribute to the General Fund - \$606,906 from Solid Waste and \$45,656 from Golf. For the Golf Fund, the entire amount represents the contribution for administrative services. For Solid Waste, \$306,906 is the administrative services contribution and \$300,000 is for street use. FY 2012-13 is the fourth year the Solid Waste Fund will contribute to the General Fund for street use. These funds help offset the cost of street maintenance and repair – paid entirely by the General Fund. The Solid Waste heavy vehicles (mainly refuse collection trucks) create significant wear and tear on the streets. This contribution will help offset the cost of maintaining the streets.

Other Funds

Community Development Block Grant (CDBG) Fund

The CDBG program receives its funding from the U.S. Department of Housing and Urban Development. The FY 2012-13 Budget includes revenue of \$500,711, including \$109,088 in revenue which represents funding from program years 2011 and 2012 that is still unspent from these two years' funding. The remaining revenue of \$349,087 represents City funding for program year 2013.

Grant Fund

The Grant Fund was established in FY 2005-06 to account for all state, federal and local grant proceeds received by the City of New Braunfels. The FY 2012-13 Adopted Budget includes \$1,699,411 in grant revenue from various sources and for differing purposes including \$10,304 of matching funds provided by the City. These also include funds from the Federal Emergency Management Agency (FEMA) for pre-disaster and flood mitigation, the State's Housing Trust Fund (for housing rehabilitation), downtown infrastructure support, and the Comal County Courthouse renovation. As the City receives additional grants during the year, those revenues will be accounted for in this fund.

Special Revenue Fund

Prior to FY 2006-07, the Special Revenue Fund was used to account for grants received from federal, state and local sources as well as for donations from various benefactors. In FY 2006-07, this fund began to be used exclusively for donation accounting. Donations received mainly pertain to police, fire, parks and library activities, with the library benefiting the most from donations due to the organizations that actively supports the library. The Parks Foundation supports the Parks and Recreation Department's efforts. For the FY 2012-13 Budget, \$125,000 in donations is projected.

River Activities Fund

The River Activities Fund is used by the City to pay for costs associated with management of river activities during the peak summer tourism season. For FY 2012-13, a total of \$1,002,091 is budgeted in revenue, an increase of \$10,711 or 1.1 percent in comparison to FY 2011-12 estimates. Revenue comes from four main sources: fees collected by commercial vendors offering services on the river (tube rentals and shuttle service), the fines assessed for violations on the river, shuttle permits and a transfer from the General Fund to help support these activities. The increase in anticipated revenues is

due to anticipated higher river activities fee revenues. In addition to General Fund support, \$160,000 is included in the interfund transfer revenue from the Solid Waste Fund for FY 2012-13. This is due to the fact that prior to FY 2011-12, the cost of river cleanup and advertising for the anti-litter campaign was funded and expensed in the Solid Waste Fund. In FY 2012-13, these expenses continue to be funded by Solid Waste and again accounted for in the River Activities Fund. This strategy allows for a more accurate representation of the costs of river management.

For FY 2012-13, \$330,000 is budgeted for river usage fees, \$5,700 for shuttle permits, \$150,000 from fines and other misdemeanors and a total of \$356,391 in transfers from the General Fund and Solid Waste.

Court Security Fund

The Court Security Fund was established by the City of New Braunfels in August 2004. The City collects \$3.00 from all defendants convicted of a misdemeanor offense in the Municipal Court. For FY 2012-13, \$24,663 is budgeted in revenue, an amount greater than the FY 2011-12 estimates by \$5,663.

Judicial Efficiency Fund

The Judicial Efficiency Fund receives its revenue from a \$25 fee paid by individuals convicted through a municipal court proceeding. One-half of the fee (\$12.50) is sent to the State; one-tenth (\$2.50) is retained locally strictly for judicial efficiency; and four-tenths (\$10.00) is retained locally with no restrictions and, therefore, deposited into the General Fund. For FY 2012-13, the City projects revenue from this source of \$5,051 in the Judicial Efficiency Fund, an amount that greater than the FY 2011-12 estimates by \$1,151.

Court Technology Fund

Revenues of \$33,304 are included in the FY 2012-13 Budget for the Court Technology Fund; the amount is greater than the FY 2011-12 estimates by \$7,604. Revenues into this fund come from a fine of \$4 that the City collects from all defendants convicted of a misdemeanor offense in the Municipal Court.

Child Safety Fund

The City receives fifty percent of the fines collected for violations of the seat belt and child safety system laws. Most of these fines are paid through Comal County with approximately \$15,000 being collected directly by the City. The County collects the payments for the violations and pays the City its proportionate share. The remaining fifty percent is required to be remitted to the State. In addition, the City receives a portion of the \$150 fee collected by the County on motor vehicle registrations. For FY 2012-13, the City estimates total revenue into this fund of \$112,000, an amount about equal to the FY 2011-12 estimates.

Stormwater Development Fund

The City of New Braunfels began assessing a stormwater development fee in FY 2004-05 and stopped assessing it in FY 2007-08 pending the result of litigation. The fee's basis

was changed in FY 2008-09 and the City began once again to assess a storm water development fee. For FY 2012-13, \$10,000 in revenue is anticipated in this fund, FY 2011-12 estimates show zero revenues being recognized.

Juvenile Case Manager Fund

The City established this fund in December 2005, and collects \$5 from all defendants convicted of a misdemeanor offense in the municipal court. The fee is expected to generate \$41,472 in FY 2012-13, an amount greater than the FY 2011-12 estimates by \$9,472. The fee was instituted in January 2006.

Equipment Replacement Fund

This fund was created by City Council action in FY 2005-06 with initial funding in the amount of \$1.5 million and is used to account for the replacement of all City-owned light vehicles, computer hardware such as desktop and network equipment and mobile data terminals, and Fire Department self contained breathing apparatus (SCBA). All revenue into this fund comes from three sources – transfers from the General Fund with vehicles (\$931,935 for FY 2012-13), proceeds from the sale of assets that have been replaced (\$4,684 is budgeted for FY 2012-13), and the remainder from interest income (\$9,858). The revenue for this fund reduced significantly in FY 2012-13 as a separate replacement fund has been established for the enterprise funds.

Modifications were made to the vehicle replacement program that changes the replacement schedule and calculation for vehicle contributions. All light vehicles, with the exception of police patrol vehicles, will be replaced on an 8 year or 85,000 mile schedule (whichever comes first). Police patrol vehicles will be replaced at either 6, 7, or 8 years based on mileage accumulation and service demands. The initial parameters for the program replaced all light vehicles on a 6 year cycle. This change is the driving factor allowing a reduction to departments' contributions from FY 2010-11 because contributions are spread over an 8 year span rather than 6. SCBA gear will need to be replaced in 2017 and the annual contribution recognizes this time period to accumulate all the necessary funding.

Enterprise Maintenance and Equipment Replacement Fund

This fund was created in FY 2012-13 to more easily meet all the accounting requirements to maintain and account for the enterprise funds separately from the General Fund and has revenues projected in FY 2012-13 of \$3,785,653. The accounting requirement states that all revenues and expenses for an enterprise fund should be accounted for separately so that any revenues from an enterprise fund will not be used by a General Fund activity and any expense for an enterprise will be funded by the enterprise fund. Therefore, any contributions for rolling stock from any designated enterprise fund will be accounted for in this fund, as will any use of funds to purchase any rolling stock. The enterprise funds within the City are the Airport Fund, Solid Waste Fund, Golf Fund and the Civic/Convention Center Fund. In FY 2012-13, all funds that supported the enterprise fund vehicles will be transferred from the existing Equipment Replacement Fund into the enterprise maintenance and equipment fund. The largest contributor for FY 2012-13 of

additional funding is from Solid Waste (\$1,942,228) which primarily supports refuse collection trucks' replacement.

Edwards Aquifer Habitat Conservation Plan Fund (EAHCP)

This fund is established in FY 2012-13 to provide funding for projects that protect and enhance the environment in accordance with the Edwards Aquifer Habitat Conservation Plan (EAHCP). If the projects meet the EAHCP requirements then all project related costs will be reimbursed back to the City. The Fund is projected to receive revenues of \$2,301,772. \$2,236,919 of these funds will come from the Edwards Aquifer Authority, the funding source for these projects, as the approved projects are completed and submitted for reimbursement. The additional \$64,853 in revenue is a transfer from the General Fund which will support administrative expenses in FY 2012-13.

Facilities Maintenance Fund

This fund provides for repair and maintenance of the City's aged infrastructure. Funds are utilized to address major structural and system repairs to City owned facilities. The fund was established in FY 2006-07 with contributions from the General Fund of \$800,000 as its only revenue. For FY 2007-08, the General Fund again made an \$800,000 contribution, \$300,000 for Parks and \$500,000 for other City facilities. No contributions occurred in FY 2008-09 or FY 2009-10 due to budgetary constraints. In FY 2009-10, the City used a significant amount of the fund's available funding to pay for debris removal and repairs needed as a result of damage to parks and neighborhoods caused by the June 9, 2010 flood event. Therefore, the City made a contribution into this fund in FY 2010-11 of \$300,000. For FY 2011-12 and FY 2012-13, no further contributions are scheduled. It is anticipated that \$1,000 in interest income will be generated by this fund during FY 2012-13.

Economic Development Fund

This fund is used to record reimbursed expenditures that occur as a result of the City's efforts to establish economic incentives for businesses wanting to locate in New Braunfels. All revenue in this fund comes from the reimbursement of expenditures that may occur in these activities. The FY 2011-12 Estimates include \$24,143 from contributions and \$148 from a General Fund Interfund Transfer. No revenue is projected in FY 2012-13.

Cable Franchise (PEG) Fund

Established in FY 2011-12, the PEG fund is to account for the one percent payment that the City receives in franchise payments from cable service providers specifically for the purchase of equipment to support the City's cable television broadcast capabilities and services. In FY 2011-12, revenue totaled \$388,890. A large portion of this was a one-time transfer from the General Fund to move all existing funds from the franchise into this new fund. For FY 2012-13, this franchise payment is expected to generate \$154,000.

2004 Certificates of Obligation Capital Improvements Fund

This fund's original source of revenue was \$26 million in certificates of obligation, issued in April 2004. The proceeds have been used for streets and drainage improvements. For FY 2012-13, \$250 in interest income represents the total revenue for this fund.

2007 Certificates of Obligation Capital Improvements Fund

This fund's original source of revenue was \$17.5 million in certificates of obligation, issued in September 2007. The proceeds are being used for streets and drainage improvements, park land purchases and park improvements as well as for construction of fire stations. For FY 2012-13, \$1,500 in interest income is included in this fund's revenue.

2008 Certificates of Obligation Capital Improvements Fund

This fund's original source of revenue was \$2 million in tax notes issued in June 2008 to fund the acquisition of fire apparatus and \$14.3 million in certificates of obligation, issued in September 2008 to fund streets and drainage improvements as well as the land and design costs for new public works and fire training facilities. For FY 2012-13, \$4,000 in interest income is included in this fund's revenue as well as an interfund transfer of \$28,186 from the 2004 certificates of obligation fund to more accurately fund an existing project.

2009 Certificates of Obligation Capital Improvements Fund

This fund's original source of revenue was \$9.5 million in certificates of obligation issued in August 2009. The proceeds will purchase a new financial and human resources software system, equipment for parks and public works, parks improvements at various locations throughout the City, fire apparatus, police vehicles, fire station construction and a property and structures for a new parks and public works maintenance facility. For FY 2012-13, \$2,000 in interest income is included in this fund as revenue.

2011 Certificates of Obligation Capital Improvements Fund

This fund's original source of revenue was \$18.2 million in certificates of obligation. The proceeds will be used to fund a portion of the construction costs for the Walnut Avenue Widening project, park projects, downtown improvements, public works equipment and projects, airport improvements and the flood warning system. FY 2012-13 \$218,000 is budgeted to come in from interest income, reimbursements and a General Fund Interfund Transfer for improvements to Prince Solms Park. This \$183,000 transfer represents the funds from the last year paid parking was allowed at Prince Solms Park.

2012 Certificates of Obligation Capital Improvements Fund

This fund's original source of revenue was \$20.75 million in certificates of obligation. The proceeds are expected to fund a portion of the construction costs for the Walnut Avenue widening project, downtown improvements, the second phase of railroad quiet zones construction park projects, ambulance remounts, and fire apparatus for station #4, and Parks Maintenance shop structural repairs. The Fund is also projected to generate \$20,000 in interest income during FY 2012-13.

2013 Certificates of Obligation Capital Improvement Funds

This fund's original source of revenues is the proposed \$15.7 million in certificates of obligation. The proceeds are expected to fund final next portion of the construction costs for the Walnut Avenue widening project, radio system replacement, flood property buy-outs, Fischer Park construction phase II, and the FM 306 road improvements/ overpasses project. The Fund is also projected to generate \$5,000 in interest income plus \$855,518 from a federal grant to support the flood buyout program.

Parks Improvement Capital Improvements Fund

For FY 2012-13, the Parks Improvement Fund revenue totals \$6,125 which comes mainly from parks development fees as well as some interest income; the parks development fee was approved by City Council in February 2006.

Road Development Impact Fees Capital Improvements Fund

In FY 2007-08, the City created the Road Development Impact Fees Capital Improvement Fund to account for proceeds from roadway impact fees and expenditures made from those funds for road projects included in the roadway impact study. For FY 2012-13, revenues are projected to total \$801,500

Debt Service Fund

For FY 2012-13, the revenue for the Debt Service Fund totals \$10,361,744, an increase of \$789,947 or 8.8 percent from the FY 2011-12 estimates. This increase results almost entirely from increased ad valorem tax revenues. Tax revenue in FY 2011-12 is estimated at \$7,338,560; revenue from the same source is budgeted for FY 2012-13 at \$8,068,352, an increase of \$729,792 or 9.9 percent. This increase in revenue comes from an increase in the ad valorem property tax rate and growth in property values. The debt service rate is \$.19878 or \$.01178 higher than the rate for FY 2011-12, the increase will fund debt service on certificates of obligation that were issued in FY 2011-12.

Other entities contribute to the debt service payments for the City's outstanding debt and serve as a source of revenue to the debt service fund. The Hotel/Motel Tax Fund will contribute \$611,598 from hotel/motel tax proceeds to support debt associated with the expansion/renovation of the Civic/Convention Center. The City of New Braunfels Industrial Development Corporation pays for the debt service associated with 1998 and 2003 certificates of obligations issued by the City as well as \$2.5 million in debt issued in 2007 for park improvements and \$10 million issued in 2012, also for parks improvements. Their total contribution into the Debt Service Fund for FY 2012-13 is \$1,681,294. Other revenue into this fund comes from interest income (\$500).

Airport Fund

The FY 2012-13 Budget for the Airport Fund totals \$1,954,800 in revenues. This represents an increase of \$181,800 or 10.6 percent in comparison to the FY 2011-12 estimates. Currently, lease and rental revenue is expected to increase slightly in FY 2012-13. This figure could increase or decrease based on new and existing tenants. Fuel sales are also expected to increase in FY 2012-13 as fuel prices continue to fluctuate. Airport revenue comes from several main sources: leases and rent (\$359,750), commercial

activities fees (\$35,000), sales of fuel and oil (\$1,500,000). Miscellaneous revenues total \$10,000. TXDOT is expected to contribute \$50,000 in the form of grants to offset projects accomplished to maintain and upkeep the airport facilities.

Solid Waste Fund

In the FY 2012-13 Adopted Budget, the total revenues for the Solid Waste Fund are \$7,312,134, increasing \$318,482 or 4.6 percent in comparison to the FY 2011-12 estimates. Commercial rates were increased October 1, 2010 and residential rates increased in April 2011. Charges for services represent the largest revenue source for this fund representing 99 percent of the total revenue (\$7,228,634). This includes commercial and residential which incorporates both garbage and recycling collection and disposal. Interest income (\$3,500) and miscellaneous revenues (\$80,000) make up the remaining portion of the revenue.

Golf Fund

The Golf Fund revenues for FY 2012-13 of \$1,009,250 represent an increase of \$76,500 or 8.2 percent in comparison to the FY 2011-12 estimates. For FY 2010-11, Council approved small rates increases in the green fees (\$.50 per round) and in the cart fees (\$1.50 per round). No changes to fees are included in the FY 2012-13 adopted budget. The main sources of revenue for this fund are fees paid by those patrons of the golf course (greens fees and cart rentals which, at \$882,750 represent 88.9 percent of the total revenue) as well as merchandise sales from the pro shop (\$90,000). Golf lessons generate \$20,000 in revenue as well and leases and other miscellaneous revenues that generate another \$16,500.

Civic/Convention Center Fund

The Civic/Convention Center operations became an enterprise fund in FY 2008-09. Revenue into the fund comes entirely from rental fees (\$280,000). For FY 2012-13, Hotel/Motel Tax Fund will contribute \$389,702 to support Civic Center operations. Total revenue for the fund is \$669,702. Prior to FY 2008-09, revenues associated with the Civic/Convention Center activities went to the General Fund as all expenditures for the operation were charged there as well.

Self Insurance Fund

Revenue into this self insurance fund has come, in the past, entirely from premium payments – both from the City’s contribution as well as the employees’ contributions – for City sponsored insurances, most particularly medical, dental and vision. However, significantly increased claims costs in FY 2009-10 required a different funding strategy for FY 2010-11 and FY 2011-12 than the City had used in the past several years. First, both the employee’s and the City’s contribution through premiums increased in FY 2011-12, by \$260 annually per employee from each of these funding sources. Incremental premium increases are included for FY 2012-13 as well. In addition, the City made a one-time contribution from the General Fund of \$400,000 in FY 2011-12 to provide funds needed to maintain the Self Insurance Fund’s fund balance. A similar contribution of \$500,000 was made in FY 2010-11. For FY 2012-13, the budgeted revenue totals \$5,020,169, an amount \$322,681 or 6.0 percent less than the FY 2011-12 estimated

revenue. Again, this is driven by the one-time payment made into this fund in FY 2011-12. No General Fund transfer is budgeted for FY 2012-13 as the fund's fund balance has recovered over the last several years.

Library Funds – Langland, Sissel, and Faust

The three library funds – Langland, Sissel and Faust – all were originally established through endowments. Currently, no revenue or expenditures are budgeted in FY 2012-13 for all three funds.

Cemetery Improvements Fund

The City of New Braunfels owns and maintains a cemetery that offers perpetual care. Proceeds from permits make up the revenue for this fund. For FY 2012-13, \$750 in revenue is expected. This revenue amount is \$50 less than the FY 2011-12 estimates.

Hotel/Motel Tax Fund

The City currently levies a tax on hotel/motel rooms equal to 7 percent of the room costs. This tax is expected to generate \$2,835,000 in FY 2012-13, an increase of \$150,000 or 5.6 percent in comparison to the FY 2011-12 estimated revenues. The City uses these tax proceeds to fund economic development through the New Braunfels Chamber of Commerce, improvements to and operation of the expanded and renovated Civic/Convention Center and arts and cultural organizations' activities.

REVENUES	FY 2010-11	FY 2011-12	FY 2011-12	FY 2012-13
	Actual	Budget	Estimate	Budget

101 General Fund

Taxes

Property Taxes

311.01-00 Ad Valorem Tax - Current	\$ 9,802,211	\$ 10,082,825	\$ 10,059,300	\$ 10,617,352
311.02-00 Ad Valorem Tax - Delinquent	193,562	185,000	200,000	200,000
311.11-00 Penalties and Interest	123,862	120,000	125,000	125,000
Other				
<i>Subtotal - Property Taxes</i>	<i>\$ 10,119,635</i>	<i>\$ 10,387,825</i>	<i>\$ 10,384,300</i>	<i>\$ 10,942,352</i>

Sales Tax

313.01-00 Municipal Sales Tax	13,040,334	13,367,000	13,933,485	15,059,909
<i>Subtotal - Sales Tax</i>	<i>\$ 13,040,334</i>	<i>\$ 13,367,000</i>	<i>\$ 13,933,485</i>	<i>\$ 15,059,909</i>

314.01-00 <u>Mixed Beverage Tax</u>	\$ 232,144	\$ 220,200	\$ 190,000	\$ 190,000
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Hotel Occupancy Tax

315.02-00 Penalties and Interest	1,634	-		-
<i>Subtotal - Hotel Occupancy Tax</i>	<i>\$ 1,634</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>

Franchise Taxes

316.01-00 GVEC	112,653	118,000	124,000	125,000
316.02-00 Phone Lines	384,655	385,000	412,750	430,000
316.03-00 Centerpoint/Entex Gas	306,364	210,000	295,000	295,000
316.04-00 Cable	825,198	700,000	659,250	659,250
316.05-00 New Braunfels Utilities	5,819,155	5,669,000	6,053,400	6,098,808
06-00 PG&E				
<i>Subtotal - Franchise Taxes</i>	<i>\$ 7,448,024</i>	<i>\$ 7,082,000</i>	<i>\$ 7,544,400</i>	<i>\$ 7,608,058</i>

TOTAL TAXES	\$ 30,841,771	\$ 31,057,025	\$ 32,052,185	\$ 33,800,319
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Licenses and Permits

321.02-00 Vehicle Permits	315	500	500	500
321.03-00 Alarm Permits	118,320	119,000	112,000	112,000
321.05-00 Parking Permits	711	825	700	700
321.11-00 Alcohol License	28,825	22,500	36,000	36,000
321.31-00 Animal Licenses	1,695	1,650	1,400	1,400
322.01-00 Food Establishment License	126,655	124,000	126,000	126,000

REVENUES	FY 2010-11	FY 2011-12	FY 2011-12	FY 2012-13
	Actual	Budget	Estimate	Budget

101 General Fund

Licenses and Permits (continued)

322.04-00 Health Certificates	30,370	34,900	30,000	30,000
322.05-00 Miscellaneous Licenses and Permits	14,368	10,900	16,500	16,500
323.01-00 Fire Inspection Permit	25,594	27,000	34,000	34,000
323.02-00 Plan Review	18,358	23,000		
323.03-00 Zoning/Variance Application	9,960	15,000	11,000	11,000
323.04-00 Plat Filing Fees	13,803	12,000	24,000	24,000
323.07-00 Commercial Plan Check Fee	48,982	63,000		
323.09-00 Miscellaneous Permits	19,978	18,000	34,000	34,000
325.01-00 Skilled Trade Licenses	130,215	132,000	116,000	116,000
326.04-00 Building Permits	1,099,136	1,055,500	1,500,000	1,575,000
TOTAL LICENSES AND PERMITS	\$ 1,687,285	\$ 1,659,775	\$ 2,042,101	\$ 2,117,100

Intergovernmental Revenue

Federal Government

331.11-01 Federal	18,436		15,000	-
<i>Subtotal - Federal Government</i>	<i>\$ 18,436</i>	<i>\$ -</i>	<i>\$ 15,000</i>	<i>\$ -</i>
TOTAL INTERGOVERNMENTAL REVENUE	\$ 18,436	\$ -	\$ 15,000	\$ -

Charges for Services

341.41-00 Reproductions and Miscellaneous	6,560	6,000	9,250	9,250
342.51-01 Ambulance Service	1,747,062	1,809,900	1,851,774	1,944,512
342.51-02 Emergency Services District Services	963,115	963,120	947,250	1,051,250
344.02-00 Landfill - Percent of Gross	175,000	125,000	125,000	112,500
344.21-00 Disposal Reimbursement	-	2,900		
346.01-00 Library Fines	93,238	88,500	96,500	96,500
TOTAL CHARGES FOR SERVICES	\$ 2,984,975	\$ 2,995,420	\$ 3,029,773	\$ 3,214,012

Fines and Forfeitures

351.02-00 Animal Control Fees and Fines	21,994	22,000	15,000	15,000
352.01-00 Traffic Violations	882,928	812,240	640,500	830,000
352.02-00 Arrest Fees	47,293	53,000	35,500	35,500
352.03-00 Other Misdemeanors	406,682	386,000	340,000	340,000
352.07-00 Child Safety	70	1,000	975	1,000

REVENUES	FY 2010-11	FY 2011-12	FY 2011-12	FY 2012-13
	Actual	Budget	Estimate	Budget

101 General Fund

Fines and Forfeitures (continued)

353.01-00 Court Costs	71,699	87,500	47,000	47,000
353.02-00 Teen Court	-	400		
354.01-00 Warrant Service Fees	92,124	99,450	110,500	110,500
TOTAL FINES AND FORFEITURES	\$ 1,522,791	\$ 1,461,590	\$ 1,189,475	\$ 1,379,000

Interest Income (361.01-00)	\$ 67,983	\$ 96,000	\$ 70,000	\$ 70,000
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Parks and Recreation

372.01-00 Pool	411,161	350,000	425,000	425,000
372.04-00 Tube Chute	80,431	60,000	75,000	75,000
372.05-00 Shuttle	3,407	1,000		-
373.01-00 Recreation	247,591	235,000	252,000	274,600
373.05-00 Paddle Boats	52,178	50,000	50,000	50,000
373.06-00 Miniature Golf	11,786	10,300	11,500	11,500
373.08-00 Youth Sports Contract Fees	11,322	11,500	10,500	10,000
374.01-00 Park Rentals	134,165	134,400	137,500	137,500
375.02-00 Miniature Train Revenue	40,835	40,000	40,000	40,000
375.03-00 L/P Concessions Vending	-	3,000		
375.05-00 Parks Miscellaneous Revenue	-	4,000		
TOTAL PARKS AND RECREATION	\$ 992,874	\$ 899,200	\$ 1,001,500	\$ 1,023,600

Miscellaneous

332.01-00 Contributions			50,000	50,000
382.01-00 Cemetery Lot Sales	-	2,000		
381.01-00 Contracts - Industrial District	825,354	823,200	1,037,000	766,350
386.01-00 Leases	14,915	11,000	10,750	10,750
387.02-00 Signs	-	2,000		
387.01-00 Sale of Equipment/Property	5,674	-	775	
388.01-00 Donations	9,000	2,000	2,500	2,500
388.02-00 Parks Donation		-		
389.01-00 Miscellaneous	38,620	35,000	35,250	52,250
389.02-00 Reimbursements/Current Yr		50,000		
389.03-00 Reimbursements/Prior Yr	202,236	100,000	226,000	188,000
389.07-00 TML Equity Return	143,042		10,029	

REVENUES	FY 2010-11	FY 2011-12	FY 2011-12	FY 2012-13
	Actual	Budget	Estimate	Budget

101 General Fund

Miscellaneous (continued)

389.09-30 Misc - Abandoned, Found, Unclaimed	6,998		699	
389.12-00 Misc - Subject to Sales Tax	18,533		17,500	
389.99-00 Over/Short	(5,436)		-	-
TOTAL MISCELLANEOUS	\$ 1,258,937	\$ 1,025,200	\$ 1,390,503	\$ 1,069,850

Interfund Transfers (391.01-00)	\$ 638,812	\$ 635,906	\$ 635,906	\$ 652,562
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TOTAL - GENERAL FUND	\$ 40,004,182	\$ 39,830,116	\$ 41,426,443	\$ 43,326,443
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205 CDBG Fund

331.03-11 Federal Grant 2008		-	7,675	
331.03-12 Federal Grant 2009	23,340	33,888	-	33,888
331.03-13 Federal Grant 2010	137,689	-	37,106	-
331.03-14 Federal Grant 2011	81,915	147,354	123,054	22,200
331.03-03 Federal Grant 2012		315,315	226,421	95,536
331.03-04 Federal Grant 2013			-	349,087
Total - CDBG Fund	\$ 242,944	\$ 496,557	\$ 394,256	\$ 500,711

210 Creekside Town Center TIRZ Fund

311.01-00 Ad Valorem Tax	270,799	177,285	320,680	369,950
313.01-00 Municipal Sales Tax	417,065	420,000	435,500	457,250
361.01-00 Interest Income	151	500	-	-
Total - Creekside Town Center TIRZ Fund	\$ 688,015	\$ 597,785	\$ 756,180	\$ 827,200

212 New Braunfels Industrial Development Board Fund

313.01-00 Municipal Sales Tax	4,105,889	4,125,150	4,287,097	4,501,452
389.15-00 Loan Payment	635,863	614,096	616,500	620,000
389-01.00 Reimbursements	193,779	-		
361.01-00 Interest Income	28,817	20,000	24,000	24,000
Total - Industrial Development Board Fund	\$ 4,964,348	\$ 4,759,246	\$ 4,927,597	\$ 5,145,452

220 Grant Fund

331.11-01 Federal Grant Revenue	318,963		570,533	1,482,749
335.11-01 State Grant Revenue	971,428	612,993	13,387	206,358
339.11-01 AACOG	66,940			
389.01-00 Miscellaneous	10,000		16,632	10,304
Total - Grant Fund	\$ 1,367,331	\$ 612,993	\$ 600,552	\$ 1,699,411

REVENUES	FY 2010-11	FY 2011-12	FY 2011-12	FY 2012-13
	Actual	Budget	Estimate	Budget
221 Special Revenue Fund				
335.11-01 State Government	8,512	8,500		
353.02-00 Teen Court	1,655		650	
388.01-01 Donations	84,186	95,000	75,000	75,000
332.01-00 Contributions	15,301	15,000	10,000	10,000
389.01-00 Miscellaneous			30,000	
389.02-00 Reimbursements/Current Year	40,970		65,000	40,000
Total - Special Revenue Fund	\$ 150,624	\$ 118,500	\$ 180,650	\$ 125,000
225 River Activities Fund				
321.02-00 Vehicle Permits	5,266	5,600	5,700	5,700
352.03-00 Other Misdemeanors	188,674	130,000	180,000	150,000
375.06-00 River Activities Fee	359,391	330,000	230,000	330,000
391.01-00 Interfund Transfers - Solid Waste Fund			175,000	160,000
391.01-00 Interfund Transfers - General Fund	381,000	584,953	400,680	356,391
Total - River Activities Fund	\$ 934,331	\$ 1,050,553	\$ 991,380	\$ 1,002,091
227 Court Security Fund				
353.03-00 Court Fees	29,243	31,200	19,000	24,663
Total - Court Security Fund	\$ 29,243	\$ 31,200	\$ 19,000	\$ 24,663
228 Judicial Efficiency Fund				
353.04-00 Judicial Efficiency Fee	4,863	3,000	3,900	5,051
Total - Judicial Efficiency Fund	\$ 4,863	\$ 3,000	\$ 3,900	\$ 5,051
229 Court Technology Fund				
353.05-00 Court Technology	39,112	45,000	25,700	33,304
Total - Court Technology Fund	\$ 39,112	\$ 45,000	\$ 25,700	\$ 33,304
230 Child Safety Fund				
338.03-00 County Government	82,065	77,500	102,000	102,000
352.04-00 Child Safety	11,774	15,000	9,750	10,000
361.01-00 Interest Income	115		50	
Total - Child Safety Fund	\$ 93,954	\$ 92,500	\$ 111,800	\$ 112,000
232 Stormwater Development Fund				
344.30-00 Stormwater Dev Fee	46,764	35,000	-	10,000
361.01-00 Interest Income	90			
Total - Stormwater Development Fund	\$ 46,854	\$ 35,000	\$ -	\$ 10,000

REVENUES	FY 2010-11	FY 2011-12	FY 2011-12	FY 2012-13
	Actual	Budget	Estimate	Budget
240 Juvenile Case Manager Fund				
353.06-00 Fines and Forfeitures	48,726	49,200	32,000	41,472
Total - Juvenile Case Manager Fund	\$ 48,886	\$ 49,200	\$ 32,000	\$ 41,472
245 PEG Cable Franchise Fund				
316.06-00 Franchise Payments		140,000	146,750	154,000
391.01-00 Interfund Transfers		265,000	242,140	-
Total - PEG Cable Franchise Fund	\$ -	\$ 405,000	\$ 388,890	\$ 154,000
260 Equipment Replacement Fund				
361.01-00 Interest Income	22,809	12,000	20,000	9,858
387.01-00 Sale of Property	56,735	80,000	10,000	4,684
389.01-00 Miscellaneous	55,523			
391.01-00 Interfund Transfers	3,208,900	1,926,788	1,926,788	931,935
Total - Equipment Replacement Fund	\$ 3,343,967	\$ 2,018,788	\$ 1,956,788	\$ 946,477
262 Enterprise Maintenance and Equipment Replacement Fund				
361.01-00 Interest Income	-	-	-	10,000
389.01-00 Miscellaneous				20,000
391.01-00 Interfund Transfers	-		-	3,755,653
Total - Enterprise Replacement Fund	\$ -	\$ -	\$ -	\$ 3,785,653
263 Edwards Aquifer Habitat Conservation Plan Fund				
389.02-00 Reimbursements/Current Year	-		-	2,236,919
391.01-00 Interfund Transfers - General Fund	-		55,000	64,853
Total - EAHCP Fund	\$ -	\$ -	\$ 55,000	\$ 2,301,772
261 Facilities Maintenance Fund				
361.01-00 Interest Income	714	2,500	750	1,000
389.01-00 Miscellaneous	109,804			
391.01-00 Interfund Transfers - General Fund	300,000	350,000	-	-
Total - Facilities Maintenance Fund	\$ 410,518	\$ 352,500	\$ 750	\$ 1,000
265 Economic Development Fund				
389.08-00 Contributions and Reimbursements		-	24,143	
391.01-00 Interfund Transfers			148	
Total - Economic Development Fund	\$ -	\$ -	\$ 24,291	\$ -
304 2004 Certificates of Obligation Capital Improvement Fund				
361.01-00 Interest Income	902	2,000	500	250
389.01-00 Miscellaneous	3,455			
Total - 2004 C of O Fund	\$ 4,357	\$ 2,000	\$ 500	\$ 250

REVENUES	FY 2010-11	FY 2011-12	FY 2011-12	FY 2012-13
	Actual	Budget	Estimate	Budget
307 2007 Certificates of Obligation Capital Improvement Fund				
361.01-00 Interest Income	5,021	5,000	3,000	1,500
389.01-00 Miscellaneous			100,288	-
Total - 2007 C of O Fund	\$ 5,021	\$ 5,000	\$ 103,288	\$ 1,500
308 2008 Certificates of Obligation Capital Improvement Fund				
361.01-00 Interest Income	5,809	9,000	2,600	4,000
389.01-00 Miscellaneous	164,924			
Interfund Transfer				28,186
Total - 2008 C of O Fund	\$ 170,733	\$ 9,000	\$ 2,600	\$ 32,186
309 2009 Certificates of Obligation Capital Improvement Fund				
361.01-00 Interest Income	5,661	10,000	4,000	2,000
Total - 2009 C of O Fund	\$ 5,661	\$ 10,000	\$ 4,000	\$ 2,000
351 2011 Certificates of Obligation Capital Improvement Fund				
361.01-00 Interest Income	10,838	24,000	24,000	10,000
386.01-00 Leases	25,072		13,740	
389.03-00 Reimbursements	20,000			25,000
389.01-00 Debt Proceeds	18,200,000			
391.01-00 Interfund Transfer				183,000
Total - 2011 C of O Fund	\$ 18,255,910	\$ 24,000	\$ 37,740	\$ 218,000
352 2012 Certificates of Obligation Capital Improvement Fund				
361.01-00 Interest Income	-	-	10,000	20,000
389.01-00 Debt Proceeds			20,750,000	
Total - 2012 C of O Fund	\$ -	\$ -	\$ 20,760,000	\$ 20,000
353 2013 Certificates of Obligation Capital Improvement Fund				
361.01-00 Interest Income	-	-	-	5,000
331.11-01 Federal Grant				855,518
389.01-00 Debt Proceeds				15,700,000
Total - 2013 C of O Fund	\$ -	\$ -	\$ -	\$ 16,560,518
314 Parks Improvements Capital Improvement Fund				
362.01-00 Parks Development Fee	5,411	4,500	6,000	6,000
361.01-00 Interest Income	245	130	100	125
Total - Parks Improvements CIP Fund	\$ 5,656	\$ 4,630	\$ 6,100	\$ 6,125
336 Road Development Impact Fees Fund				
363.01-00 Roadway Impact Fees	\$ 680,949	\$ 690,000	\$ 1,017,000	\$ 800,000
361.01-00 Interest Income	1,567	4,000	1,400	1,500
Total - Road Development Impact Fees Fund	\$ 682,516	\$ 694,000	\$ 1,018,400	\$ 801,500

REVENUES	FY 2010-11	FY 2011-12	FY 2011-12	FY 2012-13
	Actual	Budget	Estimate	Budget

401 Debt Service Fund

Property Taxes

311.01-00 Ad Valorem Tax - Current	5,558,647	7,214,087	7,178,560	7,908,352
311.02-00 Ad Valorem Tax - Delinquent	80,051	70,500	90,000	90,000
311.11-00 Ad Valorem Tax - Penalties and Interest	59,311	63,000	70,000	70,000
332.01-00 Contributions (4B)	983,391	990,448	990,448	1,681,294
361.01-00 Interest Income	471	500	500	500
389.02-00 Reimbursements/Current Year	730,000	-		
391.01-00 Interfund Transfers - Hotel/Motel	609,798	612,598	612,598	611,598
Total - Debt Service Fund	\$ 8,021,668	\$ 8,951,133	\$ 8,942,106	\$ 10,361,744

501 Airport Fund

Charges for Services

319.01-00 Commercial Activities Fee	24,187	30,000	25,000	35,000
319.22-00 Fuel Flowage Fee	5,382	13,500	-	-
386.01-00 Leases and Rents	306,059	334,000	341,000	359,750
387.01-00 Sale of Property/Equipment	8,220		2,950	
389.01-00 Miscellaneous	36,544	6,000	10,000	10,000
389.02-00 Reimbursement/Current Year	3,269			
389.50-12 Fuel and Oil	1,025,940	750,000	1,344,000	1,500,000
398.99-00 Over/Short	0	50	50	50
Total Charges for Services	\$ 1,409,601	\$ 1,133,550	\$ 1,723,000	\$ 1,904,800

Intergovernmental Revenue

335.03-10 TXDOT	53,538	50,000	50,000	50,000
Total Intergovernmental Revenue	\$ 53,538	\$ 50,000	\$ 50,000	\$ 50,000

391.01-00 Interfund Transfers

\$ 50,000	\$ 57,094	\$ -	\$ -
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Total - Airport Fund

\$ 1,513,139	\$ 1,240,644	\$ 1,773,000	\$ 1,954,800
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521 Solid Waste Fund

Charges for Services

344.01-00 Garbage Collection	5,161,013	5,101,000	5,780,000	6,118,819
344.03-00 Recycling Collection	1,118,253	1,162,800	1,007,402	1,007,815
344.11-00 Brush/Special Pick ups	16,863	17,000	17,000	17,000
344.31-00 Garbage Penalties	72,787	70,000	87,250	85,000
Total Charges for Services	\$ 6,368,916	\$ 6,350,800	\$ 6,891,652	\$ 7,228,634

361.01-00 Interest Income

2,934	5,000	3,000	3,500
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REVENUES	FY 2010-11	FY 2011-12	FY 2011-12	FY 2012-13
	Actual	Budget	Estimate	Budget

521 Solid Waste Fund (continued)

Miscellaneous

389.01-00 Miscellaneous	60,681	38,000	99,000	80,000
<i>Total Miscellaneous</i>	<i>\$ 60,681</i>	<i>\$ 38,000</i>	<i>\$ 99,000</i>	<i>\$ 80,000</i>

Total - Solid Waste Fund **\$ 6,432,532 \$ 6,393,800 \$ 6,993,652 \$ 7,312,134**

531 Golf Fund

Charges for Services

371.01-00 Green Fees	452,850	480,000	452,000	520,000
371.02-00 Annual Fees	119,529	119,500	80,500	85,000
371.04-00 Cart Rental	263,075	257,000	264,500	277,750
371.08-00 Proshop Sales	78,151	78,000	90,000	90,000
371.11-00 Golf Lessons	21,845	22,500	20,000	20,000
371.99-00 Miscellaneous		500		-
<i>Total Charges for Services</i>	<i>\$ 935,449</i>	<i>\$ 957,500</i>	<i>\$ 907,000</i>	<i>\$ 992,750</i>

361.01-00 Interest Income **\$ 384 \$ 250**

Miscellaneous

386.01-00 Leases	18,640	23,500	15,000	15,000
388.01-00 Donations			2,000	
389.01-00 Miscellaneous	4,986	100	7,000	
389.99-00 Over/Short	120	3,100	1,500	1,500
<i>Total Miscellaneous</i>	<i>\$ 23,746</i>	<i>\$ 26,700</i>	<i>\$ 25,500</i>	<i>\$ 16,500</i>

Total - Golf Fund **\$ 959,579 \$ 984,200 \$ 932,750 \$ 1,009,250**

541 Civic/Convention Center Fund

Charges for Services

347.01-00 Civic Center Rental	321,284	325,000	272,000	280,000
<i>Total Charges for Services</i>	<i>\$ 321,284</i>	<i>\$ 325,000</i>	<i>\$ 272,000</i>	<i>\$ 280,000</i>

388.05-00 Contributions	\$ 22,181		\$ 6,000	-
391.01-00 Interfund Transfers	313,380	394,989	411,134	389,702
Total - Civic/Convention Center Fund	\$ 656,845	\$ 719,989	\$ 689,134	\$ 669,702

551 Stormwater Utility Fund

344.02-00 Stormwater Fees	\$ -	\$ 735,000	\$ -	\$ -
361.01-00 Interest Income	-	1,000		
391.01-00 Interfund Transfers	-	609,255	861,037	-
Total - Stormwater Utility Fund	\$ -	\$ 1,345,255	\$ 861,037	\$ -

REVENUES	FY 2010-11	FY 2011-12	FY 2011-12	FY 2012-13
	Actual	Budget	Estimate	Budget
601 Self Insurance Fund				
345.01-00 Premiums	4,350,982	4,538,800	4,692,750	4,810,069
345.02-00 Cobra	196,394	181,800	206,000	200,000
361.01-00 Interest Income	141	1,000	100	100
391.01-00 Interfund Transfers	500,000	400,000	400,000	-
389.01-00 Miscellaneous	8,550	10,000	44,000	10,000
Total - Insurance Fund	\$ 5,056,067	\$ 5,131,600	\$ 5,342,850	\$ 5,020,169
705 Sissel Trust Fund				
389.01-00 Miscellaneous	\$ 57,256		\$ 9,375	
Total - Sissel Trust Fund	\$ 57,256	\$ -	\$ 9,375	\$ -
781 Cemetery Improvements Fund				
326.06-00 Special Permits	525	2,000	600	750
361.01-00 Interest Income	179		200	
Total - Cemetery Perpetual Care	\$ 704	\$ 2,000	\$ 800	\$ 750
794 Hotel/Motel Tax Fund				
315.01-00 Hotel Occupancy Tax	2,613,202	2,492,600	2,685,000	2,835,000
315.02-00 Penalty			15,000	
361.01-00 Interest Income	563		1,200	1,200
389.01-00 Miscellaneous	25			-
Total - Hotel/Motel Tax Fund	\$ 2,613,790	\$ 2,492,600	\$ 2,701,200	\$ 2,836,200

Five Year General Fund History

The historical trends for the City of New Braunfels contribute to a better understanding of the City priorities and its commitment to meet the service demands of its growing population efficiently and effectively. The 2010 census revealed that the current population of New Braunfels is 57,740. This represents a 58.2 percent increase over a ten year period or a 5.8 percent average annual increase when compared to the 2000 census. As the population increases, the demand for services increases as well. Other factors such as inflation, new positions, capital planning initiatives, and employee salary and benefits costs have impacted the City of New Braunfels' budgets and actual expenditures over the last five years.

The FY 2008-09 General Fund Adopted Budget was \$56.1 million. This budget provided \$42.3 million to support expenditures with the remaining \$13.8 million reserved as fund balance. The \$2.8 million increase from the FY 2007-08 expenditures was driven primarily by changes related to personnel. Program changes supported 11 new positions at a cost of \$925,000. Other employee related costs included a cost of living increase for all employees (\$890,000); performance and step pay for both uniformed and non-uniformed personnel (\$510,000); and employee training \$100,000. Although funded, the pay increases were not implemented in FY 2008-09 as a cost saving measure because of the downturn in the economy.

The FY 2009-10 General Fund Adopted Budget was \$53.9 million. This budget provided \$40 million to support expenditures with the remaining \$13.9 million reserved as fund balance. This budget did not include any growth and was reflective of economic uncertainties. In fact, this budget was \$2.2 million less than the FY 2008-09 Adopted General Fund Budget. The budget was balanced without an increase to the tax rate by taking specific actions. These actions included forgoing salary increases, budgeting streets and drainage maintenance at the level actually expended in FY 2008-09, thereby not increasing efforts to address known significant maintenance backlogs; eliminating sixteen seasonal positions and one full time position; reducing administrative budgets and not permitting workforce growth. During the fiscal year, positions were held open (representing about 8 percent of the workforce) to generate savings needed to balance the current and future budgets.

The FY 2010-11 General Fund Adopted Budget was \$56.5 million and included \$42.4 million for expenditures. The appropriated fund balance was \$14.0 million which equated to 33.1 percent of operating appropriations. The General Fund budget did not include any new programs or positions. \$1.2 million in savings was included in the budget that was achieved by continuing to hold open positions for all or part of the fiscal year. The budget was balanced at the same tax rate as FY 2009-10, with \$.0208 moving from the General Fund to the Debt Service Fund to fully fund the debt service requirements. The expenditure appropriations did include some one-time expenditures for needed equipment purchases, mainly to support public safety personnel and road improvements. A one-time transfer to the Self Insurance Fund of \$450,000 was also budgeted to maintain that fund's financial requirements. The budget also funded full

implementation of the uniform employees' step pay plan (\$975,000) and performance pay for all other employees (\$336,000).

The FY 2011-12 General Fund Adopted Budget totaled \$57.9 million and included \$43.2 million for expenditures. The appropriated fund balance was \$14.6 million which equated to 33.8 percent of operating appropriations. The General Fund budget included a total of eight new positions for a total cost of \$372,565 to help meet the continued increasing demand for services. This included parks maintenance workers, police dispatchers, and staff to support the building permit process as code enforcement efforts increased. In addition, the FY 2011-12 General Fund budget fully funded all authorized positions. The overall property tax rate increased \$.0385, entirely to fund debt service requirements for certificates of obligation issued in 2011. The operations and maintenance portion of the property tax rate remained constant at \$.261362. A one-time transfer to the Self Insurance Fund of \$400,000 was also budgeted to maintain that fund's financial requirements. Step pay plan and performance pay increases for employees were not included in the FY 2011-12 General Fund budget. The FY 2011-12 Adopted Budget also created the Stormwater Utility Fund to account for revenue and expenses associated with meeting federal MS4 Stormwater requirements and to fund drainage systems, maintenance and improvements in anticipation of a stormwater utility fee.

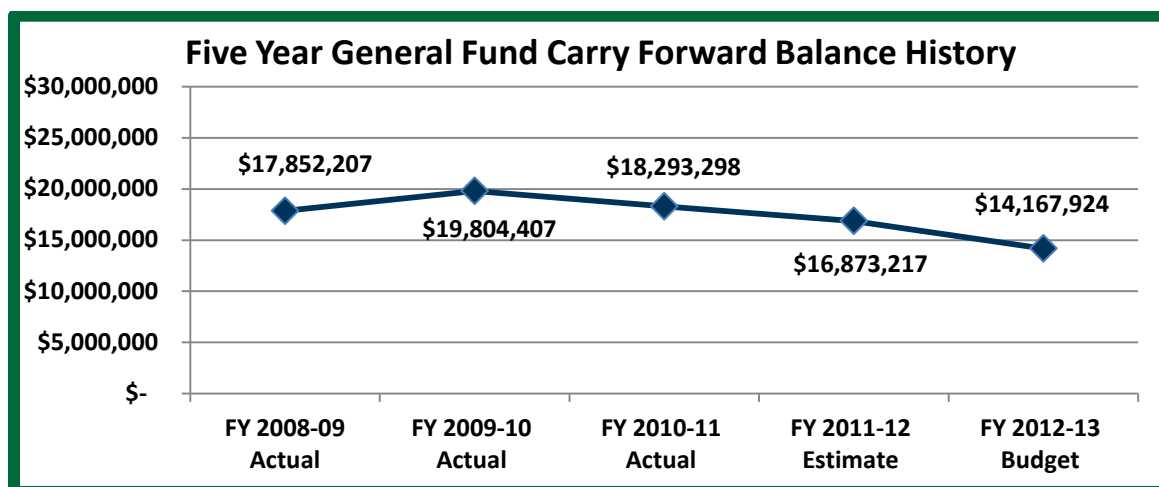
The FY 2012-13 General Fund Adopted Budget totals \$60.2 million and includes \$46.03 million for expenditures. The appropriated fund balance is \$14.2 million which equates to 30.8 percent of operating appropriations. The General Fund budget includes a total of 19 new positions for a total cost of \$688,587 to help meet the continued increasing demand for services. This includes parks maintenance workers, seasonal positions, police patrol positions, staff to support the development and environmental services efforts, staff to support operations and programming at the Westside Community Center and one additional employee to support information technology. Many of the new positions are funded for six months for FY 2012-13. In addition, the FY 2012-13 General Fund budget fully funds all authorized positions. The overall property tax rate increases \$.01898, which includes \$.01178 to fund debt service requirements for certificates of obligation issued in 2012. The operations and maintenance portion of the property tax rate did increase \$.0072 from FY 2010-11 which resulted in a rate of \$.26856. Step pay plan and performance pay increases for employees are included in the FY 2012-13 General Fund budget effective January 1, 2013 at a total cost of \$510,000.

Five Year General Fund Carry Forward Balance History

The carry forward fund balance represents the sum of unspent funds from the previous year. The graph below illustrates the fund balances both realized and anticipated over five years in the General Fund. The ending fund balances are budgeted much like any other item. However, these balances are designed to be spent only in emergencies or unexpected, extraordinary circumstances. These balances provide a financial "cushion" for extraordinary events or financial challenges. The City currently has the goal of maintaining a reserve of at least 30 percent of the General Fund's annual operating expenditures. The financial policies adopted by Council require a 25 percent reserve; however the 30 percent remains the practical level to maintain the City's current AA-bond rating.

The fund balances shown below are the *actual* fund balances and do not match *budgeted* fund balances described above for the four years prior to this budget. The fund balances described above were *projections* based on anticipated expenditures and projected revenues. The *actual* fund balances (reflecting the audited financial statements) are provided below.

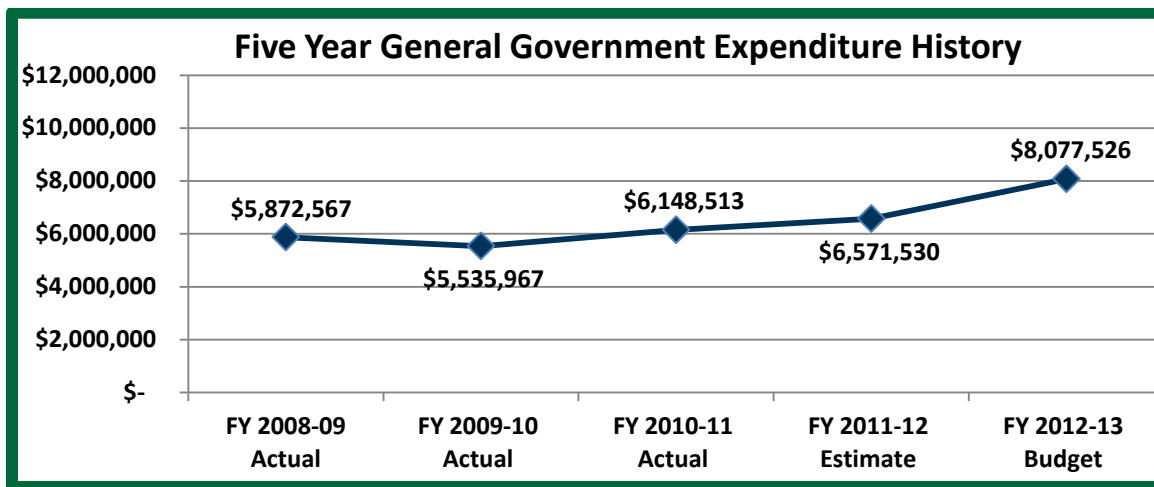
In developing the FY 2006-07 Adopted Budget, it was recognized that existing fund balances were significantly in excess of the Council adopted financial policy and well above the level most public entities strive to maintain. The FY 2005-06 year-end General Fund balance was 65 percent of operating expenditures for that year. This balance was drawn down to address Council identified high priority objectives such as streets and drainage maintenance and staff growth to meet increased service demands driven by rapid growth from both commercial and residential building activity. At year-end FY 2008-09, the City's General Fund balance was \$17,852,207. The FY 2012-13 Budget includes \$14,167,924 in projected fund balance or 30.8 percent of budgeted expenditures. During the years that the City drew on these reserves, the City's bond rating was raised to A1 by Moody's. This reflects the City's sound management of reserves.



Five Year General Fund General Government Expenditure History

The General Government section includes departments such as the City Council, City Manager, City Attorney, City Secretary, Support Services, Human Resources, and the Library and other costs such as tax collection costs, insurance expenses and some City-wide services such as legislative support, investment advisors and outside auditors. As the graph below shows, expenditures within this section have generally increased to meet the demand for services that the City's growth generates. Although some of these functions generally provide services to other City departments as well as the public, the demand for their services grows as the other departments such as police, fire, parks and public works grow.

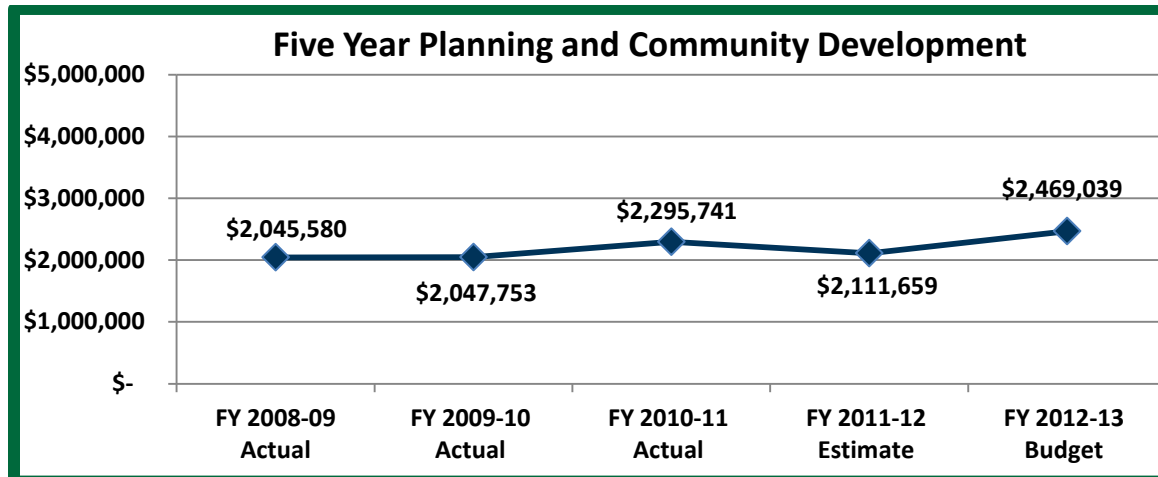
The graph below shows an increase of \$2,204,959 or 37.6 percent in expenditures in General Government when comparing FY 2008-09 to FY 2012-13. Factors driving this increase include new positions added since FY 2008-09 to meet the growing demand for services. This included an Assistant City Manager, an Emergency Management Coordinator, a Development Coordinator, a Public Information Officer, multiple library positions including a Librarian, four positions in Human Resources including a director and a customer service specialist, a management and budget coordinator, a grants coordinator, one purchasing position to continue centralizing purchasing functions in the City, as well as one GIS and two information technology positions to support the City's growing demand for technology. The FY 2012-13 Adopted Budget includes first year funding for the operation of the Westside Community Center, which includes two positions and operational expenses. The step plan and performance increases for all General Fund employees are also currently appropriated in this category in FY 2012-13.



Five Year Planning and Community Development Expenditure History

The Planning and Community Development function in the City's General Fund includes building inspection, environmental services (animal control, health and sanitation), planning and main street (downtown development). As the graph on the following page shows, expenditures within this section have increased \$423,459 or 20.7 percent since FY

2008-09 – as the City added personnel to meet the demand for services that the City’s growth generated. Prior to FY 2008-09, revenues from permits, licenses and inspections increased at a rapid pace as well, as both commercial and residential development drove the community’s growth. The City added resources to meet this higher demand. Revenue collected from permits, licenses and inspections are expected to increase into FY 2012-13 as the construction sector continues to rebound. In addition, responsibilities pertaining to health inspections are expected to increase as well. To meet these service demands, the addition of an Assistant Sanitarian and a Permit Technician are included in the FY 2012-13 budget.



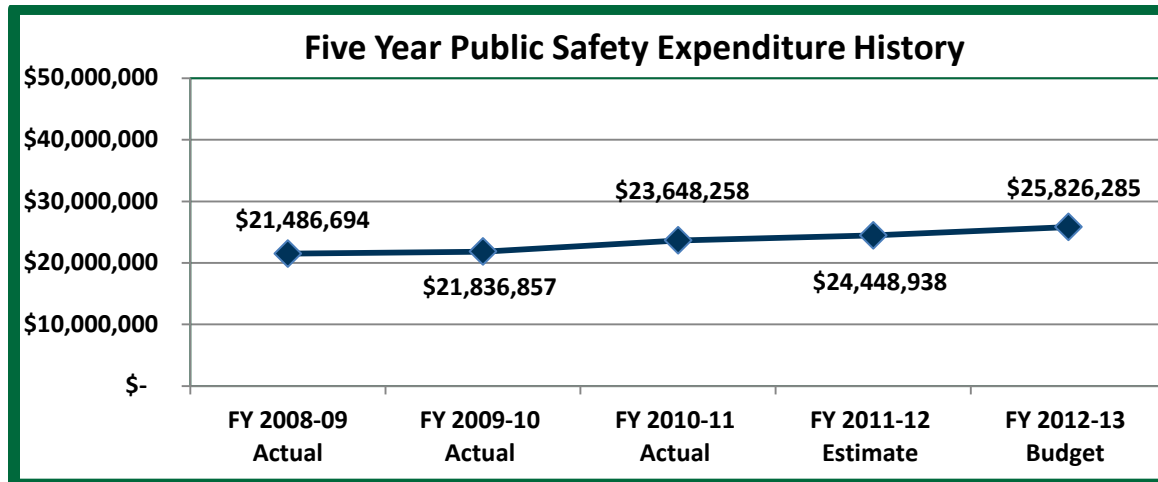
Five Year Public Safety Expenditure History

As the graph on the following page shows, expenditures within Public Safety have increased \$4,339,591 or 20.2 percent since FY 2008-09. Public Safety includes the City’s Police and Fire Departments as well as Municipal Court. Three factors drove this growth, two related to personnel expenditures and the third related to equipment purchases. Over the last five years, vehicles and their associated equipment have been replaced, and in many instances upgraded, to provide personnel the fleet they need to provide services safely and efficiently. The City has purchased a total of 91 police specification vehicles, 13 for new officer positions and 78 replacements.

In FY 2007-08, the City Council approved and funded a market-based compensation study that resulted in significant salary increases for police and fire positions. In two other years, cost-of-living adjustments were authorized by Council. No salary increases occurred in either FY 2008-09 or FY 2009-10; full implementation of the uniform employees step pay plan was postponed because of the impact on the City’s revenues from the economic downturn. FY 2010-11 addressed this issue by funding full implementation of that pay plan at an estimated cost of \$975,000.

The Police and Fire Departments have also had significant increases in uniform officers since FY 2007-08. Nineteen sworn officers and 2.5 civilian positions have been added to the Police Department. The positions expanded all areas of their operations and

facilitated the creation of a traffic unit and increased focus on juvenile crimes. The Fire Department, during the same time frame, added 21 uniform positions and reduced their civilian force by one position. The new uniform positions include staffing for a new fire station that opened in 2008 as well as additional positions to provide relief for training and when employees are on leave. In the FY 2011-12 Budget, 2 additional dispatcher positions were added to address the growing demands for emergency dispatch services. In FY 2011-12, 18 additional firefighters were added in conjunction with the opening of Fire Station #4. Finally, three additional police patrol positions have been added in FY 2012-13 to improve patrol capabilities.

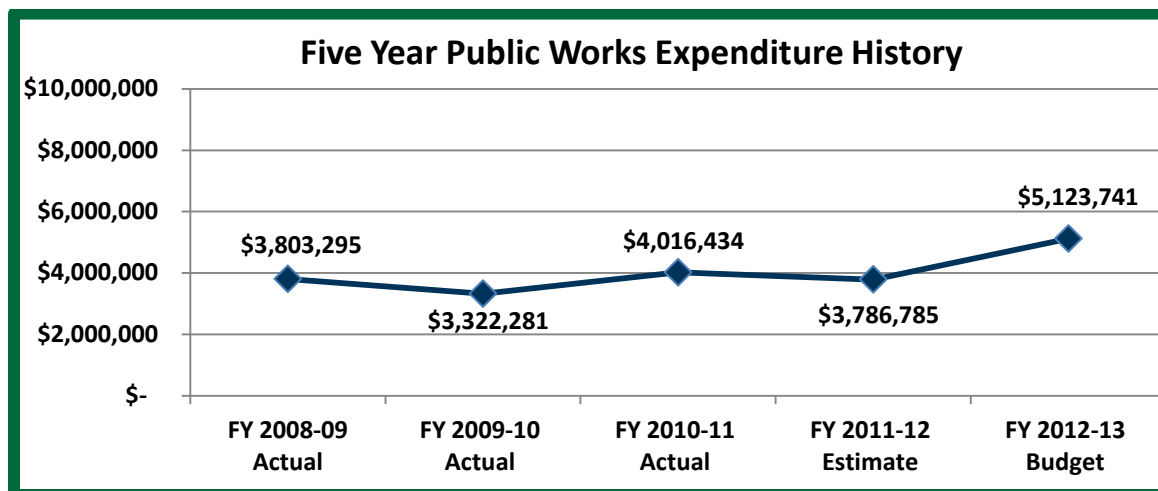


Five Year Public Works Expenditure History

Overall, Public Works expenditures have increased since FY 2008-09; however, changes in funding strategy have impacted General Fund spending in this area in some years. In FY 2009-10, two other changes were implemented that reduced the General Fund cost for Public Works but did not impact the City's overall expenditures for these important functions. A drainage crew and associated costs were moved to the Stormwater Development Fund (\$330,000) to take advantage of one-time revenues from fees assessed on new development in the community. In addition, engineering staff costs were moved to capital improvement funding since those personnel worked on projects funded through debt (\$268,000). For FY 2010-11, the drainage crew costs were moved back to the General Fund. \$177,000 in personnel costs was still capitalized. In FY 2011-12, \$275,000 in personnel costs funded with capital improvement funding as a number of staff continue to work primarily on debt funded projects. In addition, the implementation of the Stormwater Utility Fund removed all expenses related to drainage out of the General Fund once again, which resulted in a reduction of General Fund expenses of \$609,000. For FY 2011-12, a traffic engineer was added as a result of new traffic signal responsibilities assumed by the City as a result of officially passing 50,000 in population. Funding for streets maintenance and repair remained at FY 2010-11 levels. In FY 2012-13, funding for drainage efforts shifts around as well. The drainage staff and associated operating drainage expenditures have been moved back into the general fund. This

change is the main factor driving the change in overall Public Works expenditures from FY 2010-11 to FY 2012-13.

In FY 2005-06, the City spent less than \$100,000 for streets and drainage improvements. In contrast, the FY 2012-13 Adopted Budget provides \$1.52 million to support these efforts. In addition, staffing resources have been improved (by upgrading several engineering positions to create a City Engineer and Assistant City Engineer) to manage the City's increased capital improvement program that focuses heavily on streets and drainage improvements. Since FY 2008-09, other positions have been added in Public Works that include two construction inspectors, a sign shop technician and a facilities maintenance manager, facilities maintenance worker and a foreman.

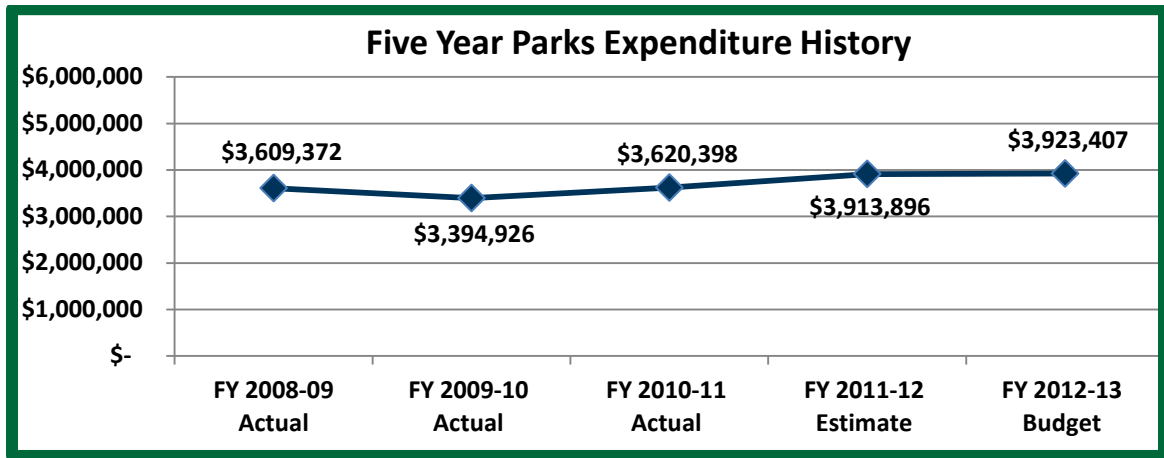


Five Year Parks Expenditure History

Parks expenditures increased significantly from FY 2008-09 to the FY 2012-13, reflecting the City's continued commitment to increase maintenance and parks and recreation programs. In FY 2008-09, \$3.6 million was spent on parks and recreation. The FY 2012-13 Adopted Budget funds \$3.9 million, an increase of \$314,035 or 8.7 percent. In FY 2012-13, all positions are fully funded. Finally, some additional staffing has been added since FY 2008-09 – an urban forester to manage trees at the City's historic Landa Park as well as all other parks and City grounds, three maintenance workers and eleven park rangers to provide increased security and service in the parks and on the rivers. Against these increases, a total of nine seasonal positions have been eliminated to bring the actual number of positions closer to the real number of employees hired every year. This reduction focused on aquatics positions. In addition, certain vacancies were not filled immediately in the Parks Department in some years as a result of the economic downturn. In FY 2012-13, an additional parks maintenance worker and two seasonal recreation camp counselors have been added to meet the increasing operational and programming needs of this department.

During FY 2009-10, the City experienced a major flood event that impacted many of the City's parks along river fronts. Damage to park facilities included fencing, dams,

retaining walls, and bridges. Debris removal was a major effort. Funding for this effort came from the City's Facilities Maintenance Fund and is estimated to total more than \$1 million.



COMMUNITY PROFILE

New Braunfels is a dynamic and historic Texas community of about 59,275 located on Interstate 35, thirty miles north of San Antonio (the nation's seventh largest city) and forty-five miles south of Austin (the capital of Texas). The population in 2000 was 36,494; and the 2010 census reported the population to be 57,740, therefore the City experienced a 58 percent increase in population from 2000 to 2010. For the next five to ten years, the City projects a much more moderate rate of population growth – about 1.8percent annually. This slow down is a reflection of the 2008 expected continued impact of the economic downturn, which has affected people's mobility and housing purchases.

New Braunfels is the largest city in Comal County and serves as the county seat. The City's geographic corporate boundaries encompass 44.3 square miles. Because of its strategic location between two major cities, New Braunfels has access to a workforce of more than 400,000 as well as 10 colleges and universities within a 30 minute commute. The City attracts businesses and residents interested in living in a smaller city. However, it offers the advantage of proximity to big city attractions and opportunities. This positioning is contributing to the City's strong population and economic growth. Easy accessibility to two major highways – IH10 and IH 35 (a major NAFTA artery) – also promotes New Braunfels strong economic viability.

The City's history is one of the richest in Texas and is cherished by its residents who strive to preserve and protect their heritage that reflects both strong German and Hispanic influences. Often referred to as the "City of a Prince" (because it was founded by Prince Carl of Solms Braunfels), early New Braunfels became an important part of Texas civilization and industry.

Several Native American tribes inhabited the New Braunfels area because of the fresh spring water available. The expedition of Domingo Terán de los Ríos of 1691 followed the "El Camino Real" (today a National Historic Trail) which crossed the Guadalupe River near today's Faust Street Bridge. Subsequent French and Spanish expeditions, including those of the Marqués de Aguayo and Louis Juchereau de St. Denis, commonly passed through this area. In 1825, a Mexican land grant gave title of the area around the springs to Juan M. Veramendi. During the eighteenth century, the springs and river (which had been called Las Fontanas and the Little Guadalupe respectively) took the name Comal, Spanish for "flat dish" and Guadalupe.

1836 saw the formation of the Republic of Texas after years of bloody battles with the Mexican Government who laid claim to this territory. To pay off war debt and weaken political ties with Mexico, the new nation of Texas offered public land to Americans and Europeans. This offer, in conjunction with political strife in their home country, enticed a group of German nobleman to form an immigration company named Adelsverein. German immigrants began to arrive in Indianola, Texas in December 1844 and make their way to San Antonio. On March 13, 1845, Prince Carl of Solms-Braunfels, Germany

entered into an agreement with Maria Antonio Garza and her husband Rafael E. Garza for 1,265 acres of the Veramendi land grant for a sum of \$1,111.

The first wagon of German immigrants arrived on Good Friday, March 21, 1845. Prince Solms and his engineer, Nicholas Zink, selected a town site. The town had an open square with streets radiating out at right angles. The original town included 342 lots, each with a narrow street frontage so that the town could remain compact and defensible yet provide street frontage to as many lots as possible. This urban plan was popular in German scholarship of the nineteenth century, set New Braunfels apart from other Texas towns and is still evident today.

In the 1960's, the community became more committed to preserving its rich history and this has tied into the strong tourism industry, a major factor in the economy of today's New Braunfels. Visitor attractions abound in New Braunfels and the surrounding area, bringing over two million visitors annually. Central to its economy is the recreational industry generated by the two rivers that bisect the City and by Schlitterbahn, the recipient of top international honors from Amusement Today's Golden Tickets Awards including fourteen consecutive years as World's Best Waterpark.

The City's population demographics include, as indicated, a strong Hispanic population, making up about 35 percent of the current population. About 41 percent of the population is between the ages of 25 and 55 with the median age at 36.9. 85 percent of the population graduated from high school or attained a higher level of education.

Education, health care and social services offer the greatest employment opportunities (at 19 percent) with retail trade (15 percent) and tourism (11 percent) running close behind. Major employers include the school district, The Scooter Store (which provides mobility to individuals in need of mechanized mobility assistance), Christus Santa Rosa hospital and the Wal-Mart Distribution Center. The median home value is about \$165,500, and the median household income is \$56,334. Per capita income for the same time period was \$25,729. The median family income was \$67,636. About 8 percent of the population is below the poverty level.

The table below shows the City's major employers in 2011. At that time, these top ten entities employed almost 30 percent of the workforce in New Braunfels.

**City of New Braunfels, Texas
Principal Employers**

<u>Employer</u>	2011	
	<u>Employees</u>	<u>Percentage of Total City Employment</u>
Comal ISD	2,300	8.03%
The Scooter Store	1,784	6.23%
Schlitterbahn Water Park	1,689	5.90%
Wal-Mart Distribution Center	1,065	3.72%
New Braunfels ISD	928	3.24%
Christus Santa Rosa Hospital	692	2.42%
Comal County	587	2.05%
HEB	574	2.00%
Hunter Industries-Colorado Material	500	1.75%
City of New Braunfels	508	1.77%
Total	10,627	29.08%

New Braunfels is served by two school districts – New Braunfels Independent School District (NBISD) and Comal Independent School District (CISD). NBISD is entirely within the City limits. CISD serves the population of a portion of the City as well as much of the surrounding Comal County. NBISD has a student enrollment of approximately x and CISD serves x students.

The table below provides information regarding historical and current ad valorem property tax rates for the City and other taxing jurisdictions that collect tax revenue from New Braunfels citizens.

City of New Braunfels, Texas
Property Tax Rates¹
Direct and Overlapping² Governments
(per \$100 of assessed value)

Fiscal Year	City of New Braunfels Tax Rate			Overlapping Tax Rates				
	General Government	Debt Service	Total	Comal County	Guadalupe County	Navarro ISD	New Braunfels ISD	Comal ISD
2002	0.25560	0.05800	0.31360	0.33375	0.36680	1.63800	1.92100	1.80000
2003	0.26504	0.05346	0.31850	0.33375	0.36540	1.62030	1.85500	1.83000
2004	0.32423	0.04688	0.37110	0.33374	0.35310	1.85510	1.82000	1.82000
2005	0.32026	0.12807	0.44833	0.35375	0.35310	1.88000	1.82000	1.80000
2006	0.36900	0.05662	0.42561	0.31520	0.34810	1.82000	1.65250	1.64000
2007	0.32702	0.08285	0.40986	0.31799	0.32950	1.44000	1.34486	1.31000
2008	0.28218	0.12768	0.40986	0.30802	0.32950	1.44000	1.33880	1.31000
2009	0.28218	0.12768	0.40986	0.31296	0.33450	1.44000	1.33910	1.31000
2010	0.26136	0.14850	0.40986	0.33400	0.34490	1.46000	1.33910	1.37000
2011	0.26136	0.18700	0.44836	0.30542	0.34560	1.46000	1.33910	1.43000

As provided in its Home Rule Charter, a Mayor and a six-member City Council govern the City of New Braunfels. The Mayor is elected at large while the remaining Council members represent six Council districts of the City. All policy making decisions are vested in the City Council. Among other duties, the City Council appoints a City Manager who directs the day-to-day operations of the City under guidelines and policies of the City Charter, and the City Council and develops the annual budget. Each Council member is elected for a three-year term on a staggered basis. The City Charter limits service to two consecutive terms of office, and not more than three total terms in a lifetime.

The City of New Braunfels is a full service municipal organization that provides a full range of services including police and fire protection; emergency response services; solid waste service and recycling; maintenance of streets and infrastructure; recreational activities; library services; planning and development services; code enforcement and animal control; river management; golf course management; a municipal court; a system of municipal parks; and a regional airport.

The City also has the New Braunfels Industrial Development Corporation (NBIDC), a non-profit corporation that was formed to administer a special 3/8¢ sales tax for economic development. The New Braunfels Utility (NBU) is a City-owned water, wastewater and electric utility serving the City of New Braunfels and some of the surrounding area. The City appoints these board members as well and approving any proposed debt issuance.

**City of New Braunfels
Census Data Comparison
POPULATION AND ETHNICITY**

2000 Data

	Number	Percent
Total population	36,494	100.0
Male	17,472	47.9
Female	19,022	52.1
Under 5 years	2,574	7.1
5 to 9 years	2,596	7.1
10 to 14 years	2,659	7.3
15 to 19 years	2,512	6.9
20 to 24 years	2,117	5.8
25 to 34 years	5,164	14.2
35 to 44 years	5,200	14.2
45 to 54 years	4,605	12.6
55 to 59 years	1,548	4.2
60 to 64 years	1,364	3.7
65 to 74 years	2,772	7.6
75 to 84 years	2,361	6.5
85 years and over	1,022	2.8
Median age (years)	36.2	(X)
18 years and over	27,125	74.3
Male	12,722	34.9
Female	14,403	39.5
21 years and over	25,755	70.6
62 years and over	6,936	19.0
65 years and over	6,155	16.9
Male	2,362	6.5
Female	3,793	10.4
Ethnicity		
One Ethnicity	35,675	97.8
White	30,763	84.3
Black or African American	501	1.4
American Indian and Alaska Native	201	0.6
Asian	211	0.6
Native Hawaiian and Other Pacific Islander	11	0.0
Ethnicity alone or in combination with one or more other Ethnicities		
White	31,500	86.3
Black or African American	601	1.6
American Indian and Alaska Native	350	1.0
Asian	305	0.8
Native Hawaiian and Other Pacific Islander	26	0.1
Some other Ethnicity	4,555	12.5
HISPANIC OR LATINO AND Ethnicity		
Hispanic or Latino (of any Ethnicity)	12,599	34.5
Mexican	9,308	25.5
Puerto Rican	65	0.2
Cuban	7	0.0
Other Hispanic or Latino	3,219	8.8
Not Hispanic or Latino	23,895	65.5
White alone	22,793	62.5

2010 Data

	Number	Percent
Total population	57,740	100
Male	27,743	48
Female population	29,997	52
Under 5 years	4,320	7.5
5 to 9 years	4,456	7.7
10 to 14 years	4,367	7.6
15 to 19 years	3,840	6.7
20 to 24 years	3,211	5.6
25 to 29 years	4,069	7
30 to 34 years	4,080	7.1
35 to 39 years	4,196	7.3
40 to 44 years	3,884	6.7
45 to 49 years	3,833	6.6
50 to 54 years	3,520	6.1
55 to 59 years	3,175	5.5
60 to 64 years	2,895	5
65 to 69 years	2,190	3.8
70 to 74 years	1,730	3
75 to 79 years	1,557	2.7
80 to 84 years	1,155	2
85 years and over	1,262	2.2
Median age (years)	35.6	(X)
16 years and over	43,747	75.8
18 years and over	42,056	72.8
21 years and over	40,153	69.5
62 years and over	9,594	16.6
65 years and over	7,894	13.7
Ethnicity		
One Ethnicity	56,429	97.7
White	50,132	86.8
Black or African American	1,081	1.9
American Indian and Alaska Native	385	0.7
Asian	595	1
Native Hawaiian and Other Pacific Islander	24	0
Ethnicity alone or in combination with one or more other Ethnicities		
White	51,299	88.8
Black or African American	1,366	2.4
American Indian and Alaska Native	689	1.2
Asian	852	1.5
Native Hawaiian and Other Pacific Islander	92	0.2
Some Other Ethnicity	4,815	8.3
HISPANIC OR LATINO		
Total population	57,740	100
Hispanic or Latino (of any Ethnicity)	20,230	35
Mexican	17,492	30.3
Puerto Rican	295	0.5
Cuban	81	0.1
Other Hispanic or Latino	2,362	4.1
Not Hispanic or Latino	37,510	65
White alone	35,132	60.8

**City of New Braunfels
Census Data Comparison
RELATIONSHIPS AND HOUSEHOLDS**

2000 Data

RELATIONSHIP		
Total population	36,494	100.0
In households	35,316	96.8
Householder	13,558	37.2
Spouse	7,508	20.6
Child	10,669	29.2
Own child under 18 years	8,265	22.6
Other relatives	2,108	5.8
Under 18 years	920	2.5
Nonrelatives	1,473	4.0
In group quarters	1,178	3.2
Institutionalized population	819	2.2
Noninstitutionalized population	359	1.0
HOUSEHOLDS BY TYPE		
Total households	13,558	100.0
Family households (families)	9,599	70.8
With own children under 18 years	4,527	33.4
Married-couple family	7,508	55.4
With own children under 18 years	3,328	24.5
Female householder, no husband present	1,565	11.5
With own children under 18 years	922	6.8
Nonfamily households	3,959	29.2
Householder living alone	3,360	24.8
Householder 65 years and over	1,626	12.0
Households with individuals under 18 years	5,019	37.0
Households with individuals 65 years and over	3,953	29.2
Average household size	2.60	(X)
Average family size	3.11	(X)
HOUSING OCCUPANCY		
Total housing units	14,896	100.0
Occupied housing units	13,558	91.0
Vacant housing units	1,338	9.0
For seasonal, recreational, or occasional	250	1.7
Homeowner vacancy rate (percent)	1.4	(X)
Rental vacancy rate (percent)	11.2	(X)
HOUSING TENURE		
Occupied housing units	13,558	100.0
Owner-occupied housing units	8,735	64.4
Renter-occupied housing units	4,823	35.6
Average household size of owner-occupied	2.69	(X)
Average household size of renter-occupied	2.45	(X)

2010 Data

RELATIONSHIP		
Total population	57,740	100
In households	56,800	98.4
Householder	21,259	36.8
Spouse	11,401	19.7
Child	17,881	31
Own child under 18 years	13,862	24
Other relatives	3,563	6.2
Under 18 years	1,553	2.7
Nonrelatives	2,696	4.7
In group quarters	940	1.6
Institutionalized population	666	1.2
Noninstitutionalized population	274	0.5
HOUSEHOLDS BY TYPE		
Total households	21,259	100
Family households (families)	15,054	70.8
With own children under 18 years	7,316	34.4
Husband-wife family	11,401	53.6
With own children under 18 years	5,271	24.8
Female householder, no husband present	2,661	12.5
With own children under 18 years	1,530	7.2
Nonfamily households	6,205	29.2
Householder living alone	5,047	23.7
65 years and over	2,143	2.1
Households with individuals under 18 years	8,123	38.2
Households with individuals 65 years and over	5,549	26.1
Average household size	2.67	(X)
Average family size	3.18	(X)
HOUSING OCCUPANCY		
Total housing units	23,381	100
Occupied housing units	21,259	90.9
Vacant housing units	2,122	9.1
For seasonal, recreational, or occasional	710	3
Homeowner vacancy rate (percent)	1.9	(X)
Rental vacancy rate (percent)	7.6	(X)
HOUSING TENURE		
Occupied housing units	21,259	100
Owner-occupied housing units	14,157	66.6
Renter-occupied housing units	7,102	33.4
Average household size of renter-occupied	2.48	(X)
Average household size of owner-occupied	2.77	(X)

ECONOMIC CONDITION AND OUTLOOK

From 2000 to 2010, the City of New Braunfels enjoyed a very robust, high growth period. Population grew at an average annual rate of 5.8 percent. Property values increased an average of 12 percent annually. Sales tax growth averaged 13.9 percent annually over the same period, both from major new businesses attracted through economic development agreements as well as general retail growth. The City, during that same time frame, attracted some major business generators, positively affecting the City's property tax revenue.

As with most areas around the country, New Braunfels was impacted by the economic downturn in 2008. Sales tax in FY 2009-10 was 1.8 percent below the prior fiscal year. FY 2010-11 sales tax began to rebound in January 2010. In FY 2011-12, sales tax was up 10.2 percent. This growth is expected to continue in FY 2012-13. Although existing property values dropped slightly in FY 2009-10, new property gave the City an overall growth in property values of 2.9 percent that year. For FY 2010-11, property values showed an overall decline of just less than 1 percent. Property taxes in FY 2011-12 yielded a 3.7 percent increase in value, driven entirely by new property. Hotel/Motel taxes, an indicator of tourism in New Braunfels, also rebounded strongly in FY 2011-12, yielding an 18.5 percent increase when compared to the prior fiscal year. Given the experience of many other communities around the nation, New Braunfels has been much less severely impacted.

The City also recognizes the value of commercial development to its economic base and continues to encourage commercial growth that will be beneficial to the tax base and support the citizens' needs. Recently, a major retailer, – Buc-ee's Convenience Store, built their largest store in the country and has created a workforce of over 125 jobs. Ashley Furniture located and then expanded a distribution center (adding 150 jobs to the existing 200) in the City and Home Depot Supply sited a new contractor sales facility within the City. These two developments had a very positive impact on the City's sales tax revenue. Most recently, a million plus square foot retail facility began construction in the City. The City created a tax increment reinvestment zone (TIRZ) to provide economic assistance to that development. The final build-out will include major retailers, a movie theater, a hospital and potentially other medical facilities. The current economic climate has impacted this development, slowing the rate of retail space construction. However, the City and the developer continue to explore ways to make this project thrive. A pool manufacturer recently moved its headquarters to New Braunfels and another major mixed use (retail, residential and office space) project has begun development. As stated, the retail developments have been impacted by the recent economic downturn; however, the projections are for the ultimate build out to be achieved, but in a longer time frame than originally planned. The Industrial Corporation has funding available to offer incentives for businesses to choose New Braunfels, a plus in today's economy. The City and its Industrial Development Corporation have recently entered into agreement with National Flight Services, one of the nation's premier engine repair and maintenance companies. This agreement will ultimately result in the construction of a 20,000 square foot aircraft engine and maintenance facility to be constructed at the New Braunfels

Regional Airport. The \$1.2 million dollar facility will be home to National Flight Services Texas operations. This agreement will increase overall business activity at the airport.

The long-term economic outlook for the New Braunfels area is positive. National recessions have historically impacted New Braunfels less than other areas of the country and Texas and the area rebounded more quickly from any negative impacts seen. This is true for the most recent economic downturn. As stated above, both sales tax and hotel/motel tax have rebounded strongly. Advantages for the community's economic stability and growth include: the close proximity to both San Antonio and Austin; the IH-35 Corridor; the availability of choice industrial sites throughout the City; and the strong tourism sector of the economy. The City expects tourism to remain strong because New Braunfels offers great attractions at reasonable prices. Visitors can enjoy local dining, shopping, the "world's best" water park (Schlitterbahn), and river activities in and along the two rivers running through the heart of the community.



General Fund



City of New Braunfels
General Fund
Fiscal Year Ending September 30, 2013

Fund: 101

Available Funds	FY 2010-11 Actual	FY 2011-12 Budget	FY 2011-12 Estimate	FY 2012-13 Budget
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Beginning Balance

Undesignated Funds	\$ 19,750,371	\$ 18,030,974	\$ 18,293,298	\$ 16,873,217
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Revenue

Property Tax	\$ 10,119,635	\$ 10,387,825	\$ 10,384,300	\$ 10,942,352
Sales Tax	13,040,334	13,367,000	13,933,485	15,059,909
Other Taxes and Franchise Fees	7,681,802	7,302,200	7,734,400	7,798,058
Licenses and Permits	1,687,285	1,659,775	2,042,101	2,117,100
Charges for Services	2,984,975	2,995,420	3,029,773	3,214,012
Fines and Forfeitures	1,522,791	1,461,590	1,189,475	1,379,000
Parks and Recreation	992,874	899,200	1,001,500	1,023,600
Interest Income	58,301	96,000	70,000	70,000
Intergovernmental	18,436	-	15,000	-
Miscellaneous	1,258,937	1,025,200	1,390,503	1,069,850
Interfund Transfers	638,812	635,906	635,906	652,562
Total Revenue	\$ 40,004,182	\$ 39,830,116	\$ 41,426,443	\$ 43,326,443

TOTAL AVAILABLE FUNDS	\$ 59,754,553	\$ 57,861,090	\$ 59,719,741	\$ 60,199,659
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APPROPRIATIONS

General Government	\$ 4,702,037	\$ 4,858,951	\$ 5,084,946	\$ 6,231,839
Planning and Community Development	2,295,741	2,270,162	2,111,659	2,469,039
Public Safety				
Police	11,531,578	11,963,615	11,887,930	11,848,318
Fire	11,511,390	11,825,992	12,113,031	13,493,886
Municipal Courts	605,290	426,072	447,977	484,081
Public Works	4,016,434	3,726,783	3,786,785	5,123,741
Parks and Recreation	3,620,398	4,129,249	3,913,896	3,923,407
Library	1,446,476	1,534,848	1,483,584	1,845,686
Interfund Transfers	1,731,912	2,497,349	2,016,717	611,738

TOTAL OPERATING APPROPRIATIONS	\$ 41,461,255	\$ 43,233,020	\$ 42,846,524	\$ 46,031,735
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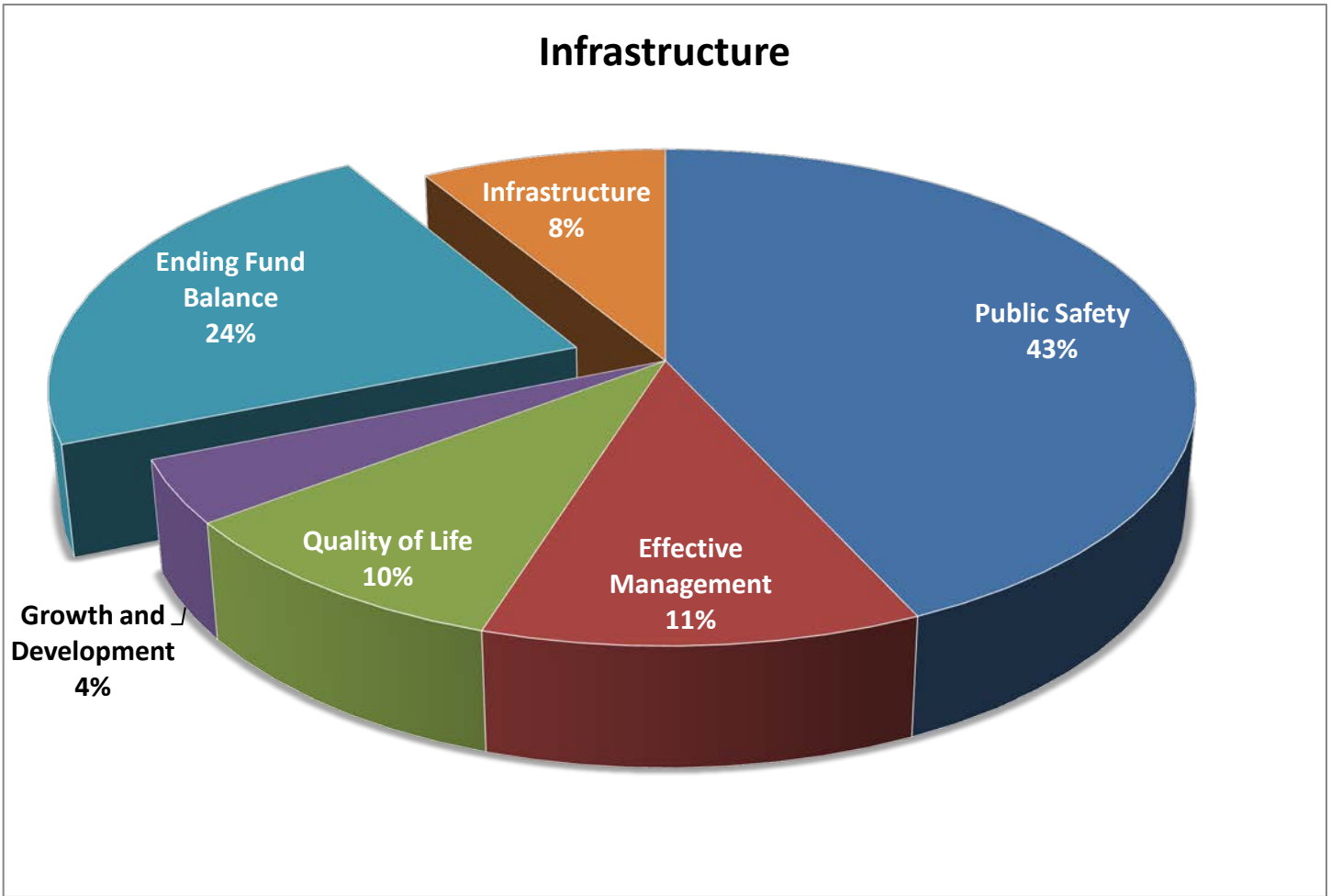
Ending Fund Balance	\$ 18,293,298	\$ 14,628,070	\$ 16,873,217	\$ 14,167,924
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TOTAL APPROPRIATIONS	\$ 59,754,553	\$ 57,861,090	\$ 59,719,741	\$ 60,199,659
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	FY 2010-11	FY 2011-12	FY 2011-12	FY 2012-13
	<u>Actual</u>	<u>Budget</u>	<u>Estimate</u>	<u>Budget</u>
City Council	\$ 23,088	\$ 157,274	\$ 160,754	\$ 165,977
City Attorney	637,119	512,027	605,164	682,233
City Manager	542,045	644,203	660,691	691,902
City Secretary	223,712	247,218	232,905	214,132
Emergency Management	94,614	100,773	94,898	-
Total Administration	\$ 1,520,578	\$ 1,661,495	\$ 1,754,412	\$ 1,754,244
Human Resources	573,090	611,076	586,027	639,841
Support Services	742,239	827,114	820,293	838,801
Information Technology	544,226	642,370	585,173	728,606
GIS	216,901	272,896	233,409	271,671
Total Support Services, IT and GIS	\$ 1,503,366	\$ 1,742,380	\$ 1,638,876	\$ 1,839,078
Planning and Community Development				
Planning	860,314	711,304	652,394	700,993
Environmental Services	702,226	754,930	716,901	891,501
Building Inspection	624,284	704,790	643,266	740,688
Main Street	108,917	99,139	99,098	135,856
Total Planning and Community				
Development	\$ 2,295,741	\$ 2,270,162	\$ 2,111,659	\$ 2,469,039
Police				
Administration	889,988	1,200,633	1,386,407	1,404,072
Patrol	7,130,262	6,937,013	6,767,807	6,625,780
Criminal Investigations	1,821,691	1,949,306	2,188,998	2,112,761
Support Services	1,689,636	1,876,662	1,544,718	1,705,705
Total Police	\$ 11,531,578	\$ 11,963,615	\$ 11,887,930	\$ 11,848,318
Municipal Courts	\$ 605,290	\$ 426,072	\$ 447,977	\$ 484,081
Fire				
Operations	9,983,767	10,649,878	10,358,269	11,559,135
Support Services	1,527,622	1,176,114	1,754,762	1,816,595
Emergency Management	-	-	-	118,157
Total Fire	\$ 11,511,390	\$ 11,825,992	\$ 12,113,031	\$ 13,493,886
Public Works				
Engineering	788,685	784,231	856,073	1,020,873
Streets	2,435,086	2,607,652	2,588,920	2,947,659
Drainage	447,048	-	-	777,626
Facilities Maintenance	345,616	334,900	341,792	377,583
Total Public Works	\$ 4,016,434	\$ 3,726,783	\$ 3,786,785	\$ 5,123,741
Parks				
Administration	771,302	794,141	736,342	633,478
Recreation	314,002	368,404	331,601	352,330
Aquatics	466,348	527,275	526,611	495,816
Rangers	201,165	202,072	231,092	221,927
Maintenance	1,703,565	2,050,650	1,920,607	2,035,023
Athletics	164,014	186,707	167,643	184,833
Total Parks	\$ 3,620,398	\$ 4,129,249	\$ 3,913,896	\$ 3,923,407

	FY 2010-11 <u>Actual</u>	FY 2011-12 <u>Budget</u>	FY 2011-12 <u>Estimate</u>	FY 2012-13 <u>Budget</u>
Library Services				
Library	\$ 1,446,476	\$ 1,534,848	\$ 1,483,584	\$ 1,604,636
Westside Community Center	-	-	-	241,050
Total Library	\$ 1,446,476	\$ 1,534,848	\$ 1,483,584	\$ 1,845,686
Non-Departmental - General Governm	\$ 1,105,003	\$ 1,104,000	\$ 1,105,632	\$ 1,312,455
Non-Departmental - Public Works	-		-	-
Non-Departmental - Public Safety	-		-	-
Non-Departmental - Parks	-		-	-
Operating Transfers	1,731,912	2,497,349	2,016,717	611,738
Contingencies	-	(260,000)	-	686,222
Total Non-Departmental	\$ 2,836,915	\$ 3,341,349	\$ 3,122,349	\$ 2,610,415
Total General Fund	\$ 41,461,255	\$ 43,233,020	\$ 42,846,524	\$ 46,031,735

FUND BALANCE



Strategic Priority	Allocation
Public Safety	\$25,826,286
Effective Management	6,843,577
Quality of Life	5,769,093
Growth and Development	2,469,039
Infrastructure	5,123,741
Ending Fund Balance	14,167,924
Total	\$60,199,659

ENDING FUND BALANCE

General Fund: 101

Program Description:

The FY 2012-13 Budget includes \$14,167,924 as an ending fund balance for the General Fund. This amount will be held as an operating reserve. However, since these funds are not appropriated for a specific purpose, they are available if some extraordinary event would require their use. Because the City has some dependence on tourism and the revenue generated from these types of activities, the City, by policy, maintains an operating reserve of at least 25 percent of the budgeted expenditures for the General Fund. For planning and budgeting purposes, over the last five years, the City Council has adopted a budget that includes a 35 percent fund balance reserve. In FY 2012-13, the City is beginning a measured drawdown of fund balance, changing the planning and budgeting target ultimately to 30 percent.

Appropriations:

	FY 2010-11 <u>Actual</u>	FY 2011-12 <u>Estimate</u>	FY 2012-13 <u>Budget</u>
Ending Fund Balance	\$18,293,298	\$16,873,217	\$14,167,924
<i>Total Appropriations</i>	<i>\$18,293,298</i>	<i>\$16,873,217</i>	<i>\$14,167,924</i>

Program Justification and Fiscal Analysis:

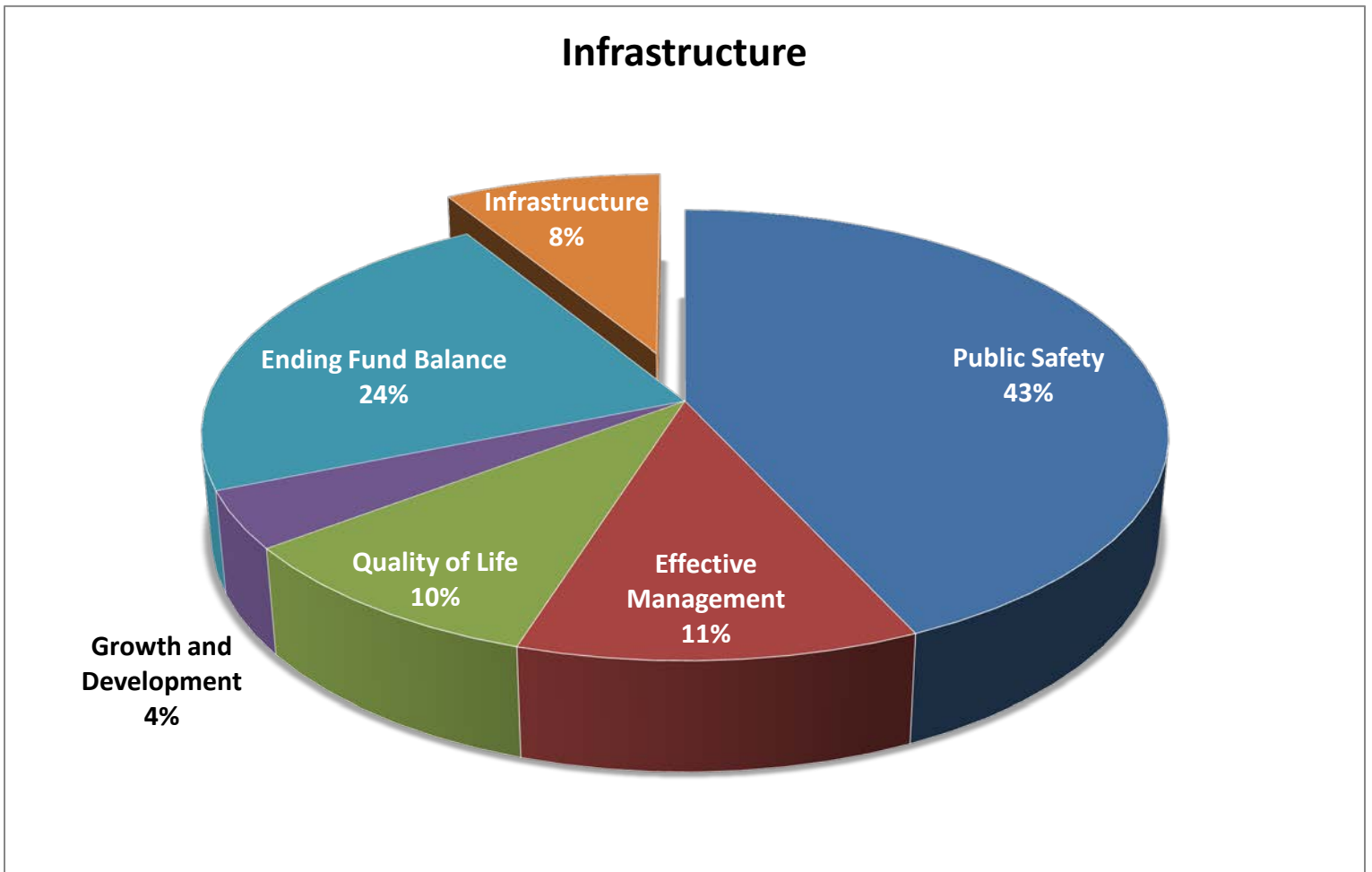
The City Council has set a policy to maintain a General Fund fund balance equal to at least 25 percent of the budgeted expenditures in this fund. The FY 2012-13 Budget includes an ending balance that exceeds that requirement to protect the City's debt rating and maintain financial stability. The \$14,167,924 fund balance represents 30.8 percent of the budgeted expenditures in the General Fund. Bond rating agencies strongly prefer steady or increasing fund balances but the City needed to keep all the requirements in balance. Six years earlier, the fund balance was 65 percent of expenditures and considered much higher than necessary by normal standards. As mentioned above, the City Council set a policy to keep fund balance levels at a minimum of 25 percent of budgeted expenditures and the City started reducing the fund balance in FY 2006-07 to a 35 percent target. Beginning in FY 2012-13, the City will implement a strategy to reduce the fund balance levels once again. The strategy will include a measured approach so that the City can preserve its excellent debt ratings and continue to provide sufficient reserves to meet unexpected and/or extraordinary circumstances. The new planning and budgeting target will be 30 percent. In FY 2012-13, the proposed fund balance represents 30.8 percent of the operating expenditures. It is important to note that fund balance draw downs are one-time revenue sources; they should not be used to fund recurring expenditures. In the short term, the fund balance draw down will help fund recurring expenditures. However, the expectation is that revenue growth will, in the future, replace fund balance to pay recurring expenditures.

The City has, over the last several years, transferred funds from the General Fund into the Facilities Maintenance Fund and the Equipment Replacement Fund. The Facilities Maintenance Fund has been used to pay for extraordinary or unexpected maintenance and repairs for City buildings and parks, as occurred with the June 2010 flood. Since the source of the funds is the General Fund and the Council could, at any time, re-prioritize those funds for other uses, the fund balance available in the Facilities Maintenance Fund is considered part of the available funds to meet the City's fund balance goal. Including the FY 2012-13 Ending Fund Balance in that fund, the City brings the fund balance percentage to 31.2 percent. The increase in fund

balance percentage is minimal when the Facilities Maintenance Fund is included because there are no current transfers budgeted for FY 2011-12 and FY 2012-13 and available funds are budgeted to complete projects identified to repair and maintain existing City facilities. The Equipment Replacement Fund is used to purchase replacement vehicles. Much of its funding also comes from the General Fund. However, since this has a much more specific purpose, staff does not include its available fund balance in the calculation.

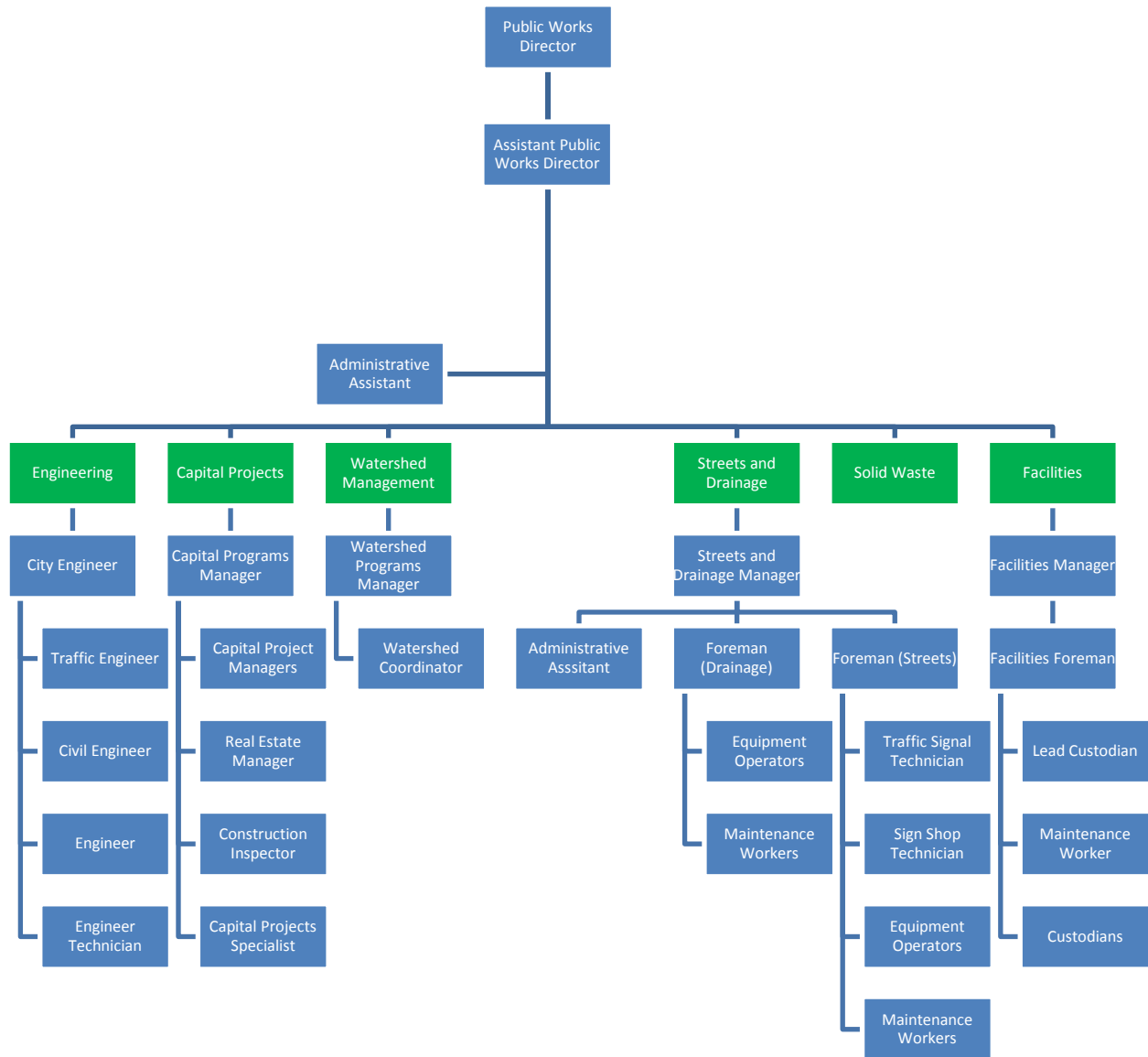
Two years ago (FY 2010-11), \$4.44 million was budgeted in fund balance draw down to meet operational needs. Of this amount, \$2.94 million was used for recurring expenses. In FY 2011-12, the City began a program to end the unsustainable use of fund balance for recurring expenses and reduced the use of fund balance to \$3.4 million (\$1.8 million for recurring expenses). In FY 2012-13, fund balance will again be used to offset operational needs but at a lower level. The goal is to eliminate the use of fund balance for recurring expenses by FY 2014-15.

INFRASTRUCTURE



Strategic Priority	Allocation
Public Safety	\$25,826,286
Effective Management	6,843,577
Quality of Life	5,769,093
Growth and Development	2,469,039
Infrastructure	5,123,741
Ending Fund Balance	14,167,924
Total	\$60,199,659

PUBLIC WORKS DEPARTMENT



PUBLIC WORKS

General Fund: 101

Mission:

To serve the community and make New Braunfels great by being responsive in providing extraordinary capital project management, engineering, field maintenance and waste collection services while respecting the unique heritage of the City and balancing the challenges of an aging infrastructure and continued population growth.

Vision:

A satisfied, healthy and livable community through responsive customer service, department reliability, respect for our unique heritage and natural environment and efficient and cost effective use of resources.

Goals/Objectives:

1. Improve employee productivity and satisfaction through effective team development.
2. Enhance positive community perception through improved information access, friendly service and prompt professional response.
3. Provide cost effective services and management of all departmental and City resources.
4. Facilitate the prompt application of City policy.
5. Continue enhancements of operations and project management to improve efficiencies.
6. Promote, train and retain highly competent staff dedicated to serving the needs of the City.
7. Enhance interdepartmental support activities to improve City-wide efficiencies.

Action Items:

- *Manage capital improvement program (CIP) projects*
Public Works staff manages all capital improvement projects to ensure timely completion within budgeted funds. Activities include technical assistance for plan updates, design, bidding and construction management, right-of-way assistance and other services as required.
- *Manage projects based on the pavement management program*
Engineering staff updates the pavement management program annually. Streets and drainage staff manages projects based on project priority and schedules. Periodic updates are accomplished to establish new priorities based on the street condition survey, field observations and changing needs.
- *Continue utilization of local professional services to effectively manage streets and drainage projects and to implement the CIP program*
Engineering will process contract extensions with local consultants to facilitate timely design services on streets and drainage projects and will process other selections based on qualifications for larger projects or projects requiring specialized services.
- *Develop stormwater runoff regulations; revise ordinances to address building in floodway and floodplain*
Staff will continue to provide support for development and revisions to stormwater runoff regulations and revisions to address building in the floodway and floodplain.
- *Continue to develop proactive programs for traffic control*
Engineering will provide in house analysis and contract out necessary consultant services to provide traffic planning and engineering support and the Streets Division will continue maintenance for approximately 50 traffic control devices.

- *Improve facilities in which employees work*
Facilities Maintenance staff will be responsive to work requests to improve the facilities in which employees work.
- *Preserve and improve our open space*
Real estate services will assist in acquiring open space and floodplain properties that have been identified by the recently award FEMA disaster mitigation grant.
- *Implement railroad quiet zones*
Complete phase one of the railroad quiet zone project and complete design and start construction on phase 2 as funding becomes available.

Department Description:

The Public Works Department is under the direction of the Public Works Director and includes the following divisions: Engineering, including real estate services; Streets and Drainage; Facilities Maintenance; Solid Waste; and Water Resource Management, which includes river operations.

Engineering:

The Engineering Division provides management and guidance for City capital improvement projects, residential and commercial development reviews, utility coordination, drainage management and many other engineering related functions. The division is led by the City Engineer and provides engineering support for development in the community. In addition, the division provides engineering expertise to the Capital Projects Management Division and is continuing to manage some capital improvement projects as well.

Capital Projects Management:

This new division provides capital project management for various capital improvement projects authorized by the City Council. This includes Parks and Recreation, Airport and other City departments' infrastructure improvement projects. Major projects now under design or construction being managed by this new division include the Walnut Avenue Widening project, parks and recreation projects and a number of other street and drainage projects. To properly manage City projects, Public Works staff is continuing to utilize and further develop the City's program management system to streamline effective project management.

Real estate management is also a key function of this division. Property acquisitions associated with streets and drainage projects and other City property purchases and leases are coordinated by the City's Real Estate Manager. In FY 2008-09, the City hired a Real Estate Manager to bring in-house the real estate acquisition function, thus saving contracted services costs. In addition, having this expertise in-house assists the City in timely response to real estate issues. In FY 2008-09, the position was fully funded from the 2004 Certificates of Obligation as this position worked on property acquisition for the Walnut Avenue Widening project. As the City's needs continue to diversify, the funding for this position is changing. The full cost of this position is funded in the General Fund in the Public Works Department in FY 2012-13.

Streets:

The Streets Division is responsible for maintaining and repairing streets, traffic signals, pavement markings and signs throughout the City. The City currently maintains an estimated 310 miles of streets, which has increased approximately 20 percent over the last 10 years. Although

City growth has slowed in recent years, aging infrastructure will continue to place significant demands on this division to maintain safe roadways for citizens' use and protection. The Streets Maintenance Program prioritizes maintenance activities based on actual street conditions. Projects are scheduled to be constructed with internal resources and outside contractors to ensure efficient use of public funds and are coordinated with New Braunfels Utilities activities. Another factor affecting workload is the Texas Department of Transportation's transfer of signal maintenance to the City, due to population levels exceeding 50,000. There is more signal maintenance, and engineering has taken on the responsibility for signal warrant studies and other traffic-related engineering.

Drainage:

The Drainage Division is responsible for maintaining and repairing drainage facilities throughout the City. City growth continues to place significant demands on the Drainage Division to maintain drainage for citizens' use and protection. Staff is responsible for vegetation control in drainage structures and easements as well as completing small drainage project improvements. The City's population has exceeded 50,000 with the 2010 census. As a result, the City must comply with federally mandated stormwater regulations and requirements. In addition, the City has significant drainage and flooding issues, as evidenced once again by the flood in June 2010. Currently, drainage staff is responsible for maintaining and repairing drainage facilities throughout the City. An estimated 188 acres are currently being maintained. Community growth continues to place significant demands on the drainage staff to properly maintain stormwater systems. Future capital projects need to be prioritized and additional maintenance activities have been identified.

Facilities Maintenance:

The Facilities Maintenance Division maintains and repairs many City buildings, including City Hall, the Library, Police and Municipal Courts building, golf course buildings, and the Parks and Recreation office building. Work activities include janitorial support, light remodeling, heating, ventilation and air conditioning, plumbing and electrical general work and heavy maintenance coordination. This work ensures that employees and citizens have a comfortable and productive work environment.

Water Resource Management:

In FY 2008-09, the water resource management function moved under Public Works. This includes management of the City's recreational activities along the Comal and Guadalupe Rivers. The costs for this effort are budgeted in the River Activities Fund, a Special Revenue Fund (described elsewhere in this document). The City is also the host to Comal Springs, a major water source for not only New Braunfels but other cities and counties downstream. These springs are a key natural resource that influences many of the region's water decisions. New Braunfels is very active in regional water activities and is a signature party to the Edwards Aquifer Recovery Implementation Plan (EARIP) and the Funding Management Agreement (FMA) and Implementing Agreement. This program and these agreements require the City of New Braunfels to complete \$2.2 million in projects in FY 2012-13. These projects are funded by the Edwards Aquifer Authority (EAA) and are managed by Water Resource Management staff. This staff has the experience and expertise and represents the City's interests in regional water planning.

<i>Performance Measures:</i>			
	FY 2010-11 <u>Actual</u>	FY 2011-12 <u>Estimate</u>	FY 2012-13 <u>Budget</u>
<i>Engineering:</i>			
Number of commercial and residential permit and plat reviews completed	N/A	N/A	240
Percentage of commercial and residential permit and plat reviews completed within ten business days	N/A	N/A	90%
Number of traffic service requests received	N/A	N/A	30
Percentage of traffic service requests processed within 20 business days	N/A	N/A	90%
Estimated savings as a result of internal capital project management	N/A	N/A	\$500,000
Percentage of capital project construction completed on budget and on time	N/A	N/A	90%
<i>Streets:</i>			
Mill and overlay lane miles completed by City forces	N/A	N/A	5.32
Mill and overlay lane miles completed by contractor	N/A	N/A	6.47
Level-up lane miles completed by City forces	N/A	N/A	3.5
Seal coat (chip seal) lane miles	N/A	N/A	11.39
Number of NBU repairs completed by City forces	N/A	N/A	270
Crack sealing lane miles completed by City forces	10.5	14.4	11.18
Pot hole repairs completed by City forces	7,743	9,383	10,800
Signs repaired or installed by City forces	501	527	600
Percentage of regulatory sign and signal maintenance requests completed within 12 hours	N/A	N/A	98%
Number of street service requests processed	N/A	N/A	193
Percentage of high priority street repair service requests completed within 10 business days	N/A	N/A	90%
Percentage of uncomplicated lower priority street repair service requests completed within 30 business days	N/A	N/A	90%
Percentage of service survey positive responses based on work completed	N/A	N/A	90%
<i>Drainage:</i>			
Maintenance level projects completed – tree /brush removal, street drainage, structure repairs, herbicide applications, silt removal	N/A	N/A	98

<i>Performance Measures:</i>			
	FY 2010-11 <u>Actual</u>	FY 2011-12 <u>Estimate</u>	FY 2012-13 <u>Budget</u>
Roadway drainage right-of-way acres maintained	165	165	165
New channel right-of-way acres maintained	N/A	N/A	143
Easement conversions to public maintenance acres maintained	N/A	N/A	.75
Number of drainage service requests processed	N/A	N/A	227
Percentage high priority drainage services requests completed within 10 business days	N/A	N/A	90%
Percentage of uncomplicated lower priority drainage service requests completed within 30 business days	N/A	N/A	90%
Percentage of positive survey responses	N/A	N/A	90%
<i>Facilities Maintenance:</i>			
Percentage of customer work orders responded to within 24 hours	N/A	N/A	90%
Percentage of preventive maintenance program work orders accomplished on time	N/A	N/A	90%
Janitorial service square footage per FTE	N/A	15,981	18,883
Specialty maintenance service square footage per FTE	N/A	70,706	73,987
Energy conservation projects completed	N/A	N/A	2
Florescent light bulb pounds of hazardous waste disposal	N/A	N/A	300
<i>Real Estate:</i>			
Percentage of routine real estate requests for action completed within two business days	N/A	N/A	90%
Percentage of real estate parcels acquired on time within budget	N/A	N/A	90%
Number of leases managed per fiscal year	N/A	17	18
<i>River Activities/Watershed Management:</i>			
Amount of litter collected from rivers	141,025 lbs.	42,138 lbs.	56,184 lbs.
Percentage completion of EARIP/EAHCP annual mitigation initiatives	N/A	N/A	90%
Percentage of MS4 compliance with defined control measures	N/A	N/A	90%

Appropriations:

	FY 2010-11 <u>Actual</u>	FY 2011-12 <u>Estimate</u>	FY 2012-13 <u>Budget</u>
Employee Expenses	\$2,121,831	\$1,937,689	\$2,512,058
Operation Expenses	1,880,103	1,806,259	2,596,083
Capital Expenses	14,500	42,837	15,600
<i>Total Appropriations</i>	<i>\$4,016,434</i>	<i>\$3,786,785</i>	<i>\$5,123,741</i>

Program Justification and Fiscal Analysis:

The FY 2012-13 Public Works Budget reflects a significant increase overall in comparison to FY 2011-12 estimates, with several factors contributing to this change. First, all costs associated with the Drainage Division have moved back to the General Fund. In FY 2011-12, all of these costs were budgeted and expensed in the Stormwater Utility Fund. This represents costs of \$787,626. The second major factor is an additional \$365,000 for street maintenance and repair to continue to strengthen the City's efforts to address the condition of some streets.

Even though the FY 2012-13 Budget for employee expenses shows a significant increase, the budget does include a three percent adjustment for turnover. This amount is projected to reflect normal attrition costs.

In FY 2011-12, several positions were charged to capital funds to reflect the significant portion of their time dedicated to managing capital improvement projects. This funding strategy continues in FY 2012-13, resulting in a reduction in General Fund costs of approximately \$250,000. To more accurately reflect the time that the Engineering Division dedicates to capital projects, the following six employees in FY 2012-13 have a portion of their salary and benefits charged to the capital funds. These percentages resulted from an evaluation of the time actually spent by these employees in these responsibilities.

<u>Position</u>	<u>Percent Charged To Capital Funds</u>
Capital Programs Manager	70%
Civil Engineer	70%
Engineer	70%
Construction Inspector	30%
Construction Inspector	30%
Construction Inspector	30%

As was the case for the last two fiscal years, in FY 2012-13, all salary and benefit costs associated with the Facilities Manager will continue to be charged to the Facilities Maintenance Fund. However, the FY 2012-13 Budget draws down the Facilities Maintenance Fund's available funds. Therefore, FY 2012-13 will likely be the final year for this fund to support the Facilities Manager position.

Operations expenses for FY 2012-13 have increased significantly when compared to the FY 2011-12 estimates. As stated, this is mainly driven by the change in funding for the Drainage

division and increased funding for street maintenance and repair. \$365,000 has been added to the Streets Division to continue to expand efforts for street repair and maintenance. In addition, funding for street signal maintenance is increased for FY 2012-13. Finally, fuel projections have been increased by five percent over the current estimate for FY 2011-12 to reflect projected price increases.

Capital funding of \$15,600 is allocated in FY 2012-13 to purchase two traffic signal cabinets. The Public Works Department currently has only one reserve cabinet in inventory. These signal cabinets can be damaged beyond repair by lightning strikes and vehicle accidents. One of these new cabinets will serve as a second reserve. The second cabinet will be utilized initially for training purposes.

The FY 2012-13 Budget includes two program changes for Public Works. One Facilities Maintenance Worker position is authorized; for FY 2012-13 funding is provided for six months. This position will generate some savings due to reduced external service costs and will result in a net General Fund cost of \$11,012 for FY 2012-13. The net annual cost of the position is \$22,025 with a total cost of \$35,925 and savings annually of \$13,900. The Public Works Department is striving to expand and improve preventative maintenance efforts. This additional position will provide an opportunity to streamline and maintain preventative maintenance schedules for all municipal facilities. The second program change is an annual cleaning services contract for the library (\$24,000). The workload to clean and maintain existing and new facilities has exceeded the capacity of existing staff, impacting the level of service Facilities Maintenance can provide. Engaging an external cleaning contractor will allow the division to focus on preventative maintenance and other enhancement efforts that staff has traditionally been unable to address.

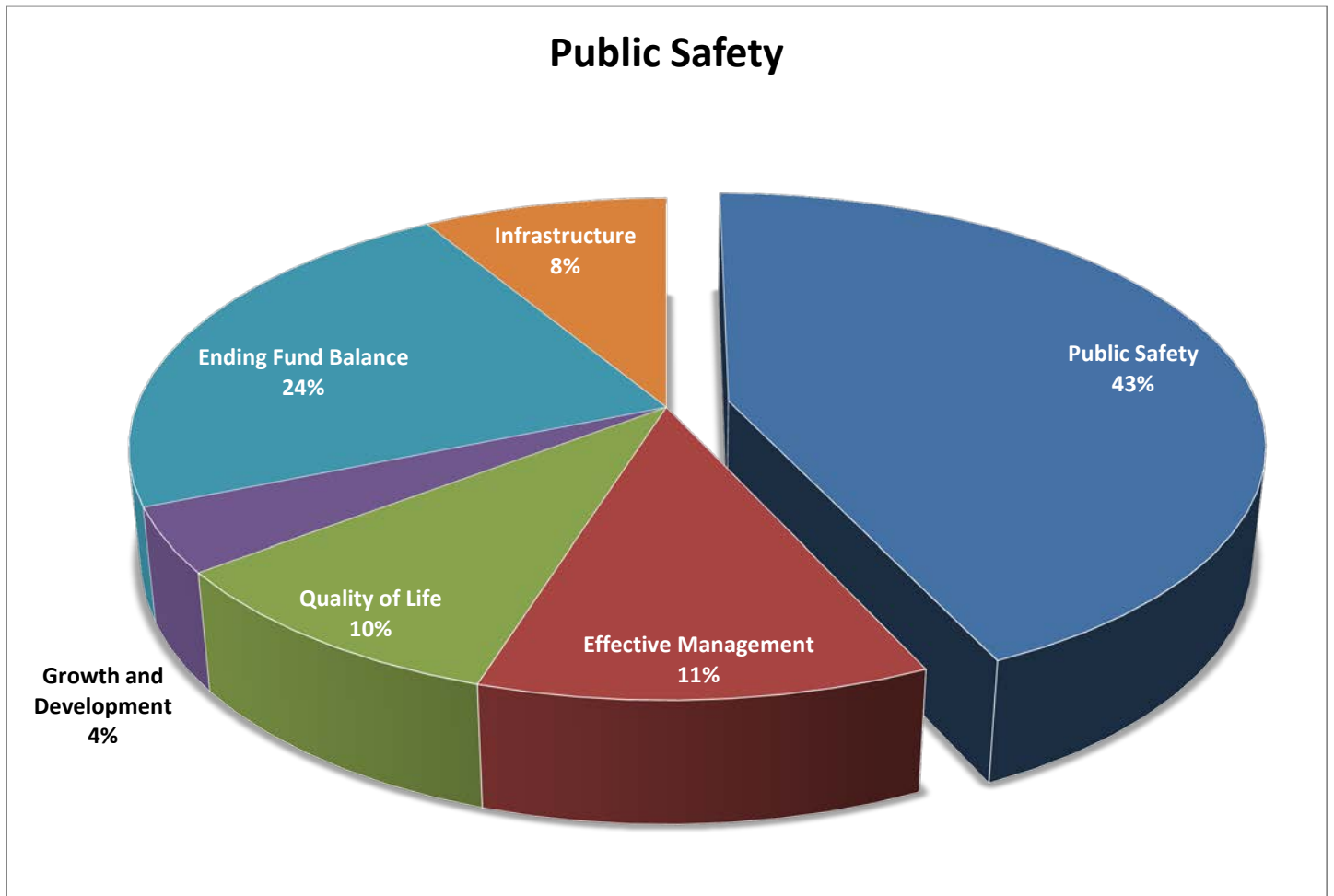
The FY 2012-13 Budget includes a total of sixteen Equipment Operator positions in Public Works Streets and Drainage Divisions – both Equipment Operator I's and Equipment Operator II's. With the budget, Public Works has the flexibility to promote and/or hire individuals based on their skills, qualifications and certifications into either an Equipment Operator I or II position. They are not restricted by the ten Equipment Operator I or six Equipment Operator II positions authorized here. This may result in more or less Equipment Operator I and/or Equipment Operator II positions than shown in the budget. As long as the total number of Equipment Operator positions does not exceed sixteen, the number of Equipment Operator I and Equipment Operator II's can change.

Authorized Positions:

	FY 2010-11 Actual	FY 2011-12 Estimate	FY 2012-13 Budget
<u><i>Engineering:</i></u>			
Public Works Director	1	1	1
Assistant Director of Public Works*	.5	.5	.5
Administrative Assistant	1	1	1
City Engineer	1	1	1
Traffic Engineer	0	1	1
Engineer	2	2	1
Civil Engineer	0	0	1
Engineer Technician	<u>1</u>	<u>1</u>	<u>1</u>
Subtotal - Engineering	6.5	7.5	7.5
<u><i>Capital Projects:</i></u>			
Capital Programs Manager	1	1	1
Construction Inspector	3	3	3
Real Estate Manager	<u>1</u>	<u>1</u>	<u>1</u>
Subtotal – Capital Projects	5	5	5
<u><i>Streets:</i></u>			
Administrative Assistant	0	1	1
Clerical Assistant	1	0	0
Equipment Operator I	4	4	6
Equipment Operator II	6	6	4
Foreman	2	2	2
Maintenance Worker	2	2	2
Sign Shop Technician	1	1	1
Streets and Drainage Manager	1	1	1
Traffic Signal Technician	<u>1</u>	<u>1</u>	<u>1</u>
Subtotal – Streets	18	18	18
<u><i>Drainage:</i></u>			
Equipment Operator I	5	0	6
Foreman	1	0	1
Maintenance Worker	1	0	2
Watershed Coordinator**	<u>0</u>	<u>0</u>	<u>.5</u>
Subtotal – Drainage	7	0	9.5
<u><i>Facilities Maintenance:</i></u>			
Custodian	3	3	3
Facilities Foreman	1	1	1
Facilities Manager***	1	1	1
Lead Custodian	1	1	1
Maintenance Worker	<u>0</u>	<u>0</u>	<u>1</u>
Total – Facilities Maintenance	6	6	7
<i>Total Authorized Positions</i>	42.5	36.5	47

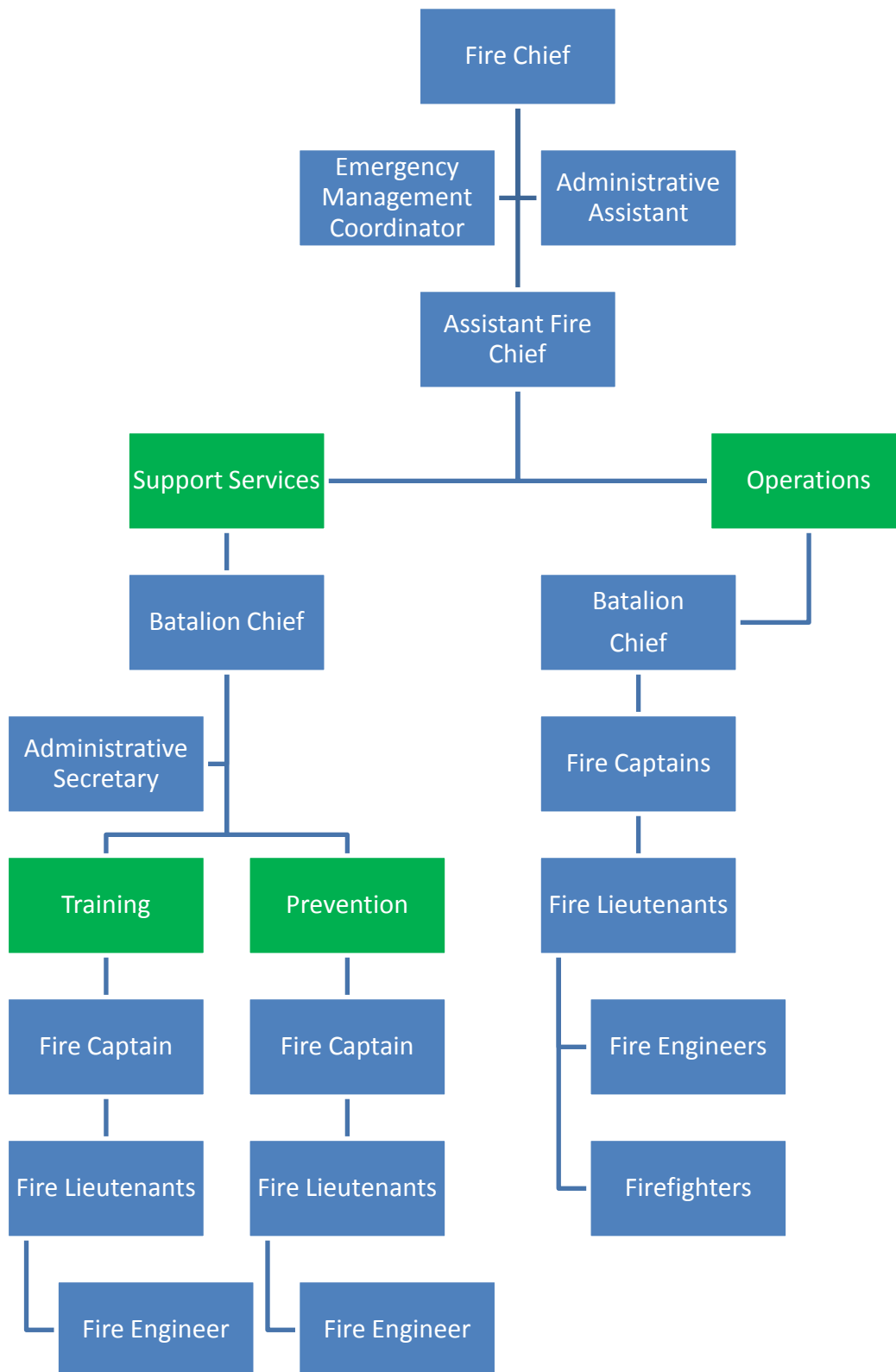
- * 50 percent of the costs associated with the Assistant Director of Public Works are charged to the Solid Waste Fund Budget.
- ** 50 percent of the costs associated with the Watershed Coordinator are charged to the River Activities Fund.
- *** All costs associated with the Facilities Manager are charged to the Facilities Maintenance Fund.

PUBLIC SAFETY



Strategic Priority	Allocation
Public Safety	\$25,826,286
Effective Management	6,843,577
Quality of Life	5,769,093
Growth and Development	2,469,039
Infrastructure	5,123,741
Ending Fund Balance	14,167,924
Total	\$60,199,659

FIRE DEPARTMENT



FIRE DEPARTMENT

General Fund: 101

Mission:

Protection with integrity.

Vision:

To be the benchmark fire department in the State of Texas.

Goals

Support Services Division:

Fire Administration:

1. Ensure responsive, proactive and fiscally responsible delivery of emergency and non-emergency services to our citizens and visitors.
2. Evaluate service levels to ensure that we are meeting the needs of our citizens and visitors in a manner consistent with our mission statement and core values.
3. Embrace new and emerging technologies to improve the efficiency and effectiveness of the department.
4. Promote relationships with city, county, regional, state and federal agencies in order to provide the most efficient services possible during emergency operations.

Fire Training:

1. Ensure division focus toward delivery of company, multi-company and shift level fire training consistent with industry standards such as the National Fire Protection Association (NFPA).
2. Ensure the delivery of required specialized training such as hazardous materials, rope rescue, vehicle extrication and emergency medical services.

Fire Prevention:

1. Ensure fire prevention efforts are age appropriate, hazard specific and delivered in a proactive and timely manner.

Emergency Management:

1. Ensure City staff are prepared to complete their assigned roles and responsibilities during any emergency/disaster.

Operations Division:

1. Reduce loss of life and property and reduce pain and suffering.
2. Use standardized strategies and tactics to achieve the safest, most efficient and effective Fire Department operations whenever possible, uniting the department in concept, philosophy, approach and action.

Department Description:

The New Braunfels Fire Department provides fire suppression and emergency medical services (EMS), as well as a multitude of other services, emergency and non-emergency in nature, to approximately 58,000 citizens and over one million annual visitors of a city covering an area of 44 square miles. In addition to the 44 square miles within the City limits, the Fire Department also provides fire and EMS services to Emergency Services District 7 of Comal County which comprises approximately 112 square miles. To accomplish this task, the City operates six fire stations, and answers approximately 7,500 emergency calls per year. In addition, the Fire Department accomplishes and performs many activities and services annually with respect to training, building inspections, pre-fire planning or fire hydrant testing and maintenance.

Support Services:

Administration, Training and Fire Prevention form the Support Services Division of the Fire Department.

New Braunfels Fire Department Administration is responsible for facilitating all of the services and programs provided by the department. This branch also has the responsibility to shorten response times of the operations division through the strategic placement of new fire stations. Administration is responsible and accountable for all budgeting, personnel management, purchasing, reporting, research and development, identification and implementation of technology advancements, records retention, invoice tracking, staff time keeping and other payroll related functions.

The Fire Training branch of the Support Services Division is responsible for the delivery of up-to-date, modern fire suppression and emergency medical information, techniques, procedures and protocols to the members of the New Braunfels Fire Department. The Fire Training branch must follow all local, state and federal laws to ensure the department remains compliant with all regulatory agencies that pertain to fire, EMS and law enforcement.

Additional duties of the training branch include, but are not limited to: procuring and issuing uniforms, coordinating speakers, managing training records and completing fire and EMS Practical Skills Assessments. Staff also conducts outreach to the community through schools and other venues, creating a high volume of public contacts.

The Fire Prevention branch of the Support Services Division is responsible for public fire education, fire investigations, arson investigations, criminal prosecution with the Office of the District Attorney, code enforcement, commercial plan reviews, plan reviews on subdivision platting, inspections and acceptance testing of fire suppression systems, ordinance updating, fire hydrant maintenance, acceptance testing of all new hydrants and regulation of the transportation, use and storage of hazardous materials.

Emergency Management:

Emergency Management is responsible for planning, preparation and coordination of emergency responses. This could be as a result of floods, hurricanes, railroad derailments or other natural or man-made disasters. In an emergency, the City activates an emergency response center that handles all rescue, sheltering and clean-up activities. Emergency management staff also works with the community to build awareness of potential disasters to inform them of evacuation routes, suggested emergency supplies and other important safety information.

Fire Operations:

The Operations Division provides fire suppression and emergency medical services (EMS) as well as a multitude of other services, emergency and non-emergency in nature, to the citizens and visitors of the City twenty-four hours a day, seven days a week. These services include: firefighting, EMS response, water rescue, high angle rescue, confined space rescue, emergency response to hazardous materials incidents with minor mitigation, response and emergency actions to incidents involving weapons of mass destruction and incidents involving explosive materials. The Operations Division responds to a wide variety of requests for service, ranging from traffic accidents to heart failure and from house fires to hazardous material situations.

Strategic Plan

Fire Strategic Objective

Reduce yearly fire loss that is accrued by the citizens of this community: The department, in partnership with volunteers and other agencies, attempts to minimize the number of civilian deaths and damages caused by fire. There are many contributing factors that affect fire damage and civilian deaths that are beyond the control of the fire service. Some of the factors include: timeliness of reporting incidents to 911, absence of working smoke detectors and the absence of automatic fire protection devices. The following action items will be accomplished by the Fire Department to address this objective.

Action Items:

Conduct SWOT (strengths, weaknesses, opportunities and threats) analysis that includes broad-based participation

1. Issue smoke detectors to all residential occupancies upon request.
2. Provide fire safety information to target areas.
3. Conduct fuel reduction projects as needed.
4. Provide continued emphasis on meeting National Fire Prevention Association (NFPA) 1710 response time recommendations.
5. Improve the pre-fire planning process and update current records.

Review staffing, response protocols, and resource placement to maximize response efficiency

6. Increase fire safety inspections to businesses and residences.

Emergency Medical Service Strategic Objective

Decrease morbidity and mortality from heart disease. Increase the hospital discharge rates of cardiac arrest victims who have a return of a spontaneous pulse: Through education, training, and continued technological advances, the members of New Braunfels Fire Department strive to continually improve the quality of emergency medical services provided to those whom we serve. Education is not only vital for our firefighters, but very valuable for our citizens as well. Proper staffing and continuing evaluation of performance and outcome are vital to improve services delivered.

Action Items:

Conduct SWOT (strengths, weaknesses, opportunities and threats) analysis that includes broad-based participation

1. Quarterly CPR and AED training to the public.
2. Increase the percentage of paramedic certified uniform employees in the Fire Department from 63 percent to 69 percent in FY 2012-13.

Review staffing, response protocols, and resource placement to maximize response efficiency

3. Provide continued emphasis on meeting NFPA 1710 response time recommendations.
4. Match advances in American Heart Association's evidence based medicine of these patients with medic training and equipment.

Emergency Management Strategic Objective

Reduce loss of life and property and maintain continuity of operations when responding to community-wide or regional emergency events: Emergency Management staff, in partnership with all City departments, neighboring jurisdictions, volunteer and non-governmental agencies

must establish an integrated comprehensive and community-based approach to minimize the damage and duration of any major emergency that occurs within the community. This approach offers the best opportunity to minimize the number of deaths and injuries, as well as limiting damages caused by an emergency/disaster whether natural or manmade. There are contributing factors that affect damage and deaths in such an event that are beyond the immediate control of the City response. These factors include notification of an incident and, to some degree, the initial escalation of an incident. Factors that can be controlled include communication and coordination with neighboring jurisdictions and an All Hazards Emergency Operations Plan that specifically addresses the needs of the community.

Action Items:

Expand partnerships with school districts

1. Develop partnerships with neighboring jurisdictions, non-governmental organizations and volunteer groups.

Improve emergency management preparedness and coordination

2. Provide preparedness information and training to residents and civic groups.
3. Develop written memorandums of understanding and mutual aid Agreements with appropriate organizations.
4. Improve the Standard Operating Guides for use in the City's Emergency Operations Center.

Conduct SWOT (strengths, weaknesses, opportunities and threats) analysis that includes broad-based participation

5. Provide emergency management and ICS (Incident Command System) training to City staff and volunteers.
6. Continue to update the City of New Braunfels All Hazards Analysis and ensure applicable concerns are addressed in the Emergency Operations Plan including worst case scenarios.

<i>Performance Measures:</i>			
	FY 2010-11 Actual	FY 2011-12 Estimate	FY 2012-13 Budget
<i>Fire Services:</i>			
Damage caused by fire	\$1,610,766	\$1,681,942	\$1,500,000
Smoke detectors issued/inspected/updated	762	800	900
Fire safety inspections for businesses and residents	1,857	1,500	2,000
Paramedics in the Fire Dept. as a percent of total uniform staff	70%	63%	69%
Public education hours for citizens	12,329	13,000	14,000
Response times			
Structure Fire	4:43	4:52	4:45
EMS	5:30	5:49	5:30
Injury prevention programs held	4	5	5
Total number of staff training hours	11,873	9,239	12,200
<i>Emergency Management:</i>			
Number of community education contact hours	320	400	500
Number of internal training contact hours	508	1,500	1,600

Performance Measures:

	FY 2010-11 <u>Actual</u>	FY 2011-12 <u>Estimate</u>	FY 2012-13 <u>Budget</u>
Community Emergency Response Team volunteers	40	75	100
Percentage of staff completing required Incident Command System trainings	53%	56%	60%
Tabletop exercises completed	1	1	2
Inter local collaboration/training contact hours	76	55	65

Appropriations:

	FY 2010-11 <u>Actual</u>	FY 2011-12 <u>Estimate</u>	FY 2012-13 <u>Budget</u>
Employee Expenses	\$10,046,435	\$10,361,311	\$11,535,686
Operation Expenses	1,464,954	1,664,850	1,882,200
Capital Expenses	0	86,870	76,000
<i>Total Appropriations</i>	<i>\$11,511,389</i>	<i>\$12,113,031</i>	<i>\$13,493,886</i>

Program Justification and Fiscal Analysis:

In comparison to the FY 2011-12 estimates, the Fire Department's General Fund Budget for FY 2012-13 has increased significantly. This increase is mainly driven by the additional personnel that were authorized in FY 2011-12 to staff the new Fire Station #4. In total, eighteen additional positions were added to the Fire Department, three Lieutenants, six Engineers and nine Firefighters. The fiscal impact of these new positions is approximately \$1.3 million annually. These positions were funded for only one month in FY 2011-12.

In addition, in FY 2012-13, the City's Emergency Management Division will now be accounted for in the Fire Department (this function was previously funded in the City Administration appropriations). This impacts the increase in employee expenses as the salary and benefit costs associated with the Emergency Management Coordinator are now included in this budget.

These increased costs are partially offset by turnover savings that are included in the Fire Department's budget for FY 2012-13. Several departments' appropriations have been reduced by three percent of their total employee expenses to account for the lag time that naturally occurs between vacancies. Therefore, an adjustment of approximately \$300,000 has been made in the employee expenses of the Fire Department to reduce their appropriation and vacancies will need to be managed in an effort to achieve these savings.

Operating expenditures have also increased significantly in FY 2012-13 in comparison to FY 2011-12 estimates. With the opening of the new fire station, various equipment is required such as additional safety equipment for the apparatus, kitchen supplies, mattresses and bed linens, and safety gear for the new personnel (bunker gear and self contained breathing apparatus (SCBA)). Operating costs for the station such as utilities are also funded in FY 2012-13. Funding is also included in FY 2012-13 to purchase wild land firefighting gear (worn by personnel) to be utilized in brush fire situations (\$33,000). In addition, funding to replace scuba suits is included (\$20,000). In FY 2012-13, there is also approximately \$11,000 in funding to replacement various

In FY 2015-16, all self contained breathing apparatus (SCBA) is scheduled for replacement. The estimated total cost for full replacement is approximately \$700,000. The City has been contributing annually to the Equipment Replacement Fund since FY 2010-11 to fund this replacement. In FY 2012-13, approximately \$135,000 is budgeted in the Fire Department to account for the annual contribution for SCBA replacement.

There is one program change included for the Fire Department for FY 2012-13. Currently, Fire Department personnel are on a 28-day pay cycle. All other departments operate on a 14-day pay cycle. To maintain consistency among all City employees, it is proposed to convert the Fire Department to a 14-day cycle in FY 2012-13. The change will impact how overtime is paid and will result in an annual cost of approximately \$130,000 (salary and benefits). This change will become effective January 19, 2013, resulting in an estimated expense of \$97,500 for FY 2012-13. In addition, beginning in FY 2012-13, vacation time will no longer be counted as productive hours for all non-exempt personnel City-wide. The annual savings of the change in vacation policy is estimated at \$50,000 annually City-wide. As with the new pay cycle for the Fire Department, this change will become effective January 1, 2013, resulting in an estimated savings of \$37,500 for FY 2012-13. The net impact to these two changes occurring in FY 2012-13 is approximately \$60,000.

Fire Support Services:

FY 2010-11	FY 2011-12	FY 2012-13
Actual	Estimate	Budget

Problem	Exercise	Page
1	1	1
1	1	1
1	1	1
1	1	1
1	1	1
2	2	2
4	2	2
<u>2</u>	<u>4</u>	<u>4</u>
13	13	13
<u>1</u>	<u>1</u>	<u>1</u>
1	1	1

Emergency Management Coordinator
Total – Emergency Management

Authorized Positions:***Fire Operations:***

Battalion Chief

Fire Captain

Fire Engineer

Fire Lieutenant

Firefighter

Total – Fire Operations

Total Uniform Positions***Total Non-Uniform Positions******Total Authorized Positions*****FY 2010-11
Actual****FY 2011-12
Estimate****FY 2012-13
Budget**

3

3

3

3

3

3

33

39

39

15

18

18

485757

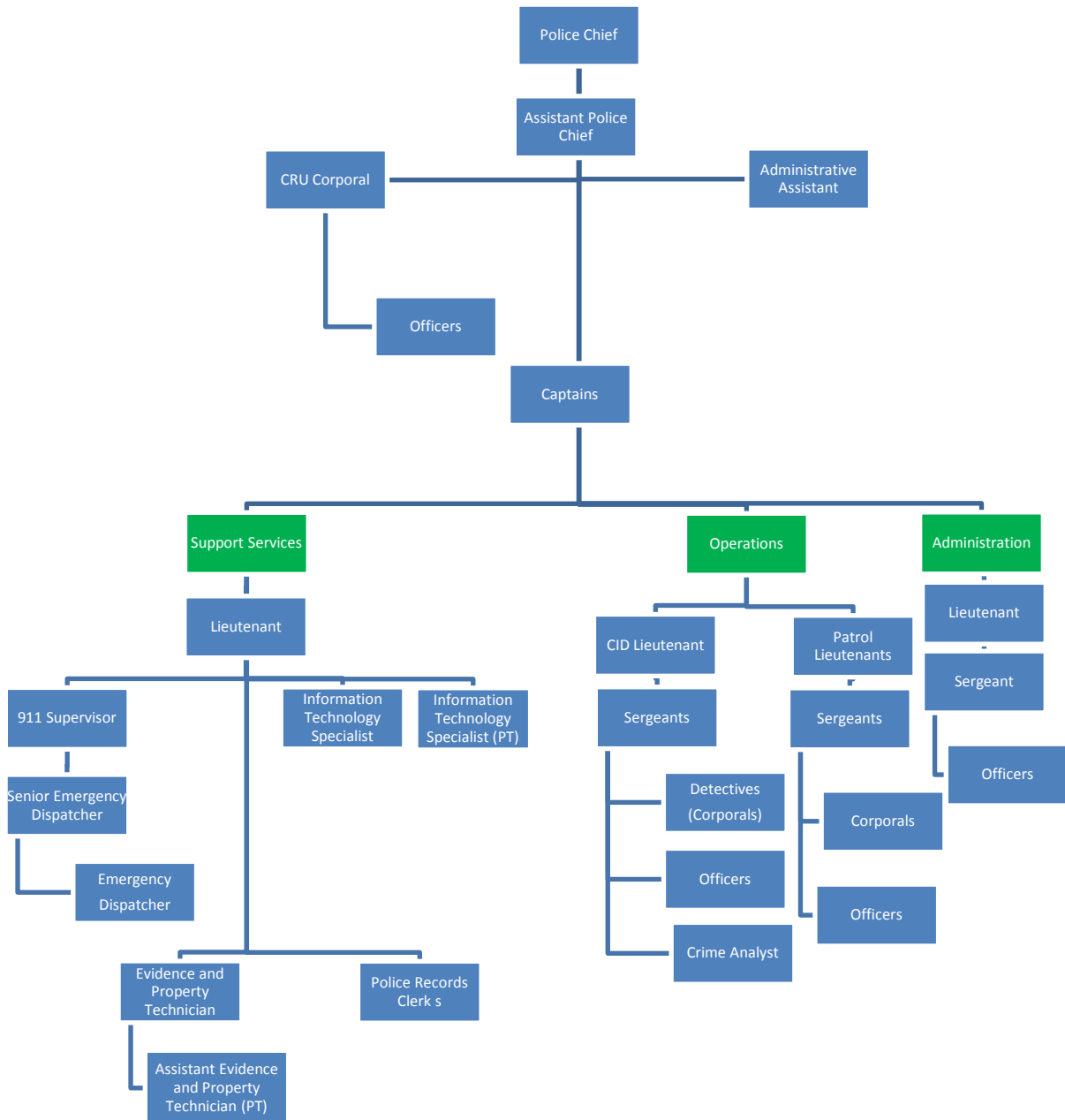
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120

120

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POLICE DEPARTMENT



Mission:

To provide the citizens of New Braunfels with responsive, courteous and professional law enforcement services.

Vision:

To provide extraordinary customer service to the citizens of New Braunfels.

Goals/Objectives:

Support Services:

1. To provide citizens with the most cost effective, courteous and professional service available.
2. To establish communication and positive interaction with citizens through proactive, innovative programs.
3. To address citizens' concerns in a manner which encourages an investment in the community on the part of the citizens
4. To constantly improve the quality of life for the citizens.
5. To utilize best practices in call prioritization and dispatching to reduce response time to priority calls.
6. To automate records management and retention processes to improve efficiency.
7. To increase services provided through the Internet while improving customer service.
8. To increase internal training programs and participation.

Patrol:

1. Continue to provide and execute effective law enforcement services with high visibility to maintain a valuable quality of life within the community.
2. Attract, employ and retain the finest quality of officers.
3. Utilize modern, cutting edge technology and innovative policing strategies to provide the best possible customer oriented police services possible, and to provide this technology to all personnel to maximize the effectiveness of our services and resources.
4. To work seamlessly with other City departments and governmental agencies to maximize the effectiveness of services and resources.

Criminal Investigations Division:

1. Increase public awareness of current trends of criminal activity while keeping them informed as to the latest crime prevention techniques.
2. Identify and target criminal activity.
3. Enhance sex offender registration compliance.
4. Increase case clearance rates.
5. Increase the utilization of criminal analysis along with GIS mapping systems.

Action Items:

- *Implement community and problem oriented policing policies and strategies*
The Police Department will designate a position as responsible for revitalizing the Neighborhood Crime Watch program, which has been dormant since 2009. This position will also be responsible for coordinating public presentations by members of the Police Department.

- *Review staffing, response protocols and resource placement to maximize fiscal efficiency.*
The Police Department will closely analyze how our overtime is currently being utilized and further reduce overtime costs with the goal of reducing overtime for court by 10 percent.
- *Expand partnerships with school districts.*
The Police Department will look for opportunities to increase presence in the New Braunfels Independent School District including applying for grant funding. The officers will serve as School Resource Officers at the following campuses: New Braunfels High School, New Braunfels 9th Grade Center, Oak Run Middle School, the new middle school on Klein Rd and one officer assigned to the remaining elementary schools. The Police Department will also work towards using our K-9 Team to assist our schools with drug detection projects.
- *Continue to develop proactive programs for traffic control*
Personnel are actively seeking grant funding to purchase motorcycles and introduce a motorcycle division to the Police Department fleet.
- *Increase police officer involvement in schools and after school programs.*
The Police Department has on-going programs and initiatives such as Operation Intervention (hands on education regarding the impact of drinking on reaction time and driving capability) and Kid Print, which has been responsible for fingerprinting hundreds of children. The Police Department will continue these programs in FY 2012-13.
- *Better utilization of resources – channel 21 and website*
The Police Department is planning to improve technology and enhance access to the public. During this fiscal year, a new computer aided dispatch and records management system will be installed, which will improve productivity, reduce employee frustration and enhance officer safety efforts. The current website will be redesigned this fiscal year to make information more accessible for citizens. The Police Department is also working toward a more noticeable social media presence and better communication with the public through the creation of a Facebook page which will be updated daily.

Department Description:

Administration

The Administration Division of the Police Department works to ensure that the department provides contemporary law enforcement services to the community in a professional and ethical manner. This division oversees all matters pertaining to: budget, personnel issues, procurement, analysis, customer service, fleet management, strategic planning, and recruitment of new personnel. Under the direction of the Chief of Police, staff develops and implements programs to address the City's strategic goals, deter crime, and enforce laws to protect life and property within the City of New Braunfels.

Support Services

The Support Services Division is responsible for administrative functions related to 911 communication operations; dispatch services for Police, Fire and EMS; records processing, filing, and retention; and open records responses. Staff is also responsible for community service programs, facility maintenance, and evidence/property room management and information technology support.

Operations

The Operations Division is comprised of the Patrol Division and the Criminal Investigation Division (CID). Patrol is responsible for emergency response and delivering immediate police services to the citizens of the community. Current service responsibilities include a rapidly growing residential and commercial population of about 58,000 residents, a geographical area consisting of over 44 square miles covering two counties, including two recreational rivers which attract thousands of seasonal visitors daily, all of which is surrounded by urban sprawl situated along the IH-35 corridor, one of the busiest sections of interstate in the nation. In addition, the Patrol Division provides police services during numerous, well attended festive events throughout the year. The Traffic Unit and Community Response Unit are both part of the Patrol Division. CID is responsible for investigating open criminal cases, the collection and processing of crime scene evidence, fingerprints, photographs, crime analysis, and polygraph services. CID prepares and files criminal cases with the Office of the District Attorney and Grand Jury. In addition, this division oversees Crimestoppers and sex offender registration and compliance.

<i>Performance Measures:</i>			
	FY 2010-11 <u>Actual</u>	FY 2011-12 <u>Estimate</u>	FY 2012-13 <u>Budget</u>
<i>Administration:</i>			
Internal Affairs Investigations	8	7	6
Commendations	45	48	50
Training contact hours			
Internal training contact hours	3,555	1,231	2,476
External training contact hours	8,610	4,567	5,835
Percentage of internal training hours	29%	21%	30%
Number of youth exposed to Operation Intervention	8,060	2,500	3,000
Percentage of Police Dept. employees who report good morale (measured by annual internal survey)	N/A	32%	59%
<i>Operations:</i>			
Serious crimes that result in arrest or cleared for prosecution	1,087	932	1,000
Number of injury accidents responded to	1,355	1,400	1,450
Number of preventable Police Dept. fleet accidents	14	15	12
Number of DWI arrests	432	475	550
Dollar value of narcotics seized in the City	\$71,559	\$155,690	\$200,000
Avg. time from intake of serious or crimes in progress calls until first officer on scene	6 min. 10 sec.	6 min. 41 sec.	6 min. 41 sec.

Appropriations:

	FY 2010-11 <u>Actual</u>	FY 2011-12 <u>Estimate</u>	FY 2012-13 <u>Budget</u>
Employee Expenses	\$9,383,439	\$10,099,528	\$10,012,260
Operation Expenses	2,016,758	1,720,227	1,810,859
Capital Expenses	131,381	68,175	25,200
<i>Total Appropriations</i>	<i>\$11,531,578</i>	<i>\$11,887,930</i>	<i>\$11,848,319</i>

Program Justification and Fiscal Analysis:

The FY 2012-13 Police Department Budget shows a slight decrease overall in comparison to the FY 2011-12 estimates. Employee expenses show a decrease overall even with the addition of three new positions, due entirely to an adjustment for expected normal turnover. For several departments, including Police, the employee expense appropriations have been reduced by three percent of their total personnel costs to recognize the savings realized when vacancies occur. In addition, the Police Department has implemented priority scheduling, which results in reduced overtime costs personnel savings from the overtime reduction.

Operation expenses have increased significantly for FY 2012-13 in comparison to FY 2011-12 estimates. There are multiple factors driving this increase. First, a number of ballistic panels and helmets for the Specialized Response Team (SRT) require replacement in FY 2012-13, an approximate cost of \$38,000. In FY 2012-13, there is additional funding for ammunition to increase firearm training for all uniform personnel (\$18,000). To account for the fluctuation in the price of gasoline, the departmental appropriation for fuel has been increased by five percent.

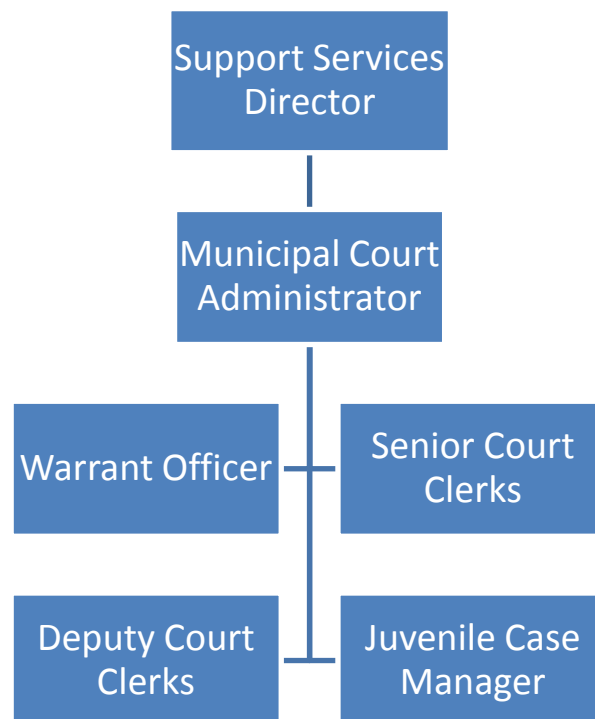
Capital expenses include the purchase of four Coban cameras (\$25,200). There are four police pursuit vehicles scheduled for replacement in FY 2012-13 and part of equipping these vehicles for patrol includes the purchase and installation of a Coban camera.

There are program changes of \$112,290 included in FY 2012-13 for Police. \$98,790 is included to authorize and fund one Police Officer position and two Police Corporal positions. This level of funding represents six months of the salary and benefit costs associated with the three additional personnel. Equipment costs of \$70,000 are also included in the budget. Vehicles will be provided from alternative funding sources or the use of spare existing vehicles. All three positions will work in the field, providing additional resources in the community. The total annual cost of salary and benefits is \$210,779.

Authorized Positions:

	FY 2010-11 Actual	FY 2011-12 Estimate	FY 2012-13 Budget
<i>Administration:</i>			
Police Chief	1	1	1
Administrative Assistant	1	1	1
Assistant Police Chief	1	1	1
Police Captain	3	3	3
Police Lieutenant	1	1	1
Police Officer	2	2	2
Police Sergeant	<u>1</u>	<u>1</u>	<u>1</u>
Subtotal - Administration	10	10	10
<i>Support Services:</i>			
Assistant Evidence and Property Technician (Part time) (1 at 20 hrs/wk)	.5	.5	.5
Emergency Dispatcher	14	13	13
Senior Emergency Dispatcher	0	3	3
Evidence and Property Technician	1	1	1
Information Technology Specialist	1	1	1
Information Technology Specialist (Part time) (1 @ 20 hrs/wk)	.5	.5	.5
Mechanic	0	1	1
Police 911 Supervisor	1	1	1
Police Lieutenant	1	1	1
Police Records Clerk	<u>5</u>	<u>5</u>	<u>5</u>
Subtotal – Support Services	24	27	27
<i>Patrol:</i>			
Police Corporal	5	5	7
Police Lieutenant	2	2	2
Police Officer	57	57	58
Police Sergeant	<u>7</u>	<u>7</u>	<u>7</u>
Subtotal – Patrol	71	71	74
<i>Criminal Investigation:</i>			
Crime Analyst	1	1	1
Police Corporal	12	12	12
Police Lieutenant	1	1	1
Police Officer	5	5	5
Police Sergeant	<u>3</u>	<u>3</u>	<u>3</u>
Subtotal – Criminal Investigation	22	22	22
<i>Total Uniform Positions</i>	<i>101</i>	<i>101</i>	<i>104</i>
<i>Total Non-Uniform Positions</i>	<i><u>26</u></i>	<i><u>29</u></i>	<i><u>29</u></i>
<i>Total Authorized Positions</i>	<i>127</i>	<i>130</i>	<i>133</i>

SUPPORT SERVICES DEPARTMENT – MUNICIPAL COURT



SUPPORT SERVICES DEPARTMENT MUNICIPAL COURT

General Fund: 101

Mission:

To provide courteous, professional and efficient service to the public.

Vision:

To be the model Municipal Court that other jurisdictions model themselves after.

Goals/Objectives:

1. To provide outstanding customer service to all those interacting with Municipal Court.
2. To maximize the use of available technology to make the court as efficient and effective as possible.
3. To bring cases to resolution in a timely manner.

Action Items:

- *Continue customer service training*
One additional Municipal Court employee will attend training to become a certified interpreter. The division will then have two interpreters on staff which will allow for someone to be available during all operating hours.
- *Better Utilization of Resources – website and channel 21*
Explore interactive options to permit defendants to request driver's safety course and complete related documents on the City's website.

Department Description:

Municipal Court represents the judicial branch of the City's government. More people come into contact with Municipal Court staff on a daily basis than all the other Texas courts combined. This makes it critical for Municipal Court to maintain public confidence. Municipal Court has jurisdiction over all Class C misdemeanors and City ordinances.

In FY 2008-09, the City made some organizational changes; as a result, the administrative function of Municipal Court now reports to the Support Services Director. The court clerks provide this administrative support to the Court. In FY 2008-09, a Court Administrator position was added as part of the organizational changes to provide additional resources to effectively manage the administrative functions and bring the organizational structure in line with the majority of Texas municipal courts.

The staff of Municipal Court has various functions and responsibilities. The clerks are responsible for seeing that all of the court's papers are accurate, orderly and complete. The clerks serve the public and support City functions such as police, fire, health inspections, animal control and building inspections. The clerks' primary responsibilities include processing citations, summons, complaints, warrants, past due letters and show cause hearing letters. The clerks maintain the court's docket and coordinate case scheduling. The clerks directly interact with the public, providing all services needed including explanation of court procedures and options to defendants. Clerks also receive payments; summon potential jurors; ensure juror payment; deliver all case documents to County Courts-at-Law should an appeal occur; complete open records requests, report convictions, Drivers Safety Course and alcohol violations to the

Texas Department of Public Safety; assist the warrant officer with roundups; and complete all required accounting reports.

The Warrant Officer has two main duties. As bailiff, he maintains order, security and decorum in the courtroom during proceedings. He attends to the jury, keeping them together and separated from all other citizens during deliberations, and informs the judge when a verdict has been reached. The Warrant Officer also serves all process or papers issued by the court, such as warrants and summons. He holds a peace officer commission through the New Braunfels Police Department.

The prosecutor for Municipal Court is also the Assistant City Attorney. The prosecutor's duties include preparing and presenting the State's case at all municipal court trials, preparing and drafting complaints, arranging for the appearance of State's witnesses and requesting dismissal of cases under the appropriate circumstances.

The Municipal Court Judge presides over all trials (jury and non-jury) and other court proceedings such as arraignments and show cause hearings. The judge also has magistrate duties, including signing arrest warrants and juvenile warnings and as well as visiting arrested individuals at the jail. The Judge reports directly to the City Council, so this position is authorized and funded in the City Council budget.

<i>Performance Measures:</i>			
	FY 2010-11 <u>Actual</u>	FY 2011-12 <u>Estimate</u>	FY 2012-13 <u>Budget</u>
Time from defendant's not guilty plea to pre-trial	123 days	23 days	30 days
Time to issue warrant due to no initial appearance	1 year	65 days	90 days
Online credit card payments as a percent of total receipts	N/A	N/A	40%
Time to issue capias due to non payment	2 years	165 days	180 days
Customer satisfaction (measured by survey) Scale of 1-5	N/A	N/A	4

Appropriations:

	FY 2010-11 <u>Actual</u>	FY 2011-12 <u>Estimate</u>	FY 2012-13 <u>Budget</u>
Employee Expenses	\$566,117	\$421,077	\$438,121
Operation Expenses	39,174	26,900	45,960
<i>Total Appropriations</i>	<i>\$605,290</i>	<i>\$447,977</i>	<i>\$484,081</i>

Program Justification and Fiscal Analysis:

In comparison to the FY 2011-12 estimates, the FY 2012-13 Budget for Municipal Court increases. This is driven by several factors. In FY 2011-12, there were several vacancies that occurred, creating a savings in employee expenses. In FY 2012-13, all positions are fully funded, resulting in the increase from FY 2011-12. The reason for the significant reduction in employee expenses from FY 2010-11 to FY 2011-12 is that all salary and benefits costs associated with the Municipal Court Judge were moved to the City Council budget as well as the transfer of the Teen

Court Coordinator to the Human Resources budget (explained below). The transfer of the judge position was made because the Municipal Court Judge reports directly to City Council.

Operations expenses for FY 2012-13 have increased in comparison to FY 2011-12. The costs associated with paying associate judges are funded in the Municipal Court budget. In addition to the judge's responsibilities in the court, this position is also responsible to magistrate all prisoners with Class C misdemeanors. This additional responsibility is time consuming and can no longer be managed by the municipal court judge alone. Therefore, additional funding is appropriated to pay associate judges to assist with these magistrate responsibilities. In addition, funding is provided for external substance abuse testing to comply with juvenile case management requirements.

During FY 2010-11, the Teen Court Coordinator's responsibilities were expanded to include support for City-wide programs and projects including such things as City University and other human resources related programs. In recognition of the amount of time spent in these endeavors, the position now reports to the Human Resources Director. However, the position will continue to actively support and manage the teen court program as part of the continued duties and responsibilities. The budget recognized this by moving the position into the Human Resources Department in FY 2011-12. The position is now classified as a Special Projects Coordinator and continues to support Teen Court in FY 2012-13.

The FY 2011-12 Budget includes a total of seven court clerk positions comprised of Deputy Court Clerks, Senior Court Clerks, and the Juvenile Case Manager. With the budget, Support Services has the flexibility to hire and/or promote individuals based on their skills, qualifications and certifications into either a Deputy Court Clerk or a Senior Deputy Court Clerk position. They are not restricted by the four Deputy Court Clerks, the Juvenile Case Manager or the two Senior Deputy Court Clerk positions authorized here. This may result in more or less Deputy Court Clerks and/or Senior Deputy Court Clerk positions than shown in the budget. As long as the total number of court clerk positions does not exceed seven, the number of Deputy Court Clerks and Senior Deputy Court Clerks can change.

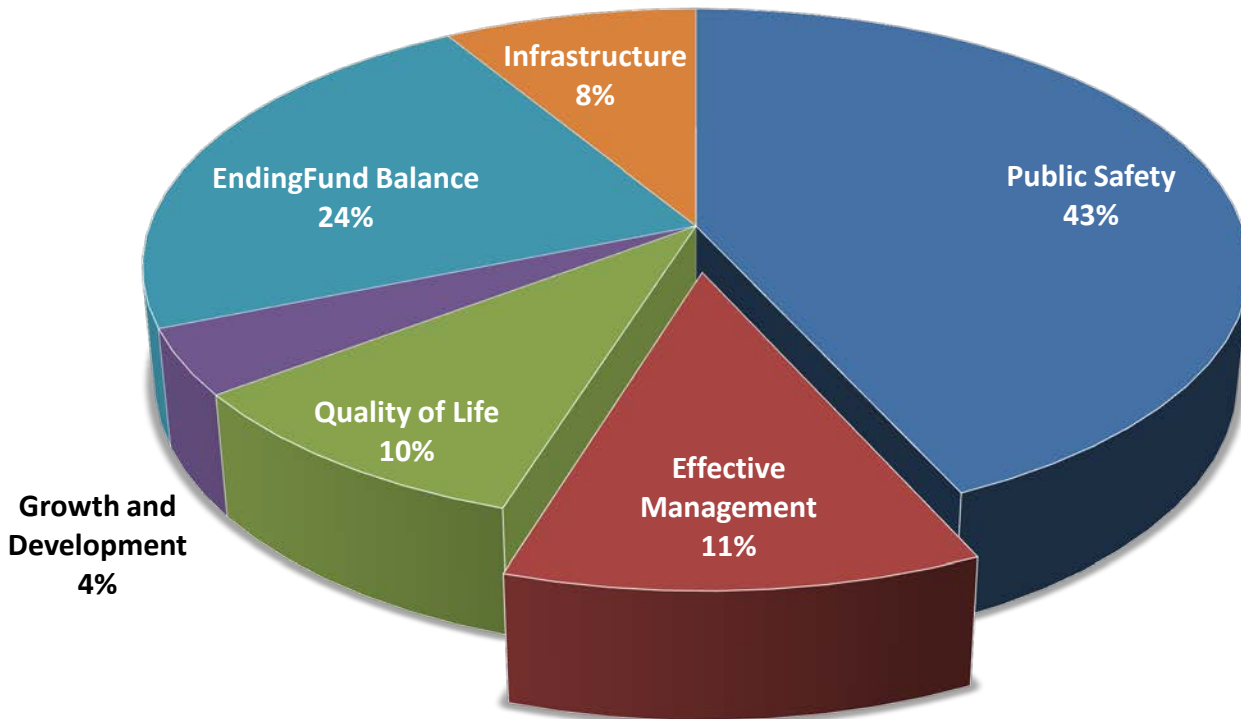
Authorized Positions:

	FY 2010-11 Actual	FY 2011-12 Estimate	FY 2012-13 Budget
Municipal Court Administrator	1	1	1
Deputy Court Clerk	5	4	4
Juvenile Case Manager*	0	1	1
Senior Court Clerk	2	2	2
Teen Court Coordinator	1	0	0
Warrant Officer	<u>1</u>	<u>1</u>	<u>1</u>
<i>Total Authorized Positions</i>	<i>10</i>	<i>9</i>	<i>9</i>

*The Juvenile Case Manager is fully funded in the Juvenile Case Manager Fund

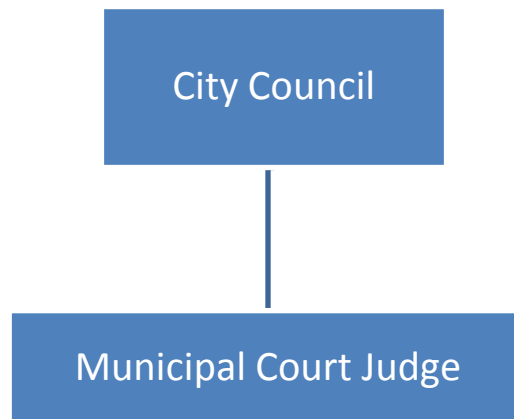
EFFECTIVE MANAGEMENT

Effective Management



Strategic Priority	Allocation
Public Safety	\$25,826,286
Effective Management	6,843,577
Quality of Life	5,769,093
Growth and Development	2,469,039
Infrastructure	5,123,741
Ending Fund Balance	14,167,924
Total	\$60,199,659

CITY COUNCIL



CITY COUNCIL

City Mission:

The City of New Braunfels will add value to our community by planning for the future, providing quality services, encouraging community involvement and being responsive to those we serve.

Core Values:

Integrity

We operate with integrity, holding ourselves to the highest standards of performance, transparency, accountability and ethical conduct.

Service

We are responsive and respectful to those we serve with an attitude that everything is worth our best effort.

Visionary Leadership

We anticipate needs, look to our community's future and execute to achieve our goals.

Stewardship of Local Resources

We use our resources responsibly. We treasure our unique heritage and natural environment and wish to preserve them for future generations.

Fiscal Responsibility

Our decisions reflect sound fiscal management and prudence.

Goals/Objectives:

Infrastructure

1. Use a variety of funding sources for operational and capital needs
2. Continue an ongoing program of infrastructure construction and maintenance
3. Develop operating and capital plans that consider community input and realistic population and revenue projections

Public Safety

1. Maintain and review benchmarks for public safety services delivery
2. Develop and maintain a comprehensive program for watershed issues
3. Continue to develop proactive programs for traffic control
4. Develop and enhance community partnerships with residential neighborhoods, businesses, and other entities

Effective Management

1. Maintain fiscal stability of City operations
2. Maintain an ongoing program for improving customer service
3. Create a comprehensive program for communicating with the public
4. Be proactive in influencing legislative policies
5. Promote and encourage a sustainable high-performing workforce and environment

Quality of Life

1. Implement comprehensive programs to address quality-of-life issues identified in the community needs assessment, especially as it pertains to youth
2. Ensure expanded age-appropriate recreational, literacy and enrichment opportunities
3. Preserve and improve our open space
4. Protect the integrity of our neighborhoods

Growth and Development

1. Establish a vision for the future of the City of New Braunfels
2. Work with existing entities to ensure sustainable quality development
3. Improve the development process to make it more customer friendly
4. Continue to develop year-round tourism
5. Ensure community connectivity and mobility

Department Description:

The City Council of the City of New Braunfels is made up of the Mayor, elected City-wide, and six Council members, each elected from a defined precinct. They serve as the governing and managing body for the City. They are supported by the City Manager and his staff. The Council provides policy direction in all aspects of City operations including priorities and strategic objectives for staff to use in carrying out Council's directives.

Appropriations:

	FY 2010-11 <u>Actual</u>	FY 2011-12 <u>Estimate</u>	FY 2012-13 <u>Budget</u>
Employee Expenses	\$0	\$127,474	\$128,439
Operation Expenses	23,088	33,280	37,538
<i>Total Appropriations</i>	<i>\$23,088</i>	<i>\$160,754</i>	<i>\$165,977</i>

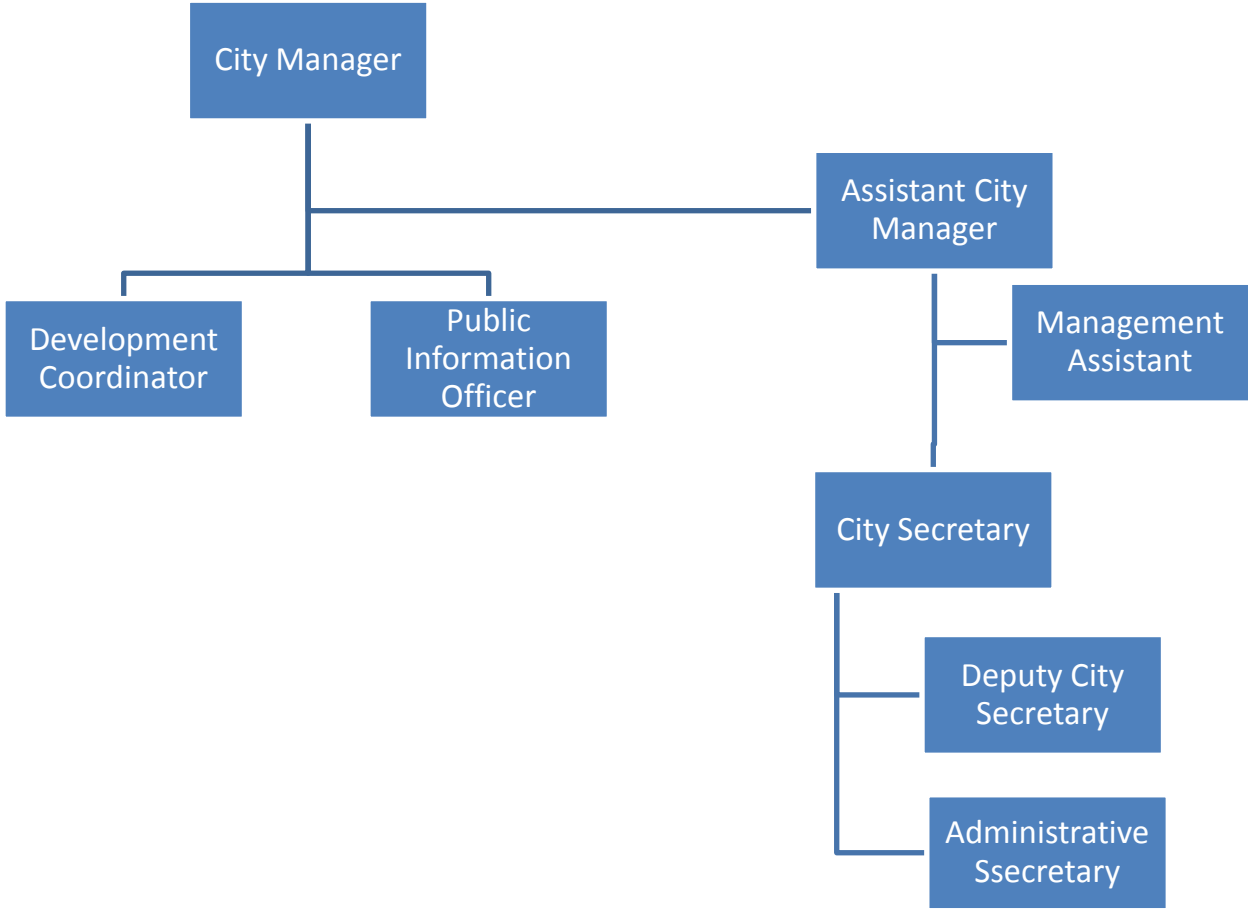
Program Justification and fiscal Analysis:

The FY 2012-13 Budget for City Council increases slightly in comparison to the FY 2011-12 estimates. This increase is mainly attributed to the operating expenses relating to the Municipal Court Judge and Council, such as professional development, office supplies and uniform costs. Employee expenses remain flat in FY 2012-13 in comparison to FY 2010-11 as the Municipal Court Judge is the only authorized position in the City Council Budget.

Authorized Positions:

	FY 2010-11 <u>Actual</u>	FY 2011-12 <u>Estimate</u>	FY 2012-13 <u>Budget</u>
Municipal Court Judge	<u>1</u>	<u>1</u>	<u>1</u>
<i>Total Authorized Positions</i>	<i>1</i>	<i>1</i>	<i>1</i>

CITY ADMINISTRATION



Mission:

City Manager:

To provide the best possible working relationship with the City Council, City department directors, City staff and the citizens of New Braunfels.

City Secretary:

To provide administrative support to the City Council and staff and to manage and preserve the official records of the City of New Braunfels while providing quality assistance to the public in locating government information maintained by the City, as required by law.

Vision:

City Manager:

The City Manager's Office is dedicated to enhancing the quality of life in the City of New Braunfels by providing the best possible services through open communication and the mutual support of a team of diverse and highly skilled employees who recognize each other as the City's most valuable assets.

City Secretary:

The City Secretary's Office is dedicated to achieving a superior level of customer service and improving public access to municipal records and related information by utilizing state-of-the-art technology.

Goals/Objectives:

City Manager:

The City Manager's Office aligns its' goals and objectives with those of the City Council and aims to provide the best possible service.

City Secretary:

1. Maintain a high level of customer service.
2. Assist the City Council and staff in fulfilling assigned duties and responsibilities.
3. Continue to improve office operations through the use of technology.

Department Description:

City Manager:

The Office of the City Manager provides policy direction and executive leadership for the effective operations of all municipal services for the City of New Braunfels as directed by the City Council. The City Manager serves as the focal point for the management of the City staff.

The Public Information Officer (PIO), part of the City Manager's Office, is responsible for the dissemination of news, both written and verbal, that originates within the City, and communicates with the public and media to ensure that the City's key messages reach the public. During emergency/disaster responses by the City, the PIO serves as the point-of-contact for the media and is responsible for ensuring timely reporting of information so that citizens are aware of any issues or potential problems. The PIO works with all City departments to effectively "tell the story" of events, activities and services provided by the City to citizens and visitors.

City Secretary:

The City Secretary provides administrative and policy support to City Council, boards and commissions, residents and staff in many diverse ways, including carrying out many of the City's statutory and contractual obligations. In conjunction with the Office of the City Manager, the City Secretary prepares and distributes City Council agenda packets to the Council and staff and attends all Council meetings, keeping accurate minutes of the proceedings. The City Secretary is also responsible for the collection and cataloging of ordinances, resolutions and contracts as well as the codification of all City Council adopted ordinances. The staff oversees the records management program for the City and researches records for the Council, the staff and the public. The City Secretary administers all municipal elections, coordinates the appointment process for City boards and commissions and issues various permits related to cemeteries, alcohol, taxis, river shuttles and specialty parking. Additionally, the City Secretary accepts and validates petitions submitted by citizens, serves as staff liaison for the Arts and Heritage Commissions and provides administrative support to the New Braunfels Industrial Development Corporation.

<i>Performance Measures:</i>			
	FY 2010-11 <u>Actual</u>	FY 2011-12 <u>Estimate</u>	FY 2012-13 <u>Budget</u>
<i>City Manager:</i>			
Number of citizen outreach contacts events	70	104	114
Employee meetings contact hours	184	310	341
Public service recognition awards	12	8	9
Citizen Surveys	0	1	1
Number of annual opportunities to communicate with employees	N/A	N/A	12
Discussion meetings with City employees	N/A	N/A	4
Number of employees recognized annually for outstanding contributions to the mission and values of the City	N/A	N/A	10
Percentage of time that information will be available on the City's government access channel and website	N/A	N/A	100%
Ensure that the priority goals identified in the development plan are effectively being addressed	N/A	N/A	100%
Maintenance of excellent bond rating			
- Moody's	Aa-2	Aa-2	Aa-2
- Fitch	AA	AA	AA
Collaboration events/opportunities with surrounding communities/entities	N/A	N/A	12

<i>Performance Measures:</i>			
	FY 2010-11 <u>Actual</u>	FY 2011-12 <u>Estimate</u>	FY 2012-13 <u>Budget</u>
<i>Public Information Officer:</i>			
Internal/staff development projects	N/A	5	6
Number of media releases	122	206	227
Number of outreach contact events	N/A	N/A	10
Number of printed stories from media releases	N/A	N/A	148
Number of TV/Radio coverage spots	N/A	N/A	148
Public Information Initiatives	N/A	6	7
<i>City Secretary:</i>			
Open Record Requests responded to	242	242	550
Average response time on open record requests (days)	4	5.6	3
Daily lobby customers served	N/A	N/A	25
Average phone calls received (daily)	N/A	N/A	75
Percentage of agenda packets delivered on time	N/A	N/A	100%

Appropriations:

	FY 2010-11 <u>Actual</u>	FY 2011-12 <u>Estimate</u>	FY 2012-13 <u>Budget</u>
Employee Expenses	\$753,251	\$882,106	\$828,029
Operation Expenses	107,120	106,388	78,005
<i>Total Appropriations</i>	<i>\$860,371</i>	<i>\$988,494</i>	<i>\$906,034</i>

Program Justification and Fiscal Analysis:

The FY 2012-13 budget for City Administration decreases overall in comparison to the FY 2011-12 estimates. This is driven by multiple factors. First, beginning in FY 2012-13, the Emergency Management Division will be accounted for in the Fire Department's Budget, rather than in City Administration. This is to more accurately reflect the current organizational structure and relationship between emergency management and the Fire Department. The transfer of the Emergency Management Coordinator is driving the decrease in employee expenses.

In prior years, all funding associated with facilitating elections was included in the City Secretary's budget. Beginning in FY 2012-13, all election related expenses will be budgeted and expensed in the Non-Departmental section of General Fund as it is a more effective to account for these costs, resulting in a reduction to the City Administration operations expenses appropriations. This decrease is partially offset by additional operating expenses added to the City Manager's budget for public relation initiatives. These expenses were accounted for in the Non Departmental section of the General Fund prior to FY 2012-13. However, since the public information function is in the City Manager's Office, this budgeting strategy provides more access and flexibility for the Public Information Officer to manage these funds,

Authorized Positions:***City Manager's Office:***

City Manager
Assistant City Manager
Development Coordinator
Management Assistant
Public Information Officer
Total – City Manager

Emergency Management:

Emergency Management Coordinator
Total – Emergency Management

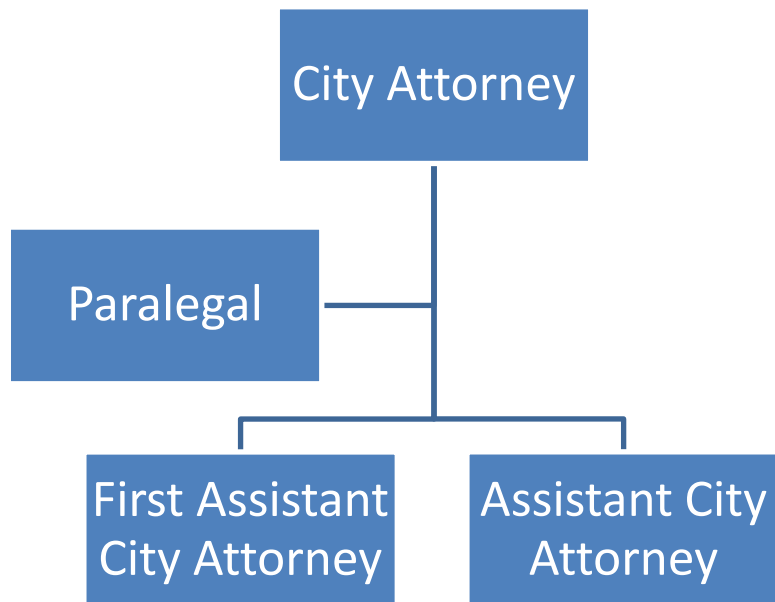
City Secretary:

City Secretary
Administrative Secretary
Deputy City Secretary
Total – City Secretary

Total Authorized Positions

	FY 2010-11 Actual	FY 2011-12 Estimate	FY 2012-13 Budget
	1	1	1
	1	1	1
	1	1	1
	1	1	1
	<u>1</u>	<u>1</u>	<u>1</u>
	5	5	5
	<u>1</u>	<u>1</u>	<u>0</u>
	1	1	0
	1	1	1
	1	1	1
	<u>1</u>	<u>1</u>	<u>1</u>
	3	3	3
	9	9	8

CITY ATTORNEY



CITY ATTORNEY

General Fund: 101

Mission:

City Attorney:

To ensure the interests of justice are served, hold offenders accountable, enhance the public's sense of safety and provide proactive, effective and efficient legal services to the City Council, the City's various boards and commissions and the City staff.

Vision:

City Attorney:

The City Attorney's Office is dedicated to enhancing the quality of life in the City of New Braunfels by providing the best possible legal services through open communication and the mutual support of a team of diverse and highly skilled employees who recognize each other as the City's most valuable assets.

Goals/Objectives:

The City Attorney's Office aligns its' goals and objectives with those of the City Council and aims to provide the best possible service.

Department Description:

The Office of the City Attorney handles all aspects of municipal representation for the City of New Braunfels by providing representation and legal advice to the City Council, City employees, the New Braunfels Industrial Development Corporation and approximately 27 boards and commissions. The Office of the City Attorney also handles the prosecution of all municipal offenses.

<i>Performance Measures:</i>			
	FY 2010-11	FY 2011-12	FY 2012-13
	<u>Actual</u>	<u>Estimate</u>	<u>Budget</u>
Response time on requests for legal services	2 days	2 days	2 days
Litigation handled in-house (versus outsourced)	1 of 6	2 of 6	3 of 6
Attorney General opinions/legal memoranda or opinions completed	270	300	650

Appropriations:

	FY 2010-11	FY 2011-12	FY 2012-13
	<u>Actual</u>	<u>Estimate</u>	<u>Budget</u>
Employee Expenses	\$241,794	\$291,737	\$450,233
Operation Expenses	395,325	313,427	232,000
<i>Total Appropriations</i>	<i>\$637,119</i>	<i>\$605,164</i>	<i>\$682,233</i>

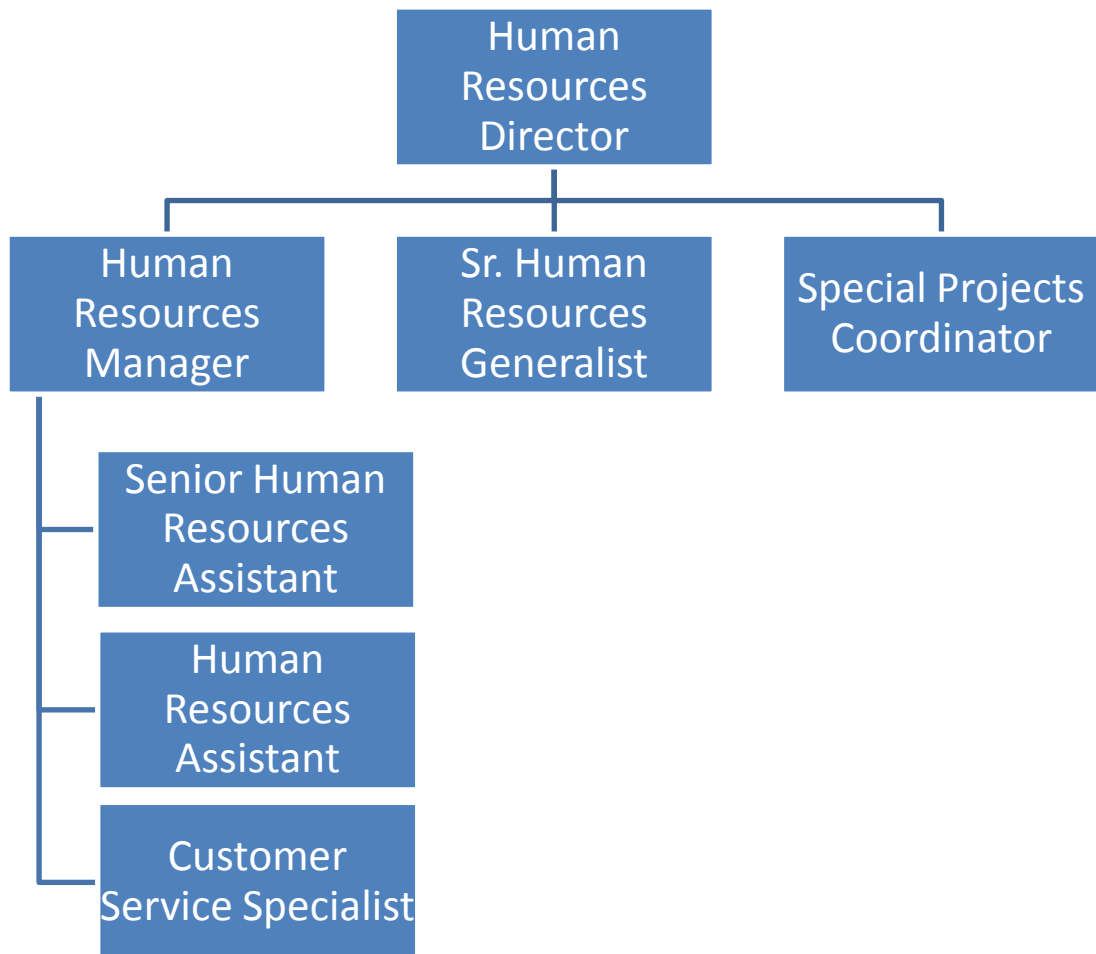
Program Justification and Fiscal Analysis:

In comparison to the FY 2011-12 estimates, the FY 2012-13 Budget increases due to higher employee expenses. This increase is related to the authorization of an additional Assistant City Attorney position that occurred during FY 2011-12. This position is fully funded in FY 2012-13. In addition, the First Assistant Attorney was also vacant for a portion of FY 2011-12, further contributing to the increase in employee expenses for FY 2012-13. Operating expenses decrease for FY 2012-13, entirely driven by reduced costs for outside counsel and a contract attorney. As stated, in FY 2011-12, the contract attorney became a full time employee in a newly created position. This action, along with the City Attorney's Office handling more cases in-house, drove the reduction in the budgeted amount for outside legal assistance.

Authorized Positions:

	FY 2010-11 Actual	FY 2011-12 Estimate	FY 2012-13 Budget
City Attorney	1	1	1
Assistant City Attorney	0	1	1
First Assistant City Attorney	1	1	1
Legal Assistant	1	0	0
Paralegal	<u>0</u>	<u>1</u>	<u>1</u>
<i>Total Authorized Positions</i>	3	4	4

HUMAN RESOURCES DEPARTMENT



Mission:

To provide quality programs and services in employment, organization development, employee relations, compensation, benefits and risk management, and citizen engagement, with prompt, effective customer service to all employees, citizens and visitors.

Vision:

To create an environment that facilitates recruitment and retention of a high performing workforce, where all employees matter and where innovation and service excellence is the standard.

Goals/Objectives:

1. Facilitate creation of the environment for the City of New Braunfels to be an “employer of choice” in this region.
2. Partner with departments to provide consulting services to assist with the goal of hiring and retaining, and awarding high performing employees.
3. Implement innovative employee development programs to cultivate the next generation of leaders.
4. Utilize technology to enhance and streamline our human resources processes.
5. Ensure the City’s benefits and compensation package remains competitive to attract and retain excellent employees; continue to seek enhancements to the benefits package.
6. Implement and maintain risk management/proactive safety programs and policies.
7. Maintain an ongoing emphasis and provide training to promote extraordinary customer service throughout the City.
8. Maintain a welcoming, service-oriented environment in the City Hall lobby area.
9. Facilitate citizen engagement through City University and other community programs.

Action Items:

- *Complete personnel policies update*
The first draft was completed in September 2012. Revisions are currently under review. Completion and City-wide policy education will be completed in FY 2012-13
- *Create a cultural shift to a problem resolution focus*
In FY 2012-13, staff will begin to implement a risk management program.
- *Develop online employment application*
The online employment application will be completed and implemented in FY 2012-13.
- *Keep salaries competitive*
Staff will review current pay plan structure to ensure competitiveness with the relevant labor market.

Department Description:

The Human Resources Department assists City departments in achieving the City’s mission and vision – and the individual departments’ missions and visions – by creating an environment that recruits and retains a high performing work force. This environment is characterized by fair

treatment, open communication, accountability, trust, mutual respect, diversity, outstanding performance, innovation and teamwork.

The Human Resources staff manages all aspects of recruitment, compensation, benefits, employee development, employee relations, risk management/safety, policy development and implementation and support for the Police and Fire Civil Service Commission. This includes: application and new hire processing; development and management of the City's benefits' programs; salary survey and compensation plan design; and development and implementation of training programs that support the organization's goals and objectives. Staff is also responsible for policy development and implementation. Human Resources currently manages all property and casualty insurance and is responsible for customer service delivery in the City Hall lobby.

<i>Performance Measures:</i>			
	FY 2010-11	FY 2011-12	FY 2012-13
	<u>Actual</u>	<u>Estimate</u>	<u>Budget</u>
Maintain a turnover rate of less than 10% (Percentage based on industry standards)	3.45%	8.19%	8.0%
Customer Satisfaction (measured by survey)	N/A	N/A	90%
employment engagement survey response rate	N/A	N/A	90%
Address employee relation claims within five (5) business days	100%	100%	100%
Total contact training hours	3,998	5,430	8,000
Average business days to process a request to fill vacancy until the first posting date	N/A	N/A	5
Number of benefit outreach sessions offered	N/A	58	75

Appropriations:

	FY 2010-11	FY 2011-12	FY 2012-13
	<u>Actual</u>	<u>Estimate</u>	<u>Budget</u>
Employee Expenses	\$422,307	\$443,426	\$503,700
Operation Expenses	150,783	142,601	136,141
<i>Total Appropriations</i>	<i>\$573,090</i>	<i>\$586,027</i>	<i>\$639,841</i>

Program Justification and Fiscal Analysis:

In comparison to the FY 2011-12 estimates, the FY 2012-13 Human Resources Budget has increased due entirely to higher employee expenses. A position was vacant for the first seven months of the fiscal year, reducing expenses in FY 2011-12. All positions are fully funded in FY 2012-13. In addition, a position was reclassified to a senior level during FY 2011-12; this change is funded for the full year in FY 2012-13. Operating expenses are reduced in FY 2012-13 in comparison to FY 2011-12 due to a reduction in advertising funding. Prior to FY 2012-13, certain positions were advertised in major market newspapers i.e. San Antonio and Austin. Upon research, the majority of applicants utilize the City website to locate job opportunities, therefore this method of advertisement is no longer necessary.

One position was transferred into Human Resources in FY 2011-12. The Teen Court Coordinator's responsibilities were expanded to include support for City-wide programs and projects including such things as City University and other human resources related programs. In recognition of the amount of time spent in these endeavors, the position now reports to the Human Resources Director. However, the position will continue to actively support and manage the teen court program as part of the continued duties and responsibilities. The position was also reclassified to a Special Projects Coordinator to reflect the expanded responsibilities. This organizational change provided additional resources into Human Resources, needed in part because of the addition of the police uniform personnel to Civil Service. Although this position does not work on those issues specifically, it frees up other staff to focus in this area.

Training: The \$31,500 in funding in the FY 2012-13 Budget for the City-wide training and development program will continue to expand the staff's skills and knowledge, enhancing their ability to provide excellent customer service. Department-specific training has been funded as well as this City-wide effort. Human Resources is working to continuously expand this City-wide training program. During the new fiscal year, the program will continue to focus on customer service, maintaining a safe and productive work environment, developing excellence in management and leadership skills, enhancing computer skills, implementing emergency management training, continuing the "New Braunfels 101" program to educate all employees on City services and providing policy classes to review the new employee handbook. The City of New Braunfels recognizes that the future is its employees; accordingly, the City is dedicated to training and building the next leaders, while continually improving its services to the community.

Authorized Positions:

	FY 2010-11 Actual	FY 2011-12 Estimate	FY 2012-13 Budget
Human Resource Director	1	1	1
Customer Service Specialist	1	1	1
Human Resources Assistant	2	1	1
Human Resources Manager	1	1	1
Senior Human Resources Assistant	0	1	1
Senior Human Resources Generalist	1	1	1
Special Projects Coordinator	<u>0</u>	<u>1</u>	<u>1</u>
<i>Total Authorized Positions</i>	6	7	7

NON-DEPARTMENTAL

Program Description:

The Non-Departmental budget is used to account for expenditures that benefit multiple departments and/or the City of New Braunfels organization as a whole. This budgetary approach helps the City streamline budgeting and accounting processes. It also provides a mechanism to account for some major, one-time, project related expenditures so that department budgets and expenses show the true recurring costs of those operations. The actual expenditures budgeted here are described in more detail below.

Appropriations:

	FY 2010-11 <u>Actual</u>	FY 2011-12 <u>Estimate</u>	FY 2012-13 <u>Budget</u>
Employee Expenses	\$65,582	\$0	\$0
Operation Expenses	1,039,421	1,105,632	1,312,455
Interfund Transfers	1,731,912	2,016,717	611,738
Contingencies	0	0	686,222
<i>Total Appropriations</i>	\$2,836,915	\$3,122,349	\$2,610,415

Program Justification and Fiscal Analysis:

Tax Collection

The City of New Braunfels, along with all the other taxing entities served by the Comal Appraisal District (CAD) and the Guadalupe Appraisal District (GAD), supports the operations costs of those organizations. The State legislature required, effective with the City's FY 2007-08, that entities spanning more than one County use each county's appraisal district for appraised value services. The City of New Braunfels spans both Comal and Guadalupe County; therefore, the City pays both entities for their services. For FY 2012-13, the City's portion of those costs is projected to total \$187,363. This represents an increase in cost from FY 2011-12 estimates of \$170,000. The City's cost is driven both by the total budgets for the appraisal districts and the City's total share of appraised values across all organizations served by the districts.

Insurance Services

The City's budgeted cost of liability and property insurance for General Fund functions FY 2012-13 totals \$335,000. This amount is budgeted in Non-Departmental and includes insurance for vehicles, facilities and other City property as well as coverage in case of an injury caused by the actions of a City employee. This amount represents an increase in comparison to the FY 2011-12 estimates, due to the expected increased cost of liability and property insurance.

Employee Programs and Initiatives

Holidays for 2013:

New Year's Day	Tuesday	January 1, 2013
Martin Luther King, Jr. Day	Monday	January 21, 2013
President's Day	Monday	February 18, 2013
NB Founders' Day	Friday	March 29, 2013
Memorial Day	Monday	May 27, 2013
Independence Day	Thursday	July 4, 2013
Labor Day	Monday	September 2, 2013
September 11 Patriot Day	Wednesday	September 11, 2013
Uniform Fire Department personnel only		
Comal County Fair Day	Friday	September 27, 2013
Excluding Uniform Fire Department personnel		
Thanksgiving Day	Thursday	November 28, 2013
Day after Thanksgiving	Friday	November 29, 2013
Christmas Eve	Tuesday	December 24, 2013
Christmas Day	Wednesday	December 25, 2013

Holiday pay, defined by the Employee Personnel Policies Handbook, is pay received for a legal or declared holiday, and holidays are set by the City Council.

Tuition Reimbursement: The expanded tuition reimbursement program encourages employees to further their educations by reimbursing eligible tuition expenses for continuing education. Program parameters have been changed to encourage more employees to participate in this program. Prior to FY 2011-12, all tuition reimbursement was budgeted and paid from the Non-Departmental budget. In FY 2011-12, these budgets and costs were moved to the individual departments' budgets to better reflect the cost of salary and benefits for employees in each function. This benefit remains available to employees in FY 2012-13.

Medical, Dental, Prescription and Vision Employee Benefits Plan: The rising cost of health care is a constant concern nationwide, and for the City of New Braunfels. Over the last five years, many organizations have seen double-digit increases in costs in claims as well as in administrative service costs. With the exception of FY 2009-10, the City of New Braunfels has not experienced these types of increased costs. Prior to plan year October 2009 through September 2010, the City of New Braunfels and its employees had effectively managed medical services costs and claims and, therefore, avoided large increases in costs and premiums (both paid by the City and the employees). Due to the City's good experience from October 2006 through September 2009, no increases occurred in the premiums either for the City's contribution or for employees' contributions for their dependents' coverage. In fact, in plan year 2007-08, Council reduced the employees' contribution for all dependent coverage by \$50 per pay period. Unfortunately, as stated, claims in plan year 2009-10 increased significantly; the total cost for claims and administrative expenses for FY 2009-10 was 31 percent higher than FY 2008-09. This was the result of multiple factors: increases in large claims by individuals, overall increased utilization and rising medical costs. In addition, staff believes the uncertainty caused by the health care/insurance legislative reform also impacted the claims expenses in that year. Since that year, the City's claims expenses have once again held steady at a lower level than that extraordinary year. This is due in part to changes in plan design and part from a lower demand for medical services than in FY 2009-10. Current projections for FY 2011-12 are flat when compared to FY 2010-11 actuals, clearly a positive sign for the overall financial condition

of the fund. The FY 2012-13 Budget is projecting a 4.2 percent increase in claims and administrative expenses when compared to the FY 2011-12 estimates.

Even with the better claims expenditures every year after FY 2009-10, changes in the City's employee medical insurance program need to continue over the next several years to keep the plan and the fund healthy. Currently, premium payments from the employees and the City total about \$5.02 million with recurring expenditures for claims and administrative costs projected at \$5.03 million. Based on recent claim history, current revenues should be able to cover current expenditures. However, the fund balance remains below the level recommended by the insurance industry – three months' claims costs. The City has already made several one-time contributions from the General Fund into the Self Insurance Fund. The first was in FY 2010-11 for \$500,000 and another is included in FY 2011-12 for \$400,000. No transfer is budgeted for FY 2012-13; if claims continue at their current level, the fund will have about \$880,000 in fund balance, under the target by about \$376,000. Again, whether the fund balance recovers to the 25 percent level will depend on actual claims experience.

An Employee Benefits Committee was formed and works with Human Resources staff throughout the year to provide input into options and opportunities to manage employee medical insurance. The role of the committee also includes assisting with overall communication about benefits, as well as relaying information to employees about making wise, cost effective choices when utilizing the health plan

Over the last several years, Council has taken actions to change premium contributions and plan benefits to mitigate the cost of employee medical insurance. This continues in FY 2012-13. In FY 2010-11, Council approved moving from Great West, the City's third party administrator and health network, to CIGNA effective October 1, 2010. This was done in part to reduce claims expenses because of the better network discounts offered by CIGNA. It also reduced estimated administrative expenses by about \$53,000 in FY 2010-11.

In FY 2010-11, Council adopted a three-pronged approach to address the need to reduce costs and/or increase revenue into the fund to bring it into balance. First, premiums were increased \$20 per month for all types of coverage under the higher coverage plan (Plan A), including employee only and dependents. This represented the first time employees contributed a premium for employee only coverage. Prior to that year, employee medical, dental, and vision coverage were offered at no charge to the employee. The base coverage plan (Plan B) was still offered at no cost to the employee. The City "matched" this increased contribution by adding \$10 per pay period or \$260 per year to the City's contribution for employee health insurance, increasing the amount from \$7,408 annually to \$7,668 or 3.5 percent. These premium changes generated about \$240,000 annually. In FY 2011-12, the incremental increase to premium costs continued with employee contributions for Plan A increasing by \$10 per pay period (for employee only and employee plus children) and \$16 and \$17 per pay period (for employee plus family and employee plus spouse respectively). No increases in premiums were included for Plan B (which was offered for the first time in FY 2008-09). This plan has higher deductibles and co-payments, but lower monthly premiums. The City also increased its premium contributions by \$10 per pay period per employee (for both Plan A and Plan B).

In FY 2012-13, changes to employee contributions are once again proposed. In Plan A, employee only and employee plus children premiums will be increased by \$20 per month. In addition, employee and spouse and employee plus family premiums will be increased by \$30 per month. In Plan B, employee-only coverage will no longer be free to the employee – they will pay

\$20 per month. For all other plan B enrollees, premiums will be increased by \$10 per month. The City will continue to contribute \$7,904 per employee annually for these important benefits. In total, these premium changes will generate about \$90,000 annually in additional revenue to the fund. These premium changes are proposed to take effect on January 1, 2013.

The second portion of the strategy involves continuing to make changes in the benefits structure of the medical insurance. In plan year 2008-09, some plan design changes were implemented that affected deductions and co-pay levels. In plan year 2010-11, continuing gradual changes to deductibles and co-pays, and maximum out-of-pockets as well as some other minor changes were made, resulting in a reduction of the costs of claims to the fund. For FY 2011-12, increased deductibles and maximum out-of-pockets were once again implemented for both Plan A and Plan B. In addition, both plans now have a \$50 separate deductible for non-generic prescriptions. Employees can make smart choices in their medical services (including using network providers rather than non-network providers) that help them reduce their out-of-pocket costs for services, even with these higher deductibles and co-pays. They can also choose to pay for services with their doctor of choice, regardless of the provider's network status. These plan changes were estimated to save approximately \$120,000 annually. In FY 2012-13, there are no additional plan modifications recommended.

The third component of the recommended strategy involved a transfer of funds from the General Fund into the Self Insurance Fund to maintain a reasonable fund balance. The FY 2010-11 Budget included a \$500,000 transfer into the Self Insurance Fund to begin to address the fund balance shortfall. As stated, plan year 2009-10 was a particularly high year for claims, including some very large single claims. That experience has, fortunately, not recurred since that year. However, there still remains a fund balance shortfall because of the 2009-10 plan year costs. Therefore, the FY 2011-12 Budget once again provided a transfer from the General Fund into the Self Insurance Fund, of \$400,000. As mentioned earlier, after these two one-time transfers and positive recent claim history, there is no General Fund transfer budgeted in FY 2012-13. Staff will continue to monitor claim data closely to determine if any General Fund support is necessary to maintain the fund's financial position.

Staff continues to work toward a long term strategy to ensure medical coverage for employees at an affordable cost – both to the City and the employees. This includes continuing to work with an employee committee made up of employees from all departments and from various levels so that all perspectives can be brought to the process. Along with this group, staff will continue with the three-to-five-year strategy for changes in benefits levels that will positively impact the overall cost of claims and/or increases in premiums for employee and dependent coverage. This strategy will take into account all aspects of medical insurance including the impact of health care reform, our loss experiences, the impact to employees and the City's overall financial position. It is anticipated that this strategy will make gradual changes in deductibles, co-pays and other benefits to smooth the impact on employees while maintaining the fund's financial stability.

Part of this strategy may include offering a health savings account (HSA) medical insurance option, expected to be available in plan year 2013-14. HSAs offer multiple benefits both to the employer and the employee. HSAs work with a high deductible plan. An account is set up for each employee that both the employee and the employer can contribute into. The contributions for the employee are pre-tax. The fund can be used to pay for the costs of medical expenses for the employee and their dependents. Employees have to pay all medical costs until the deductible is met. After that, the plan pays the costs with no co-pays. Any money in their individual HSA

fund not used by the employee for medical expenses is the employee's to keep, even if they leave their employer. It also rolls over from year-to-year. The concept behind an HSA is that, since employees spend their own money first, they are incentivized to "shop" for services and use them only when really needed. The first costs for services are born entirely by the employee; the savings expected from an HSA come from this plan parameter.

The Human Resources staff will also continue to work with employees to focus on wellness and employee education regarding smart consumerism as it relates to utilization of the health plan to help the City maintain as much as possible its current level of benefits.

Wellness: The FY 2012-13 Budget also includes continued funding in the amount of \$68,000 for the City's wellness program – *Cityfit* – that was established in FY 2007-08. This program is designed to further promote the health and well-being of our employees. Wellness programs are shown, over the long term, to reduce the cost of medical insurance to employers. Since the program directly impacts the claims expenses in this fund, *Cityfit* is funded in the Self Insurance Fund again this budget year. The program was initially established through an outside provider that offers a web-based program that tracks employees' fitness activities and provides rewards for reaching various levels of activity. This program continues. Some other programs/events held have included: the gym reimbursement program; wellness and fitness seminars; City-wide health screenings; and a Weight Watchers at work program, which have been very successful. To continue building this program, staff is pursuing partnerships with local wellness providers, reviewing additional wellness initiatives, and looking at ways to further tie incentives for good health with reductions in health care costs to the employee, thus reducing costs to the City.

Employee Assistance Program: In January 2006, the City began offering an Employee Assistance Program. It provides counseling and referral services for employees and their dependents on a voluntary basis. The response to this program has been positive both from the employees' and the City's perspectives. The FY 2012-13 Budget continues funding this program at an annual cost of \$12,000.

Compensation: In FY 2007-08, the City implemented a new pay plan that was the result of a City-wide classification and market driven compensation study. In October 2008, all employees received a cost of living adjustment (4 percent for non-uniform employees and 5 percent for uniform police and fire employees). The FY 2009-10 Budget also initially included funding for April 2009 salary adjustments that were to include step plan increases and pay for performance increases. The Council did not implement those adjustments due to economic conditions and projected budget shortfalls. However, work continued to prepare for implementation of salary increases once funding became available. In FY 2009-10, training on the performance evaluation tool was conducted, supervisors met with their employees to set goals, and performance evaluations were completed. In FY 2010-11, all employees again received annual performance evaluations. In addition, the full step pay plan design was completed in May 2009, with input from both Fire and Police uniform employees. In October 2010, the Police and Fire Department uniform employee step pay plans were fully implemented with all employees on the plan moving to the appropriate range for their years of service in their current position. In addition, pay for performance for all employees not on the public safety uniform step pay plan was awarded. The FY 2010-11 Adopted Budget stated that future step plan and performance pay increases would depend on available funding and are subject to annual approval by the Council. The FY 2011-12 Budget did not propose any salary increases for employees, including those on the public safety uniform employees step pay plan. Employees on the step pay plan remained on the step they were on throughout FY 2011-12.

In FY 2012-13, step plan and performance pay increases are one again proposed to be implemented. The proposed effective date of these increases is January 1, 2013. On that date, all uniform employees will be brought to the appropriate step based on their time in position as of January 1, 2013. If the employee has an “anniversary” (date they began in their current position) between January 1 and September 30, 2013, they will move to the next step at that time and receive another increase. In this way, full implementation of the plan will once again be achieved. For all non uniform employees, all performance pay increases will be effective January 1, 2013 with the level of increase being determined by the score of their annual performance evaluation. The maximum performance pay increase under the proposed program is five percent, with the average increase and funding set at three percent. The FY 2012-13 Budget includes \$242,000 for full implementation of the step pay plan and \$268,000 for performance pay for a total of \$510,000. The projected annual cost of these increases is \$680,000.

City staff will continue to monitor the established job market to ensure that salaries remain competitive. A full salary survey will be conducted in FY 2012-13 for comparisons of City salaries to the market. This study identifies positions where the City is currently behind the market. If the study does reveal considerable discrepancies based on the market, should the funding be available, staff will determine if an adjustment in salary is appropriate.

Services and Programs

The FY 2012-13 Budget includes funding for programs and initiatives based on the strategic priorities identified by City Council. In the Non-Departmental Budget, \$20,000 is included for continuing service by the investment advisory firm engaged by the City to assist in increasing the City’s return on its investments. A total of \$35,000 is included for costs related to acceptance of credit cards as payment. This reflects the City’s commitment to customer service by expanding the number of departments that accept credit cards for payment and offering on-line payment services at Municipal Court. Organization dues for FY 2012-13 total \$65,000 and include the Texas Municipal League, the Greater Austin-San Antonio Corridor Council, the Austin-San Antonio Commuter Rail District and the Alamo Area Council of Governments. In FY 2007-08, the City began engaging firms to help support our legislative efforts at the state and federal levels. For FY 2012-13, \$75,000 is provided to continue support at the federal and state levels. This investment has already been recouped several times over through federal and state funding (through grants and other sources) for needed City programs and projects. As the City more aggressively pursues alternative funding sources, this effort becomes more and more important. The budget also includes \$15,000 to complete a community survey; the last survey was conducted three years ago. The Public Information Officer will support this effort.

In the FY 2012-13 Budget, funding for the City’s outside audit is \$50,000 to reflect the current contract cost for auditing services. The contract tasks the firm with completing a comprehensive annual financial report which includes statistical data and other information to improve the communication with citizens and our business partners regarding the City’s financial and economic status.

The FY 2012-13 Budget includes \$200,000 to fund various studies and consultant services that may be needed to continue to provide services to the citizens.

In FY 2011-12, \$10,000 is provided to support United Way’s continuing work to address the issues identified in the Comal County Needs Assessment.

The municipal/city hall building is at capacity to house staff. Therefore, the FY 2012-13 Budget includes \$55,000 to acquire or lease additional office space. A portion of these funds (\$25,000) is currently utilized to lease a house adjacent to City Hall. This rental property is currently being utilized as offices for all Information Technology and GIS staff.

In prior years, all funding associated with facilitating elections was included in the City Secretary's budget. Beginning in FY 2012-13, all election related expenses will be budgeted and expensed in the Non-Departmental section of General Fund as it is a more effective to account for these costs.

Technology

In FY 2005-06, the City identified the need to significantly and comprehensively upgrade hardware and software used for voice and data communication. A technology improvement project was initiated to address this issue. The City first completed a technology assessment, assisted by an outside consultant that identified the major software systems needed. City staff had already identified the needs and developed the plan to address hardware needs. To date, the voice communication system has been upgraded, a fiber optic network has been installed in partnership with the New Braunfels Independent School District and New Braunfels Utilities, all servers have been replaced, all desktop and laptop computers have been replaced, the City's network has been consolidated under one "umbrella" and tighter network security has been installed. A disaster recovery/failover backup system for the City's network has been installed and implemented. In addition, many of the smaller software programs have been upgraded, and the Accela land and asset management software has been implemented to support a work order system, asset tracking and the entire development review process. This plan also included upgrades to the City's financial management software which is now hosted off-site by the software company providing the programs, providing disaster recovery and backups efficiently and effectively. In FY 2011-12, the new financial management/human resources software became operational.

The hardware components of the system are now upgraded and functioning efficiently and effectively. The City is working through implementation of needed major software systems. As stated above, implementation is completed for an asset management system (including asset tracking and a robust work-order system) and a land development process package that supports inspections of all types as well as the permitting and planning processes. The asset management and land development software systems have extensive customer service components to allow citizens to interact directly with these systems. This functionality will be implemented in FY 2012-13 and \$100,000 is allocated for this enhancement. Once implemented, citizens can make requests, check the status of those requests and perform other functions.

In FY 2010-11, the City upgraded the human resources information system and, in tandem, the financial management/purchasing system. The financial management and purchasing portion of the system went live in June 2011 with the payroll/human resources portion following in January 2012. This project is funded in the 2009 Certificates of Obligation and is described more completely in that section. The FY 2012-13 Budget includes \$75,000 in funding for implementation of additional modules for this system including employee self service.

In addition, the 2009 Certificates of Obligation Capital Improvement Fund includes \$1,279,000 to acquire and implement a new computer aided dispatch/records management software system for the Police Department. The new system will provide efficiencies both for the emergency

dispatch center and the officers writing reports. It is anticipated that the system will allow officers to return to patrol more quickly.

The FY 2012-13 Budget also includes \$25,000 for aerial photography services for use in the City's geographic information systems (GIS) software.

Motor Pool

For FY 2012-13, implementation of a City-wide motor pool is included to increase the efficiency and availability of vehicle uses, maximizing their utilization. For this first, pilot year, the motor pool will be made up of two sport utility vehicles and two sedans, all of which were scheduled for replacement in FY 2012-13. Therefore, no vehicles will need to be purchased to begin the program. General oversight of the program will be done by the Fleet Manager. Funding of \$10,000 is included in this budget to cover fuel and maintenance costs of these vehicles. During this first year, staff will evaluate the effectiveness of the program to determine whether, and if so how, this program will move forward in future years.

Replacement Funds

Replacement of aging City of New Braunfels vehicles in the past occurred through the normal budget process. Departments identified vehicles that needed to be replaced because of age, wear and tear, high maintenance costs and/or combinations of all three. Vehicle replacements had to compete with all other funding needs. Through a budget adjustment in April 2006, City Council set aside \$1.5 million to begin a vehicle replacement program and fund. This program provides funding annually for future vehicle replacements. Replacing the vehicles on a routine basis as they begin to reach high mileage and/or age is cost effective in that higher trade-in values are received and maintenance and repair costs are avoided. The amount of funding contributed by each department has been determined based on criteria established by City Council. Departments contribute a calculated amount into the Equipment Replacement Fund annually (one-eighth of the expected replacement cost less trade-in value). The funds accumulated in that fund are then used to purchase new vehicles when the current vehicle reaches its replacement criteria and is determined, after an assessment of that vehicle, that it should be replaced. The funding for replacement vehicles then becomes a regular part of the base budget rather than competing with other proposed purchases and new programs. Initially, the funding for vehicle replacements was included in the Non-Departmental Budget. Since FY 2009-10, those contributions into the Equipment Replacement Fund are included in each department's budget to more accurately reflect their overall cost of operations. The FY 2012-13 Budget includes a total of \$931,935 from the General Fund for vehicle replacements (including equipment for police specification vehicles). In future years, heavy equipment and vehicles (such as dump trucks and fire trucks) used by departments funded in the General Fund will be added. The Solid Waste heavy equipment (mainly refuse collection vehicles) is already included in this program; Solid Waste is a separate enterprise fund for the City. In FY 2011-12, the criteria for light vehicle replacement changed. As of FY 2011-12, vehicles are evaluated for replacement at eight years or 85,000, again whichever comes first. To transition, police specification vehicles will have staggered replacements – six, seven or eight years. This also helps even out the number of vehicles needing to be replaced in a given year. In FY 2012-13, two equipment replacement funds are budgeted, one for the enterprise funds and one for the General Fund along with Special Revenue Funds. This allows a better accounting for and segregation of enterprise funds which are treated on more of a business accounting approach.

This same concept has been applied to computer replacements. In FY 2007-08, the City completed the project of replacing all outdated computer equipment (network and desktop). The

computer replacement program funding provided sufficient money to replace computers, servers and peripheral equipment every three years, allowing the City to remain current with technology in a systematic manner. In FY 2012-13, the replacement schedule for technology equipment will change. Due to the positive experience the City has had with laptops and desktop computers, the replacement cycle will be extended from three years to four years. This change will reduce the annual contribution required by the General Fund. The FY 2012-13 Budget allocates approximately \$191,500 for this purpose.

The FY 2010-11 Budget included \$180,000 in funding in the Non-Departmental Budget to begin the replacement program funding for the Fire Department's self contained breathing apparatus (SCBA). This level of funding annually was anticipated to provide sufficient funding in FY 2015-16 to replace all SCBA's, keeping the equipment in compliance with standards and requirements. Beginning in FY 2011-12, this program is funded in the Fire Department's budget to more accurately reflect the full cost of that function.

The City's buildings continue to age. Major, unexpected repairs may be needed such as air conditioning systems or roof repair. The FY 2006-07 Budget set aside \$500,000 in contributions to the new Facilities Maintenance Fund to address these issues as they arose. Providing funding for these types of issues allows the City to complete maintenance and repairs in a timely fashion, thus avoiding both potential additional damage from delays and the need to redirect funds from other priorities if and when problems occur. The FY 2007-08 Budget continued this program by providing another \$500,000 into the fund. In the same way, the FY 2006-07 and 2007-08 Budgets included \$300,000 for parks maintenance funding in the Facilities Replacement Fund to ensure that the parks facilities enjoyed by citizens and tourists alike remain safe and accessible. Due to funding constraints, no transfers were made into this fund in FY 2008-09 or FY 2009-10. In June 2010, a major storm event caused significant flooding in the community and in many City parks. The availability of Facilities Maintenance Funds allowed the City to react quickly and effectively to restore the community – both neighborhoods and the river activities that generate tourism dollars to the City. The flood expenditure did significantly deplete the Facilities Maintenance Fund reserves. However, the FY 2010-11 Budget transferred \$300,000 into this fund, beginning to rebuild the fund balance. As a budget balancing strategy, there are currently no transfers budgeted for the Facilities Maintenance Fund for FY 2011-12 or FY 2012-13. This action will not fully deplete this fund, although without the transfers and the current appropriations, the fund balance has been reduced significantly.

Contingencies

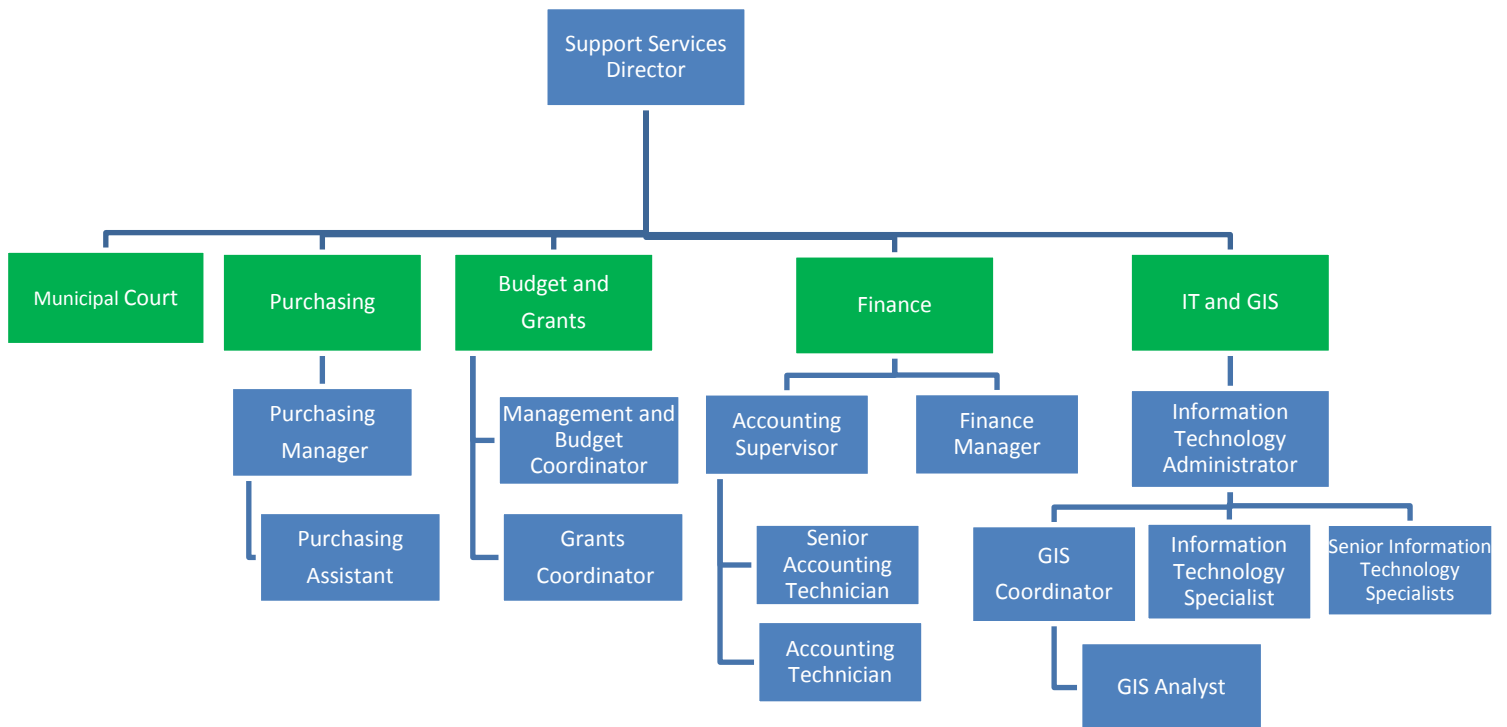
The FY 2012-13 Budget sets aside \$200,000 in undesignated funds. These can be used only through Council action to address unforeseen expenditures that may arise. The FY 2012-13 Budget also allocates \$180,000 to be used should the City receive grants that require cash matches. This amount is based on grant proposals that have already been submitted. The Non-Departmental Budget includes a general three percent adjustment for savings as a result of the normal attrition of employees. Turnover savings are realized through the normal time lag between one employee's departure and filling the vacated position. Beginning in FY 2012-13, several of the larger departments' have the three percent turnover adjustment in their respective employee expenses appropriation. For the smaller departments however, there is still a \$204,000 turnover adjustment appropriated in the Non-Departmental Budget. The smaller departments' expected savings is in Non-Departmental rather than their individual budgets because of the much smaller number of employees, making it difficult to predict exactly where turnover may occur. The total amount budgeted for turnover for FY 2012-13 is approximately \$940,000.

Interfund Transfers

The FY 2012-13 Budget includes \$611,738 in interfund transfers. The City has a River Activities Fund that supports maintaining a safe and clean environment along the City's rivers. However, the revenue generated from that activity does not support all the related expenditures. Therefore, the General Fund provides \$421,391 in funding for these important efforts. In FY 2011-12, The Edwards Aquifer Habitat Conservation Program Fund was established. This fund serves as a method of tracking costs and reimbursements for the mitigation projects that have been outlined in Chapter 5 of the Habitat Conservation Plan (HCP). While 100 percent of the estimated project costs will be reimbursed to the City by the Edwards Aquifer Authority, there is a certain level of administrative costs that are not eligible for reimbursement. Therefore, the General Fund provides \$64,853 in funding these efforts. In FY 2012-13, there are currently no transfers budgeted to support the City's four enterprise funds. For the Civic Center, the current projections for Hotel/Motel collections in FY 2012-13 provide the total amount required for the transfer (\$368,286), therefore no General Fund support is needed. In FY 2012-13, the Airport Fund is self supporting. This is driven by the increased activity and fuel sales occurring at the airport. The Golf and Solid Waste have been self supporting for many years.

The final transfer of \$190,494 to the equipment replacement fund is described above.

SUPPORT SERVICES DEPARTMENT
FINANCE, PURCHASING, BUDGET, INFORMATION TECHNOLOGY AND GIS



SUPPORT SERVICES – FINANCE, PURCHASING, BUDGET, INFORMATION TECHNOLOGY, AND GEOGRAPHIC INFORMATION SYSTEMS

General Fund: 101

Mission:

Finance:

To provide accurate, timely financial and payroll information in a user-friendly manner and to manage and account for City resources efficiently.

Purchasing:

To secure, whenever practical, competitive prices on purchases and to generate fair and open competition to receive the best prices, terms and conditions for the City.

Management and Budget:

To budget and effectively utilize the resources needed to service the citizens efficiently and effectively.

Information Technology:

To support City departments through excellent customer service that is responsive to their communication and technology requirements.

Geographic Information Systems (GIS):

To provide robust geospatial services and accurate, reliable data to support effective decision-making by City departments and the public.

Vision:

Finance and Budget:

To provide budget and financial management information so that the City of New Braunfels can plan strategically as well as serve the citizens effectively and at the least cost.

Purchasing:

To aid the City in serving the citizens through greater efficiency, both in terms of economy and service to the departments, and procurement of quality supplies, equipment and services.

Information Technology:

To provide all City departments with innovative, cost-effective technology to maximize the efficiency and effectiveness of their business processes.

GIS:

To develop, manage and maintain an efficient, robust enterprise GIS, enabling better service and decision-making through geographic data and geospatial analysis.

Goals/Objectives:

Finance:

1. Provide customers – other City departments' staff – with excellent customer service, responding to their issues in a timely manner and with data and information in a user-friendly format.
2. Continue to strengthen the City's financial position.

3. Promote cost-effective use of City resources and accountability for the use of those resources.
4. Maintain a high degree of accuracy in all financial and accounting transactions.

Purchasing:

1. Establish policies and procedures that maintain the integrity of the purchasing process, encourage competitiveness and show a cost savings on procurements.
2. Procure goods and services for departments of the requested quality and quantity from an appropriate source using the most efficient and economical means and at the best possible price to have them available when and where they are needed.
3. Improve delivery speed to departments by predetermining appropriate sources of supply before an actual need for a particular item or service becomes known, facilitating potential quantity and special discounts.
4. Comply with all local, state, and federal laws while administering the purchasing function.

Management and Budget:

1. Balance the demands for additional services against the available revenues.
2. Budget the resources required for departments to serve the citizens.
3. Provide all the management information needed by elected officials and department heads.
4. Serve as a management consultant to departments to assist them in increasing the efficiency and effectiveness of their operations by evaluating business processes and identifying areas for improvements.
5. Use performance measures to evaluate budget requests.

Grants Coordination

1. Assist departments in acquiring grants that meet the City's high priority, unfunded requirements.
2. Ensure the City's compliance with all grant management and reporting requirements.

Information Technology:

1. Provide excellent customer service.
2. Ensure the security and privacy of City information.
3. Provide employees with effective technology.
4. Keep all communications and data systems 100 percent available and working efficiently for use by City departments and citizens.
5. Manage and use information effectively, collecting it once and using it in multiple systems.

GIS:

1. Develop an environment in which employees and citizens benefit from available geographic information and geospatial services.
2. Maintain a centralized enterprise GIS relational database and enterprise GIS data standards.
3. Integrate existing and future systems into the enterprise GIS (where appropriate) and establish policies and standards that govern that integration.
4. Provide robust interactive web-mapping tools to visualize, query, and export geographic data for internal and external users.
5. Provide a comprehensive GIS training program to ensure the most effective use of the GIS data and software.
6. Coordinate and collaborate with external entities to strengthen the regional GIS initiative.

Action Items:

- *Expand flood-prone land acquisition*
In FY 2011-12, the City was awarded a FEMA disaster mitigation grant to purchase designated properties which are situated in the floodplain. In FY 2012-13, these properties will be acquired and the land will be cleared in accordance with the grant guidelines.
- *Conduct study to benchmark New Braunfels against comparable cities*
Throughout the budget process, financial information is provided to City management and City Council to assist in comparing the City's tax rate and indebtedness to neighboring communities and other Texas cities with similar population levels. In FY 2012-13, further analysis on expenditures and staffing levels of comparable cities will be completed to assist in developing the FY 2013-14 operating budget and work plan.
- *Better utilization of resources – Channel 21 and website*
Information Technology staff will acquire new equipment in FY 2012-13 that will improve broadcasting capabilities City-wide. The funds to purchase this equipment are available in the Cable Franchise PEG fund. While improving broadcast quality of public meetings, this new equipment will likely also add additional capabilities such as offsite recording.
- *Improve emergency management preparedness and coordination*
GIS staff, in an effort to provide additional support during emergency situations, will develop a comprehensive database of the common events that occur within the City of New Braunfels and the surrounding region. This project will consist of automated disaster event rollouts of specific database types, map projects and web applications. The first phase of this project will specifically address the current needs of the event and recovery aspects.
- *Continue Process Improvement Efforts; Publicize Accela on-line services once it goes "live"*
In FY 2012-13, hosting services for the City's asset management and land use software, Accela will be brought in-house which will provide increased flexibility, and improve overall efficiency of the system. Also in FY 2012-13, the citizen access portal will be implemented which will improve online interaction between citizens and development staff.

Department Description:

Finance and Management and Budget:

Finance manages and administers all aspects of the City of New Braunfels financial and payroll transactions and records. This includes accounts payable, accounts receivable, cash management, payroll processing, auditing, and all other accounting activities. Finance is responsible for the City's investment and debt management, determining the highest return on investments while maintaining adequate cash flow for City requirements.

Management and Budget staff annually develops the operating and capital budgets for the City. Expenditures are monitored and monthly financial reports are provided to departments and to City Council. In addition, special studies are conducted to evaluate the costs and benefits of proposed programs and projects. Staff also works as a management consultant with departments on special projects and business process evaluations to ensure the City operates as efficiently and effectively as possible. Staff also manages the collection, analysis and presentation of performance measures for all City departments.

Purchasing:

Purchasing facilitates City purchases through competitive processes to ensure the highest quality goods at the lowest price. This applies to procurement of supplies, equipment and services, from pens and pencils to major construction projects. The Purchasing staff: assists City departments in defining requirements; provides advice on products and services; assesses information provided for solicitations; assembles suitable terms, conditions, instructions and provisions for the solicitations; documents all bids and proposals received and reviews them for acceptance; plans and conducts negotiations with selected service providers; notifies unsuccessful bidders; conducts debriefings and handles bid protests; and handles performance disputes between the City and vendors should they arise. Purchasing works with other local public entities to identify and take advantage of, whenever practical, opportunities for joint procurements. Purchasing also accurately maintains and controls the use of the City's fixed asset inventory.

Information Technology:

Information Technology is responsible for supporting all of the City of New Braunfels technology and communications systems, ensuring their efficient and secure operation. This includes critical public safety, public information, finance, human resources, parks management, court management and other systems. Information Technology staff works with departments to install new and maintain existing equipment – hardware, software and communications – to minimize downtime and maximize staff efficiency and effectiveness. In addition to these responsibilities, Information Technology staff maintains the City's website, facilitates broadcasts of City public meetings, and trains staff on the use of technology. Staff also provides technical assistance to offices and departments acquiring new technology to assist them in improving their business processes and better utilizing their existing resources. A major City-wide technology improvements project continues to progress. This project has already resulted in much needed upgraded technology for City departments, improving their ability to serve the citizens and the community.

Geographic Information System (GIS):

Geographic Information System (GIS) is responsible for the creation and maintenance of base map layers that comprise many different aspects and characteristics of the City of New Braunfels actual terrain as well as improvements, boundary lines and many more. The division provides mapping services to internal and external clients via paper maps, custom desktop applications and web driven map applications. The division integrates mapping technology and analysis seamlessly into current workflows to provide for more efficient production for end users. The division assists other City departments with data analysis efforts to increase the accuracy of the data and the efficiency of the process/study. The mapping data is recorded and maintained so that existing department databases connect to map features to produce geospatial results to database inquiries. GIS staff works directly with City departments to create models that assist them in their daily activities as well as in special projects. The division provides training as well as assistance with data collection projects to ensure high levels of accuracy. Current projects include emergency management support, crime analysis, work order system and pavement management integration.

Performance Measures:			
	FY 2010-11 <u>Actual</u>	FY 2011-12 <u>Estimate</u>	FY 2012-13 <u>Budget</u>
<i>Finance, Management and Budget and Purchasing:</i>			
Accuracy of General Fund revenue/expenditure forecasting compared to year end actuals	99.6%	95%	95%
Quarterly performance measurement reviews conducted – NBSTAT	N/A	N/A	4
Investment earnings compared to T-bill standard	1,160%	258%	260%
Percent of purchase orders and contracts exceeding \$50,000 awarded within 50 days of finalized solicitation documents	N/A	80%	90%
Percentage of centralized annual contract renewed prior to expiration	N/A	95%	100%
Dollar amount of expenditures completed with central purchasing office assistance	\$4,753,000	\$6,668,000	\$8,000,000
Funds generated from City auctions	\$101,000	\$50,000	\$30,000
Customer Satisfaction (measured by survey)	N/A	N/A	90%
<i>Grants:</i>			
Number of grants submitted	14	21	15
Ratio of grants awarded/denied (not including pending)	9:5	10:2	10:5
Dollar amount of grants awarded	\$224,000	\$865,000	\$500,000
Customer Satisfaction (measured by survey)	N/A	N/A	90%
<i>IT:</i>			
Number of data reports generated	N/A	6	10
Percent of work plan accomplished	N/A	N/A	100%
Internal training sessions provided (contact hours)	N/A	10	12
Average work order completion time (hrs)	4.9	5.8	5.6
Work orders per Information Technology FTE	427	380	375
Customer Satisfaction (measured by survey)	N/A	N/A	90%
<i>GIS:</i>			
Total GIS sessions	16,654	12,591	14,000
Total map requests fulfilled	296,085	218,775	240,000
Data sets maintained	40	42	45
Percent of work plan accomplished	N/A	25%	100%
Number of internal business models developed	N/A	N/A	5

Appropriations:

	FY 2010-11 <u>Actual</u>	FY 2011-12 <u>Estimate</u>	FY 2012-13 <u>Budget</u>
Employee Expenses	\$1,069,825	\$1,176,764	\$1,352,187
Operation Expenses	416,535	462,111	486,891
Capital Expenses	17,006	0	0
<i>Total Appropriations</i>	<i>\$1,503,366</i>	<i>\$1,638,875</i>	<i>\$1,839,078</i>

Program Justification and Fiscal Analysis:

The FY 2012-13 Support Services Budget reflects an increase in comparison to FY 2011-12 estimates. The increase is driven by two factors. First, there is a program change explained below that includes adding one position to the Information Technology Division to bring hosted software in-house. Secondly, there were some vacancies during the year in GIS and Information Technology in FY 2011-12 that resulted in a savings in employee expenses shown in the estimates for that year.

Operation expenses do increase for FY 2012-13 when compared to FY 2011-12 estimates, which is driven by various factors. The main factor is that, based on a new contract with Time Warner, the way internet access costs for municipal facilities are budgeted has changed. Through FY 2011-12, the Civic/Convention Center had a contract with Time Warner for internet services that included amortization of equipment costs. Time Warner provided internet services to other City facilities under this contract at no additional charge. Under the new contract, each facility will pay separately for their internet service connections. A significant portion of these costs are absorbed in the Information Services Division, as are other City-wide costs of technology. This impacts the Support Services Department budget by an additional \$25,000 in cost annually.

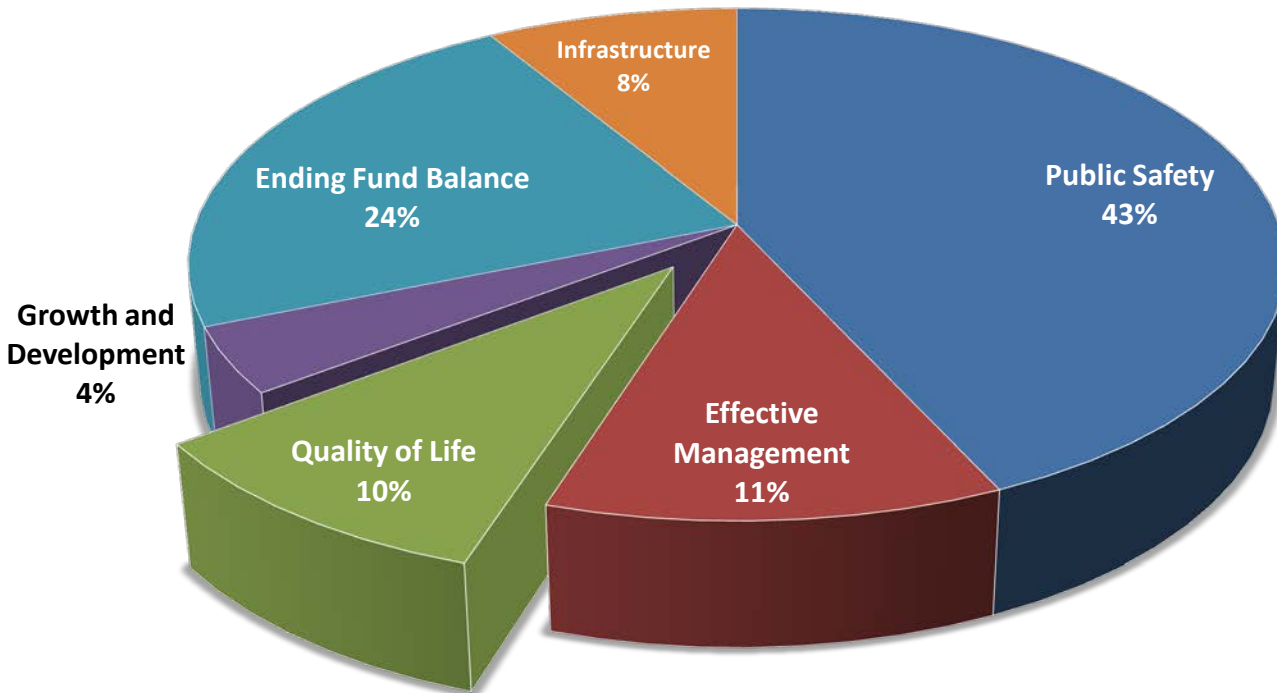
The FY 2012-13 Budget for Support Services includes funding for a program change, the addition of one Senior Information Technology Specialist position (\$68,125). Accela (land and asset management software) and One Solution (financial and human resource software) are two of the foundation software systems utilized by City employees. These two systems have been hosted by the software company providing them, meaning all management; support and infrastructure of the programs are controlled by employees of the actual software company. The City has not received good service under these contracts, impacting the efficiency and effectiveness of staff in serving the development community. This additional position allows the City to host these programs internally, resulting in more control of the software and improved capability and support for end users. There will be some one time hardware costs (\$50,000) associated with internalizing this service. This equipment will be purchased out of the Equipment Replacement Fund in FY 2012-13. This position will also result in an annual savings in contract costs. The City paid approximately \$51,000 annually for hosting services, which will not be necessary once the software is brought in-house.

Authorized Positions:

	FY 2010-11 Actual	FY 2011-12 Estimate	FY 2012-13 Budget
<i>Finance:</i>			
Support Services Director	1	1	1
Accounting Supervisor	1	1	1
Accounting Technician	3	2	2
Finance Manager	1	1	1
Grants Coordinator	1	1	1
Management and Budget Coordinator	1	1	1
Purchasing Assistant	1	1	1
Purchasing Manager	1	1	1
Senior Accounting Technician	<u>0</u>	<u>1</u>	<u>1</u>
Total – Finance	10	10	10
<i>Information Technology and GIS:</i>			
GIS Analyst	0	1	1
GIS Coordinator	1	1	1
Information Technology Administrator	1	1	1
Information Technology Specialist	2	1	1
Project Manager	1	0	0
Senior Information Technology Specialist	<u>0</u>	<u>2</u>	<u>3</u>
Total – Information Technology and GIS	5	6	7
<i>Total Authorized Positions</i>	<i>15</i>	<i>16</i>	<i>17</i>

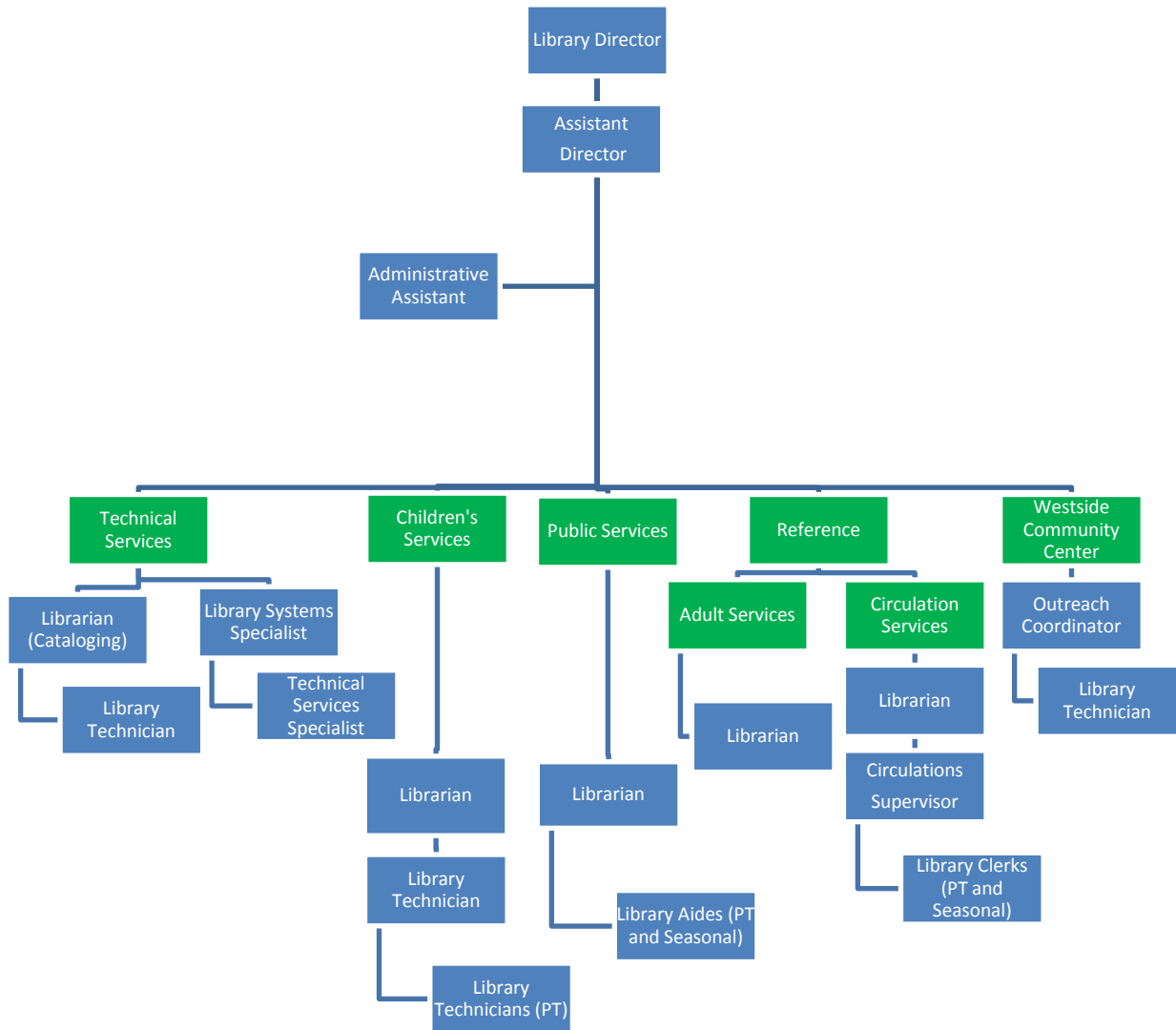
QUALITY OF LIFE

Quality of Life



Strategic Priority	Allocation
Public Safety	\$25,826,286
Effective Management	6,843,577
Quality of Life	5,769,093
Growth and Development	2,469,039
Infrastructure	5,123,741
Ending Fund Balance	14,167,924
Total	\$60,199,659

LIBRARY



LIBRARY

General Fund: 101

Mission:

The mission of the New Braunfels Public Library is to provide the community with equal access to physical and virtual environments that support and encourage lifelong learning and enrichment.

Vision:

The New Braunfels Public Library is the community's primary source for information, lifelong learning and enrichment.

Goals/Objectives:

Department goals are aligned with the latest edition of Texas Public Library Standards prepared by the Texas State Library and Archives Commission and the Texas Library Association.

1. To ensure that community readers of all ages will have access to library materials in a variety of formats to satisfy their informational, educational, cultural and recreational needs.
2. To ensure that the current library facility meets the needs of the population served.
3. To provide quality programs and services to satisfy public demand in a fiscally responsible manner.
4. To design and fund public relations programs and services that communicate a positive image of the library to various groups of users and non-users.
5. To identify and develop community stakeholders and educate them so that they become advocates for the library.
6. To provide programs and services for all ages that support lifelong learning and development.
7. To better respond to the demands and interests of the public and extend access to the library's resources and services.
8. To provide access to current technology so that the public can both access information and develop the skills required to function as technology develops.

Action Items:

- *Explore mobility options for library outreach*
Staff implemented library services at the Westside Community Center in FY 2011-12. In FY 2012-13, a full time library position for this facility will allow for additional hours to the public. The Library will also add a digital content creation lab with grant funding.
- *Expand intradepartmental programs with parks and library*
In conjunction with the Parks and Recreation Department, community partnerships and additional programming will be implemented in FY 2012-13 at the Westside Community Center. Communities in Schools will offer an after school program at the facility.

Department Description:

The New Braunfels Public Library provides access to books and materials, information and reference services, programs, meeting rooms and computers for the general public. Individuals with a valid library card may borrow books and other materials. Library staff assists patrons in all aspects of library use. In addition, staff develops and conducts adult and children's programming and fosters literacy and learning in a positive, fun environment.

Performance Measures:

	FY 2010-11	FY 2011-12	FY 2012-13
	<u>Actual</u>	<u>Estimate</u>	<u>Budget</u>
Visits to library facilities	313,996	350,000	375,000
Patrons accessing the Internet	91,500	60,000	75,000
Library visits per day	905	1,000	1,100
Total materials circulations	756,549	900,000	1,100,000
Circulations per day	2,180	2,575	3,000
Library items per capita (National average is 2.0)	2.12	2.2	2.3
Customer Satisfaction (measured by online survey)	N/A	98.2%	99%
Database accesses	14,117	20,000	25,000
Outreach events held	684	750	900
Children's programs activities	236	300	400

Appropriations:

	FY 2010-11	FY 2011-12	FY 2012-13
	<u>Actual</u>	<u>Estimate</u>	<u>Budget</u>
Employee Expenses	\$1,064,897	\$1,105,721	\$1,295,074
Operation Expenses	381,578	364,873	550,612
Capital Expenses	0	12,990	0
<i>Total Appropriations</i>	<i>\$1,446,475</i>	<i>\$1,483,584</i>	<i>\$1,845,686</i>

Program Justification and Fiscal Analysis:

In comparison to the FY 2011-12 estimates, the FY 2012-13 Library Budget increases significantly. This is driven by two main factors. First, there were several vacancies that occurred during FY 2011-12, resulting in a savings in personnel expenses. The FY 2012-13 fully funds all positions. In addition, full year funding of several reclassifications that occurred in FY 2011-12 is also included in FY 2012-13. The second factor impacting the increase in library expenditures is the addition of the Westside Community Center. Since the City purchased the building in FY 2010-11, Library and Parks staff has been providing some services in the building, but have mainly used an outside contractor for oversight, scheduling and programming. Beginning October 1, 2012, the City will assume full management and operational responsibility of the facility. Therefore, for FY 2012-13, the Westside Community Center Division has been added to the Library budget. This facility will be utilized for both parks and library programming, although the division will fall under the Library in the organizational structure of the City. As this is the first full year of management of the facility, there are various start up costs. For example, in FY 2012-13, there is funding for library materials, supplies for recreation programs and technology equipment. Beyond FY 2012-13, there will be additional costs associated with managing this building, such as furniture, establishing access to the City network and additional

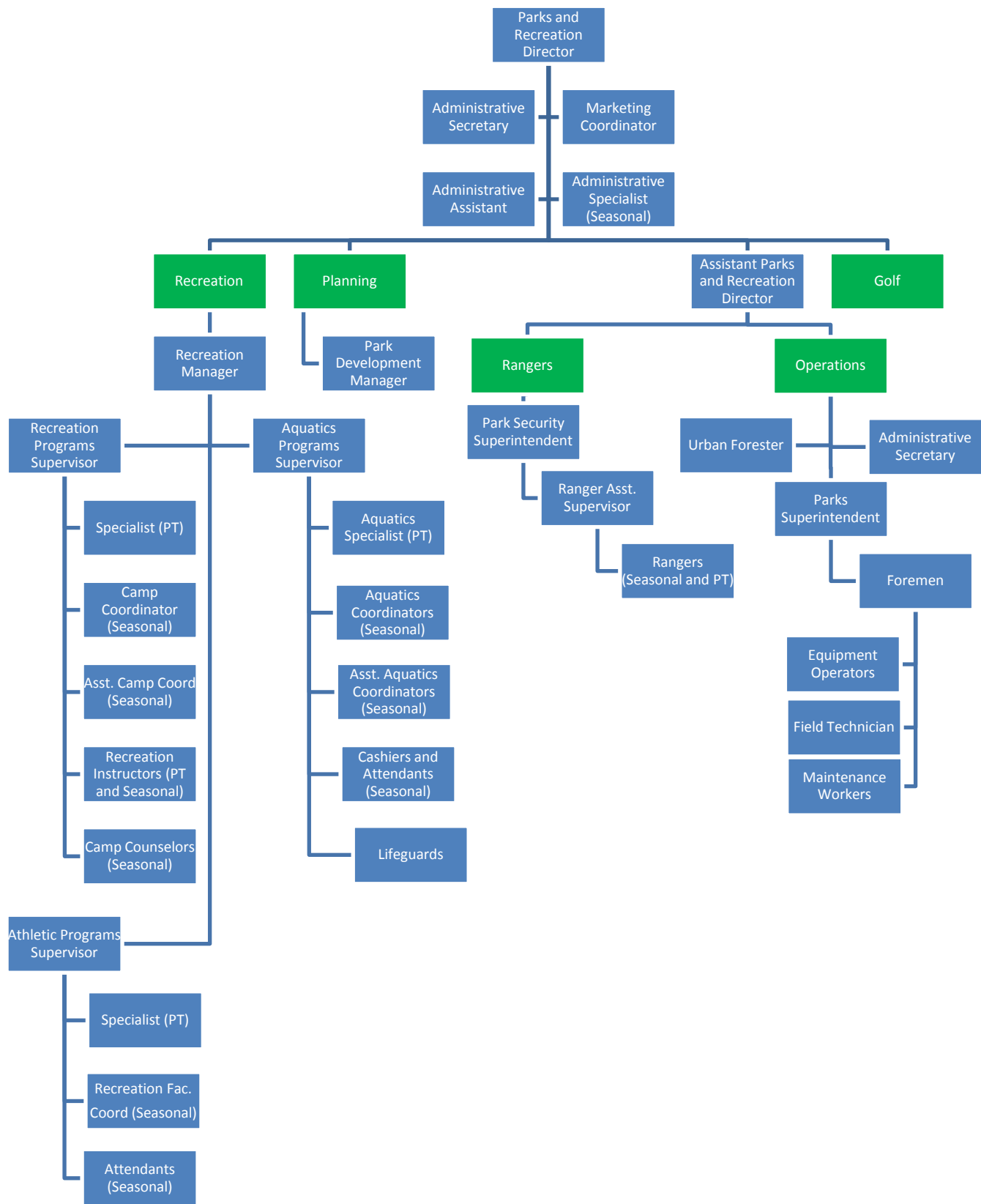
staff as programming continues to grow. For FY 2012-13, the City is working with Communities in Schools to establish a partnership to provide an after school program at the Westside Community Center.

The specific program change for the library is for two new positions for the Westside Community Center (WCC). First, an Outreach Coordinator (\$50,907 annually) will serve as the building manager of the WCC. This position will be able to manage the various rentals and programs that will occur at the facility. The second position is a Library Technician (\$42,531 annually). This position will manage the satellite library that will begin at the facility in the fall of 2012. This position will also facilitate the majority of the library programs that occur at the WCC.

Authorized Positions:

	FY 2010-11 Actual	FY 2011-12 Estimate	FY 2012-13 Budget
<u><i>Library:</i></u>			
Library Director	1	1	1
Administrative Assistant	1	1	1
Assistant Director - Library	0	1	1
Children's Library Technician	1	1	1
Children's Library Technician (Part time) (3 at 30 hrs/wk)	2.25	2.25	2.25
Librarian	6	4	4
Library Aide (Part time) (4 at 20 hrs/wk)	2	2	2
Library Aide – Seasonal	1	1	1
Library Circulation Supervisor	1	1	1
Library Clerk (Part time) (11 at 30 hrs/wk)	8.25	8.25	8.25
Library Clerk – Seasonal	1	1	1
Library Systems Specialist	0	1	1
Library Technical Services Specialist	1	1	1
Library Technician	<u>1</u>	<u>1</u>	<u>1</u>
Total - Library	26.5	26.5	26.5
<u><i>Westside Community Center:</i></u>			
Outreach Coordinator	0	0	1
Library Technician	<u>0</u>	<u>0</u>	<u>1</u>
Total – Westside Community Center	0	0	2
<i>Total Authorized Positions</i>	26.5	26.5	28.5

PARKS AND RECREATION DEPARTMENT



PARKS AND RECREATION

General Fund: 101

Mission:

To afford diverse opportunities and access for all residents and visitors through innovative programs and facilities, open space preservation and economic enhancement.

Vision:

To enhance the well being of our community through laughter, play, conservation and discovery.

Goals/Objectives:

Administration:

1. Provide excellent customer service.
2. Promote the programs provided by the department and insure good media relations.
3. Develop visionary plans for future and current parks.
4. Provide oversight to department staff and operations.
5. Insure quality programs and events.

Recreation:

1. Maintain professional and customer-service oriented staff.
2. Provide quality, diverse recreation and leisure-time programs and activities at an affordable price.
3. Improve and expand recreational opportunities for teens, adults, the elderly and the disabled and boost the physical, social, emotional and cultural development of families in the New Braunfels community.

Aquatics:

1. Maintain a safe environment for guests.
2. Provide quality aquatic programs and activities at an affordable price.
3. Maintain professional and customer-service oriented staff.
4. Improve and expand aquatic programs for all guests.

Rangers:

1. Minimize crime, graffiti, speeding and other violations in the parks.
2. Increase the public's awareness of rules and ordinances.
3. Increase the Ranger activity and patrol in the parks.

Maintenance:

1. Identify and eliminate safety hazards within the Park Operations areas of responsibility.
2. Provide customers with a professionally kept park system (parks and golf course).
3. Increase customer satisfaction through improved product quality.

Athletics:

1. Maintain professional and customer-service oriented staff.
2. Provide quality, diverse, recreation and leisure-time programs and activities at an affordable price.
3. Improve and expand recreational opportunities for adults, the elderly and the disabled
4. Boost the physical, social, emotional and cultural development of families in the New Braunfels community.

Action Items:

- *Effectively manage capital improvement projects.*
Staff will work to effectively manage projects including Fischer Park development, Walnut Widening landscaping, Landa Park Bridge repair/replacements, Landa Park Retaining Wall improvements, Landa Dam/Culvert repairs, Cemetery Wall study, Spring Fed Pool repairs, Landa Park Golf Course renovation plans and Prince Solms Park irrigation and sod installation.
- *Partner with other entities to develop appropriate after school and weekend programs*
Parks staff will offer after-school programs in partnership with Communities in Schools. Personnel will also begin planning for community programming at the Westside Community Center.
- *Focus on developing and marketing hike and bike trails and opportunities*
Parks staff will work with the Active Living Coalition to provide opportunities for trail use. Staff will develop marketing initiatives to promote trail usage by residents. Staff will work to implement the adopted Trails Master Plan as opportunities are available.
- *Use the existing tourism study to identify opportunities for year round tourism.*
Parks staff will continue to promote historic cemeteries as a part of community heritage tourism. Parks staff will implement a self guided cemetery tour and a historic cemetery event in October of each year. Parks staff will assist with management of Wein & Saengerfest and Waisselfest.

Department Description:

Administration:

The Parks Administration Division works to provide customer information, administrative support to the other divisions, marketing and publicity, park planning and design and City-wide event planning and management.

Recreation:

The Recreation Division is responsible for providing varied programs for both youth and adults. Typical programs include summer day camp, special interest programs, arts classes and special events. An additional partnership was added in FY 2010-11 with Communities in Schools (CIS) in an after-school program.

Aquatics:

The Aquatics Division is responsible for overseeing the safe use of City aquatic facilities by citizens, area residents and guests to our community. The Aquatics Division provides aquatic education through swim and fitness programs as well as recreational aquatic special events and programs.

Rangers:

The Park Ranger Division works to provide a safe and secure outdoor experience for all patrons of the City of New Braunfels parks. Staff enforces state and local laws, collects fees, provides information and serves as the first point of contact to the public in our parks as well as on the rivers.

Maintenance:

The Park Maintenance Division is responsible for ensuring safe and well maintained parks. This is accomplished with landscape management, facility maintenance, playground safety inspections, construction management, trash removal, urban forestry and special event facilitation.

Athletics:

The Athletics Division is responsible for programming athletic classes, clinics and camps and oversees all adult sports leagues. Staff coordinates tournaments at Camp Comal and Fredericksburg Fields. In addition, this division manages the paddle boats, mini golf and the summer track team. The Athletics Supervisor is also the liaison to all Youth Sports Associations that use City property to run their leagues.

The Golf Division is funded through an enterprise fund and is described in the Enterprise Fund (Golf - Fund 531) section of this document.

<i>Performance Measures:</i>			
	FY 2010-11 <u>Actual</u>	FY 2011-12 <u>Estimate</u>	FY 2012-13 <u>Budget</u>
<i>Administration:</i>			
Peak seasonal rental percentage (will begin tracking in FY 2012-13)	N/A	N/A	N/A
Dollar value of volunteer efforts	\$28,000	\$27,000	\$28,000
Customer satisfaction (measured by survey)	N/A	85%	85%
Percent completion of capital projects on budget/on time	75%	86%	100%
Percent completion of Parks Master Plan	8%	9%	17%
<i>Recreation:</i>			
Percent of programs offered vs. programs held	57%	64%	70%
Number of program participants	3,198	3,973	4,275
<i>Preschool</i>	171	431	375
<i>School Age</i>	1,871	1,925	2,200
<i>Adults</i>	58	84	100
<i>Special Events</i>	1,098	1,533	1,600
Customer satisfaction (measured by survey)	58%	84%	100%
<i>Aquatics:</i>			
Annual admissions	82,240	83,000	83,000
Calls for EMS service	N/A	8	8
Training contact hours	N/A	820	820
Percent of swim classes offered vs. held	99%	94%	95%
<i>Rangers:</i>			
Calls for assistance to Police Department	N/A	140	140
Parking violations issued	270	750	150
Park patrol hours	14,193	17,568	17,500
Picnic permits issued	1,481	2,000	2,000
<i>Maintenance:</i>			
Numbers of injuries causing lost days	2	3	0
Customer satisfaction (measured by survey)	N/A	N/A	85%
Compliance with preventive maintenance schedule/requirements	N/A	N/A	100%
Park acres maintained per FTE	14	14	14
Forestry community education contact hours	6	6	10
<i>Athletics:</i>			
Percent of programs offered vs. programs held	68%	63%	70%
League team participants	196	243	255
Customer satisfaction (measured by survey)	N/A	N/A	85%

Appropriations:

	FY 2010-11 <u>Actual</u>	FY 2011-12 <u>Estimate</u>	FY 2012-13 <u>Budget</u>
Employee Expenses	\$2,171,492	\$2,416,207	\$2,432,990
Operation Expenses	1,448,906	1,438,488	1,448,417
Capital Expenses	0	59,201	42,000
<i>Total Appropriations</i>	<i>\$3,620,398</i>	<i>\$3,913,896</i>	<i>\$3,923,407</i>

Program Justification and Fiscal Analysis:

The FY 2012-13 Budget for Parks and Recreation increases slightly in comparison to the FY 2011-12 estimates. The increase is driven by a program change for one additional Parks Maintenance Worker position and two Seasonal Camp Counselor positions, described below. While the overall budget increases, due to the way that turnover will be managed in FY 2012-13, employee expenses actually decrease slightly in comparison to FY 2011-12 estimates. For several departments, including Parks, employee expenses have been reduced by three percent of the total personnel costs to recognize the savings realized through normal attrition. In addition, the funding levels for seasonal employees have been slightly reduced to more accurately reflect the annual costs. Although in FY 2012-13 there are six additional seasonal positions added to the Parks Department, there is no expected fiscal impact for these positions as the additional positions provide increased scheduling flexibility for a more efficient allocation of hours. In other words, the total hours worked for seasonal employees will not increase; the number of employees working these same hours may. In addition, in the Aquatics Division, two part time positions, the Aquatic Specialist and one Maintenance Worker are eliminated and one full time Aquatic Specialist position is authorized (no net cost). This action is driven by the difficulty experienced in attracting and retaining employees in the two part time positions. This turnover made operations and management of the Aquatic Facilities much more difficult.

Funding in the amount of \$20,000 is provided in the FY 2012-13 Capital Budget to complete the first phase of installation of backflow preventer devices for potable water source protection that is mandated by TCEQ. The total cost of this project is \$150,000. The FY 2012-13 Facilities Maintenance Budget includes funding of \$50,000 for phase 2 of this project. Therefore, after FY 2012-13, staff will have completed 2/3 of this project. \$22,000 of capital funding is also carried forward into FY 2012-13 to complete the installation of irrigation systems at the three landscape beds at Seguin Avenue and Business 81. The current above ground system is inefficient and requires someone to manually turn it on and off. The new irrigation system will allow for automatic watering cycles, a reduction in repair costs and an overall improvement to the vegetation in the area.

The FY 2012-13 Budget includes two program changes for Parks. \$18,243 has been included to fund one additional Parks Maintenance Worker (\$36,456 annual cost). This level of funding represents six months of the annual costs associated with this position which will assist in keeping up with general maintenance of all parks, primarily Landa Park. The second program change is the addition of two Seasonal Camp Counselor positions for Camp Minnehaha. The annual cost associated with these two positions is approximately \$10,000 annually. The total camp capacity, (number of participants per week) is not planned to be increased with the addition of these two positions. These two counselors will be utilized to improve staff to camper ratios in an effort to increase safety precautions and overall camper enjoyment. Fee increases (see below) will more than offset this cost.

Camp Minnehaha is the summer camp program held at the Landa Recreation Center. The weekly fee for this program is \$77 per week. This fee has not been increased since fiscal year FY 2007-08. This program is very popular and generates a waiting list for each weekly session. Staff is confident that a fee increase would not affect the registration numbers for this and still provide an affordable program which is valued by participants. There is currently no variance in the rate for resident versus a non resident. For FY 2012-13, the fees for increase to \$82 per week for residents and \$100 per week for non-residents. The revenue generated from this fee increase will total approximately \$15,000 annually. With the new rates, this program will remain one of the most affordable weekly camps available in the area.

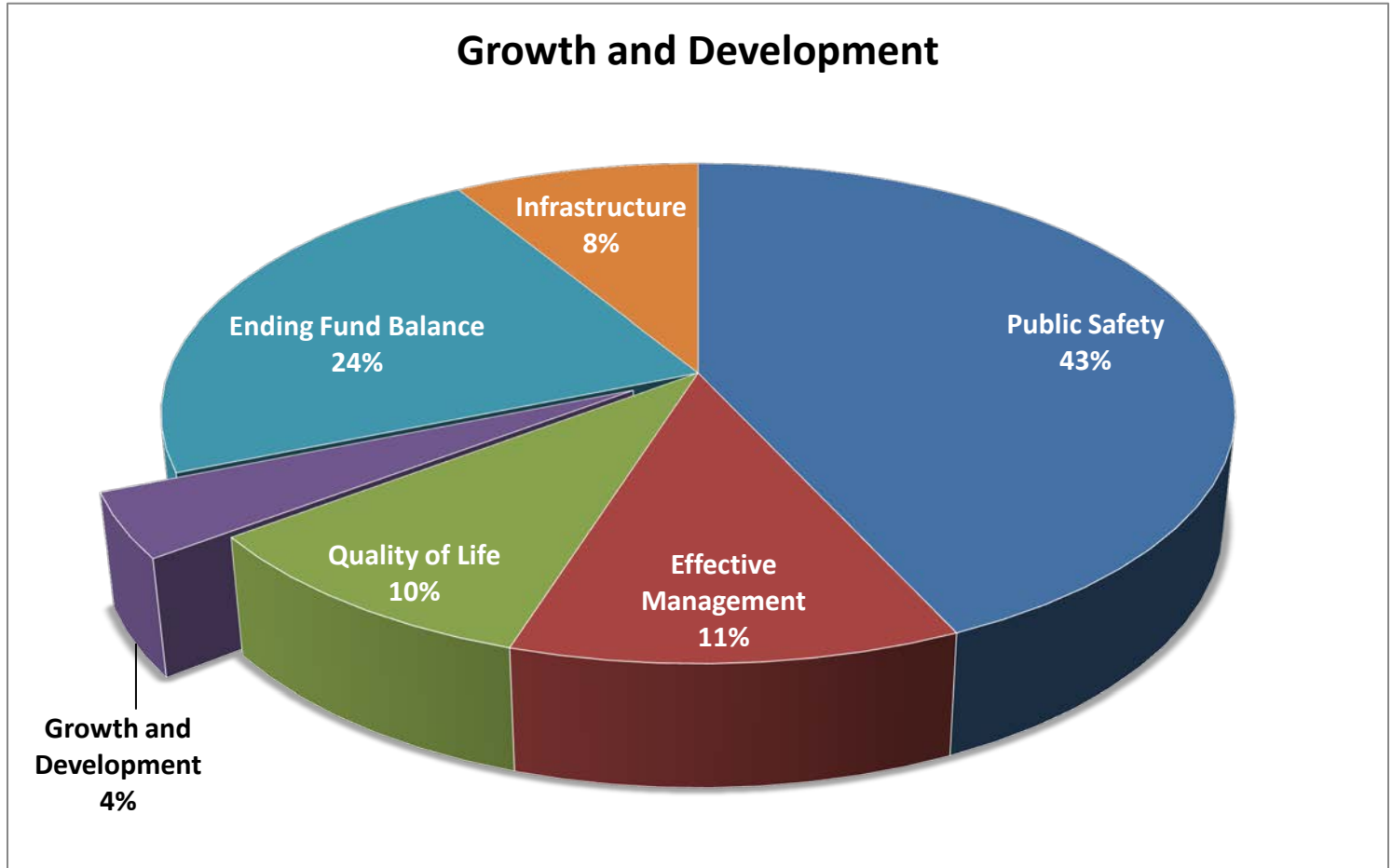
Authorized Positions:

	FY 2010-11 Actual	FY 2011-12 Estimate	FY 2012-13 Budget
<i><u>Parks – Administration:</u></i>			
Parks and Recreation Director	1	1	1
Administrative Assistant	1	1	1
Administrative Secretary	1	1	1
Administrative Specialist – Seasonal	1	1	1
Marketing Coordinator	1	1	1
Park Development Manager	1	1	1
Recreation Manager	<u>1</u>	<u>1</u>	<u>1</u>
Total – Administration	7	7	7
<i><u>Parks – Recreation:</u></i>			
Assistant Camp Coordinator (Seasonal)	1	1	1
Camp Coordinator (Seasonal)	1	1	1
Camp Counselor (Seasonal)	8	8	10
Recreation Instructor (Seasonal)	1	1	1
Recreation Instructor (Part time) (11 at 20 hours)	5.5	5.5	5.5
Recreation Programs Supervisor	1	1	1
Recreation/Athletics Specialist (Part time) (1 at 20 hours)	<u>.5</u>	<u>.5</u>	<u>.5</u>
Total – Recreation	18	18	20
<i><u>Parks – Athletics:</u></i>			
Athletic Programs Supervisor	1	1	1
Attendant (Seasonal)	4	4	5
Recreation Facilities Coordinator (Seasonal)	1	1	1
Recreation/Athletics Specialist (Part time) (1 at 20 hours)	<u>.5</u>	<u>.5</u>	<u>.5</u>
Total – Athletics	6.5	6.5	7.5

Authorized Positions (continued):

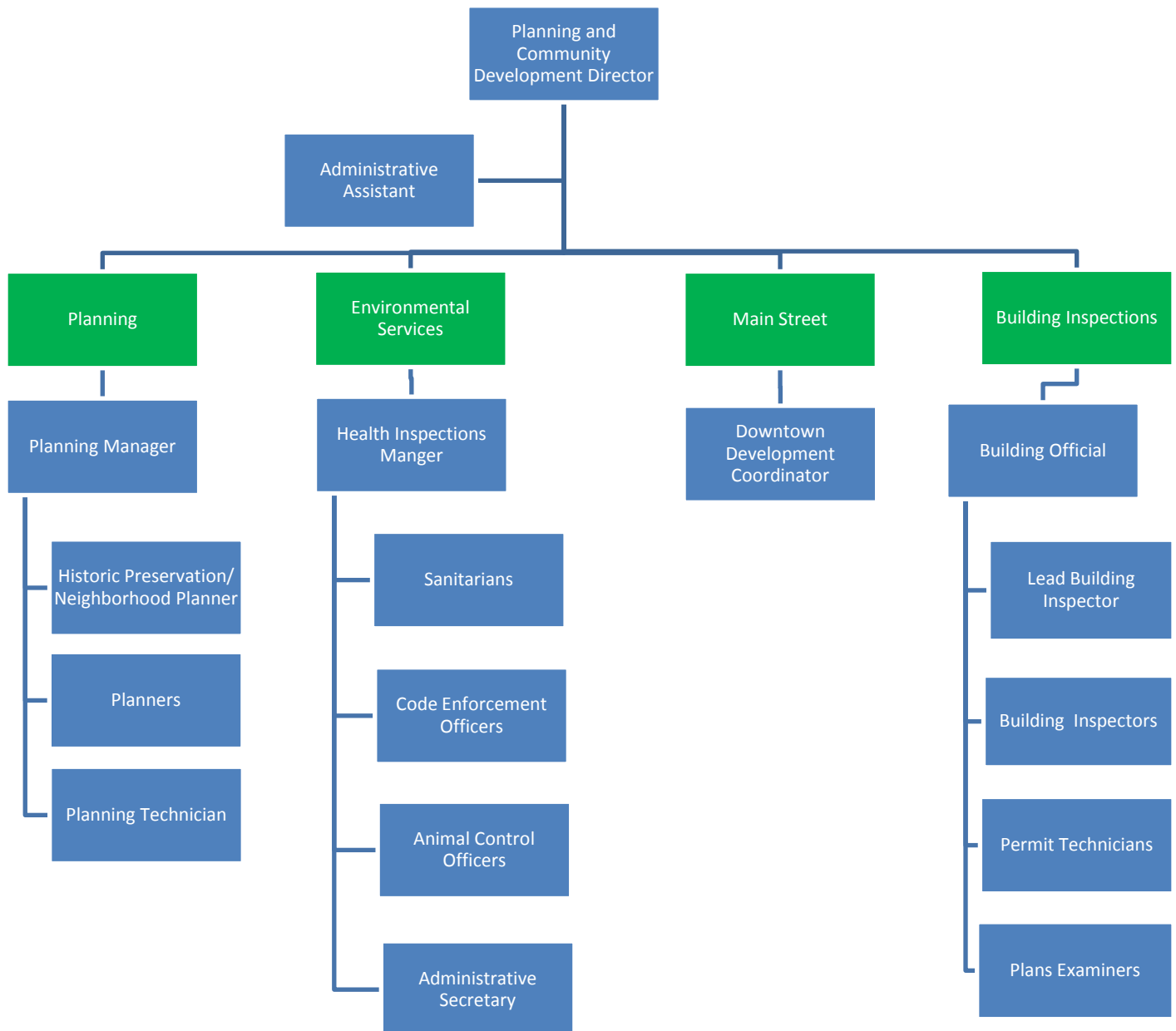
	FY 2010-11 Actual	FY 2011-12 Estimate	FY 2012-13 Budget
<i><u>Parks – Aquatics:</u></i>			
Aquatics Coordinator (Seasonal)	2	2	2
Aquatic Programs Supervisor	1	1	1
Aquatics Specialist (Part time) (1 at 20 hours)	.5	.5	0
Aquatic Specialist	0	0	1
Assistant Aquatics Coordinator (Seasonal)	5	5	5
Attendant (Seasonal)	4	4	4
Cashier (Seasonal)	8	8	8
Lifeguard (Seasonal)	50	50	55
Maintenance Worker (Part time) (1 at 20 hours)	<u>.5</u>	<u>.5</u>	<u>0</u>
Total – Aquatics	71	71	76
<i><u>Parks – Rangers:</u></i>			
Park Security Superintendent	1	1	1
Ranger (Seasonal)	17	15	15
Ranger (Part time)	0	.5	.5
Ranger Specialist (Part time) (1 at 20 hours)	.5	0	0
Park Ranger Assistant Supervisor	<u>0</u>	<u>.5</u>	<u>.5</u>
Total – Rangers	18.5	17	17
<i><u>Parks – Maintenance:</u></i>			
Assistant Parks and Recreation Director	0	.5	.5
Equipment Operator I	3	3	3
Field Technician	0	1	1
Foreman	4	3	3
Maintenance Worker	10	11	12
Parks Superintendent	1	1	1
Parks Operations Manager	.5	0	0
Administrative Secretary	0	1	1
Urban Forester	<u>1</u>	<u>1</u>	<u>1</u>
Total – Maintenance	19.5	21.5	22.5
<i>Total Regular Positions</i>	37.5	40.5	41.5
<i>Total Seasonal Positions</i>	<u>103</u>	<u>101</u>	<u>109</u>
<i>Total Authorized Positions</i>	140.5	141.5	150.5

GROWTH AND DEVELOPMENT



Strategic Priority	Allocation
Public Safety	\$25,826,286
Effective Management	6,843,577
Quality of Life	5,769,093
Growth and Development	2,469,039
Infrastructure	5,123,741
Ending Fund Balance	14,167,924
Total	\$60,199,659

PLANNING AND COMMUNITY DEVELOPMENT DEPARTMENT



PLANNING AND COMMUNITY DEVELOPMENT **General Fund: 101**

Mission:

To provide the citizens with professional planning services by promoting a coordinated and cost effective approach to the orderly growth and development of the City.

Main Street: To make Downtown New Braunfels the heart of the community and a recognized destination, providing abundant opportunities for residents and visitors to live, shop, dine, worship, conduct business and enjoy the arts and entertainment in a beautiful and historically rich venue.

Vision:

Building Inspections: Provide high quality customer service to the various groups served, including builders, developers, land owners, neighborhood groups, City commissions/boards, outside agencies and the citizens of the community. Our vision is to be a comprehensive municipal facilities provider, nationally acclaimed for professionally responsible and client-oriented service.

Environmental Services: Dedicate our efforts toward elimination of health and safety hazards in the community through personal and professional excellence. We seek to be known for community service orientation, effectiveness at preventing animal related nuisance violations through community involvement and the provision of a safe living and working environment for the promotion of public health. We strive for professionalism and integrity by maintaining high ethical and performance standards.

Main Street: Endeavor to preserve and promote the downtown district as the vibrant social, historic, cultural and economic center of the community for residents and visitors through business development, economic reinvestment and historic preservation.

Planning: Ensure that the citizens of New Braunfels can enjoy an enriched quality of life and a distinctive community character by guiding and directing the City's future growth while ensuring the preservation of its attributes.

Goals and Objectives:

Building Inspections:

1. To maintain or exceed the goal of processing commercial permits in ten days and residential permits in four days (processing a permit means that either the permit is issued or a request for additional information has been requested).
2. To provide services for the City of New Braunfels by doing more in-depth quality inspections, especially those dealing with life safety issues to better assure structures are designed and built as per the building codes and City ordinances.
3. To better serve the public by assuring that code compliance reduces the number of complaints concerning un-permitted work and un-licensed contractors.
4. To provide ongoing training and education for various groups we serve, to include builders, developers, land owners, neighborhood groups, City commissions/boards, outside agencies and the citizens of the community.
5. Dedication to minimizing the loss of life and property that is associated with flooding events through flood prevention ordinances.

Goals and Objectives: (cont.)

Environmental Services:

Animal Control:

1. Integrity – we are committed to candor, honesty, and ethical behavior with each other and those we serve.
2. Public Service – we will deliver to the public high quality service, which is fair, courteous, responsive and efficient.
3. Competence – we will maintain high standards of training and expertise and keep abreast of new trends and standards in the field of animal control.
4. Responsibility and accountability – we will make effective use of our resources and provide a spirit of open communication within our community.
5. Respect for co-workers - we will maintain a workplace environment based on mutual respect which reflects an appreciation of the unique qualities of each individual who contributes to the overall good of our team.

Health and Code Enforcement:

1. Deliver all services fairly, uniformly and ethically.
2. Consider the needs of business operators, customers and statutory requirements when making decisions and recommendations.
3. Reduce the number of critical violations observed on routine food service facility inspections and reduce the number of repeat compliance actions taken each year.
4. Promote food safety using current, preventive, risk-based techniques and promote education and understanding among all of our customers.
5. Place integrity of purpose first when making decisions and recommendations.

Main Street:

1. Implement the downtown implementation plan.
2. Improve and/or increase downtown parking.
3. Increase heritage tourism.
4. Promote additional historic preservation in the downtown area.
5. Create downtown visual enhancements.
6. Increase communication and cooperation with the New Braunfels Downtown Association, the New Braunfels Chamber of Commerce and the Convention and Visitors Bureau.
7. Enhance special events held downtown.
8. Develop a retail recruitment and retention program.
9. Establish a primary funding source for downtown improvements.

Planning:

1. Enhance the distinctive character of the community.
2. Continue to improve the use of GIS (geographic information systems).
3. Continually improve development regulations.
4. Provide a focus on and draw attention to the Comprehensive Plan's action policies and provide an annual report about the status of those action policies.
5. Improve permitting and development review efficiency.

Action Items:

- *Develop communication clarity with developers, builders, and business owners regarding ordinances and code compliance*
Planning staff will continue to hold meetings as needed with the development community in FY 2012-13 to discuss ordinance and policy updates and to provide an open forum to achieve a better understanding of current opportunities and issues.
- *Continue improvements to the development processes including realignment of responsibilities*
Staff initiated the review and realignment of job descriptions to facilitate the overall department's effectiveness. This review and realignment process was completed during FY 2011-12. In FY 2012-13, staff will continue to strive to find available space to consolidate offices which will allow for enhanced customer service.
- *Implement the Downtown Plan (including addressing parking)*
This is an on-going effort of the Planning staff. Sub-committees have been formed to address design, marketing, infrastructure, financing and short term projects. Many small improvements have been made downtown and discussions continue regarding the implementation of many areas of the plan. This process will continue in FY 2012-13. Also in FY 2012-13, design work on the pedestrian sidewalks and the bridge will continue.
- *Work on a regional transportation plan*
Planning staff has worked with the City of Seguin, as well as Comal and Guadalupe counties to establish a cohesive plan for the region as a preface to creating the Metropolitan Planning Organization. Council approved the Regional Transportation Plan on September 24, 2012. Staff continues to work towards the creation of a Metropolitan Transportation Plan.
- *Purchase open space land as opportunities arise*
Implement the Airport Hazard Zoning to protect the Airport boundaries from future development. This item will be presented to the planning commission in November of 2012, with a workshop to follow in December 2012.
- *Establish a vision for the future of the City of New Braunfels*
Implement an Annexation Plan for future boundary expansions. An update will be presented to City Council in the winter of 2012.

Department Description:

Building Inspections:

The Building Inspection Division's purpose is to inspect the minimum requirements 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 firefighters and emergency responders during emergency operations. This is achieved through the permitting and inspection process as well as through various boards, such as the Sub-Standard Building Commission, Construction Board and the Contractor's Liaison Meetings.

The City of New Braunfels Building Inspection Division has three areas of responsibility in the residential and commercial construction and development process: permitting, plan review and inspection and enforcement. The Building Inspection Division enforces the adopted building

codes and New Braunfels Code of Ordinances and inspects to the minimum requirements of the currently adopted codes of the International Code Council. This is achieved through the permitting and inspection process as well as through the various boards.

The main responsibilities in permitting require detailed knowledge of building permit and inspection operations, as well as processing building, electrical, mechanical and plumbing permits. The staff receives permit applications, processes them, then routes and monitors them through the other reviewing divisions and entities – Planning, Engineering, Fire, Health and New Braunfels Utilities – as necessary. In plan review, commercial and residential construction plans are reviewed for compliance with adopted codes. In the inspection function, the building inspectors inspect commercial and residential projects that have been approved for permit. In addition, the Building Inspection Division is responsible for all cases that go before both the Sub-Standard Building Commission and the Construction Board. Building Inspection Division staff prepares agendas and transcribes minutes.

The Building Inspection Division is also responsible for the following: registering all contractors (building, electrical, mechanical and plumbing); maintenance of all contractor records; records management of all building applications, permits, inspections and plans; and research of complaints received in reference to building and construction along with preparation and presentation to one of the governing boards or Municipal Court, if necessary. The division also permits subdivision construction and infrastructure.

The Building Inspection Division is also responsible for all development in Special Flood Hazard Areas (SFHA's), the maintenance of all SFHA maps; records management of all flood plain applications, permits, inspections and plans.

Environmental Services:

Animal Control:

Among its responsibilities, the Animal Control Division: enforces City ordinances and statutes that encourage annual rabies vaccination and licensing of pets; requires that all animals be confined; investigates animal bites and cruelty cases; and encourages spaying and neutering of domestic pets to control the stray and unwanted animal population in the community. In addition, officers respond to citizen calls for service; handle complaints and requests from other agencies; explain laws, policies and procedures; mediate and assist in conflict resolution involving animal control issues including property damage, nuisance barking, cruelty, degree of animal confinement and potential or actual danger to or by animals. The Humane Society is an integral partner with the City for Animal Control, as they provide shelter for stray animals as well as other needed services.

Health and Code Compliance:

Health Inspection enforces all applicable statutory health and safety codes and local ordinances. This division is principally engaged in the inspection, licensing, permitting and enforcement of activities involving food and beverage services and related operations. This division is the local designated representative for the Texas Commission on Environmental Quality (TCEQ) statutory OSSF program and for the Texas Department of State Health Services (TDSHS) environmental and food related permitting programs. Health Inspection personnel monitor and inspect food establishments including grocery stores, drinking establishments, bakeries, schools, day care centers, nursing homes and temporary food concessions; investigate sanitation and nuisance complaints; and perform related work in air and water pollution control, insect vector control and indoor air quality review. Staff inspects mobile home parks, tent campgrounds and recreational

vehicle parks for compliance with established minimum health and safety regulations. Staff members offer food handler classes and issue permits to attendees. Preparation and presentation of complaint cases in Municipal Court and/or County Court for violations of health and sanitation codes are also assigned responsibilities. Staff coordinates with testing agencies for water, frozen desserts and other applicable samples and participates in epidemiological investigations with the Comal County Nurse's Office in food-borne investigations.

Main Street:

The Main Street Division is dedicated to coordinating and facilitating implementation of the adopted Downtown Implementation Plan and managing the Texas Main Street Program, which focuses on revitalization of historic commercial districts, preservation, economic restructuring and promotions. Main Street works cooperatively with the Downtown Development Board, Downtown Association, and all merchants to revitalize and promote downtown as a destination for residents and visitors alike.

Planning:

The Planning Division provides information to the public, development interests, contractors and decision makers concerning growth and development, manages the City's historic preservation efforts and supports neighborhood organizations. The division provides staff support to a number of appointed boards, commissions and committees including the Planning and Zoning Commission. Staff reviews building plans for compliance with regulations, processes plat and zoning cases and drafts regulations. Planning staff work on all aspects of annexation and non-annexation agreements. The division also manages the community-wide comprehensive planning program and the transportation plan.

The Planning Division will continue its work with individuals, neighborhoods and property owners concerning small area long range planning issues, rezoning neighborhoods, redevelopment, historic preservation and code enforcement. Building on the City's achievements in enriching the community's quality of life and distinctive character, the division will focus on major projects that include fine tuning the new development standards adopted within the last few years, managing the Regional Transportation and Thoroughfare Plan, preserving community character, creating historic districts, supporting neighborhood associations, designating historic landmarks, completing the downtown implementation plan, updating the annexation plan and updating the roadway impact fee plan to include recently annexed areas.

<i>Performance Measures:</i>			
	FY 2010-11 <u>Actual</u>	FY 2011-12 <u>Estimate</u>	FY 2012-13 <u>Budget</u>
<i>Development Activity:</i>			
Processing time for residential permits - Building Division	5 days	4 days	4 days
Response time for residential permits - Planning Division	5 days	5 days	4 days
Processing time for commercial permits - Building Division	12 days	10 days	10 days
Response time for commercial permits - Planning Division	12 days	10 days	10 days
Processing time for sub-contractors permits	3 days	1 day	1 day
Commercial permits issued	552	746	783
Residential permits issued	1,019	1,400	1,470
All permits (incl. mechanical, electrical, plumbing) issued	4,678	6,334	6,650
Plats processed	66	54	90
Zoning processed	52	45	48
All other cases processed	160	161	162
<i>Environmental Services:</i>			
<i>Code Enforcement:</i>			
Public nuisance violations abated	2,557	2,850	3,100
Resolution prior to legal action	96%	98%	98%
<i>Health:</i>			
Food handlers trained	2,054	2,100	2,200
Contact hours of foods handlers training	54,846	56,070	58,740
Food service assessments	744	769	900
<i>Animal Control:</i>			
Stray animal impoundments	3,349	3,300	3,400
Dispatched call for service per FTE	1,998	2,000	2,100
Contact hours for animal control outreach	210	300	350
<i>Downtown:</i>			
Percent completion on downtown implementation plan	N/A	5%	20%
Increase in sales tax revenue from downtown businesses	\$435,000	\$447,000	\$475,000
Outreach events	3	4	5
<i>Planning:</i>			
New historic landmark designations	6	6	7
Special projects completed	4	7	8
Percent completion of appropriate zoning program	N/A	56%	44%

Appropriations:

	<u>FY 2010-11</u> <u>Actual</u>	<u>FY 2011-12</u> <u>Estimate</u>	<u>FY 2012-13</u> <u>Budget</u>
Employee Expenses	\$1,720,344	\$1,720,165	\$1,921,403
Operation Expenses	575,396	373,292	547,635
Capital Expenses	0	18,201	0
<i>Total Appropriations</i>	<i>\$2,295,740</i>	<i>\$2,111,658</i>	<i>\$2,469,038</i>

Program Justification and Fiscal Analysis:

The FY 2012-13 Budget for Planning and Community Development increases overall in comparison to the FY 2011-12 estimates. Program changes have an impact in FY 2012-13 as well as other factors. In employee expenses, there were several vacancies that resulted in a savings in FY 2011-12. All positions are fully funded in FY 2012-13. Operating expenses increase significantly in FY 2012-13 in comparison to FY 2011-12 estimates. This is driven mainly by the contract with the humane society for animal sheltering and euthanizing. The cost of animal control services has increased a total of \$100,000 for FY 2012-13, and is expected to increase by approximately \$8,500 each year thereafter. \$50,000 of the increase is due to increased rates and demand for services. In addition, beginning in FY 2012-13, the City will pay a facilities use fee of approximately \$50,000 that will assist the Humane Society with paying the debt service for a new facility. The facility use fee will need to be paid for the duration of the humane society's ten year loan term. Another factor of the increase in operations is the change in funding strategy for downtown festivals. For the past several years, these costs have been accounted for in the Parks and Recreation Department's Budget as that staff had responsibility for overall management of the events. In FY 2012-13, Main Street staff will take on this responsibility so the expenses have been moved to the Planning and Community Development Department's budget which includes Main Street. These costs include the majority of the expenses pertaining to two downtown annual festivals - Wassailfest and Wein and Saengerfest. There is also funding in FY 2012-13 in the Planning and Community Development Budget for professional services to update the Comprehensive Plan (\$25,000) and \$25,000 for annexation surveys.

The FY 2012-13 includes a program changes for a total of three new positions. One Planner position and one Permit Technician position are included in the FY 2012-13 Budget, partially to help support the expected workload driven by the Veramendi development. Six months of the salary and benefit costs associated with this Planner and Permit Technician positions are included in the budget (\$42,008 for FY 2012-13). Progress continues on the other major developments within the City limits such as Creekside and Westpointe Village as well as the workload from other development throughout the City. To meet these increasing demands while maintaining existing customer service levels, these two positions will be required. Funding is also provided for one Sanitarian I position which is funded for six months of the fiscal year (\$27,267 for FY 2012-13 and \$50,910 annually). In an effort to maintain the inspection schedules of all restaurants and other facilities that require health inspections, this position is required. No new positions have been added to this function in ten years. These positions will create some additional revenue as the frequency of inspections will increase significantly with the additional personnel.

Authorized Positions:

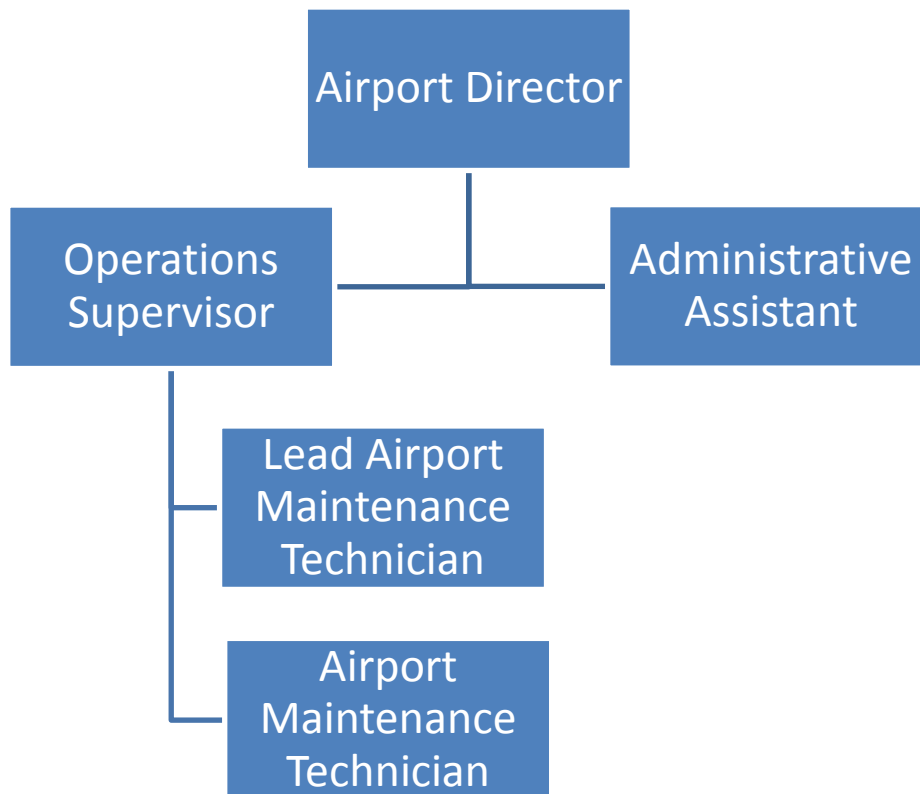
	FY 2010-11 Actual	FY 2011-12 Estimate	FY 2012-13 Budget
<i><u>Building Inspections:</u></i>			
Building Inspector	4	4	4
Building Official	1	1	1
Lead Building Inspector	1	1	1
Permit Technician	2	2	3
Plans Examiner	<u>1</u>	<u>2</u>	<u>2</u>
Subtotal – Building Inspections	9	10	11
<i><u>Environmental Services:</u></i>			
Administrative Secretary	1	1	1
Animal Control Officer	3	3	3
Sanitarian I	0	0	1
Sanitarian II	1	1	1
Code Enforcement Officer	2	3	3
Health Inspections Manager	<u>1</u>	<u>1</u>	<u>1</u>
Subtotal – Environmental Services	8	9	10
<i><u>Main Street:</u></i>			
Downtown Development Coordinator	<u>1</u>	<u>1</u>	<u>1</u>
Subtotal – Main Street	1	1	1
<i><u>Planning:</u></i>			
Planning and Community Development Director	1	1	1
Administrative Assistant	1	1	1
Historic Preservation and Neighborhood Planner	1	1	1
Planner	2	2	3
Planning Manager	1	1	1
Planning Technician	<u>1</u>	<u>1</u>	<u>1</u>
Subtotal - Planning	7	7	8
<i>Total Authorized Positions</i>	25	27	30



Enterprise Funds



AIRPORT OPERATIONS



City of New Braunfels
 Airport Fund
 Fiscal Year Ending September 30, 2013

Fund: 501

Available Funds	FY 2010-11 Actual	FY 2011-12 Estimate	FY 2012-13 Budget
Beginning Balance			
Undesignated Funds	\$ 35,620	\$ (8,798)	\$ 22,595
Total Beginning Balance	\$ 35,620	\$ (8,798)	\$ 22,595
Revenue			
Charges for Services	\$ 1,409,601	\$ 1,723,000	\$ 1,904,800
Intergovernmental Revenue	53,538	50,000	50,000
Interfund Transfer	50,000	-	-
Total Revenue	\$ 1,513,139	\$ 1,773,000	\$ 1,954,800
TOTAL AVAILABLE FUNDS	\$ 1,548,759	\$ 1,764,203	\$ 1,977,395
APPROPRIATIONS			
Employee Expenses	\$ 314,860	\$ 345,800	\$ 430,998
Operation Expenses	1,230,928	1,379,807	1,523,672
Capital Expenses	11,768	16,000	16,000
Contingencies	-	-	6,725
TOTAL OPERATING APPROPRIATIONS	\$ 1,557,556	\$ 1,741,607	\$ 1,977,395
Ending Fund Balance	\$ (8,798)	\$ 22,595	\$ 0
TOTAL APPROPRIATIONS	\$ 1,548,759	\$ 1,764,203	\$ 1,977,395

Mission:

To provide a safe and efficient transportation portal into the national airspace system, while planning for future growth and the economic benefit of New Braunfels and the surrounding areas.

Vision:

To promote General Aviation and foster economic development by strategically planning, developing and operating an effective and efficient airport that meets current and future corporate business and general aviation needs of the City of New Braunfels, Comal and Guadalupe Counties, and portions of the San Antonio metropolitan area.

Goals/Objectives:

1. Efficiently maintain airport operating surfaces and airway facilities to the highest standards of quality.
2. Attract and retain high quality aviation service businesses.
3. Plan and develop airport infrastructure that meets current and future demands.
4. Advertise and promote the airport to attract new and diverse businesses to the community.
5. Establish ongoing programs for improving customer service.

Action Items:

- *Create a comprehensive Airport Master Drainage Plan*
As new impervious surfaces are created as a result of new pavements and hangars at the airport, there is a need to create a master drainage plan to address the increase in storm water runoff to the airport drainage systems. This plan is necessary to determine whether the increase of impervious surfaces will require the construction of one or more detention ponds to convey 10 year storm flows and prevent flooding during a 100 year storm.
- *Create a comprehensive Airport Land and Hangar Development Plan*
The airport is fortunate to be located on more than 900 acres of level land. The east and west sides of the airport offer over 300 acres of contiguous land ideally suited for aviation and non-aviation (aviation compatible) development. This plan will provide comprehensive direction on the promising future development of the airport. Furthermore, a key to attracting and maintaining based aircraft is the ability to store them. While there are many exterior tie-down spaces available, there is a shortage of available T-hangar and conventional hangar space at the airport. This plan will also provide direction on future construction and funding options for hangar space at the airport. Both the Airport Master Plan and the Airport Business Plan address this issue of hangar development.

Department Description:

The New Braunfels Regional Airport provides a safe and efficient transportation portal into the National Airspace System for New Braunfels and the surrounding area. The airport and its business tenants provide hangar space, aircraft maintenance, fuel, flight instruction, aircraft sales, charter services, air ambulance service, meeting and conference rooms and technical education opportunities. Airport administrative responsibilities include lease and property management, Federal Aviation Administration regulation compliance, planning and development of airport infrastructure projects, coordination with local, state and federal entities, oversight of security and safety concerns and promoting local economic development. The Airport is a separate City department and the Airport Fund is one of the City's four enterprise funds.

<i>Performance Measures:</i>			
	FY 2010-11	FY 2011-12	FY 2012-13
	<u>Actual</u>	<u>Estimate</u>	<u>Budget</u>
Customer service satisfaction	N/A	90%	95%
Flight operations – traffic activity	32,340	30,000	40,000
Gallons of fuel sold	221,106	246,164	288,000
Jet-A (Corporate Traffic Indicator)	162,085	190,164	228,000
Standard aviation fuel	59,021	56,000	60,000
Airport improvements (Total)	\$849,101	\$1,301,071	\$4,767,498
City contribution	N/A	\$126,071	\$73,550
Grant contribution	\$849,101	\$1,175,000	\$4,693,948
Percent of adopted business plan implemented	N/A	53%	65%

Appropriations:

	FY 2010-11	FY 2011-12	FY 2012-13
	<u>Actual</u>	<u>Estimate</u>	<u>Budget</u>
Employee Expenses	\$314,860	\$345,800	\$430,998
Operation Expenses	1,230,928	1,379,807	1,523,672
Capital Expenses	11,768	16,000	16,000
Contingencies	0	0	6,725
<i>Total Appropriations</i>	<i>\$1,557,556</i>	<i>\$1,741,607</i>	<i>\$1,977,395</i>

Program Justification and Analysis:

In comparison to the FY 2011-12 estimates, the FY 2012-13 Airport Budget has increased overall. The FY 2012-13 Budget reflects full funding for all authorized positions, which is part of the reason for the increase in employee expenses, as there were some vacancies during FY 2011-12. The main factor driving the increase is the addition of one Operations Supervisor position at the Airport. This position will provide much needed support to the Airport Director. In addition, in FY 2012-13, \$6,725 in contingencies is budgeted to account for the salary increases for all eligible employees.

Operation expenses for FY 2012-13 have increased significantly when compared to FY 2010-11 actuals and FY 2011-12 estimates. Two major factors contribute to the increased operations

costs. First, there are funds budgeted in FY 2012-13 for continued legal representation of pending litigation. Secondly, there is an increase in the appropriation to purchase fuel for resale, based on both current demand and the ongoing development occurring at the Airport.

In FY 2012-13, \$16,000 is budgeted in capital expenditures to purchase a zero turn radius mower for the Airport. This piece of equipment is necessary to maintain the grounds of the Airport.

One program change is included in the FY 2012-13 Budget for the Airport, the addition of an Airport Operations Supervisor (\$65,011). The Airport operates seven days a week, maintains all runways and taxiways, and sells fuel. Currently, the Airport Director directly oversees maintenance and operations of the Airport. With the addition of this position, the Director will be able to focus on the continued development of the airport and general oversight of all other airport operations. The Airport Operations Supervisor will focus on day-to-day maintenance and repair issues, allowing the director to continue and enhance efforts to market the airport, bringing increased business through aircraft operations and companies operating at the airport.

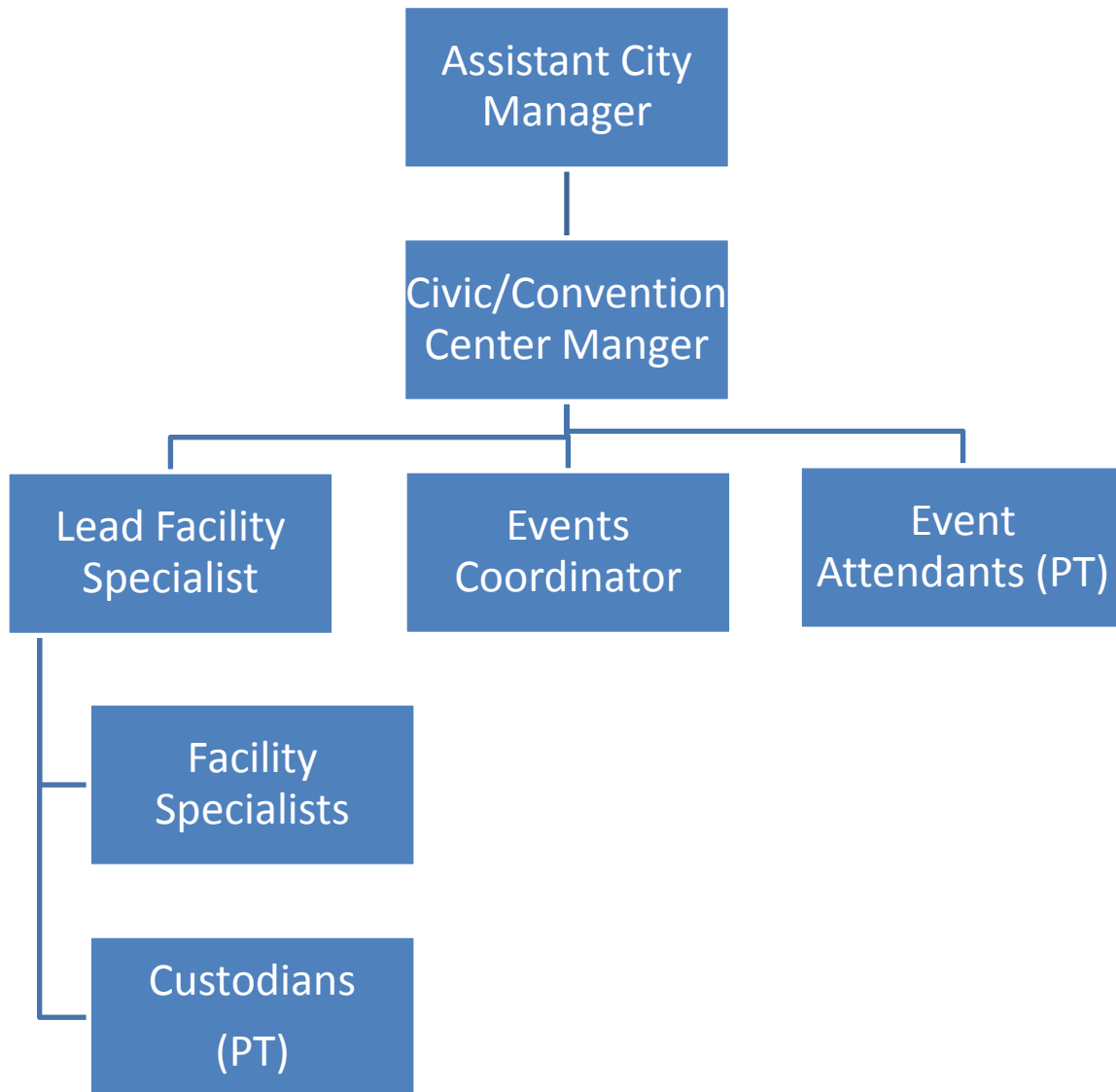
Policy Considerations:

The City of New Braunfels has four enterprise funds; the Airport, as stated, is one of these funds. The City's objective for each of these funds is that they are self sustaining – meaning that the revenue generated by the activity (enterprise) through providing goods and services to the public at large is sufficient to cover all the costs of the enterprise including all current expenditures and other financial requirements related to this activity. This includes regular costs, such as operating expenditures, personnel costs, equipment purchases and routine facilities maintenance and repair. It also includes paying any debt service associated with new or expanded facilities costs, maintaining a fund balance reserve equal to or greater than 25 percent of annual operating expenditures, paying the City's General Fund for administrative support (such as information technology, payroll, purchasing, human resources) and developing a reserve for facility upkeep. Based on current estimates, the Airport will not require any support from the General Fund. This is due to the increased revenue generated by fuel sales at the Airport. This trend is expected to continue in FY 2012-13 as the demand continues to grow at a level consistent with the increase in overall traffic activity at the Airport. Therefore, no transfer is budgeted in FY 2012-13. However, the Airport will not provide any funding to the General Fund for administrative support, nor will it fund the debt service associated with the hanger built in 2006.

Authorized Positions:

	FY 2010-11 Actual	FY 2011-12 Estimate	FY 2012-13 Budget
Airport Director	1	1	1
Administrative Assistant	1	1	1
Airport Maintenance Technician	3	3	3
Lead Airport Maintenance Technician	1	1	1
Operations Supervisor	<u>0</u>	<u>0</u>	<u>1</u>
<i>Total Authorized Positions</i>	6	6	7

CIVIC/CONVENTION CENTER



City of New Braunfels
Civic Center/Convention Fund
Fiscal Year Ending September 30, 2013

Fund: 541

Available Funds	FY 2010-11 Actual	FY 2011-12 Estimate	FY 2012-13 Budget
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Beginning Balance

Undesignated Funds	\$ 258,440	\$ 245,050	\$ 191,000
Total Beginning Balance	\$ 258,440	\$ 245,050	\$ 191,000

Revenue

Charges for Services	\$ 321,284	\$ 272,000	\$ 300,000
Contributions	22,181	6,000	-
Interfund Transfers	313,380	411,134	369,702
Total Revenue	\$ 656,845	\$ 689,134	\$ 669,702

TOTAL AVAILABLE FUNDS \$ **915,285** \$ **934,184** \$ **860,702**

APPROPRIATIONS

Employee Expenses	\$ 315,414	\$ 351,758	\$ 374,234
Operation Expenses	335,846	342,451	288,317
Capital Expenses	18,975	48,975	-
Contingencies	-	-	7,151
Interfund Transfer			191,000

TOTAL OPERATING APPROPRIATIONS \$ **670,236** \$ **743,184** \$ **860,702**

Ending Fund Balance \$ **245,050** \$ **191,000** \$ **0**

TOTAL APPROPRIATIONS \$ **915,285** \$ **934,184** \$ **860,702**

CIVIC/CONVENTION CENTER FUND

Fund: 541

Mission:

To provide a safe, beneficial and enjoyable facility for special events to citizens, tourists and visitors to New Braunfels.

Vision:

To be the facility of choice for private and public organizations to gather to promote education, arts and business activities throughout the year.

Goals/Objectives:

1. Promote, train and retain a highly competent, professional staff dedicated to serving the customer's needs at the Civic/Convention Center.
2. Enhance customer services through improved information access, friendly service and prompt, professional responses.
3. Promote new and repeat business by building good relationships with current and future clients, establishing a presence at community events and developing a strong partnership with the Greater New Braunfels Chamber of Commerce.

Action Items:

- *Better utilization of resources – City website and Channel 21*
The Civic/Convention Center website shoes high numbers of Google search results due to the frequent updates to the City's website. Using this advantage, staff will create new content and pages in the Civic/Convention Center's section including a commonly requested photo gallery, specifications often requested by vendors and other useful information.
- *Update User Fees*
A rate comparison will be completed by Civic/Convention Center staff in FY 2012-13, comparing other local facilities, as well as similar facilities in comparable communities. Staff will use this study as a guide in developing a new rate structure, offering different rates depending on the day of week as well as incentives for multi-day events and a discount rate for non-profit organizations.

Department Description:

The Civic/Convention Center is a multi-use meeting facility that can accommodate social events, business meetings, trade shows, recitals and much more. The Civic/Convention Center renovation and expansion was completed in FY 2007-08. The new facility contains an auditorium, banquet room and several meeting rooms. The main auditorium contains a stage, stage lighting and independent sound system. The facility complies with the requirements of the Americans with Disabilities Act (ADA) for those with special needs. The Civic/Convention Center staff, a separate division of the City reporting directly to the Assistant City Manager, coordinates with the Greater New Braunfels Chamber of Commerce in marketing, selling and delivering the highest level of customer service. The Civic/Convention Center is one of the City's four enterprise funds.

Performance Measures:

	FY 2010-11 <u>Actual</u>	FY 2011-12 <u>Estimate</u>	FY 2012-13 <u>Budget</u>
Total Revenue	\$321,065	\$269,400	\$293,000
Non room Rental Revenue	\$219	\$2,600	\$3,000
Number of events	241	222	230
Repeat customers as a percent of total business	42%	45%	47%
New customers – convention/ trade shows	6	4	5
New customers - Non-convention/trade shows and <i>SMERF</i> (social, military, education, religious and fraternal)	92	85	89
Customer Satisfaction (measured by survey)	N/A	N/A	90%

Appropriations:

	FY 2010-11 <u>Actual</u>	FY 2011-12 <u>Estimate</u>	FY 2012-13 <u>Budget</u>
Employee Expenses	\$315,415	\$351,758	\$374,234
Operation Expenses	335,846	342,451	288,317
Capital Expenses	18,975	48,975	0
Interfund Transfers	0	0	191,000
Contingencies	<u>0</u>	<u>0</u>	<u>7,151</u>
<i>Total Appropriations</i>	<i>\$670,236</i>	<i>\$743,184</i>	<i>\$860,702</i>

Program Justification and Fiscal Analysis:

The Civic/Convention Center Fund was created in FY 2009-10 to account for the full costs associated with operating the expanded Civic/Convention Center facility. Prior to that time, the Civic/Convention Center budget was part of the General Fund Budget under Public Works.

The FY 2012-13 Civic/Convention Center Budget reflects a significant overall increase in comparison to the FY 2011-12. This is driven by the interfund transfer appropriated in FY 2012-13 to move project money to the Enterprise Maintenance and Equipment Replacement Fund (see below for additional information). The FY 2012-13 Budget reflects full funding for all authorized positions as well as \$7,151 in contingencies to fund proposed performance pay salary increases for all eligible employees. In FY 2012-13, one additional part time Event Attendant position is authorized for the Civic/Convention Center. This addition is not expected to have any financial impact to the Civic/Convention Center fund as the total number of hours worked for event attendants will not increase; the additional position will provide greater flexibility in scheduling staff to cover events.

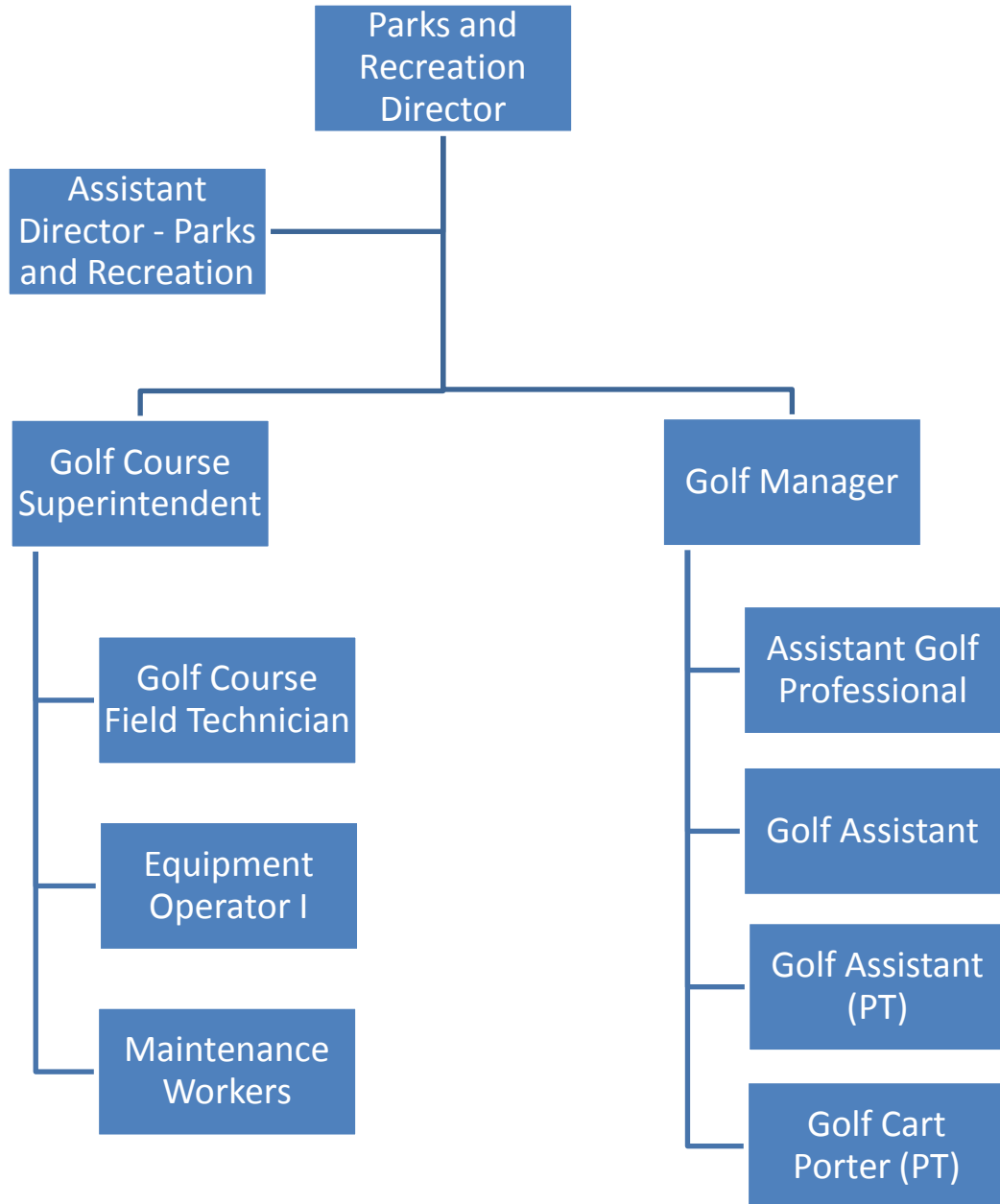
In FY 2008-09, the City and the Greater New Braunfels Chamber of Commerce worked together to identify the appropriate reserve level for the Convention and Tourism Fund (the funds come from the then 50 percent of the hotel/motel tax that the City paid to the Chamber to promote tourism and support the Convention and Visitor's Bureau). Over several years, that reserve had

built up to a significant level. In November 2008, \$650,000 from those reserves was moved back to the Civic/Convention Center Fund. The FY 2010-11 actual expenditures and the FY 2011-12 estimated expenditures for operations and capital expenses are impacted by the remaining amounts of the \$650,000 in funding that came from the Greater New Braunfels Chamber of Commerce reserves. The monies have been spent on various building improvements and equipment needs, including technology enhancements, additional service equipment, a security system and other important items that enhance the ability of the facility and staff to provide excellent customer service. As stated, in FY 2012-13, the remaining balance of these monies (estimated at \$191,000) will be transferred to the Enterprise Maintenance and Equipment Repair Fund. This will allow the funds to be accounted for separately as they are dedicated to use at the Civic/Convention Center. It will also more accurately reflect the daily operations and maintenance costs for the Center in this Civic/Convention Center Fund. The improvements and enhancements which have been identified for FY 2012-13 are expected to fully expend the remaining funds before the end of the fiscal year.

Authorized Positions:

	FY 2010-11 Actual	FY 2011-12 Estimate	FY 2012-13 Budget
Civic/Convention Center Manager	1	1	1
Custodian – Part Time (2 at 20-24 hrs/wk)	1	1	1
Event Coordinator	1	1	1
Event Attendant – Part time (3 at 10-12 hrs/wk)	1	1	1.5
Facility Specialist	3	3	3
Lead Facility Specialist	<u>1</u>	<u>1</u>	<u>1</u>
<i>Total Authorized Positions</i>	8	8	8.5

GOLF FUND



City of New Braunfels
Golf Fund
Fiscal Year Ending September 30, 2013

Fund: 531

Available Funds	FY 2010-11 Actual	FY 2011-12 Estimate	FY 2012-13 Budget
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Beginning Balance

Undesignated Funds	\$ 220,328	\$ 178,248	\$ 189,495
Total Beginning Balance	\$ 220,328	\$ 178,248	\$ 189,495

Revenue

Charges for Services	\$ 935,449	\$ 907,000	\$ 992,750
Interest Income	384	250	-
Miscellaneous	23,746	25,500	16,500
Total Revenue	\$ 959,579	\$ 932,750	\$ 1,009,250

TOTAL AVAILABLE FUNDS	\$ 1,179,907	\$ 1,110,998	\$ 1,198,745
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APPROPRIATIONS

Employee Expenses	\$ 550,720	\$ 556,972	\$ 585,121
Operation Expenses	313,792	281,520	312,296
Capital Expenses	30,844	32,980	77,000
Debt Service	56,274	-	-
Interfund Transfer	50,030	50,030	45,656
Contingencies	-	-	10,487

TOTAL OPERATING APPROPRIATIONS	\$ 1,001,660	\$ 921,502	\$ 1,030,560
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Ending Fund Balance	\$ 178,248	\$ 189,495	\$ 168,186
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TOTAL APPROPRIATIONS	\$ 1,179,907	\$ 1,110,998	\$ 1,198,745
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GOLF FUND

Fund: 531

Mission:

To afford diverse parks and recreation opportunities and access for all residents and visitors through innovative programs and facilities, open space preservation and economic enhancement.

Vision:

To enhance the well being of our community through laughter, play, conservation and discovery.

Goals/Objectives:

1. Provide exceptional customer service.
2. Provide a high quality golf facility at an affordable price.
3. Remain financially self-sufficient.
4. Grow the game of golf.

Action Items:

- *Better utilization of resources – Social media and website golf course marketing.*
Continue to develop marketing through social media tools and opportunities. Increase monthly promotions for golf rounds to increase rounds of play during slow play times.
- *Effectively manage capital improvement projects.*
Staff will work to effectively manage the Landa Park Golf Course renovation project including developing construction drawings to ensure timely completion within budgeted funds.

Department Description:

The Golf Division of the Parks and Recreation Department is responsible for maintaining, preserving and operating the Landa Park Municipal Golf Course. This includes 120 acres of landscaped area along with a pro shop, grill and clubhouse. Services provided through the course include golf rounds, lessons, junior programs, senior leagues, tournaments, food service and the pro shop.

The Golf Fund is one of the City's four enterprise funds. The City's objective for each of these funds is that they are self sustaining – meaning that the revenue generated by the activity (enterprise) by providing goods and services to the public at large is sufficient to cover all the costs of the enterprise including all current expenditures and other financial requirements related to this activity. This includes regular costs, such as operating expenditures, personnel costs, equipment purchases and routine facilities maintenance and repair. The Golf Fund made the last payment for debt service for the debt issued for clubhouse improvements in FY 2010-11. Golf is currently a self-supporting operation in which revenues meet or exceed the annual expenses.

<i>Performance Measures:</i>			
	FY 2010-11 <u>Actual</u>	FY 2011-12 <u>Estimate</u>	FY 2012-13 <u>Budget</u>
Golf course rounds played	40,574	36,500	42,500
Potential days open	362	362	362
Actual days open	326	297	320
Number of beginner class contact hours (Adult and Junior)	19	23	30
Number of followers through social media (Facebook, GolfNow)	135	210	300
Customer satisfaction (measured by survey)	N/A	N/A	95%
<i>Course conditions</i>	N/A	N/A	95%
<i>Services</i>	N/A	N/A	95%
Resident vs. Non-resident traffic (will begin measuring in FY 2012-13)	N/A	N/A	N/A

Appropriations:

	FY 2010-11 <u>Actual</u>	FY 2011-12 <u>Estimate</u>	FY 2012-13 <u>Budget</u>
Employee Expenses	\$550,720	\$556,972	\$585,121
Operation Expenses	313,792	281,520	312,296
Capital Expenses	30,844	32,980	77,000
Debt Service	56,274	0	0
Interfund Transfers	50,030	50,030	45,656
Contingencies	0	0	10,487
<i>Total Appropriations</i>	<i>\$1,001,660</i>	<i>\$921,502</i>	<i>\$1,030,560</i>

Program Justification and Fiscal Analysis:

As stated above, the Golf Fund is currently self supporting, including payment of debt service (through FY 2010-11) for golf course improvements completed in 1996 and payments to the General Fund for administrative support.

In comparison to FY 2011-12 estimates, the fund's appropriations increased overall, due for the most part to employee expenses that have increased for the FY 2012-13 as well as funding for replacement equipment purchases. The employee expenses change is attributable to some vacancies that occurred in FY 2011-12. The FY 2012-13 Budget fully funds all positions as well as provides \$10,487 in contingencies to fund proposed performance pay salary increases for all eligible employees.

Operation expenses for FY 2012-13 have increased in comparison to FY 2011-12 estimates. This is mainly driven by increased funding requirement to maintain the aging golf cart fleet. Capital funding for FY 2012-13 in the amount of \$77,000 is provided to purchase two pieces of equipment. \$49,000 is allocated to replace one fairway mower. This purchase is necessary as the

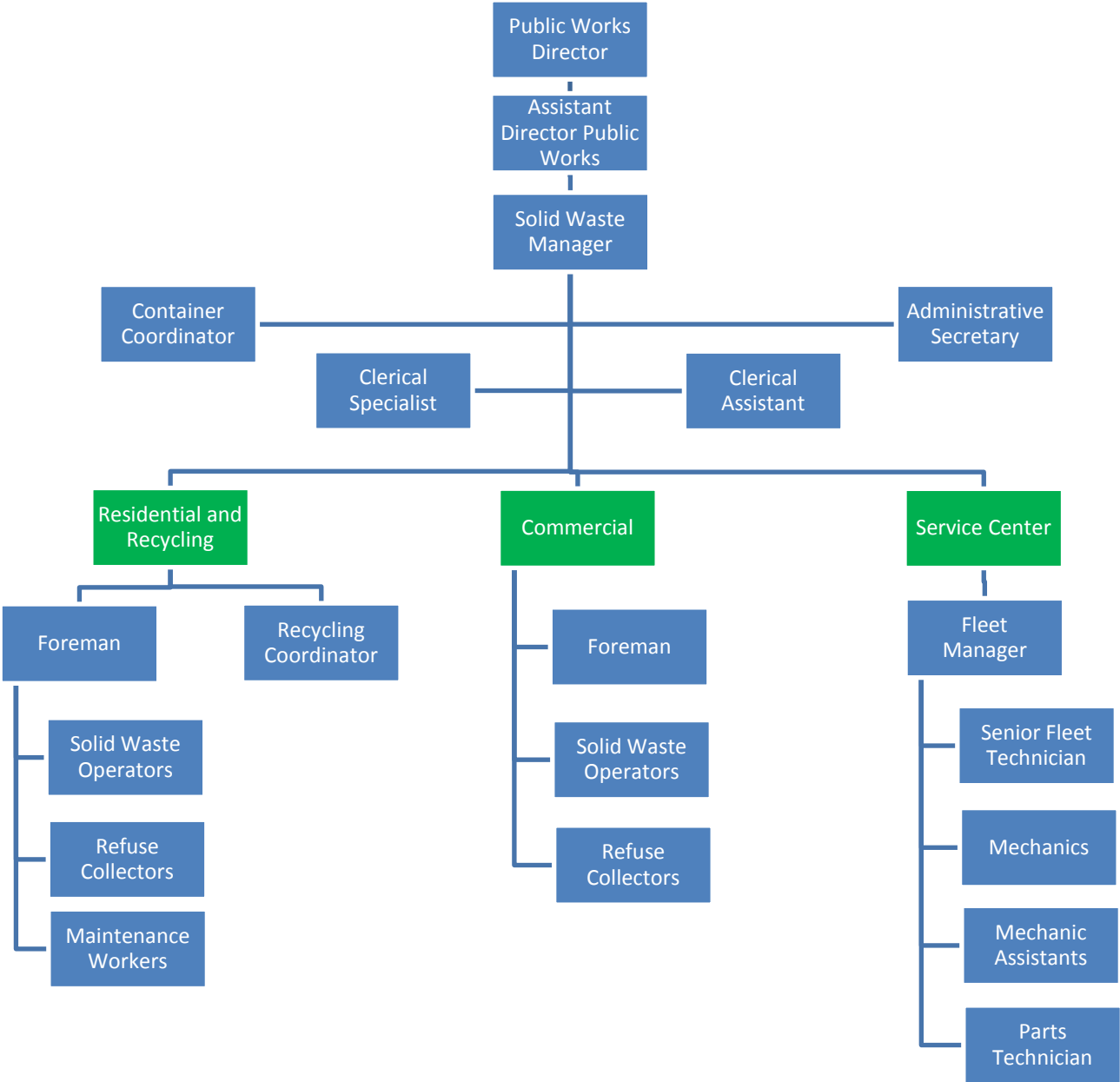
current model has exceeded its useful life. The remaining \$33,000 is provided to purchase a triplex mower which will allow for efficient maintenance of tee boxes. There were several other capital needs that were identified by staff during the budget process. With an expected renovation set to begin at the beginning of FY 2013-14, they have been postponed so that the improvements to the golf course can be addressed as efficiently as possible.

An inter-fund transfer to the General Fund of \$45,656 is budgeted for FY 2012-13. As mentioned earlier, these funds help support General Fund funded activities that provide services to the golf course operations throughout the year.

Authorized Positions:

	FY 2010-11 Actual	FY 2011-12 Estimate	FY 2012-13 Budget
Assistant Golf Professional	1	1	1
Assistant Parks Director	.5	.5	.5
Equipment Operator I	1	1	1
Golf Assistant	1	1	1
Golf Assistant – Part time	1	1	1
Golf Cart Porter – Part time	1	1	1
Golf Course Field Technician	1	1	1
Golf Course Superintendent	1	1	1
Golf Manager	1	1	1
Maintenance Worker	<u>3.5</u>	<u>3.5</u>	<u>3.5</u>
<i>Total Authorized Positions</i>	<i>12</i>	<i>12</i>	<i>12</i>

PUBLIC WORKS – SOLID WASTE FUND



City of New Braunfels
Solid Waste Fund
Fiscal Year Ending September 30, 2013

Fund: 521

Available Funds	FY 2010-11 Actual	FY 2011-12 Estimate	FY 2012-13 Budget
Beginning Balance			
Undesignated Funds	\$ 2,115,498	\$ 1,495,983	\$ 2,178,806
Total Beginning Balance	\$ 2,115,498	\$ 1,495,983	\$ 2,178,806
Revenue			
Charges for Services	\$ 6,368,916	\$ 6,891,652	\$ 7,228,634
Interest Income	2,934	3,000	3,500
Miscellaneous	60,681	99,000	80,000
Total Revenue	6,432,532	6,993,652	7,312,134
TOTAL AVAILABLE FUNDS	\$ 8,548,030	\$ 8,489,635	\$ 9,490,941
APPROPRIATIONS			
Employee Expenses	\$ 2,352,205	\$ 2,515,087	\$ 2,709,974
Operation Expenses	2,291,060	3,030,527	3,447,377
Capital Expenses	-	-	380,500
Interfund Transfers	2,408,782	765,215	766,906
Contingencies	-	-	45,500
TOTAL OPERATING APPROPRIATIONS	\$ 7,052,047	\$ 6,310,829	\$ 7,350,258
Ending Fund Balance	\$ 1,495,983	\$ 2,178,806	\$ 2,140,683
TOTAL APPROPRIATIONS	\$ 8,548,030	\$ 8,489,635	\$ 9,490,941

SOLID WASTE FUND

Fund: 521

Mission:

To be an, innovative and responsive City division that aggressively provides comprehensive and cost-effective solid waste management in an environmentally sound manner, while incorporating common sense methods and technology, and educating the public on responsible waste management.

Vision:

To have an efficient, safe, environmentally sound and cost-effective solid waste program created through an experienced team of hard-working employees who use their diverse skills to effectively manage and handle our community's solid waste needs.

Goals/Objectives:

1. Accurately forecast the resources necessary to meet growing population demands.
2. Maintain a high level of customer satisfaction.
3. Reduce litter and other nuisances associated with collection.
4. Provide levels of service that will meet health and regulatory requirements.
5. Raise public awareness of the City's solid waste and recycling programs.
6. Provide quality services at the best possible value.

Action Items:

- *Operate the Solid Waste program within parameters established by the rate study*
The update to the Solid Waste ordinance is underway. The compacter and roll-off fees will be addressed in conjunction with the commercial recycling feasibility study and rate model update. New service levels and fees will be implemented upon Council approval.
- *Develop additional options for bulk trash pickup*
Staff will continue to investigate options for household hazardous waste disposal. Many options were discovered during FY 2011-12. These options need to be further researched before Council consideration. In the interim, the City will continue to partner with Comal County and will host two household hazardous waste events in FY 2012-13.

Department Description:

The Solid Waste Division of the Public Works Department consists of four divisions: residential garbage collection, recycling and green waste collection, commercial/business service and the fleet service center. Each division assists in ensuring the health and safety of the community by providing once-per-week collection of residential garbage, recycling and green waste commercial garbage collection in various size containers collected up to six times a week, and fleet maintenance services for City vehicle (light and heavy).

Residential garbage collection is accomplished with automated vehicles, making more efficient use of personnel and equipment. Since FY 2007-08, residential routes have been served by automated vehicles and containers. This type of operating system provides residents garbage collection services more economically and creates a safer working environment for employees. The residential collection crews collect an average of 1,977 tons per month. In October 2010,

the recycling operating system was changed to an automated collection system City-wide. Recycling collects an average of 398 tons of material per month. Green waste stops at approximately 6,425 homes per month. Commercial collection is accomplished with five front-load vehicles and two rear-load vehicles and averages 2,023 tons of garbage collected per month.

By providing timely, consistent and high quality service at a reasonable cost, the Solid Waste Division contributes to a healthy and attractive environment that enhances the quality of life in the community.

The Solid Waste Fund is one of the City's four enterprise funds. The City's objective for each of these funds is that they are self sustaining – meaning that the revenue generated by the activity (enterprise) by providing goods and services to the public at large is sufficient to cover all the costs of the enterprise including all current expenditures and other financial requirements related to this activity. This includes regular costs, such as operating expenditures, personnel costs, equipment purchases and routine facilities maintenance and repair. Solid Waste is currently a self-supporting operation.

<i>Performance Measures:</i>			
	FY 2010-11 <u>Actual</u>	FY 2011-12 <u>Estimate</u>	FY 2012-13 <u>Budget</u>
<i>Solid Waste – Residential:</i>			
Tons collect	20,451	23,730	24,500
Operating cost per ton	\$63.32	\$70.83	\$78.88
<i>Solid Waste – Commercial:</i>			
Tons collected	23,500	24,276	25,500
Operating cost per ton	\$39.82	\$44.31	\$52.97
Percent of collection that meets established schedule	99%	99%	99%
<i>Solid Waste – Recycling:</i>			
Customer outreach contact hours	N/A	108	148
Tons diverted from landfill	4,085	6,850	7,595
Recycled materials as a percent of total tons collected	20%	29%	31%
Average pounds of recyclables per household per week	16	19	21
<i>Fleet Service Center:</i>			
Work orders completed	1,087	1,480	1,500
Percentage of outsourced repair costs (46% in FY 2009-10)	N/A	18%	15%
Useful life of City-wide light vehicle fleet	6	8	8
Work orders completed within two days	97%	98%	98%

<i>Performance Measures:</i>			
	FY 2010-11 <u>Actual</u>	FY 2011-12 <u>Estimate</u>	FY 2012-13 <u>Budget</u>
<i>Special Programs:</i>			
Household hazardous waste customers served	489	507	525
Bulky goods collection customers served	1,428	1,550	1,750
Green waste collection opportunities per year	2,237	2,030	2,100

Appropriations:

	FY 2010-11 <u>Actual</u>	FY 2011-12 <u>Estimate</u>	FY 2012-13 <u>Budget</u>
Employee Expenses	\$2,352,205	\$2,515,087	\$2,709,974
Operation Expenses	2,291,060	3,030,527	3,447,377
Capital Expenses	0	0	380,500
Interfund Transfers	2,408,782	765,215	766,906
Contingencies	0	0	45,500
<i>Total Appropriations</i>	<i>\$7,052,047</i>	<i>\$6,310,829</i>	<i>\$7,350,258</i>

Program Justification and Fiscal Analysis:

The FY 2012-13 Solid Waste Budget increased significantly in comparison the FY 2011-12 estimates. This is due to multiple factors. In employee expenses, two new positions have been authorized and fully funded for FY 2012-13, one maintenance worker position and one refuse collector position. In addition, in FY 2011-12, only 50 percent of the costs of one Clerical Assistant position was charged to this fund as this position's responsibilities were divided between Solid Waste and the proposed stormwater utility. In FY 2012-13, this position will focus on solid waste issues; therefore, the cost of this position has been fully absorbed by the Solid Waste Fund. In FY 2012-13, there is also \$45,550 in contingencies budgeted for performance pay salary increases of all eligible employees. Other additional non-employee expenses and program changes have also increased the operating expenses are described below.

Operating expenses have also increased for FY 2012-13 when compared to FY 2010-11 actuals and FY 2011-12 estimates. This is driven by multiple factors. One is the increase in contributions to the equipment replacement fund. With scheduled replacements, the value of the total solid waste fleet will increase, as will the contribution to the replacement fund. Second, the appropriation for refuse disposal also increases for FY 2012-13 which is driven by increase in the volume of the material being managed by solid waste and an expected increase in landfill rates. The third increase is the fuel appropriations that have been increased by five percent in comparison to FY 2011-12 estimates based on expected increases in fuel prices.

For the past several years, the Solid Waste Fund has paid directly (through operating appropriations) for the expenses associated with litter pickup along and in the Comal River. In FY 2011-12, these expenses continued to be funded through Solid Waste as they relate to garbage collection and disposal; however, the funds were transferred to the River Activities Fund to make actual payments for services to better reflect the total cost of supporting river activities.

This funding strategy continues in FY 2012-13 in the amount of \$160,000 in an interfund transfer to the River Activities Fund.

The Solid Waste Division will continue to pay a “franchise” fee to the General Fund in the amount of \$300,000. These funds will help offset the cost of street maintenance and repair. The Solid Waste heavy vehicles (mainly refuse collection trucks) create significant wear and tear on the streets. This contribution will help offset the cost of maintaining the streets. The Solid Waste Fund also contributes funding to the General Fund for administrative support including accounting and budgeting, information technology services, purchasing, human resources, attorney support and facilities maintenance. For FY 2012-13, this contribution totals \$306,906.

Several program changes are included in the FY 2011-12 Budget for Solid Waste. As mentioned earlier, funding of \$81,920 is provided to authorize and fully fund one Maintenance Worker and one Solid Waste Operator position. With the additional staff, residential, commercial and recycling collection will be able to adequately meet increasing service demands.

In FY 2012-13, \$380,550 is budgeted to capital expenses appropriations for several purposes. The purchase of a vehicle for the fleet manager is budgeted at \$20,500. The service center will soon be operating at two separate facilities, the City Hall Service Center and the Police Department; to effectively deliver parts and supplies and oversee both facilities, a vehicle is needed.

In FY 2011-12, solid waste purchased a fuel efficient, hybrid refuse collection vehicle. To determine if this vehicle should become the standard for the fleet, a performance review will be conducted in early FY 2012-13. The purchase price of the fuel efficient vehicles is approximately 45 percent more than the standard refuse collection vehicle that is currently used. This additional up-front cost is expected to be more than offset by lower fuel and maintenance costs. The performance review will determine if this is the case. While the purchase of solid waste replacement vehicles is appropriated in the enterprise maintenance and equipment replacement fund, \$360,000 is appropriated in the Solid Waste Fund budget to supplement the additional cost if the fuel efficient vehicle is selected as the standard for the fleet. This budget approach provides the maximum flexibility for replacement garbage vehicle purchases.

A five percent increase in revenue is projected for FY 2012-13 in comparison to the FY 2012-13 estimates. This increase is based on expected growth to the residential and commercial customer base.

Authorized Positions:

	FY 2010-11 Actual	FY 2011-12 Estimate	FY 2012-13 Budget
<i>Administration:</i>			
Assistant Director – Public Works	.5	.5	.5
Administrative Secretary	1	1	1
Clerical Assistant	1	1	1
Clerical Specialist	0	.5	1
Container Coordinator	1	1	1
Solid Waste Manager	<u>1</u>	<u>1</u>	<u>1</u>
Total – Administration	4.5	5	5.5
<i>Residential Collection:</i>			
Foreman	1	1	1
Maintenance Worker	0	0	1
Refuse Collector	4	4	4
Solid Waste Operator	<u>8</u>	<u>8</u>	<u>8</u>
Total – Residential Collection	13	13	14
<i>Commercial Collection</i>			
Foreman	1	1	1
Refuse Collector	2	2	2
Solid Waste Operator	<u>8</u>	<u>8</u>	<u>9</u>
Total – Commercial Collection	11	11	12
<i>Recycling Collection:</i>			
Recycling Coordinator	1	1	1
Refuse Collector	3	3	3
Solid Waste Operator	<u>7</u>	<u>7</u>	<u>7</u>
Total – Recycling	11	11	11
<i>Fleet Services:</i>			
Fleet Manager	1	1	1
Mechanic*	2	2	2
Mechanic Assistant	2	3	3
Parts Technician	0	1	1
Senior Fleet Technician	<u>0</u>	<u>1</u>	<u>1</u>
Total – Fleet Services	5	8	8
<i>Total Authorized Positions</i>	44.5	48	50.5

* One Mechanic is assigned to the Police Department vehicle fleet and fully funded in the Police Department Budget of the General Fund.

City of New Braunfels
Stormwater Utility Fund
Fiscal Year Ending September 30, 2013

Fund: 551

Available Funds	FY 2010-11 Actual	FY 2011-12 Estimate	FY 2012-13 Budget
Beginning Balance			
Undesignated Funds		\$ -	
Total Beginning Balance		\$ -	
Revenue			
Interfund Transfers		\$ 861,037	
Total Revenue		\$ 861,037	
TOTAL AVAILABLE FUNDS		\$ 861,037	
APPROPRIATIONS			
Employee Expenses		\$ 375,805	
Operation Expenses		438,732	
Capital Expenses		46,500	
TOTAL OPERATING APPROPRIATIONS		\$ 861,037	
Ending Fund Balance		\$ -	
TOTAL APPROPRIATIONS		\$ 861,037	

STORMWATER UTILITY FUND

Department Description:

The FY 2011-12 Adopted Budget anticipated creation of a stormwater utility and, therefore, included the Stormwater Utility Fund to account for the activities of that utility. In FY 2012-13, all funded costs associated with stormwater management and drainage maintenance and repair are included in the FY 2012-13 General Fund Public Works Budget.

Appropriations:

	FY 2010-11 <u>Actual</u>	FY 2011-12 <u>Estimate</u>	FY 2012-13 <u>Budget</u>
Employee Expenses	\$0	\$375,805	\$0
Operation Expenses	0	438,732	0
Capital Expenses	0	46,500	0
<i>Total Appropriations</i>	<i>\$0</i>	<i>\$861,037</i>	<i>\$0</i>

Program Justification and Fiscal Analysis:

All costs related to stormwater management and drainage operations and maintenance are funded in the FY 2012-13 General Fund Public Works Budget.

Authorized Positions:

	FY 2010-11 <u>Actual</u>	FY 2011-12 <u>Estimate</u>	FY 2012-13 <u>Budget</u>
Stormwater Utility Manager	0	1	0
Clerical Specialist	0	.5	0
Equipment Operator I	0	6	0
Foreman	0	1	0
Maintenance Work	0	2	0
Watershed Technician	<u>0</u>	<u>1</u>	<u>0</u>
<i>Total Authorized Positions</i>	<i>0</i>	<i>11.5</i>	<i>0</i>



Special Revenue Funds



INFRASTRUCTURE

City of New Braunfels
Cemetery Improvements Fund
Fiscal Year Ending September 30, 2013

Fund: 781

Available Funds	FY 2010-11 Actual	FY 2011-12 Estimate	FY 2012-13 Budget
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Beginning Balance

Undesignated Funds	\$ 148,156	\$ 134,950	\$ 87,889
Total Beginning Balance	\$ 148,156	\$ 134,950	\$ 87,889

Revenue

Licenses and Permits	\$ 525	\$ 600	\$ 750
Interest Income	179	200	-
Total Revenue	\$ 704	\$ 800	\$ 750

TOTAL AVAILABLE FUNDS	\$ 148,860	\$ 135,750	\$ 88,639
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APPROPRIATIONS

Operation Expenses	\$ 13,910	\$ 47,861	\$ 80,000
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TOTAL OPERATING APPROPRIATIONS	\$ 13,910	\$ 47,861	\$ 80,000
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Ending Fund Balance	\$ 134,950	\$ 87,889	\$ 8,639
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TOTAL APPROPRIATIONS	\$ 148,860	\$ 135,750	\$ 88,639
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CEMETERY IMPROVEMENTS FUND

Cemetery Fund: 781

Program Description:

The City of New Braunfels owns and maintains a cemetery located on Peace Avenue. The City's Parks and Recreation Department has responsibility for managing the contractor who provides maintenance and operation services for the site. The contractor ensures that appropriate standards are met, maintains the grounds and landscaping, and facilitates the sale of lots and burials in the facility. In the past, the Cemetery Improvement Fund was named the Cemetery Perpetual Care Fund. However, the costs for upkeep of the grounds are now paid from the City's General Fund Parks and Recreation Department budget. The Cemetery Improvement Fund is now used to fund improvements that result from the master planning process and other non-routine improvements, should the need arise. The Parks and Recreation Department manages this activity and fund.

Appropriations:

	FY 2010-11 <u>Actual</u>	FY 2011-12 <u>Estimate</u>	FY 2012-13 <u>Budget</u>
Operation Expenses	\$13,910	\$47,861	\$80,000
<i>Total Appropriations</i>	<i>\$13,910</i>	<i>\$47,861</i>	<i>\$80,000</i>

Program Justification and Fiscal Analysis:

The City of New Braunfels has committed to perpetual care for the cemetery. Routine maintenance and operations are funded in the City's General Fund budget. In FY 2010-11, the City completed a master plan for the two City cemeteries. This study provides alternatives for the Council to consider in managing the cemeteries into the future. In FY 2011-12, funds were utilized to begin implementing recommendations offered in the master plan. In FY 2012-13, \$80,000 is appropriated to move forward with additional recommendations identified in the master plan.

Policy Considerations:

One of the City's cemeteries is located adjacent to the Guadalupe River. Erosion from flooding over the years has begun to threaten the stability of the embankment in the cemetery. The City is currently working to identify solutions to this issue. The expectation is that a major capital investment will be required to address this erosion. Funds have not yet been identified for this capital improvement project.

City of New Braunfels
Stormwater Development Fund
Fiscal Year Ending September 30, 2013

Fund: 232

Available Funds	FY 2010-11 Actual	FY 2011-12 Estimate	FY 2012-13 Budget
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Beginning Balance

Undesignated Funds	\$ 73,961	\$ 94,592	\$ 47,257
Total Beginning Balance	\$ 73,961	\$ 94,592	\$ 47,257

Revenue

Development Fees	\$ 46,764	\$ -	\$ 10,000
Interest Income	90	-	-
Total Revenue	\$ 46,854	\$ -	\$ 10,000

TOTAL AVAILABLE FUNDS	\$ 120,815	\$ 94,592	\$ 57,257
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APPROPRIATIONS

Operation Expenses	\$ 26,223	\$ -	\$ 40,000
Capital Expenses	-	47,335	8,400

TOTAL OPERATING APPROPRIATIONS	\$ 26,223	\$ 47,335	\$ 48,400
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Ending Fund Balance	\$ 94,592	\$ 47,257	\$ 8,857
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TOTAL APPROPRIATIONS	\$ 120,815	\$ 94,592	\$ 57,257
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STORMWATER DEVELOPMENT FUND

Fund: 232

Program Description:

The City of New Braunfels created the Stormwater Development Fund in FY 2005-06 to account for fees assessed on developments in the community. The revenue may be used to fund operations and maintenance expenses for personnel and equipment that provide upkeep to drainage facilities and easements. The Public Works Department manages this activity and fund.

Appropriations:

	FY 2010-11 <u>Actual</u>	FY 2011-12 <u>Estimate</u>	FY 2012-13 <u>Budget</u>
Operation Expenses	\$26,223	\$0	\$40,000
Capital Expenses	0	47,335	\$8,400
<i>Total Appropriations</i>	<i>\$26,223</i>	<i>\$47,335</i>	<i>\$48,400</i>

Program Justification and Fiscal Analysis:

In FY 2009-10, the Stormwater Development Fund was used to pay the costs associated with equipment and personnel who were responsible for drainage facilities' maintenance and upkeep; therefore, this was an appropriate expenditure of these funds. In FY 2010-11, there was not sufficient funding to continue to pay these expenses. Consequently, the costs for these personnel were moved back to the City's General Fund. The expenditure in FY 2010-11 reflects a refund for prior fees that were paid. The business constructed a drainage facility so it did not need to pay these fees.

The \$47,335 utilized in FY 2011-12 funded equipment purchases needed to support drainage crews' maintenance efforts. In FY 2012-13, operating expense appropriations will be used to pay for various drainage repair services to comply with federally mandated stormwater requirements (MS4). Capital funds are appropriated to purchase a sprayer assembly that will assist in weed control in drainage areas that are inaccessible to mowers and tractors.

PUBLIC SAFETY

City of New Braunfels
Child Safety Fund
Fiscal Year Ending September 30, 2013

Fund: 230

Available Funds	FY 2010-11 Actual	FY 2011-12 Estimate	FY 2012-13 Budget
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Beginning Balance

Undesignated Funds	\$ 100,791	\$ 98,654	\$ 141,253
Total Beginning Balance	\$ 100,791	\$ 98,654	\$ 141,253

Revenue

Fines and Forfeitures	\$ 11,774	\$ 9,750	\$ 10,000
Interest Income	115	50	-
Intergovernmental Revenue	82,065	102,000	102,000
Total Revenue	\$ 93,954	\$ 111,800	\$ 112,000

TOTAL AVAILABLE FUNDS	\$ 194,745	\$ 210,454	\$ 253,253
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APPROPRIATIONS

Employee Expenses	\$ 60,095	\$ 58,200	\$ 67,808
Operation Expenses	6,032	6,000	100,000
Capital Expenses	29,964	5,000	80,000

TOTAL OPERATING APPROPRIATIONS	\$ 96,091	\$ 69,200	\$ 247,808
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Ending Fund Balance	\$ 98,654	\$ 141,253	\$ 5,445
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TOTAL APPROPRIATIONS	\$ 194,745	\$ 210,454	\$ 253,253
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CHILD SAFETY FUND

Fund: 230

Program Description:

The Child Safety Fund revenues are required by statute to be used to fund school crossing guard programs if the municipality operates one. If the municipality does not operate a school crossing guard program or if the money received from court costs from municipal court cases exceeds the amount necessary to fund that program, the municipality can expend it for programs designed to enhance child safety, health or nutrition, including child abuse prevention and intervention and drug and alcohol abuse prevention. The funds must be used for programs for school age children. Support Services staff manages this fund; various departments manage activities funded with this revenue source.

The Child Safety Fund receives its revenue from a \$25 court cost assessed for passing a school bus loading and unloading children and for certain traffic offenses that occur in a school crossing zone. The fund also receives revenue from a \$20 fee assessed for juveniles who are cited for failure to attend school and parental contribution to non-attendance.

Appropriations:

	FY 2010-11 <u>Actual</u>	FY 2011-12 <u>Estimate</u>	FY 2012-13 <u>Budget</u>
Employee Expenses	\$60,095	\$58,200	\$67,808
Operation Expenses	6,032	6,000	100,000
Capital Expenses	29,964	5,000	80,000
<i>Total Appropriations</i>	<i>\$96,091</i>	<i>\$69,200</i>	<i>\$247,808</i>

Program Justification and Fiscal Analysis

The Child Safety Fund annually pays the cost of school crossing guards for intersections of schools within the City limits. The superintendent of New Braunfels Independent School District requested one additional school crossing guard to work at County Line Elementary School; therefore an additional crossing guard position has been added for FY 2012-13. The budget also includes funding for equipment and supplies to child safety programs for school age children.

For example, in FY 2005-06, the City purchased a fire safety trailer for use in educating children about how to react to and deal with situations where fire is threatening. In FY 2009-10, funds were used to provide educational tools for pre-teens and teens regarding the effects of driving while intoxicated, including the Operation Intervention Mobile Exhibit. In conjunction with this exhibit, educational materials, handouts, and take-away items are purchased as stocks are depleted.

In FY 2010-11, funds were used by the Municipal Court to improve the quality and security of service offered to juveniles by the court administrators and the City Attorney. The project provided a private and secure area for court personnel to meet with juveniles. The Fire Department also accessed these funds for materials used to educate school children about fire safety.

For FY 2012-13, the City will continue to use this funding source to pay the costs associated with school crossing guards. In addition, the funds appropriated in operations and capital expenditure allocations will be used to continue to enhance programs targeting school age children. This could include supplies and equipment for these types of programs.

Authorized Positions

	FY 2010-11 Actual	FY 2011-12 Estimate	FY 2012-13 Budget
School Crossing Guard (Seasonal)	<u>12</u>	<u>13</u>	<u>14</u>
<i>Total Authorized Positions</i>	<i>12</i>	<i>13</i>	<i>14</i>

City of New Braunfels
Court Security Fund
Fiscal Year Ending September 30, 2013

Fund: 227

Available Funds	FY 2010-11 Actual	FY 2011-12 Estimate	FY 2012-13 Budget
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Beginning Balance

Undesignated Funds	\$ 13,163	\$ 11,219	\$ 49
Total Beginning Balance	\$ 13,163	\$ 11,219	\$ 49

Revenue

Fines and Forfeitures	\$ 29,243	\$ 19,000	\$ 24,663
Total Revenue	\$ 29,243	\$ 19,000	\$ 24,663

TOTAL AVAILABLE FUNDS	\$ 42,406	\$ 30,219	\$ 24,712
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APPROPRIATIONS

Employee Expenses	\$ 31,187	\$ 30,170	\$ 21,064
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TOTAL OPERATING APPROPRIATIONS	\$ 31,187	\$ 30,170	\$ 21,064
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Ending Fund Balance	\$ 11,219	\$ 49	\$ 3,649
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TOTAL APPROPRIATIONS	\$ 42,406	\$ 30,219	\$ 24,712
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COURT SECURITY FUND

Fund: 227

Mission:

To provide courteous, professional and efficient court services to the public.

Program Description:

Municipal Court represents the judicial branch of the City's government and has jurisdiction over all Class C misdemeanors and City ordinances. The judge presides over all trials (jury and non-jury) and other court proceedings such as arraignments and show cause hearings. The Municipal Court staff serves as the clerks of the court, managing all records as well as providing service to the public. The Municipal Court function is funded mainly from the General Fund. However, several other funds have been established by the State legislature to support various specific court activities and requirements.

The Court Security Fund was established for the City of New Braunfels in August 2004. The City collects \$3.00 from all defendants convicted of a misdemeanor offense in the Municipal Court. Proceeds from this fee can be used for such things as funding security personnel for courts and/or items that enhance security services for buildings housing a court. This can include (but is not limited to) such things as x-ray machines, handheld and walk through metal detectors, identification card systems, electronic locks, surveillance equipment and other security measures such as bullet proof glass and security alarms. Continuing education on security issues for court and security personnel can also be funded here.

Appropriations:

	<u>FY 2010-11</u> <u>Actual</u>	<u>FY 2011-12</u> <u>Estimate</u>	<u>FY 2012-13</u> <u>Budget</u>
Employee Expenses	\$31,187	\$30,170	\$21,064
<i>Total Appropriations</i>	<i>\$31,187</i>	<i>\$30,170</i>	<i>\$21,064</i>

Program Justification and Fiscal Analysis

The Court Security Fund pays for a portion of the salary for the Municipal Court's Warrant Officer position. This position has multiple responsibilities, including acting as bailiff for the court and, therefore, providing security for the Municipal Court judge and other Court personnel. Thus, it is appropriate for these funds to be used for this expenditure.

The FY 2012-13 Budget represents a decrease in allocations in comparison to the FY 2011-12 estimate as there are expected to be lower revenues; therefore, there are not enough funds to maintain the current portion of the Warrant Officer position's costs. The budget funds about 35 percent of the total cost of this position, a reduction from the 68 percent allocation in FY 2011-12.

City of New Braunfels
 Court Technology Fund
 Fiscal Year Ending September 30, 2013

Fund: 229

Available Funds	FY 2010-11 Actual	FY 2011-12 Estimate	FY 2012-13 Budget
Beginning Balance			
Undesignated Funds	\$ 21,482	\$ 26,808	\$ 11,508
Total Beginning Balance	\$ 21,482	\$ 26,808	\$ 11,508
Revenue			
Fines and Forfeitures	\$ 39,112	\$ 25,700	\$ 33,304
Total Revenue	\$ 39,112	\$ 25,700	\$ 33,304
TOTAL AVAILABLE FUNDS	\$ 60,594	\$ 52,508	\$ 44,812
APPROPRIATIONS			
Operation Expenses	\$ 33,786	\$ 41,000	\$ 38,000
TOTAL OPERATING APPROPRIATIONS	\$ 33,786	\$ 41,000	\$ 38,000
Ending Fund Balance	\$ 26,808	\$ 11,508	\$ 6,812
TOTAL APPROPRIATIONS	\$ 60,594	\$ 52,508	\$ 44,812

COURT TECHNOLOGY FUND

Fund: 229

Mission:

To provide courteous, professional and efficient court services to the public.

Program Description:

Municipal Court represents the judicial branch of the City's government and has jurisdiction over all Class C misdemeanors and City ordinances. The judge presides over all trials (jury and non-jury) and other court proceedings such as arraignments and show cause hearings. The Municipal Court staff serves as the clerks of the court, managing all records as well as providing service to the public. The Municipal Court function is funded mainly from the General Fund. However, several other funds have been established by the State legislature to support various specific court activities and requirements.

The Court Technology Fund is required by statute to be used to fund technological enhancements for a municipal court. This can include computer hardware and software, imaging systems, docket management systems and electronic ticket writers. The City of New Braunfels established this fund in December 1999. The City collects \$4.00 from all defendants convicted of a misdemeanor offense in the Municipal Court. The City currently uses the funds to purchase and support the municipal court's court management software and other needed technology

Appropriations:

	FY 2010-11 <u>Actual</u>	FY 2011-12 <u>Estimate</u>	FY 2012-13 <u>Budget</u>
Operation Expenses	\$33,786	\$41,000	\$38,000
<i>Total Appropriations</i>	<i>\$33,786</i>	<i>\$41,000</i>	<i>\$38,000</i>

Program Justification and Fiscal Analysis

The Court Technology Fund pays for voice and data management hardware and software as well as other technology requirements that help to continue to improve the efficiency and effectiveness of the Municipal Court's operation. In FY 2010-11, funds were used to purchase several electronic ticket writers for the Fire Department's fire prevention/inspection personnel; these ticket writers work in conjunction with the court's management software. In FY 2011-12 and continuing into FY 2012-13 appropriations primarily support software and license agreements including online credit card payment acceptance, telephone notification and scheduling which were added in FY 2010-11 to improve the efficiency of the court's administrative functions.

City of New Braunfels
Judicial Efficiency Fund
Fiscal Year Ending September 30, 2013

Fund: 228

Available Funds	FY 2010-11 Actual	FY 2011-12 Estimate	FY 2012-13 Budget
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Beginning Balance

Undesignated Funds	\$ 7,194	\$ 6,609	\$ 10,009
Total Beginning Balance	\$ 7,194	\$ 6,609	\$ 10,009

Revenue

Fines and Forfeitures	\$ 4,863	\$ 3,900	\$ 5,051
Total Revenue	\$ 4,863	\$ 3,900	\$ 5,051

TOTAL AVAILABLE FUNDS	\$ 12,057	\$ 10,509	\$ 15,059
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APPROPRIATIONS

Operations Expenses	\$ 5,449	\$ 500	\$ 12,000
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TOTAL OPERATING APPROPRIATIONS	\$ 5,449	\$ 500	\$ 12,000
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Ending Fund Balance	\$ 6,609	\$ 10,009	\$ 3,059
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TOTAL APPROPRIATIONS	\$ 12,057	\$ 10,509	\$ 15,059
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JUDICIAL EFFICIENCY FUND

Fund: 228

Mission:

To provide courteous, professional and efficient court services to the public.

Program Description:

Municipal Court represents the judicial branch of the City's government and has jurisdiction over all Class C misdemeanors and City ordinances. The judge presides over all trials (jury and non-jury) and other court proceedings such as arraignments and show cause hearings. The Municipal Court staff serves as the clerks of the court, managing all records as well as providing service to the public. The Municipal Court function is funded mainly from the General Fund. However, several other funds have been established by the State legislature to support various specific court activities and requirements.

The Judicial Efficiency Fund receives its revenue from a \$25 fee paid by individuals who pay any portion of their fines and costs thirty-one days after a judgment has been rendered. One-half of the fee (\$12.50) is remitted to the State; \$10 is deposited to the City's General Fund and can be used for any purpose; and \$2.50 is required to be used by the City to increase judicial efficiency. State law does not define judicial efficiency and allows each City to make that determination. The City of New Braunfels has used the fund for such things as temporary employees to meet peak workload demands during the summer season and software to help improve the court's operational efficiency.

Appropriations:

	FY 2010-11 <u>Actual</u>	FY 2011-12 <u>Estimate</u>	FY 2012-13 <u>Budget</u>
Operation Expenses	\$5,449	\$500	\$12,000
<i>Total Appropriations</i>	<i>\$5,449</i>	<i>\$500</i>	<i>\$12,000</i>

Program Justification and Analysis:

The FY 2012-13 Budget appropriations provides \$12,000 for efficiency improvements at Municipal Court.

City of New Braunfels
 Juvenile Case Manager Fund
 Fiscal Year Ending September 30, 2013

Fund: 240

Available Funds	FY 2010-11 Actual	FY 2011-12 Estimate	FY 2012-13 Budget
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Beginning Balance

Undesignated Funds	\$ 164,472	\$ 172,337	\$ 160,177
Total Beginning Balance	\$ 164,472	\$ 172,337	\$ 160,177

Revenue

Fines and Forfeitures	\$ 48,726	\$ 32,000	\$ 41,472
Interest Income	\$ 160	\$ -	\$ -
Total Revenue	\$ 48,886	\$ 32,000	\$ 41,472

TOTAL AVAILABLE FUNDS	\$ 213,358	\$ 204,337	\$ 201,649
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APPROPRIATIONS

Employee Expenses	\$ 40,629	\$ 44,160	\$ 49,571
Operating Expenses	392	-	5,000
TOTAL OPERATING APPROPRIATION	\$ 41,021	\$ 44,160	\$ 54,571
Ending Fund Balance	\$ 172,337	\$ 160,177	\$ 147,078
TOTAL APPROPRIATIONS	\$ 213,358	\$ 204,337	\$ 201,649

JUVENILE CASE MANAGER FUND

Fund: 240

Mission:

To provide courteous, professional and efficient court services to the public.

Program Description:

Municipal Court represents the judicial branch of the City's government and has jurisdiction over all Class C misdemeanors and City ordinances. The judge presides over all trials (jury and non-jury) and other court proceedings such as arraignments and show cause hearings. The Municipal Court staff serves as the clerks of the court, managing all records as well as providing service to the public. The Municipal Court function is funded mainly from the General Fund. However, several other funds have been established by the State legislature to support various specific court activities and requirements.

The Juvenile Case Manager Fund must be used to fund the salary and benefits of a juvenile case manager employed under specific statutory provisions. The case manager provides services in cases involving juvenile offenders before a court consistent with the court's statutory powers. The position must work primarily on cases that deal with failure to attend school and parents who contribute to nonattendance. Cities can enter into partnerships with other local entities to garner these services from an individual. Prior to FY 2009-10, the City contracted with Comal County through an interlocal agreement to engage an individual to work with both entities under the guidelines established by the legislation. During FY 2009-10, the City brought the provision of juvenile case management services in-house; the case load warranted this change in approach.

The City established this fund in December 2005, and collects \$5.00 from all defendants convicted of a misdemeanor offense in the municipal court.

Appropriations:

	FY 2010-11 <u>Actual</u>	FY 2011-12 <u>Estimate</u>	FY 2012-13 <u>Budget</u>
Employee Expenses	\$40,629	\$44,160	\$49,571
Operation Expenses	392	0	5,000
<i>Total Appropriations</i>	<i>\$41,021</i>	<i>\$44,160</i>	<i>\$54,571</i>

Program Justification and Analysis:

As stated, during FY 2009-10, the City began providing juvenile case management services in-house through a staff position. Prior to that time, the City had a contract with Comal County for this function. The FY 2012-13 Budget continues to appropriate the cost of the salary and benefits of the Juvenile Case Manager as well as funds for training the employee in this position.

EFFECTIVE MANAGEMENT

City of New Braunfels
Cable Franchise (PEG) Fund
Fiscal Year Ending September 30, 2013

Fund: 245

Available Funds	FY 2010-11 Actual	FY 2011-12 Estimate	FY 2012-13 Budget
Beginning Balance			
Undesignated Funds	\$ -	\$ -	\$ 388,890
Total Beginning Balance	\$ -	\$ -	\$ 388,890
Revenue			
Franchise Payments - Time Warner	\$ -	\$ 146,750	\$ 154,000
Interfund Transfer	-	242,140	-
Total Revenue	\$ -	\$ 388,890	\$ 154,000
TOTAL AVAILABLE FUNDS	\$ -	\$ 388,890	\$ 542,890
APPROPRIATIONS			
Operating Expenses	\$ -	\$ -	\$ 75,000
Capital Expenses	-	-	350,000
TOTAL OPERATING APPROPRIATIONS	\$ -	\$ -	\$ 425,000
Ending Fund Balance	\$ -	\$ 388,890	\$ 117,890
TOTAL APPROPRIATIONS	\$ -	\$ 388,890	\$ 542,890

CABLE FRANCHISE (PEG) FUND

Fund: 260

The Cable Franchise PEG Fund is to account for the one percent payment that the City receives in franchise payments from cable service providers specifically for the purchase of equipment to support the City's cable television broadcast capabilities and services. New legislation passed in 2011 by the Texas legislature requires cities to manage these funds in a separate account. These funds can only be utilized to purchase video and broadcast equipment. The City began receiving payment in January of 2010 and these funds were initially accounted for in the General Fund revenues and expenditures. Beginning in FY 2011-12, the City established this new fund to separately account for and report activities related to this revenue. The Information Services staff in the Support Services Department manages this fund and activity.

Appropriations:

	FY 2010-11	FY 2011-12	FY 2012-13
	<u>Actual</u>	<u>Estimate</u>	<u>Budget</u>
Operation Expenses	\$0	\$0	\$75,000
Capital Expenses	0	0	350,000
<i>Total Appropriations</i>	<i>\$0</i>	<i>\$0</i>	<i>\$425,000</i>

Program Justification and Analysis:

As stated, this fund was created in FY 2011-12 as a result of legislation passed that requires the City to recognize the franchise payments from cable service providers in a separate fund. These funds are earmarked for video and broadcasting equipment. In FY 2012-13, the City plans to make significant enhancements in broadcasting capabilities in the City Council Chambers. In addition, operating funds are budgeted to improve remote broadcast capabilities.

City of New Braunfels
Equipment Replacement Fund
Fiscal Year Ending September 30, 2013

Fund: 260

Available Funds	FY 2010-11 Actual	FY 2011-12 Estimate	FY 2012-13 Budget
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Beginning Balance

Undesignated Funds	\$ 5,929,993	\$ 8,436,110	\$ 6,993,001
Total Beginning Balance	\$ 5,929,993	\$ 8,436,110	\$ 6,993,001

Revenue

Interfund Transfers	\$ 3,208,900	\$ 1,926,788	\$ 931,935
Miscellaneous	112,257	10,000	4,684
Interest Income	22,809	20,000	9,858
Total Revenue	\$ 3,343,967	\$ 1,956,788	\$ 946,477

TOTAL AVAILABLE FUNDS \$ **9,273,960** \$ **10,392,897** \$ **7,939,478**

APPROPRIATIONS

Computer Replacements	\$ 112,151	\$ 524,117	\$ 400,000
Capital Expenditures - Vehicles			
Planning and Community Development		\$ 24,377	\$ -
Police	531,699	524,117	154,000
Fire	194,000	182,119	71,052
Municipal Court			
Public Works		32,500	209,000
Parks	-	18,526	27,000
Airport	-	56,071	
Golf	-		
Sanitation	-	2,038,070	
Interfund Transfer	-		2,579,149

TOTAL OPERATING APPROPRIATIONS \$ **837,850** \$ **3,399,897** \$ **3,440,201**

Ending Fund Balance \$ **8,436,110** \$ **6,993,001** \$ **4,499,277**

TOTAL APPROPRIATIONS \$ **9,273,960** \$ **10,392,897** \$ **7,939,478**

EQUIPMENT REPLACEMENT FUND

Fund: 260

This fund is used to account for the replacement of City-owned vehicles and computer equipment and other major equipment purchases for all funds except the City's enterprise funds. Currently, the vehicle program encompasses all light vehicles (1½ tons or less). Beginning in FY 2012-13, all heavy equipment and vehicles, including refuse collection trucks that are assigned to an enterprise fund will be accounted for in the Enterprise Maintenance and Equipment Fund. This split is important to ensure accurate accounting of available resources. Enterprise funds revenues can only be used to support the purposes for which the revenue is generated. In future years, all heavy equipment and vehicles (such as dump trucks, ambulances and fire trucks) will be included.

This fund was created by City Council action in FY 2005-06 with initial funding provided in the amount of \$1.5 million. Each year, funds are added based on set standards for vehicle useful life. The Council set an initial standard of 85,000 miles or six years (whichever occurs first) for all vehicles. This formula was established with the original program with the intent of re-evaluating the criteria once sufficient data was available. In FY 2011-12, the criteria for replacement changed to 85,000 miles or 8 years. This change was based on the positive experience the City has had with the newer fleet, actual mileage accumulations and the recommendations of the City's Fleet Manager because of the improved maintenance program implemented for the City's fleet.

Department contributions to this fund are, therefore, now determined by allocating one-eighth of the expected replacement cost less trade-in value (so that funding is available in the year the vehicle turns "eight").

This fiscal year, a change in the replacement schedule for computer equipment is recommended to change from three years to four years. This is a result of positive experience with the current equipment in place. The Fire Department's self contained breathing apparatus (SCBA) are also now part of the replacement program with an expected replacement in 2016.

The Support Services Department manages this fund and purchases of vehicles and equipment for the various departments.

Appropriations:

	FY 2010-11 <u>Actual</u>	FY 2011-12 <u>Estimate</u>	FY 2012-13 <u>Budget</u>
Operation Expenses	\$112,151	\$524,117	\$400,000
Capital Expenses	725,699	2,875,780	461,052
Interfund Transfers	0	0	2,579,149
<i>Total Appropriations</i>	<i>\$837,850</i>	<i>\$3,399,897</i>	<i>\$3,440,201</i>

Program Justification and Analysis:

As stated, this fund was created by City Council action in FY 2005-06 with initial funding provided in the amount of \$1.5 million. Each fiscal year, revenue into this fund also comes from contributions by each department including the River Activities Fund, which utilizes City vehicles. In addition, proceeds from the sale of vehicles that have been replaced goes into this fund. Funding for future computer equipment replacements also comes into this fund. Beginning in FY 2010-11, Fire Department self contained breathing apparatus (SCBA) replacements are funded in the Equipment Replacement Fund.

In FY 2011-12, three pieces of equipment that were not included in the replacement program were purchased in this fund – a flat-wheel roller and motor grader for the Public Works Department and a tractor/shredder for the Airport. The Public Works equipment purchase eliminated the need to rent equipment to perform certain functions. The additional tractor/shredder for the Airport created a savings in contracted services as well as staff could increase their ability to maintain the grounds of the airport. All other purchases in FY 2010-11 and FY 2011-12, were planned vehicle and computer purchases in accordance with their respective replacement schedules.

In FY 2012-13, contributions into this fund total \$931,935 with contributions of \$190,494 for computer replacements, \$136,208 for SCBA replacements and the remaining \$605,233 from various departments, including \$466,754 from the Police Department and \$40,713 from the Fire Department.

For FY 2012-13, the Equipment Replacement Fund includes \$400,000 to replace computer and other technology equipment that is at the end of its useful life. In addition, \$154,000 is budgeted to purchase four police vehicles for the Police Department. \$71,052 is budgeted to replace two light vehicles in the Fire Department and the purchase a vehicle that will be assigned to the Emergency Management Coordinator. These vehicles were anticipated to be replaced through this fund and have had contributions made for this purpose in prior years.

As a budget balancing strategy, some funds in the equipment replacement fund are being used to purchase equipment that is not currently part of the equipment replacement program. This means that funds have not been contributed in the past for these equipment purchases. \$27,000 is budgeted to purchase two replacement zero turn radius mowers assigned to the Parks Department. The purchase of the vehicle for the Emergency Management Coordinator is also a budget balancing strategy.

\$2,579,149 is appropriated in the FY 2012-13 Budget in interfund transfers to create the Enterprise Maintenance and Equipment Replacement Fund. As stated earlier, beginning in FY 2012-13, all light vehicles assigned to enterprise funds and the heavy equipment in Solid Waste will be accounted for in a separate fund. To accomplish this, funds that have been contributed by the enterprise funds in past years into the Equipment Replacement Fund need to be moved to the new Enterprise Maintenance and Equipment Replacement Fund.

Policy Considerations:

In FY 2011-12 and as proposed for FY 2012-13, the City will purchase a total of \$359,000 in equipment from the Equipment Replacement Fund that was not included in the fund's replacement schedules and contributions. To be able to purchase all the equipment that is included in the fund for replacement, these funds will need to be contributed back into the fund in future years. This is important as the City will have a very large portion of the fleet to replace in FY 2015-16. This occurs in the eighth year after the program's inception. The City purchased almost 100 vehicles in the first year of the program.

City of New Braunfels

Fund: 262

Enterprise Maintenance and Equipment Replacement Fund

Fiscal Year Ending September 30, 2012

Available Funds	FY 2010-11 Actual	FY 2011-12 Estimate	FY 2012-13 Budget
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Beginning Balance

Undesignated Funds		\$ -	\$ -
Total Beginning Balance	\$ -	\$ -	\$ -

Revenue

Interfund Transfers - Equipment Replacement Fund			\$ 3,564,653
Interfund Transfers - Civic Center			191,000
Miscellaneous			20,000
Interest Income			10,000
Total Revenue	\$ -	\$ -	\$ 3,785,653

TOTAL AVAILABLE FUNDS	\$ -	\$ -	\$ 3,785,653
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APPROPRIATIONS

Civic Center - Operating Expenditures			\$ 45,000
Capital Expenditures - Vehicles and Equipment			
Airport	-		14,000
Civic Center			146,000
Sanitation	-		1,473,146

TOTAL OPERATING APPROPRIATIONS	\$ -	\$ -	\$ 1,678,146
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Ending Fund Balance	\$ -	\$ -	\$ 2,107,507
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TOTAL APPROPRIATIONS	\$ -	\$ -	\$ 3,785,653
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Enterprise Maintenance and Equipment Replacement Fund

Fund: 262

This fund is used to account for the replacement of all light vehicles that are assigned to the enterprise funds and for heavy equipment assigned to the Solid Waste division. The enterprise funds include the Airport, Golf, Civic/Convention Center and Solid Waste. In addition, facility improvements and repair funding for the Civic Center is a component of this fund. This fund is established for the first time in FY 2012-13. Prior to this year, the enterprise funds and all other funds were combined in a single equipment replacement fund. Because enterprise funds are accounted for as business enterprises, including depreciation of assets, and because their funds can only be used for the activity's purpose, it is appropriate to segregate these funds.

As with the rest of the light vehicle fleet, the criteria for enterprise funds' vehicle replacements will be 85,000 miles or 8 years. Again, this change is based on the positive experience the City has had with the newer fleet, actual mileage accumulations and the recommendations of the City's Fleet Manager because of the improved maintenance program implemented for the City's fleet. The majority of the heavy equipment in Solid Waste is replaced on a 7 year, 100,000 mile schedule.

This new fund also provides funding that is earmarked for improvements and enhancements to the Civic Center. These funds were transferred to this fund from the Civic/Convention Center operating budget to allow for a more efficient process in accounting for the funds. The original funds come from available reserves accumulated in the Convention and Tourism Fund.

The Support Services Department manages this fund and purchases of vehicles and equipment for the various departments.

Appropriations:

	<u>FY 2010-11</u>	<u>FY 2011-12</u>	<u>FY 2012-13</u>
	<u>Actual</u>	<u>Estimate</u>	<u>Budget</u>
Operation Expenses – Civic Center	\$0	\$0	\$45,000
Capital Expenses			
Equipment Replacement	0	0	1,487,146
Civic Center	0	0	146,000
<i>Total Appropriations</i>	<i>\$0</i>	<i>\$0</i>	<i>\$1,678,146</i>

Program Justification and Analysis:

As stated, light vehicles and Solid Waste heavy equipment were accounted for in the Equipment Replacement Fund prior to FY 2012-13. To account separately for the funds which are reserved for enterprise fund assets (vehicles and heavy equipment), the Enterprise Maintenance and Equipment Replacement Fund is created in FY 2012-13.

In FY 2012-13, \$45,000 is budgeted in operating expenditures for the Civic Center to address facility needs that arise throughout the fiscal year. A portion of these funds (\$13,000) will be

utilized to upgrade the software package that supports the HVAC system of the Civic Center. \$146,000 in capital expenditures is budgeted for the Civic Center. These funds will be utilized to make improvements or major repairs to the Civic Center. The original source of funding was available reserves in the Convention and Tourism Fund. \$191,000 remains of the original \$650,000.

A total of \$14,000 in capital expenditures for the Airport is budgeted to purchase one piece of equipment, a grass cutter attachment for a tractor which will provide the opportunity to increase the efficiency of adequately maintaining the Airport property. The grass cutter attachment will result in a cost savings as contractors will not be needed as often.

A total of \$1,473,146 is budgeted to replace seven pieces of heavy equipment in Solid Waste. These vehicles have all reached either their mileage or useful life threshold and are eligible for replacement. This cost reflects the purchase of regular engine vehicles for Solid Waste. However, staff is currently evaluating alternative, highly fuel and maintenance efficient vehicles for refuse collection. These vehicles have a much greater initial investment; however, the fuel and maintenance costs over the life of the vehicle are anticipated to save more than this cost. The FY 2012-13 Budget for the Solid Waste Fund includes \$360,000 for vehicle purchases. These funds are set aside so that, should the more efficient vehicle prove to provide savings and operating efficiency, these funds could be used to purchase the alternative vehicles.

City of New Braunfels
Facilities Maintenance Fund
Fiscal Year Ending September 30, 2013

Fund: 261

Available Funds	FY 2010-11 Actual	FY 2011-12 Estimate	FY 2012-13 Budget
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Beginning Balance

Undesignated Funds	\$ 710,212	\$ 882,042	\$ 693,292
Total Beginning Balance	\$ 710,212	\$ 882,042	\$ 693,292

Revenue

Interfund Transfers	\$ 300,000	\$ -	\$ -
Interest Income	714	750	1,000
Miscellaneous	109,804	-	-
Total Revenue	\$ 410,518	\$ 750	\$ 1,000

TOTAL AVAILABLE FUNDS \$ **1,120,730** \$ **882,792** \$ **694,292**

APPROPRIATIONS

Employee Expenses	\$ -	\$ 67,750	\$ 79,287
Parks	151,149	49,000	100,650
Public Safety	4,617	-	61,855
Public Works	82,922	70,250	80,800
Library	-	2,500	-
Interfund Transfer	-	-	183,000

TOTAL OPERATING APPROPRIATIONS \$ **238,688** \$ **189,500** \$ **505,592**

Ending Fund Balance \$ **882,042** \$ **693,292** \$ **188,700**

TOTAL APPROPRIATIONS \$ **1,120,730** \$ **882,792** \$ **694,292**

FACILITIES MAINTENANCE FUND

Fund: 261

The Facilities Maintenance Fund provides for repair and maintenance of the City's aged infrastructure. Funds are utilized to address major structural and system (electrical, heating, cooling, plumbing, etc.) repairs, and maintenance to City owned facilities. Additionally, this fund accommodates parks repair and maintenance in the event of flood, other natural disasters or extraordinary occurrences that require corrective action to ensure the parks can continue to be enjoyed by citizens and visitors alike, keeping them safe and accessible. This proactive funding approach permits the City to complete maintenance and repairs in a timely fashion, thus avoiding both potential additional damage from delays and the need to redirect funds from other priorities if and when problems occur. On June 9, 2010, the City experienced a major storm event; causing flooding of neighborhoods as well as many City parks facilities. This fund was used to pay for the repairs in damaged City parks. The Facilities Manager in the Public Works Department manages this fund and activity.

Appropriations:

	FY 2010-11	FY 2011-12	FY 2012-13
	<u>Actual</u>	<u>Estimate</u>	<u>Budget</u>
Employee Expenses	\$0	\$67,750	\$79,287
Operation Expenses	120,747	32,750	145,305
Capital Expenses	117,941	89,000	98,000
Interfund Transfer	0	0	183,000
<i>Total Appropriations</i>	\$238,688	\$189,500	\$505,592

Program Justification and Analysis

In June 2010, a major storm event caused significant flooding in the community and in many City parks. Significant expenditures occurred in FY 2009-10 and in FY 2010-11, reflecting the costs of clean up and parks repairs as a result of that event. This expenditure of Facilities Maintenance Funds allowed the City to react quickly and effectively to restore the community – both neighborhoods and river activities that generate tourism dollars to the City. However, it did significantly deplete this fund's reserves. Therefore, in FY 2010-11, the City's General Fund contributed \$300,000 to rebuild this fund's available fund balance.

In FY 2010-11, the City began funding the Facilities Maintenance Manager position in this fund. However, the position remained vacant in FY 2010-11. In FY 2011-12, this position was again fully funded in the Facilities Maintenance Fund. This same level of funding for this position continues in FY 2012-13. In addition, funds are provided for general maintenance and repair that may arise and may be used to complete the following projects that have been identified.

- City Hall
 - Repairs to the roof
 - Parking lot overlay and striping as well as some additional repairs to the entry area to maintain ADA compliance
 - Construction of ramp and rails for the rear entry of the building to maintain ADA compliance

- Life Check Building at Landa Plaza
 - Minor renovations to office space
- Police Department
 - Fire alarm panel and component upgrades
- Parks
 - Installation of backflow preventers at various parks
- Landa Park Aquatic Center
 - Plumbing upgrades and repairs
- Landa Recreation Center
 - Renovations to restroom to address ADA issues
- Fire Station #5
 - Generator replacement and electrical upgrades
- Fire Station #3
 - Structural and electrical repairs to address life/safety issues

In addition to the projects described above, the FY 2012-13 Budget moves the funds set aside for Prince Solms Park Improvements (generated from parking revenue) to a capital improvement fund. This facilitates accounting for these funds more efficiently. A project is specifically set up for use of these funds.

Policy Consideration

The FY 2012-13 Budget significantly reduces the available funds in the Facilities Maintenance Fund. In future years, the City will need to look to provide additional funding into this fund to rebuild reserves for future needs and unexpected occurrences.

Authorized Positions

	FY 2010-11 Actual	FY 2011-12 Estimate	FY 2012-13 Budget
Facilities Manager	<u>1</u>	<u>1</u>	<u>1</u>
<i>Total Authorized Positions</i>	<i>1</i>	<i>1</i>	<i>1</i>

City of New Braunfels
Grant Fund
Fiscal Year Ending September 30, 2013

Fund: 220

Available Funds	FY 2010-11 Actual	FY 2011-12 Estimate	FY 2012-13 Budget
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Beginning Balance

Undesignated Funds	\$ (90,627)	\$ 814,467	\$ -
Total Beginning Balance	\$ (90,627)	\$ 814,467	\$ -

Revenue

Intergovernmental Revenue	\$ 2,159,357	\$ 583,920	\$ 1,689,108
Miscellaneous	10,000	16,632	10,304
Total Revenue	\$ 2,169,357	\$ 600,552	\$ 1,699,412

TOTAL AVAILABLE FUNDS \$ **2,078,730** \$ **1,415,019** \$ **1,699,412**

APPROPRIATIONS

General Government	\$ 300,843	\$ 205,194	\$ 500,000
Planning and Community Development	135,783	240,500	-
Public Safety	666,508	145,772	483,730
Public Works	68,831	1,295	705,378
Parks and Recreation	73,117	5,135	-
Library	19,181	15,096	10,304

TOTAL OPERATING APPROPRIATIONS \$ **1,264,263** \$ **612,993** \$ **1,699,412**

Ending Fund Balance \$ **814,467** \$ - \$ -

TOTAL APPROPRIATIONS \$ **2,078,730** \$ **612,993** \$ **1,699,412**

GRANT FUND

Fund: 220

Program Description:

The City of New Braunfels continually looks for opportunities to utilize grant funding for needed programs and projects to better serve the citizens. The City has received funding through the Office of Justice Programs for Police Department programs for Police Department programs, State Homeland Security Funds through the Alamo Area Council of Governments and Comal County's Emergency Management Coordinator for police and fire department equipment, the Texas Infrastructure Fund for technology upgrade projects and Lone Star grants for improvements to library services, the State of Texas Housing Trust Fund, the National Parks Service for the courthouse restoration project, Texas Parks and Wildlife grants for park related projects and some grants for recycling services. The budget also includes grants for \$480,000, \$691,500 and \$700,000 from FEMA to mitigate flooding problems by removing homes from the floodway.

All grant revenue and expenditures are accounted for in this Grant Fund. Each grant will be accounted for separately to ensure compliance with State and Federal grant-related requirements and reporting.

In FY 2006-07, the City authorized and funded an Intergovernmental Services Manager position that had responsibility for identifying grant opportunities, facilitating the application process and tracking grants and grant reporting for City grant awards. During FY 2010-11, it was recognized that the grant coordination function required full time support. Therefore, the Intergovernmental Services Manager position was eliminated and a Grants Coordinator position was created. (A Public Information Officer position was also created at that time to provide increased attention to this important effort.) The Grants Coordinator continues to work to increase the City's efforts to identify grant opportunities that further the City's goals and objectives as well as to improve the City's opportunities for grant awards. As shown in the appropriations below, the efforts of staff over the last several years have significantly increased the City's grant funding for important functions and projects.

The Grants Coordinator in the Support Services Department manages this fund and the grant process.

Appropriations:

	FY 2010-11 <u>Actual</u>	FY 2011-12 <u>Estimate</u>	FY 2012-13 <u>Budget</u>
General Government	\$300,843	\$205,194	\$500,000
Planning and Community Development	135,783	240,500	0
Public Safety	666,508	145,772	483,730
Public Works	68,831	1,295	705,378
Parks and Recreation	73,117	5,135	0
Library	19,181	15,096	10,304
<i>Total Appropriations</i>	<i>\$1,264,263</i>	<i>\$612,993</i>	<i>\$1,699,412</i>

Program Justification and Analysis:

In FY 2012-13, the Grant Fund will continue to be used for expenditures funded through awarded grants from local, state and federal agencies on a project-by-project basis. The FY 2012-13 Budget shows an increase for the budget year in comparison to the FY 2011-12 estimates. This is mainly driven by a recently awarded FEMA grant that will be utilized to acquire existing properties in the floodplain.

City of New Braunfels
Special Revenue Fund
Fiscal Year Ending September 30, 2013

Fund: 221

Available Funds	FY 2010-11 Actual	FY 2011-12 Estimate	FY 2012-13 Budget
Beginning Balance			
Undesignated Funds	\$ 76,532	\$ 103,052	\$ 128,702
Total Beginning Balance	\$ 76,532	\$ 103,052	\$ 128,702
Revenue			
Donations and Contributions	\$ 150,624	\$ 150,650	\$ 125,000
Miscellaneous	-	30,000	-
Total Revenue	\$ 150,624	\$ 180,650	\$ 125,000
TOTAL AVAILABLE FUNDS	\$ 227,156	\$ 283,702	\$ 253,702
APPROPRIATIONS			
Public Safety	\$ 48,917	\$ 100,000	\$ 108,500
General Government	3,805		
Parks and Recreation	18,321	5,000	20,000
Library	44,334	50,000	80,000
Airport	8,727		
TOTAL OPERATING APPROPRIATIONS	\$ 124,104	\$ 155,000	\$ 208,500
Ending Fund Balance	\$ 103,052	\$ 128,702	\$ 45,202
TOTAL APPROPRIATIONS	\$ 227,156	\$ 283,702	\$ 253,702

SPECIAL REVENUE FUND

Fund: 221

Program Description:

The Special Revenue Fund was used in the past by the City of New Braunfels to account for grants received from federal, state and local sources as well as for donations from various benefactors. Beginning in FY 2006-07, this fund has been used exclusively for donation accounting. Grants are budgeted and accounted for in the Grant Fund (explained elsewhere in this document). Donations received mainly pertain to Police, Fire, Parks and Recreation and Library activities, with the Library and Parks benefiting from donations due to the active involvement of their support organizations.

The Support Services Department manages this fund. The projects and programs funded with the revenue are managed by various departments.

Appropriations:

	FY 2010-11 <u>Actual</u>	FY 2011-12 <u>Estimate</u>	FY 2012-13 <u>Budget</u>
Operation Expenses			
Public Safety	\$48,917	\$100,000	\$108,500
General Government	3,805	0	0
Parks and Recreation	18,321	5,000	20,000
Library	44,334	50,000	80,000
Airport	8,727	0	0
<i>Total Appropriations</i>	<i>\$124,104</i>	<i>\$155,000</i>	<i>\$208,500</i>

Program Justification and Analysis:

In FY 2012-13, the Special Revenue Fund will continue to be used for expenditures funded through outside funds and on a project-by-project basis. The FY 2012-13 Budget shows an increase for the Special Revenue Fund in comparison to the FY 2011-12 estimates. This reflects the City's continued efforts to garner sponsorships and contributions as well as the expenditure of funds reimbursed to the City for various purposes.

QUALITY OF LIFE

City of New Braunfels
CDBG Fund
Fiscal Year Ending September 30, 2013

Fund: 205

	FY 2010-11 Actual	FY 2011-12 Estimate	FY 2012-13 Budget
Appropriations:			
Beginning Balance			
Undesignated Funds	\$ 6,511	\$ 813	0
Total Beginning Balance	\$ 6,511	\$ 813	0
Revenue			
Intergovernmental - Federal grant	\$ 242,944	\$ 394,256	500,711
Total Revenue	\$ 242,944	\$ 394,256	500,711
TOTAL AVAILABLE FUNDS	\$ 249,455	\$ 395,069	500,711

APPROPRIATIONS

Program Year 2008

Main Street Façade Improvement	-	7,675	-
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Program Year 2009

Habitat for Humanity	898	-	-
Minor Home Repair Program	12,442	-	33,888
Façade Improvement Program	10,000	-	-

Program Year 2010

Prescription Assistance Program	1,700	-	-
Big Brothers Big Sisters	3,750	-	-
Children's Advocacy Center	9,158	-	-
Senior Center Transportation	10,000	-	-
Senior Center Meals on Wheels	5,769	-	-
Habitat for Humanity	43,636	-	-
Minor Home Repair Program	37,919	37,919	-
Administration	31,455	-	-

Program Year 2011

Prescription Assistance Program	-	1,055	-
Big Brothers Big Sisters	2,500	1,055	-
Children's Advocacy Center	8,440	2,110	-
Senior Center My Friend Haus	-	1,055	-
Communities in Schools - Project Success	-	1,065	-
Habitat for Humanity	30,370	-	-
Senior Center Minor Home Repair Program	15,700	46,224	-
Façade Improvements	-	20,000	22,200
Children's Advocacy Center	-	1,055	-
Minor Home Repair Program	-	33,760	-
Ravenstar Outdoor Education	-	-	-
Administration	24,905	15,675	-

City of New Braunfels
CDBG Fund
Fiscal Year Ending September 30, 2013

Fund: 205

Appropriations: (continued)	FY 2010-11 Actual	FY 2011-12 Estimate	FY 2012-13 Budget
Program Year 2012			
Prescription Assistance Program	-	5,000	-
Big Brothers Big Sisters	-	5,000	-
Children's Advocacy Center	-	5,000	-
Senior Center My Friend Haus	-	5,000	-
Senior Center Meals on Wheels	-	12,568	-
Habitat for Humanity	-	14,975	-
Senior Center Minor Home Repair Program	-	40,000	42,536
Façade Improvements	-	-	30,000
Children's Advocacy Center	-	70,000	-
Minor Home Repair Program	-	12,237	-
Ravenstar Outdoor Education	-	4,750	-
Administration	-	44,391	20,000
YMCA		4,000	-
Better Days Counseling		3,500	3,000
Program Year 2013			
City of New Braunfels			80,000
Comal County Senior Citizen Foundation			149,364
CASA			25,000
San Antonio Food Bank			16,001
Estimated CDBG Admin			64,391
Big Brothers/Big Sister			7,293
YMCA			7,038
TOTAL OPERATING APPROPRIATIONS	\$ 248,642	\$ 395,069	500,711
Ending Fund Balance	\$ 813	\$ 0	0
TOTAL APPROPRIATIONS	\$ 249,455	\$ 395,069	500,711

Mission:

Identify priority areas for the City to pursue on a policy and program basis to meet the needs of the low to moderate income residents of the City of New Braunfels as set out in the most current consolidated plan and strategy.

Vision:

To help residents of the City of New Braunfels achieve an improved quality of life through the development of a better community.

Goals/Objectives:

1. Develop drainage systems that protect personal property, traffic flow and the environment.
2. Aggressively promote existing youth oriented programs, recruit new programs and assist and encourage the development of after school and weekend programs.
3. Support educational opportunities and increase training programs, including community colleges or technical schools.
4. Preserve and rehabilitate the City's existing single family and multi-family housing stock, primarily for extremely low, very low and low income families (0 to 80 percent of median income).
5. Improve living conditions for extremely low, very low and low income renters.
6. Increase opportunities for low and moderate income level home ownership, particularly for first time homebuyers.
7. Preserve, provide and improve social services for residents with special needs, particularly the elderly/frail, the physically disabled and children who are troubled or at risk of inadequate housing.
8. Expand economic opportunities in the community, particularly for lower income residents.
9. Improve the neighborhood environment and facilities used for community services and activities.
10. Support historic preservation initiatives.

Department Description:

CDBG funding is utilized for a variety of projects that benefit low and moderate income citizens of the City of New Braunfels. Funded projects have included such activities as drainage improvements, City park improvements, children's shelters, youth programs, prescription assistance programs, historic preservation, minor home repair projects and a first-time homebuyers program.

The Grants Coordinator and a contract employee in the Support Services Department manage the CDBG program and fund.

<i>Appropriations:</i>	FY 2010-11	FY 2011-12	2012-13
	<u>Actual</u>	<u>Estimate</u>	<u>Budget</u>
<i>Program Year 2008</i>			
Main Street Façade Improvement	-	7,675	-
<i>Program Year 2009</i>			
Habitat for Humanity	898	-	-
Minor Home Repair Program	12,442	-	33,888
Façade Improvement Program	10,000	-	-
<i>Program Year 2010</i>			
Prescription Assistance Program	1,700	-	-
Big Brothers Big Sisters	3,750	-	-
Children's Advocacy Center	9,158	-	-
Senior Center Transportation	10,000	-	-
Senior Center Meals on Wheels	5,769	-	-
Habitat for Humanity	43,636	-	-
Minor Home Repair Program	37,919	37,919	-
Administration	31,455	-	-
<i>Program Year 2011</i>			
Prescription Assistance Program	-	1,055	-
Big Brothers Big Sisters	2,500	1,055	-
Children's Advocacy Center	8,440	2,110	-
Senior Center My Friend Haus	-	1,055	-
Communities in Schools - Project Success	-	1,065	-
Habitat for Humanity	30,370	-	-
Senior Center Minor Home Repair Program	15,700	46,224	-
Façade Improvements	-	20,000	22,200
Children's Advocacy Center	-	1,055	-
Minor Home Repair Program	-	33,760	-
Ravenstar Outdoor Education	-	-	-

<i>Appropriations: (continued)</i>	FY 2010-11	FY 2011-12	2012-13
	<u>Actual</u>	<u>Estimate</u>	<u>Budget</u>
Program Year 2012			
Prescription Assistance Program	-	5,000	-
Big Brothers Big Sisters	-	5,000	-
Children's Advocacy Center	-	5,000	-
Senior Center My Friend Haus	-	5,000	-
Senior Center Meals on Wheels	-	12,568	-
Habitat for Humanity	-	14,975	-
Senior Center Minor Home Repair Program	-	40,000	42,536
Façade Improvements	-	-	30,000
Children's Advocacy Center	-	70,000	-
Minor Home Repair Program	-	12,237	-
Ravenstar Outdoor Education	-	4,750	-
Administration	-	44,391	20,000
YMCA		4,000	-
Better Days Counseling		3,500	3,000
Program Year 2013			
City of New Braunfels			80,000
Comal County Senior Citizen Foundation			149,364
CASA			25,000
San Antonio Food Bank			16,001
Estimated CDBG Admin			64,391
Big Brothers/Big Sister			7,293
YMCA			7,038
TOTAL OPERATING APPROPRIATIONS	\$ 248,642	\$ 395,069	\$ 500,711

Program Justification and Fiscal Analysis:

The City has received CDBG funding for the last seventeen years. In program year 2008 and 2009, the City's entitlement for CDBG totaled \$421,770 and \$346,447, respectively. For program year 2010 and 2011, the City received \$375,485 and \$310,341. Reductions in funding of the program at the federal level resulted in the lower award to the City of New Braunfels in FY 2010-11. These cutbacks also affect program year 2012 as the City received \$321,957. Minor increases to this program have been approved by the federal government for FY 2012-13 and the allotment for the FY 2012-13 Budget is projected to be \$349,087.

The City uses CDBG funding to support various programs in the community that assist low to moderate income citizens of all ages. This includes activities such as Big Brothers/Big Sisters, the San Antonio Food Bank, Comal County Senior Citizens Foundation, minor home repair programs and Communities in Schools. The FY 2012-13 Budget reflects \$151,624 still unspent from the last four years of funding as well as the expected 2013 funding of \$349,087.

City of New Braunfels
 Faust Library Fund
 Fiscal Year Ending September 30, 2013

Fund: 704

Available Funds	FY 2010-11 Actual	FY 2011-12 Estimate	FY 2012-13 Budget
Beginning Balance			
Undesignated Funds	\$ 34,441	\$ 34,441	\$ -
Total Beginning Balance	\$ 34,441	\$ 34,441	\$ -
Revenue			
Interest Income	\$ -	\$ -	\$ -
Total Revenue	\$ -	\$ -	\$ -
TOTAL AVAILABLE FUNDS	\$ 34,441	\$ 34,441	\$ -
APPROPRIATIONS			
Operation Expenses	\$ -	\$ 34,441	
TOTAL OPERATING APPROPRIATIONS	\$ -	\$ 34,441	\$ -
Ending Fund Balance	\$ 34,441	\$ -	\$ -
TOTAL APPROPRIATIONS	\$ 34,441	\$ 34,441	\$ -

WALTER FAUST LIBRARY FUND

Fund: 704

The Walter Faust Library Fund helps the New Braunfels Public Library to achieve its vision and mission by providing for the purchase of goods and services not budgeted in the General Fund.

Mission:

The mission of the New Braunfels Public Library is to provide access to informational, educational, cultural and recreational library materials and services in a variety of formats and to be responsive to the public library needs of the community.

Vision:

The New Braunfels Public Library is the primary source the community turns to for information, lifelong learning and enrichment.

Goals/Objectives:

1. *Finance:* Provide quality services to satisfy public demand in a fiscally responsible manner. Continue wise management of existing trust accounts each fiscal year.
2. *Programs and Services:* Ensure that students of all ages will have access to materials and services that will help them attain their educational and lifelong goals.
3. *Technology:* Provide access to current technology to help meet the need for information on topics related to work, school, and personal life.

Program Description:

The New Braunfels Public Library provides access to books and materials, information and reference services, programs, meeting rooms, and computers to the general public. Individuals with a valid library card may borrow books and other materials. Library staff assists patrons in all aspects of library use. In addition, staff develops and conducts adult and children's programs to foster literacy and learning in a positive, fun environment.

The Walter Faust Library Fund was established in 1997. There are no restrictions on its use. Recently, the fund has been used to support library programs and improvement projects.

Appropriations:

	FY 2010-11 <u>Actual</u>	FY 2011-12 <u>Estimate</u>	FY 2012-13 <u>Budget</u>
Operation Expenses	\$0	\$34,441	\$0
<i>Total Appropriations</i>	<i>\$0</i>	<i>\$34,441</i>	<i>\$0</i>

Program Justification and Analysis:

The Walter Faust Library Fund has no restrictions on its use; therefore, the City has used the fund to support library programs and improvement projects. In FY 2011-12, \$34,441 was used to help fund the master plan update for the library. This fund will be closed out in FY 2012-13.

City of New Braunfels
 Langland Library Fund
 Fiscal Year Ending September 30, 2013

Fund: 701

Available Funds	FY 2010-11 Actual	FY 2011-12 Estimate	FY 2012-13 Budget
Beginning Balance			
Undesignated Funds	\$ (912)	\$ -	\$ -
Total Beginning Balance	\$ (912)	\$ -	\$ -
Revenue			
Interfund Transfers	\$ 912	\$ -	\$ -
Total Revenue	\$ 912	\$ -	\$ -
TOTAL AVAILABLE FUNDS	\$ -	\$ -	\$ -
APPROPRIATIONS			
Operation Expenses	\$ -		
TOTAL OPERATING APPROPRIATIONS	\$ -	\$ -	\$ -
Ending Fund Balance	\$ -	\$ -	\$ -
TOTAL APPROPRIATIONS	\$ -	\$ -	\$ -

GRACE LANGLAND LIBRARY FUND

Fund: 701

The Grace Langland Library Fund supports the New Braunfels Public Library in achieving its vision and mission.

Mission:

The mission of the New Braunfels Public Library is to provide access to informational, educational, cultural, and recreational library materials and services in a variety of formats and to be responsive to the public library needs of the community.

Vision:

The New Braunfels Public Library is the primary source the community turns to for information, lifelong learning, and enrichment.

Goals/Objectives:

1. *Collection:* Ensure that community readers of all ages will have access to books and materials for their recreational pleasure and materials concerning topics of current community interest to satisfy their need for information and opinion.
2. *Finance:* Provide quality services to satisfy public demand in a fiscally responsible manner.
 - a. Continue wise management of existing trust accounts each fiscal year.
3. *Programs and Services:* Ensure that students of all ages will have access to materials and services that will help them attain their educational and lifelong goals.
4. *Programs and Services:* Provide access to recreational reading and programs that support general information gathering and the need for information that facilitates lifelong learning and addresses self-directed personal growth and development opportunities.
5. *Programs and Services:* Help community residents gain an appreciation of their own cultural heritage and that of others.

Program Description:

The New Braunfels Public Library provides access to books and materials, information and reference services, programs, meeting rooms and computers to the general public. Individuals with a valid library card may borrow books and other materials. Library staff assists patrons in all aspects of library use. In addition, staff develops and conducts adult and children's program to foster literacy and learning in a positive, fun environment.

The Grace Langland Library Fund was established in 1988. The bequest had no restrictions on use of the funds. The Library Advisory Board voted to use the monies for collection development and for special projects not funded by the General Fund. These projects have traditionally included the Summer Reading Program, the Head Start outreach program and the bilingual programs.

This fund was closed out in FY 2010-11 as all funds have been expended.

City of New Braunfels
Sissel Library Fund
Fiscal Year Ending September 30, 2013

Fund: 705

Available Funds	FY 2010-11 Actual	FY 2011-12 Estimate	FY 2012-13 Budget
Beginning Balance			
Undesignated Funds	\$ -	\$ -	\$ -
Total Beginning Balance	\$ -	\$ -	\$ -
Revenue			
Miscellaneous	\$ 57,256	\$ 9,375	\$ -
Total Revenue	\$ 57,256	\$ 9,375	\$ -
TOTAL AVAILABLE FUNDS	\$ 57,256	\$ 9,375	\$ -
APPROPRIATIONS			
Capital Expenses	\$ 57,256	\$ 9,375	
TOTAL OPERATING APPROPRIATIONS	\$ 57,256	\$ 9,375	\$ -
Ending Fund Balance	\$ -	\$ -	\$ -
TOTAL APPROPRIATIONS	\$ 57,256	\$ 9,375	\$ -

SISSEL LIBRARY FUND

Fund: 705

The Sissel Library Fund supports the New Braunfels Public Library in achieving its vision and mission.

Mission:

The mission of the New Braunfels Public Library is to provide access to informational, educational, cultural, and recreational library materials and services in a variety of formats and to be responsive to the public library needs of the community.

Vision:

To be the primary source the community turns to for information, lifelong learning, and enrichment.

Goals/Objectives:

1. *Collection:* Ensure that community readers of all ages will have access to books and materials for their recreational pleasure and materials concerning topics of current community interest to satisfy their need for information and opinion.
2. *Finance:* Provide quality services to satisfy public demand in a fiscally responsible manner.
 - a. Continue wise management of existing trust accounts each fiscal year.
3. *Programs and Services:* Ensure that students of all ages will have access to materials and services that will help them attain their educational and lifelong goals.
4. *Programs and Services:* Provide access to recreational reading and programs that support general information gathering and the need for information that facilitates lifelong learning and addresses self-directed personal growth and development opportunities.
5. *Programs and Services:* Help community residents gain an appreciation of their own cultural heritage and that of others.

Program Description:

The New Braunfels Public Library provides access to books and materials, information and reference services, programs, meeting rooms and computers to the general public. Individuals with a valid library card may borrow books and other materials. Library staff assists patrons in all aspects of library use. In addition, staff develops and conducts adult and children's program to foster literacy and learning in a positive, fun environment.

The Sissel Library Fund is funded by an endowment to the Library. The fund is actually managed by an outside depository bank. As the City identifies projects that are eligible for use of this fund, the Library Board must consider and approve the project before it can move forward. The endowment document stipulates that the funds can only be used for capital improvements or repair.

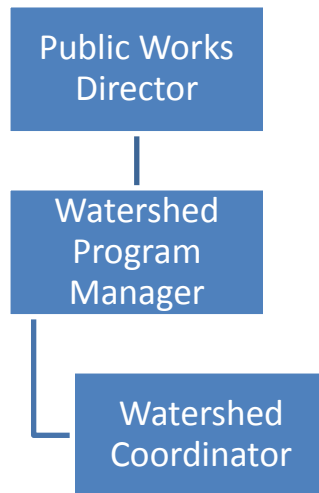
Appropriations:

	FY 2010-11 <u>Actual</u>	FY 2011-12 <u>Estimate</u>	FY 2012-13 <u>Budget</u>
Operation Expenses	\$57,256	\$9,375	\$0
<i>Total Appropriations</i>	<i>\$57,256</i>	<i>\$9,375</i>	<i>\$0</i>

Program Justification and Analysis:

In FY 2010-11, the funds were used to renovate the library's restrooms. For FY 2011-12, the funding was used to fund the lighting and electrical work associated with the children's room improvements. No projects are currently planned for FY 2012-13.

RIVER ACTIVITIES FUND



City of New Braunfels
River Fund
Fiscal Year Ending September 30, 2013

Fund: 225

Available Funds	FY 2010-11 Actual	FY 2011-12 Estimate	FY 2012-13 Budget
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Beginning Balance

Undesignated Funds	\$ 732	\$ 995	\$ 0
Total Beginning Balance	\$ 732	\$ 995	\$ 0

Revenue

Licenses and Permits	\$ 5,266	\$ 5,700	\$ 5,700
Fines and Forfeitures	188,674	180,000	150,000
Parks and Recreation	359,391	230,000	330,000
Interfund Transfer - Solid Waste Fund	-	175,000	160,000
Interfund Transfer - General Fund	381,000	400,680	356,391
Total Revenue	\$ 934,331	\$ 991,380	\$ 1,002,091

TOTAL AVAILABLE FUNDS	\$ 935,063	\$ 992,374	\$ 1,002,091
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APPROPRIATIONS

Public Safety	\$ 694,466	\$ 531,353	\$ 511,920
Parks and Recreation	239,602	461,021	475,272
Contingencies			14,899

TOTAL OPERATING APPROPRIATIONS	\$ 934,068	\$ 992,374	\$ 1,002,091
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Ending Fund Balance	\$ 995	\$ 0	\$ 0
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TOTAL APPROPRIATIONS	\$ 935,063	\$ 992,374	\$ 1,002,091
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RIVER ACTIVITIES FUND

River Activities Fund: 225

Mission:

To promote conservation of the unique aquatic natural resources of New Braunfels and to provide healthy, enjoyable and safe water recreation opportunities on the Guadalupe and Comal Rivers.

Vision:

Through environmental stewardship and balanced management of our water-oriented natural resources, comply with all applicable environmental regulations while providing an environment that fosters recreation.

Goals/Objectives:

1. Facilitate the development of the federally mandated Municipal Separate Storm Sewer System (FM MS4) Stormwater Management Plan and begin implementation
2. Participate in finalizing the Edwards Aquifer Recovery Implementation Program (EARIP) Habitat Conservation Plan (HCP) and begin planning for the local implementation
3. Continue to enhance litter prevention and collection activities on the Guadalupe and Comal Rivers
4. Continue to participate in local and regional watershed protection plans.
5. Manage and protect the springs, rivers and streams.

Program Description:

The Comal and Guadalupe Rivers represent significant assets for the City of New Braunfels, requiring protection of their natural and environmental features while offering activities to visitors. River activities staff work to maintain the sustainability of the rivers as a long-term renewable natural resource while ensuring that the citizens and tourists have a positive experience regarding river activities. Specifically, staff is responsible for environmental planning, endangered species concerns, and regional initiatives to protect the water supply. Staff is also responsible for management of the Comal and Guadalupe Rivers to help ensure a safe environment for river visitors. In FY 2007-08, the water resource management (including river activities) function moved under Public Works. Prior to that time, the main activity of this function was management of the City's recreational activities along the two rivers in the community. More recently, since 2009, recognizing the importance of the rivers as a multifaceted resource, the City has become much more active in regional water activities, resource planning and watershed protection such as: the EARIP, Region L water planning, Edwards Aquifer activities, water quality testing, stormwater planning, Geronimo/Alligator Creek watershed protection plan, and other programs. In FY 2011-12, the City of New Braunfels entered into the Edwards Aquifer Recovery Implementation Plan Funding and Management Agreement (FMA). This agreement commits five different public entities to various projects that help protect the environment dominated by the Edwards Aquifer. The staff is also responsible for managing this agreement and these projects.

The Public Works Department and the Police Department manage the river activities funds.

Appropriations:

	FY 2010-11 <u>Actual</u>	FY 2011-12 <u>Estimate</u>	FY 2012-13 <u>Budget</u>
Employee Expenses	\$869,677	\$760,579	\$783,554
Operation Expenses	64,391	231,795	203,638
Contingencies	0	0	14,899
<i>Total Appropriations</i>	<i>\$934,068</i>	<i>\$992,374</i>	<i>\$1,002,091</i>

Program Justification and Fiscal Analysis:

The River Activities Fund continues to support the cost of police officers and other personnel who work along the river in the summer tourist season as well as the litter cleanup efforts along the rivers and their banks. The FY 2012-13 Budget increases in comparison to the FY 2011-12 estimate due to higher levels of funding for personnel expenses. Six officers are funded for the entire tourism season for FY 2012-13 as well as overtime costs related to law enforcement activities.

In FY 2011-12, the number of seasonal positions in the River Activities Fund was increased in an effort provide the staff resources to educate the public and enforce the disposable container ban on the Comal River and the sections of the Guadalupe River that are within the City limits. A total of 52.5 seasonal positions were added for this initiative. This provided flexibility in hiring and staffing would be available should the need arise. In FY 2011-12, the high level of compliance and activity on the river provided the opportunity to reduce the number of river rangers needed. Based on the actual experience in the summer of 2012, a total of thirteen River Ranger seasonal positions are eliminated from in FY 2012-13. Funding is provided to adequately staff expected activity on the river in 2013. The number of positions and budget funding authorized exceeds that which was actually utilized in 2012.

The FY 2011-12 estimate for operations expenses reflects some start up costs for the additional ranger positions added in this year. FY 2012-13 fully funds all needed operational expenditures including the river litter pickup contract.

In FY 2007-08, the City initiated two new programs to enhance services along the rivers. A contractor was engaged to pick up litter along and in the river. This program relates to solid waste and recycling efforts and therefore is funded through the City's Solid Waste Fund. Prior to FY 2011-12, the Solid Waste Fund paid directly for this expense. However, to more accurately represent the full cost of river activities in the River Activities Fund, beginning in FY 2011-12, the cost was budgeted in the River Activities Fund with an interfund transfer from the Solid Waste Fund. This continues in FY 2012-13 with approximately \$140,000 budgeted these services.

Authorized Positions

	FY 2010-11 Actual	FY 2011-12 Estimate	FY 2012-13 Budget
Lead Ranger (Seasonal)	2	4	4
Ranger (Seasonal)	13	63	50
Assistant Ranger Supervisor*	0	.5	.5
Watershed Coordinator**	0	0	.5
Watershed Program Manager***	<u>1</u>	<u>1</u>	<u>.5</u>
<i>Total Authorized Positions</i>	<i>16</i>	<i>68.5</i>	<i>55.5</i>

* 50 percent of the costs associated with the Assistant Ranger Supervisor are paid for by the General Fund

** 50 percent of the costs associated with the Watershed Coordinator are paid for by the General Fund

*** 50 percent of the costs associated with the Watershed Program Manager are budgeted in the EAHCP Fund.

City of New Braunfels
 Edwards Aquifer Habitat Conservation Plan
 Fiscal Year Ending September 30, 2013

Fund: 263

Available Funds	FY 2010-11 Actual	FY 2011-12 Estimate	FY 2012-13 Budget
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Beginning Balance

Undesignated Funds	\$ -	\$ -	\$ -
Total Beginning Balance	\$ -	\$ -	\$ -

Revenue

Intergovernmental Revenue	-	-	\$ 2,236,919
Interest Income	-	-	-
Interfund Transfer - General Fund	-	55,000	64,853
Total Revenue	\$ -	\$ 55,000	\$ 2,301,772

TOTAL AVAILABLE FUNDS \$ - \$ 55,000 \$ 2,301,772

APPROPRIATIONS

EARIP Projects	\$ -	\$ -	\$ 2,236,919
Employee Expenses			45,223
Operating Expenses		\$ 55,000	19,630
Interfund Transfer	-	-	-

TOTAL OPERATING APPROPRIATIONS \$ - \$ 55,000 \$ 2,301,772

Ending Fund Balance \$ - \$ - \$ -

TOTAL APPROPRIATIONS \$ - \$ 55,000 \$ 2,301,772

Edwards Aquifer Habitat Conservation Plan Fund

Fund: 263

Program Description:

The City of New Braunfels officially entered into the Edwards Aquifer Recovery Implementation Plan (EARIP) on October 24, 2011 and, at the same time, approved the Habitat Conservation Plan (HCP), the Funding Management Agreement (FMA) and the Implementing Agreement. These documents represent the culmination of 20 years of effort in the region that gets its water supply from the Edwards Aquifer. The agreements are designed to protect the water supply and the endangered species living in and around the aquifer waters. Five parties signed the agreements – the San Antonio Water System (SAWS), the City of San Marcos, Texas State University, the Edwards Aquifer Authority (EAA) and the City of New Braunfels. Each entity committed to preserving the aquifer and completing projects that serve that end. FY 2012-13 is the first year of the projects design and implementation. The Edwards Aquifer Habitat Conservation Plan Fund allows the City of New Braunfels to track all revenues and expenditures related to this important program.

Staff in the Public Works Department manages this program and fund.

Appropriations:

	FY 2010-11 <u>Actual</u>	FY 2011-12 <u>Estimate</u>	FY 2012-13 <u>Budget</u>
Employee Expenses	\$0	\$0	\$45,223
Operation Expenses	0	55,000	19,630
Capital Expenses	0	0	2,236,519
<i>Total Appropriations</i>	<i>\$0</i>	<i>\$55,000</i>	<i>\$2,301,772</i>

Program Justification and Fiscal Analysis:

Through the Edwards Aquifer Recovery Implementation Plan (EARIP) Funding and Management Agreement (FMA), the City of New Braunfels is required to complete various projects under the time lines included in the agreement. For FY 2012-13, the City is committed to \$2,236,919 in projects. The projects include:

Project	Estimated Cost
Old Channel Restoration	\$400,000
Flow split management	\$287,500
Aquatic vegetation restoration	\$149,500
Non-native animal species control	\$135,700
Decaying vegetation removal	\$139,600
Riparian improvement - riffle beetle	\$123,050
Gill parasite control	\$178,250
Restoration of riparian zones	\$411,125
Prohibition of hazardous material routes	\$10,000

Project	Estimated Cost
Incentive program for LID/BMP stormwater management	\$300,150
Household hazardous waste program	\$31,625
Management of public recreation use	\$0
Liter control and floating vegetation management	\$40,419
Golf Course Management Plan	\$0
Education	\$30,000
Total	\$2,236,919

To meet the time lines in the FMA, the City engaged a consultant in FY 2011-12 (at the cost not to exceed \$55,000) to develop scopes of work to issue requests for proposals for these projects.

The additional appropriations in FY 2012-13 (above the project costs shown above) will pay for a portion of the salary and benefits costs of the City's Watershed Program Manager as it is expected that this individual will spend half his time managing these projects. The operations expense appropriation will pay for incidental administrative expenses.

The City will be fully reimbursed by the Edwards Aquifer Authority for all of the project costs of \$2,236,919. The administrative and staff expenses will be paid by the City. These costs are funded through an interfund transfer from the General Fund.

Authorized Positions

	FY 2010-11 Actual	FY 2011-12 Estimate	FY 2012-13 Budget
Watershed Program Manager	<u>0</u>	<u>0</u>	<u>.5</u>
<i>Total Authorized Positions</i>	<i>0</i>	<i>0</i>	<i>.5</i>

GROWTH AND DEVELOPMENT

City of New Braunfels
Economic Development Fund
Fiscal Year Ending September 30, 2013

Fund: 265

Available Funds	FY 2010-11 Actual	FY 2011-12 Estimate	FY 2012-13 Budget
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Beginning Balance

Undesignated Funds	\$ (148)	\$ (148)	\$ -
Total Beginning Balance	\$ (148)	\$ (148)	\$ -

Revenue

Contributions and Reimbursements		\$ 24,143	
Interfund Transfers	-	148	-
Total Revenue	\$ -	\$ 24,291	\$ -

TOTAL AVAILABLE FUNDS	\$ (148)	\$ 24,143	\$ -
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APPROPRIATIONS

Operation Expenses	\$ -	\$ 24,143	
Interfund Transfers	-		-

TOTAL OPERATING APPROPRIATIONS	\$ -	\$ 24,143	\$ -
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Ending Fund Balance	\$ (148)	\$ -	\$ -
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TOTAL APPROPRIATIONS	\$ (148)	\$ 24,143	\$ -
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ECONOMIC DEVELOPMENT FUND

Fund: 265

In FY 2006-07, the City entered into an agreement with the Creekside Development partners for a tax increment reinvestment zone (TIRZ). Creekside is a major retail/commercial/ residential development within the City limits. As other economic development agreements are approved, the City may incur expenses to manage those projects as well that will be reimbursed by the developer. This fund is used for these types of activities and their related expenditures.

Support Services Department staff manage this fund.

Appropriations:

	FY 2010-11 <u>Actual</u>	FY 2011-12 <u>Estimate</u>	FY 2012-13 <u>Budget</u>
Operation Expenses	\$0	\$24,143	\$0
<i>Total Appropriations</i>	<i>\$0</i>	<i>\$24,143</i>	<i>\$0</i>

Program Justification and Fiscal Analysis

This fund was created in the FY 2007-08 Budget. For FY 2012-13, if the TIRZ or other economic development projects related expenditures occur, they will be paid directly from this fund. For FY 2011-12, the estimated operations expense related to an outstanding bill for legal services.

City of New Braunfels
Hotel/Motel Tax Fund
Fiscal Year Ending September 30, 2013

Fund: 794

Available Funds	FY 2010-11 Actual	FY 2011-12 Estimate	FY 2012-13 Budget
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Beginning Balance

Undesignated Funds	\$ 443,143	\$ 383,424	\$ 136,480
Designated for Encumbrances			
Total Beginning Balance	\$ 443,143	\$ 383,424	\$ 136,480

Revenue

Hotel/Motel Tax	\$ 2,613,202	\$ 2,700,000	\$ 2,835,000
Interest Income	563	1,200	1,200
Miscellaneous	25	-	-
Total Revenue	\$ 2,613,790	\$ 2,701,200	\$ 2,836,200

TOTAL AVAILABLE FUNDS \$ 3,056,933 \$ 3,084,624 \$ 2,972,680

APPROPRIATIONS

Operating Expenses	\$ 1,750,331	\$ 1,925,010	\$ 1,929,100
Interfund Transfer	923,178	1,023,134	1,001,300

TOTAL OPERATING APPROPRIATIONS \$ 2,673,509 \$ 2,948,144 \$ 2,930,400

Ending Fund Balance \$ 383,424 \$ 136,480 \$ 42,280

TOTAL APPROPRIATIONS \$ 3,056,933 \$ 3,084,624 \$ 2,972,680

HOTEL/MOTEL TAX FUND

Hotel/Motel Tax Fund: 794

Program Description:

The City of New Braunfels collects a 7 percent tax on all hotel and motel rooms rented in the City limits. This tax currently generates about \$2.8 million annually. The City Council has adopted the allocation of those funds as follows: a minimum of 15 percent is currently split among various arts and heritage organizations. A minimum of 35 percent remains with the City of New Braunfels to support the Civic/Convention Center's debt service and operating costs. The remaining amount is allocated to the City and by contract to the Greater New Braunfels Chamber of Commerce (GNBCC). Under the contract, the GNBCC through the Convention and Visitor's Bureau, promotes tourism through marketing and other professional services. These funds go into the Convention and Tourism Fund (CTF) shown separately in this document under Other Funds.

Prior to January 2007, the Chamber received 55 percent of the tax revenue to fund these efforts. In September 2006, the allocation was changed contractually to provide additional funding for the renovation and expansion of the Civic/Convention Center. The Chamber then received 50 percent of the tax revenue. Effective January 1, 2010, a new contract was executed. Under the new terms, the CTF receives up to 50 percent of the total hotel/motel tax generated; the Council approves the CTF budget and pays only the total actual expenses made under the contract. In addition to the actual expenditures, the contract calls for the City to fund a 25 percent operating reserve for this important function.

Prior to FY 2005-06, 11.3 percent of the City's portion had been used to support the existing operations of the Civic/Convention Center and 19.4 percent had been set aside to help pay for costs associated with the expansion of and renovations to that facility. The City has completed the \$12.35 million project to expand and remodel the facility. The allocation of the 35.7 percent changed under the approved financing strategy for the facility. The City's tax proceeds now fully fund the annual debt service payment associated with the building expansion project (approximately \$610,000 annually). Remaining funds from the City's portion help offset the operating costs of the facility.

The Support Services Department staff manages this fund.

Appropriations:

	<u>FY 2010-11</u> <u>Actual</u>	<u>FY 2011-12</u> <u>Estimate</u>	<u>FY 2012-13</u> <u>Budget</u>
Operation Expenses			
Convention and Tourism Fund	\$1,382,453	\$1,338,410	\$1,272,850
Arts and Heritage Organization	367,878	367,900	425,250
Environmental Stewardship		218,700	218,000
Operations Expenses (City)	0	-	13,000
Interfund Transfers	923,178	1,023,134	1,001,300
<i>Total Appropriations</i>	<i>\$2,673,509</i>	<i>\$2,948,144</i>	<i>\$2,930,400</i>

Program Justification and Analysis:

As stated, the hotel/motel tax proceeds are used for multiple purposes: support for the Chamber of Commerce's tourism and marketing efforts; a minimum of 15 percent supports arts and heritage organizations; and a minimum of 35 percent supports the City's costs related to construction and operation of the expanded Civic/Convention Center. The primary use of the City's funds is retirement of debt issued to pay construction costs associated with the facility (\$611,598 in FY 2012-13). The City issued \$8 million in Certificates of Obligation in September 2006 for this purpose. The City's proportionate share of the hotel/motel tax currently exceeds the debt service requirements. Remaining funds are used to support the increased operations and maintenance expenses for the facility. In FY 2009-10, the City made the Civic Center an enterprise fund; all revenue and expenses related to the facility are accounted for in that fund. The facility is not yet self-supporting. Therefore, in FY 2012-13, hotel/motel tax proceeds of \$389,702 are being transferred into that fund. Another major factor in the higher expenditures is the environmental stewardship marketing program designed to educate tourists about the ordinance that affect the rivers and to encourage them to visit New Braunfels. For FY 2011-12, this program was budgeted at \$218,700. In FY 2012-13, \$218,000 is provided to continue this program. Finally, \$13,000 is appropriated in this fund to support marketing for major events held in downtown New Braunfels



Capital Improvement Funds



City of New Braunfels
2004 Certifications of Obligation Capital Improvement Fund
Fiscal Year Ending September 30, 2013

Fund: 304

	Project Revenue/ Expenditures	Activity to Date As of 9/30/2012	Total Available Funds
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Available Funds

Proceeds from Debt Issuance	\$ 26,000,000	\$ 26,000,000	\$ -
Miscellaneous and Contributions	68,959	68,959	-
Intergovernmental Revenue		-	-
Interest Income	4,101,066	4,067,881	33,186
TOTAL AVAILABLE FUNDS	\$ 30,170,025	\$ 30,136,840	\$ 33,186

APPROPRIATIONS

Projects

South Tributary Flood Control	\$ 4,284,319		
Engineering	1,218,912	\$ 1,218,912	\$ -
Right-of-Way	1,876,759	1,876,759	-
Construction	1,188,648	1,188,648	-
North Tributary	825,664		
Professional Services	761,360	761,360	-
Right-of-Way	64,304	64,304	-
Churchill Drainage Project	4,627,661		
Engineering	196,426	196,426	-
Right-of-Way	596,423	596,423	-
Construction	3,834,812	3,834,812	-
Katy/Mesquite Drainage - Construction	665,204	665,204	-
Alves Lane	166,997	166,997	-
Gruene Rd. Improvements	24,638	24,638	-
Walnut Ave. Widening - Right of Way	6,047,761	6,047,761	-
Walnut Ave. Ext to Klien Rd. - Construction	4,530,016	4,530,016	-
Walnut Ave. Ext to Klien Rd. - Amenities	175,539	170,539	5,000

Fund: 304**Fiscal Year Ending September 30, 2013**

	Project Revenue/ Expenditures	Activity to Date As of 9/30/2012	Total Available Funds
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Street Maintenance Projects

Phase 1	298,332	298,332	-
Phase 2	435,559	435,559	-
Phase 3	349,802	349,802	-

Phase 1	1,130,385	1,130,385	-
Phase 2	1,838,579	1,838,579	-
Phase 3	874,697	874,697	-

Phase 1	1,027,526	1,027,526	-
Phase 2	598,628		
Engineering	154,740	154,740	-
Construction	443,889	443,889	-
Phase 3	1,103,000		
Engineering	150,000	150,000	-
Construction	953,000	953,000	-
Subtotal - Street Maintenance Projects	\$ 7,656,508	\$ 7,656,509	\$ -

Real Estate Manager	138,354	138,354	-
Engineering Staff	134,149	134,149	-
Contingencies	0	-	0
Interfund Transfers	893,215	865,029	28,186

TOTAL APPROPRIATIONS	\$ 30,170,025	\$ 30,136,840	\$ 33,186
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**2004 CERTIFICATES OF OBLIGATION
CAPITAL IMPROVEMENTS PROJECT FUND**

Fund: 304

Program Description:

The City of New Braunfels issued \$26 million in Certificates of Obligation in April 2004 to fund various streets and drainage improvement projects. The debt issuance was originally issued to fund improvements to the South Tributary and the North Tributary for regional flood control, the Blieders Creek detention pond, Blieders Creek - River Road improvements and the Churchill Drainage projects. In addition, \$10 million was set aside to fund other street improvement projects that the City planned to complete in phases. Since that time, the City Council re-prioritized funding from this debt issuance to optimize project completion opportunities. Funding for some projects was reduced while others were increased to fully fund projects that were moving ahead and needed additional funding to complete construction. The projects now funded with the 2004 Certificates of Obligation are listed and described below. Various City departments manage these projects.

Appropriations:	Project Revenue/ Expenditures	Activity to Date As of 9/30/2012	Total Available Funds
Projects			
South Tributary Flood Control	\$ 4,284,319		
Engineering	1,218,912	\$ 1,218,912	\$ -
Right-of-Way	1,876,759	1,876,759	-
Construction	1,188,648	1,188,648	-
North Tributary	825,664		
Professional Services	761,360	761,360	-
Right-of-Way	64,304	64,304	-
Churchill Drainage Project	4,627,661		
Engineering	196,426	196,426	-
Right-of-Way	596,423	596,423	-
Construction	3,834,812	3,834,812	-
Katy/Mesquite Drainage - Construction	665,204	665,204	-
Alves Lane	166,997	166,997	-
Gruene Rd. Improvements	24,638	24,638	-
Walnut Ave. Widening - Right of Way	6,047,761	6,047,761	-
Walnut Ave. Ext to Klien Rd. - Construction	4,530,016	4,530,016	-
Walnut Ave. Ext to Klien Rd. - Amenities	175,539	170,539	5,000
Street Improvement Projects			
2004 Projects			
Phase 1	298,332	298,332	-
Phase 2	435,559	435,559	-
Phase 3	349,802	349,802	-
2005 Projects			
Phase 1	1,130,385	1,130,385	-
Phase 2	1,838,579	1,838,579	-
Phase 3	874,697	874,697	-
2006 Projects			
Phase 1	1,027,526	1,027,526	-
Phase 2	598,628		
Engineering	154,740	154,740	-
Construction	443,889	443,889	-
Phase 3	1,103,000		
Engineering	150,000	150,000	-
Construction	953,000	953,000	-
Subtotal - Street Improvement Projects	\$ 7,656,509	\$ 7,656,509	\$ -
Total Projects	29,004,308	28,999,308	5,000
Real Estate Manager	138,354	138,354	-
Engineering Staff	134,149	134,149	-
Interfund Transfers	893,215	865,029	28,186
TOTAL APPROPRIATIONS	\$ 30,170,026	\$ 30,136,840	\$ 33,186

Program Justification and Fiscal Analysis:

South Tributary Drainage Improvements

The South Tributary drainage project is a regional flood control project that collects run-off from a 1,932 acres watershed. Low-lying areas of the watershed are prone to flooding and the project confines the 100-year flood plain to City right-of-way. A feasibility analysis was completed that included a detailed investigation of eight alternatives. The selected alternative includes significant channel modifications to the existing South Tributary conveyance system and the construction of a regional detention basin. The budgeted cost for the project in the FY 2008-09 Budget was \$11,228,500. With the very favorable construction market, the bids for the project came in considerably under this estimated amount, which has allowed the City to reduce the budget to the current \$8,114,292. Of that amount, \$4,284,319 is funded in the 2004 Certificates of Obligation, with the remainder (\$3,829,973) in the 2008 Certificates of Obligation. Project design was substantially completed in FY 2007-08 and construction began in 2009. The project was delayed and the channel re-aligned, and the project was completed during FY 2011-12.

The drainage channel is completed; therefore, the City will incur new operating costs to maintain and mow the area. The FY 2012-13 Adopted Budget has additional appropriations for this and other drainage area maintenance to fund the additional costs to keep the drainage channels free of debris and vegetation.

North Tributary Flood Control Project

The North Tributary Flood Control Project is a regional flood control project that will reduce the threat of potential flooding. A significant number of residential and commercial properties within the watershed are currently within the 100-year floodplain. The North Tributary floodplain was studied in detail through a Federal Emergency Management Agency (FEMA) Flood Insurance Study. The study was intended to identify the known risks associated with flooding within New Braunfels and to update floodplain maps. In an effort to reduce the identified risk, the original project included a regional off-line detention pond along the North Tributary. The project scope was later revised to include channelization because the property being considered for the detention pond was commercially developed. The current project consists of three large regional detention ponds, one on either side of Walnut Avenue and one between Walnut Avenue and Old McQueeney Road, and channel improvements from Walnut Avenue to Old McQueeney Road. The expected total cost for the project including channel improvements is \$8,446,804. All funding is currently in place. The 2004 Certificates of Obligation fund \$825,664 which allocated \$761,360 for professional services and \$64,304 for right-of-way acquisition. The 2008 Certificates of Obligation funded additional right-of-way costs of \$405,194 and the 2011 Certificates of Obligation fund the \$6,976,266 including \$5,772,866 for the cost of construction, \$1,093,000 for additional right-of-way costs, \$90,400 for professional services and \$20,000 for in-house staff working on this project. Design was completed in FY 2009-10, construction bids were received in FY 2010-11 and the Army Corp of Engineers gave approval to begin construction in July 2011. This project will be completed during FY 2011-12.

Once these facilities are accepted by the City, operating costs will increase due to the additional costs needed to keep the drainage channels free of debris and vegetation. Other additional future operating costs will include the maintenance of the actual structures. The cost is expected to be

similar to that for the South Tributary flood control project (described above). Funds for the maintenance are included in the FY 2012-13 Budget.

Church Hill Drainage Project

The Church Hill watershed is adjacent to the Union Pacific Railroad and generally runs between the Guadalupe River and FM 306. This area has had significant flooding issues common to Church Hill Drive and Wright Avenue for at least the last decade. This drainage improvement project will be completed in two phases. The construction for the first phase was completed in July 2008. The total cost of the project funded with 2004 Certificates of Obligation was \$4,627,661. The total project cost for this first phase was \$5.47 million with additional funding coming from the City's Streets and Drainage Fund (now a closed fund). Funding for the second phase of this project has not been identified.

The FY 2012-13 operating budget continues to fund maintenance costs for this drainage improvements driven by the need to keep the drainage channels free of debris and vegetation and for the maintenance of the actual structures.

Katy/Mesquite Drainage

This project consisted of the installation of a large reinforced concrete box storm drain system on Mesquite Avenue from West San Antonio Street to Katy Street as well as improvements to Katy Street. The City has long recognized a significant nuisance and drainage issue affecting the homeowners along Katy Street and Mesquite Avenue. The drainage system significantly reduces the flooding potential by collecting and passing 100-year storm events. The project bid in July 2008 at a total construction cost of \$871,161 and was completed in June 2009. The City funded a portion of the professional services costs from the General Fund (\$163,000) and the Streets and Drainage Fund (\$46,000) which is now closed, with the remaining engineering funding (\$47,068) coming from the 2007 Certificates of Obligation. The 2004 Certificates of Obligation funded \$665,204 in construction costs for this project. The total project cost was \$1,149,211 (including \$1,000 for right-of-way acquisition) funded in the 2007 Certificates of Obligation.

The FY 2012-13 Adopted Budget has continued appropriations for this and other drainage area maintenance to fund the additional costs to keep the drainage channels free of debris and vegetation.

Alves Lane

This project included construction of a drainage culvert and street reconstruction in a limited area on Alves Lane. Construction was completed through an agreement with a private developer. The total cost of the project to the City was \$166,997.

The FY 2012-13 Adopted Budget continues to have additional appropriations for the maintenance of this project.

Gruene Road Street and Drainage Improvement

The Historic District of Gruene is a significant tourist destination. Gruene Road, the primary access into this district was, before this project began, a rural road with a noteworthy history of accidents and significant flooding issues. The project consisted of upgrading and straightening the roadway's geometry to allow it to efficiently and effectively function as a collector. In addition, the project corrected the majority of existing cross drainage issues and added a traffic

signal at the intersection of Gruene Road and Common Street. The project extends from Sunnybrook Drive to Common Street. The project was completed in October 2007 at a total cost of \$6,346,950. The 2003 Certificates of Obligation funded all but \$10,165 of this cost. This remaining amount was funded with the 2004 Certificates of Obligation (\$24,638).

Walnut Avenue Widening

This project includes the widening of the Walnut Avenue street section from Business 35 to Katy Street, as well as intersection improvements at Katy Street and Business 35. In addition, the project includes improvements to San Antonio Street at Walnut Avenue. In March 2008, City Council determined that the best approach to this project is to widen Walnut Avenue through the project limits from 60 feet to a total width of 120 feet and, depending on lot configurations, wider in some areas. This approach will allow the street improvements to effectively serve the community for the next fifteen to twenty years. Drainage improvements are also included in the project. In addition, major landscaping and other improvements will be accomplished in the project to create a park-like environment through a portion of this roadway. Right-of-way acquisition and design began in FY 2007-08 and was completed in 2010. Construction began in September 2010 and is projected to be completed in May 2013. Total right-of-way costs were \$7,476,487 with the 2004 Certificates of Obligation funding \$6,047,761 of the total cost and the 2008 Certificates of Obligation providing the remaining funds required (\$1,428,726). The 2007 and 2008 Certificates of Obligation funded the design and engineering costs originally budgeted at \$400,000 but increased to \$1,085,000, with \$890,000 coming from the 2007 Certificates of Obligation and the remaining \$195,000 from the 2008 Certificates of Obligation).

This project was divided into Segments 1 (described above) and Segments 2 and 3. The 2008 Certificates of Obligation also funded \$80,000 for right-of-way and \$684,000 for engineering for segments 2 and 3 of the project. The 2011 Certificates of Obligation included \$5,100,000 in funding for a portion of the total construction costs (all segments) plus \$354,000 to cover in-house engineering and inspection costs. Since the construction time line is two-and-one-half years, three debt issuances will be completed over three fiscal years to fully fund this important project. The FY 2011-12 Budget included additional funding with the 2012 Certificates of Obligation. This debt issuance provides \$6,700,000 for the second phase of construction funding for this important project. The final phase for this project is to be funded by the 2013 Certificates of Obligation at \$4,000,000. The total construction cost of this project – for all phases – is \$25.5 million including amenities, underground utilities and construction contingencies.

An additional \$57,000 was funded in the 2011 Certificates of Obligation for the cost of the Assistant City Engineer and one Construction Inspector for the Walnut Avenue Widening Project. Both of these positions work full time on this project and will continue to this project until it is completed.

The FY 2012-13 operating budget will not be impacted by this project that will be under construction for the next 12 to 24 months. After completion, short term operating costs for street maintenance and repair will decrease because new roads require less maintenance for the first five to seven years. After this period, street maintenance costs will begin to climb. Since this project has significant landscaping and park-like improvements, once completed, parks maintenance costs will also increase.

Walnut Avenue Extension to Klein Road – Construction and Amenities

This project consisted of extending Walnut Avenue from County Line Road to Klein Road with a five-lane street section. The road section crosses one major drainage way and, therefore, required storm drain improvements as well. The street is a critical element for north-south travel from County Line Road to Klein Road and is important to the school district to serve a new campus. A portion of the funding for the project (\$4,530,016) comes from the 2004 Certificates of Obligation. Remaining funding comes from the 2007 Certificates of Obligation (\$1,943,153) for engineering and construction, the 2008 Certificates of Obligation (\$115,554) for right-of-way acquisition and the General Fund which paid for some of the engineering costs (\$258,680) for a total project cost of \$6,847,403. The project began construction in FY 2007-08, and street construction was fully completed in early 2009 with the part serving the school completed in time for opening day.

The project also includes \$175,539 in the 2004 Certificates of Obligation to fund enhancements and amenities to this road improvement that funds additional landscaping and irrigation. This portion of the project will be completed by the end of FY 2011-12.

The additional operating costs for maintenance of landscaping on this new roadway are included in the FY 2012-13 Budget. In addition, street maintenance costs will decrease slightly in the short term because new roads require less maintenance for the first five to seven years. After this time, street maintenance costs will begin to climb. Since this project has some landscaping improvements, once completed, parks maintenance costs will also increase.

Street Improvement Projects

In 2003, the City completed a street inventory and condition study that identified an approach to improve the overall street network condition by applying either a timely overlay or reconstruction of the street. The study compared the rate of deterioration and identified projects and was used to select and schedule projects and for project phasing and funding. The budget for these street projects originally totaled \$10 million. Staff managed these projects in phases. All these projects are now completed. The total amount expended for these projects is \$7,656,509.

The Phase 2 2005 street improvement project included improvements to Mill Street. The total project cost was \$2,013,579 with \$1,838,579 funded from the 2004 Certificates of Obligation and the remaining funding of \$175,000 from the 2008 Certificates of Obligation. The project was completed in February 2008.

The Phase 3 2005 street improvement project included construction on several streets: Gruene Road from Loop 337 to Torrey Street; Torrey Street from Union Avenue to Elizabeth Avenue; Belmont Drive from Brockton to cul-de-sac; Belmead Drive from Bellaire to Briar bend; and Bellaire from Belmead Drive to Broadmoor. The project was completed in FY 2009-10. This project has a total budget of \$874,697 and was funded from the 2004 Certificates of Obligation.

The Phase 1 2006 street improvement project included construction of Union Avenue from Common to Lincoln, Basel from Union to Grant and Fredericksburg from Landa Street to Bell Street as Phase 1A. Edgewater Terrace from Elizabeth to Houston, Allen from Edgewater to Dallas, Chicago from Edgewater to Dallas, Elizabeth Avenue from Torrey to Edgewater and Country Club Circle were completed as Phase 1B. The project was awarded for construction in two phases to allow areas of high tourist traffic to flow smoothly. The project was also expanded

from its original scope by extending Fredericksburg from Howard to Bell and the addition of Allen and Chicago. Competitive construction bids allowed the City to extend the limits of the project while remaining within the initial budget. The total project budget was \$1,229,877 with \$1,027,526 coming from the 2004 Certificates of Obligation, \$30,000 from the 2007 Certificates of Obligation and the remaining \$172,351 from the 2008 Certificates of Obligation.

The Phase 2 2006 street improvement project included construction of Old FM 306 from Common St. to FM 306. The project was completed in FY 2008-09 with a total cost of \$598,628.

The Phase 3 2006 street improvement project included construction on Mesquite Avenue from Katy Street to W. San Antonio Street, Mill Street from Mesquite Avenue to Chestnut Avenue and Chestnut Avenue from Mill Street to West San Antonio Street. The project was completed in FY 2008-09 with a total project cost of \$1,103,000 and was funded from the 2004 Certificates of Obligation.

These road improvements, in the short term, reduce the operating costs for maintenance and repair of these stretches of pavement. After the first five to seven years, maintenance costs for these roads are expected to increase.

Real Estate Manager

In FY 2008-09, the City hired a Real Estate Manager to bring in-house the real estate acquisition function, thus saving contracted services costs. In addition, having this expertise in-house assists the City in more timely responses to real estate issues. In FY 2008-09 and in FY 2009-10, the position was fully funded from the 2004 Certificates of Obligation as this position worked on property acquisition for the Walnut Avenue Widening project. As the City's needs to continue to diversify, the funding for this position is changing. For FY 2012-13, the cost of this position will be fully funded in the General Fund.

City of New Braunfels
2007 Certifications of Obligation Capital Improvement Fund
Fiscal Year Ending September 30, 2013

Fund: 307

Appropriations	Project Revenue/ Expenditures	Activity to Date As of 9/30/2012	Total Available Funds
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Available Funds

Proceeds from Debt Issuance	\$ 17,654,242	\$ 17,004,771	\$ 649,471
Interest Income	595,193	-	595,193
Intergovernmental Revenue	126,855		126,855
Interfund Transfers	25,056	-	25,056
TOTAL AVAILABLE FUNDS	\$ 18,401,346	\$ 17,004,771	\$ 1,396,575

APPROPRIATIONS

Projects

Gruene Bridge Replacement - ROW and Constr	\$ 544,693	\$ 544,693	\$ -
Walnut Ave. Widening - Engineering	890,000	847,831	42,169
Walnut Ave. Extension to Klein Rd.	1,943,153		
Engineering	867,391	867,391	-
Construction	1,075,762	1,075,762	-
Katy/Mesquite Drainage	47,068		
Engineering	46,068	46,068	-
Right-of-Way	1,000	1,000	-
Highway 46 Improvements - Right-of-Way	181,000	181,000	-
Highway 46 Improvements - Interest Expense	428,675	428,675	-
Gruene Hike and Bike Trail	405,483	405,483	-
Water Lane Improvements - Design	94,408	94,408	-
Gruene Crossing - Design	120,000	120,000	-
Phase I 2006 Street Maintenance	30,000	30,000	-
Gruene Rd Improvements (Gruene Apple)	104,084	-	104,084
Landa Park Bathhouse	229,304	229,304	-
Landa Park Restrooms Improvements -			
Construction	36,943	36,943	-
Park Land Purchases and Improvements	4,883,542		
Fisher Park Land	2,284,077	2,284,077	-
Fisher Park Master Plan	19,000	19,000	-
Fischer Park Land and Riverfront Properties	1,010,434	1,010,434	-
Fischer Park Design	607,612	544,497	63,115
Landa Park Irrigation - Construction	444,119	444,119	-

Appropriations (continued)	Project Revenue/ Expenditures	Activity to Date As of 9/30/2012	Total Available Funds
Landa Park Walls and Dams - Design	347,000	347,000	-
Camp Comal Land	150,000		150,000
West Loop Park Site Work/Environmental	21,300	21,300	-
Main Plaza Improvements	238,552	238,552	-
Eikel Park Playground	80,000	-	80,000
Airport Runway/Taxiway Improvements			
Engineering	28,457	28,457	-
Airport Business Plan	83,366	83,366	-
Airport Hanger Apron and Taxiway (match for TXDOT project)	89,577	89,577	-
Underground Utilities - Airport Runway	90,459	90,459	-
Airport tractors and gator	185,103	185,103	-
Airport Fuel Farm	103,525	103,525	-
Eikel Park Skate Park Improvements	175,320	175,320	-
South Tributary Hike and Bike Trail Improvements	1,166,000	1,109,631	56,369
Northridge Park Improvements	49,000	49,000	-
Fire Stations Improvements	330,000	238,853	91,147
Fire Station #6 - Construction and Equipment	2,683,714	2,683,714	-
Drainage Improvements	383,487	383,487	-
New Braunfels Industrial Development Corp. Funded Projects			
Spring Fed Pool Improvements	40,310	40,310	-
Landa Park River Front Rehabilitation	207,300	207,300	-
Landa Park Irrigation	48,450	48,450	-
Golf Course Irrigation/Greens Improvements	837,564	174,894	662,670
Fredericksburg Fields Bleachers	16,076	16,076	-
Landa Playground Improvements	442,940	380,587	62,353
HEB Soccer Complex Improvements	625,210	540,543	84,667
Eikel Park Skate Park Improvements	91,000	91,000	-
Eikel Field Improvements	102,000	102,000	-
Panther Canyon Improvements	9,450	9,450	-
Camp Comal Lighting	79,700	79,700	-
Total Projects	\$ 18,124,913	\$ 16,728,338	\$ 1,396,575
Contingencies	-	-	-
Debt Issuance Cost	261,233	261,233	-
Engineering Staff	15,200	15,200	-
TOTAL APPROPRIATIONS	\$ 18,401,346	\$ 17,004,771	\$ 1,396,575

2007 CERTIFICATES OF OBLIGATION **CAPITAL IMPROVEMENTS PROJECT FUND**

Fund: 307

Program Description:

The City of New Braunfels issued \$17.5 million in Certificates of Obligation to fund various needed capital improvement projects (listed and described below), managed by various City departments. \$2.5 million of this issue will pay for park improvement projects. That debt will be repaid through New Braunfels Industrial Development Corporation (NBIDC) funds that come from sales tax proceeds.

Appropriations	Project Revenue/ Expenditures	Activity to Date As of 9/30/2012	Total Available Funds
Projects			
Gruene Bridge Replacement - ROW and Constr	\$ 544,693	\$ 544,693	\$ -
Walnut Ave. Widening - Engineering	890,000	847,831	42,169
Walnut Ave. Extension to Klein Rd.	1,943,153		
Engineering	867,391	867,391	-
Construction	1,075,762	1,075,762	-
Katy/Mesquite Drainage	47,068		
Engineering	46,068	46,068	-
Right-of-Way	1,000	1,000	-
Highway 46 Improvements - Right-of-Way	181,000	181,000	-
Highway 46 Improvements - Interest Expense	428,675	428,675	-
Gruene Hike and Bike Trail	405,483	405,483	-
Water Lane Improvements - Design	94,408	94,408	-
Gruene Crossing - Design	120,000	120,000	-
Phase I 2006 Street Maintenance	30,000	30,000	-
Gruene Rd Improvements (Gruene Apple)	104,084	-	104,084
Landa Park Bathhouse	229,304	229,304	-
Landa Park Restrooms Improvements -			
Construction	36,943	36,943	-
Park Land Purchases and Improvements	4,883,542		
Fisher Park Land	2,284,077	2,284,077	-
Fisher Park Master Plan	19,000	19,000	-
Fischer Park Land and Riverfront Properties	1,010,434	1,010,434	-
Fischer Park Design	607,612	544,497	63,115
Landa Park Irrigation - Construction	444,119	444,119	-
Landa Park Walls and Dams - Design	347,000	347,000	-
Camp Comal Land	150,000		150,000
West Loop Park Site Work/Environmental	21,300	21,300	-
Main Plaza Improvements	238,552	238,552	-
Eikel Park Playground	80,000	-	80,000
Airport Runway/Taxiway Improvements			
Engineering	28,457	28,457	-
Airport Business Plan	83,366	83,366	-

Appropriations (continued)	Project Revenue/ Expenditures	Activity to Date As of 9/30/2012	Total Available Funds
Airport Hanger Apron and Taxiway (match for TXDOT project)	89,577	89,577	-
Underground Utilities - Airport Runway	90,459	90,459	-
Airport tractors and gator	185,103	185,103	-
Airport Fuel Farm	103,525	103,525	-
Eikel Park Skate Park Improvements	175,320	175,320	-
South Tributary Hike and Bike Trail Improvements	1,166,000	1,109,631	56,369
Northridge Park Improvements	49,000	49,000	-
Fire Stations Improvements	330,000	238,853	91,147
Fire Station #6 - Construction and Equipment	2,683,714	2,683,714	-
Drainage Improvements	383,487	383,487	-
New Braunfels Industrial Development Corp. Funded Projects			
Spring Fed Pool Improvements	40,310	40,310	-
Landa Park River Front Rehabilitation	207,300	207,300	-
Landa Park Irrigation	48,450	48,450	-
Golf Course Irrigation/Greens Improvements	837,564	174,894	662,670
Fredericksburg Fields Bleachers	16,076	16,076	-
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HEB Soccer Complex Improvements	625,210	540,543	84,667
Eikel Park Skate Park Improvements	91,000	91,000	-
Eikel Field Improvements	102,000	102,000	-
Panther Canyon Improvements	9,450	9,450	-
Camp Comal Lighting	79,700	79,700	-
Total Projects	\$ 18,124,913	\$ 16,728,338	\$ 1,396,575
Contingencies	-	-	-
Debt Issuance Cost	261,233	261,233	-
Engineering Staff	15,200	15,200	-
TOTAL APPROPRIATIONS	\$ 18,401,346	\$ 17,004,771	\$ 1,396,575

Program Justification and Fiscal Analysis:

Gruene Bridge Replacement

This project provided funding for the right-of-way and matching funds for construction costs associated with the replacement of the Gruene Bridge as Gruene Road crosses the Guadalupe River. The project was a TxDOT off-system bridge replacement project and replaced the existing structure with a wider and higher deck. Project construction was completed in May

2008, and the total construction cost for the project was \$2.8 million. The City Council adopted a resolution in support of the project on July 14, 2003, agreeing to pay 10 percent of the construction cost and to acquire the right-of-way. Total City costs amounted to \$581,914, with \$544,693 funded in the 2007 Certificates of Obligation and the remaining from the City's General Fund (\$37,221). Since this bridge was recently completed, costs to keep the bridge in satisfactory working condition are not expected to impact the budget for another five years.

Walnut Avenue Widening

This project includes the widening of the Walnut Avenue street section from Business 35 to Katy Street, as well as intersection improvements at Katy Street and Business 35. In addition, the project includes improvements to San Antonio Street at Walnut Avenue. In March 2008, City Council determined that the best approach to this project is to widen Walnut Avenue through the project limits from 60 feet to a total width of 120 feet and, depending on lot configurations, wider in some areas. This approach will allow the street improvements to effectively serve the community for the next fifteen to twenty years. Drainage improvements are also included in the project. In addition, major landscaping and other improvements will be accomplished in the project to create a park-like environment through a portion of this roadway. Right-of-way acquisition and design began in FY 2007-08 and was completed in 2010. Construction began in September 2010 and is projected to be completed in May 2013. Total right-of-way costs were \$7,476,487 with the 2004 Certificates of Obligation funding \$6,047,761 of the total cost and the 2008 Certificates of Obligation providing the remaining funds required (\$1,428,726). The 2007 and 2008 Certificates of Obligation funded the design and engineering costs originally budgeted at \$400,000 but increased to \$1,085,000, with \$890,000 coming from the 2007 Certificates of Obligation and the remaining \$195,000 from the 2008 Certificates of Obligation).

This project was divided into Segments 1 (described above) and Segments 2 and 3. The 2008 Certificates of Obligation also funded \$80,000 for right-of-way and \$684,000 for engineering for segments 2 and 3 of the project. The 2011 Certificates of Obligation included \$5,100,000 in funding for a portion of the total construction costs (all segments). Since the construction time line is two-and-one-half years, three debt issuances will be completed over three fiscal years to fully fund this important project. The FY 2011-12 Budget included additional funding with the 2012 Certificates of Obligation. This debt issuance provides \$6,700,000 for the second phase of construction funding for this important project. The final phase for this project is to be funded by the 2013 Certificates of Obligation at \$4,000,000. The total construction cost of this project – for all phases – is \$25.5 million including amenities, underground utilities and construction contingencies.

An additional \$57,000 was funded in the 2011 Certificates of Obligation for the cost of the Assistant City Engineer and one Construction Inspector for the Walnut Avenue Widening Project. Both of these positions work full time on this project and will continue to this project until it is completed.

The FY 2012-13 operating budget will not be impacted by this project that will be under construction for the next 12 to 24 months. After completion, short term operating costs for street maintenance and repair will decrease because new roads require less maintenance for the first five to seven years. After this period, street maintenance costs will begin to climb. Since this project has significant landscaping and park-like improvements, once completed, parks maintenance costs will also increase.

Walnut Avenue Extension to Klein Road – Construction and Amenities

This project consisted of extending Walnut Avenue from County Line Road to Klein Road with a five-lane street section. The road section crosses one major drainage way and, therefore, required storm drain improvements as well. The street is a critical element for north-south travel from County Line Road to Klein Road and is important to the school district to serve a new campus. A portion of the funding for the project (\$4,530,016) comes from the 2004 Certificates of Obligation. Remaining funding comes from the 2007 Certificates of Obligation (\$1,943,153) for engineering and construction, the 2008 Certificates of Obligation (\$115,554) for right-of-way acquisition and the General Fund which paid for some of the engineering costs (\$258,680) for a total project cost of \$6,847,403. The project began construction in FY 2007-08, and street construction was fully completed in early 2009 with the part serving the school completed in time for opening day.

The project also includes \$175,539 in the 2004 Certificates of Obligation to fund enhancements and amenities to this road improvement that funds additional landscaping and irrigation. This portion of the project will be completed by the end of FY 2011-12.

The additional operating costs for maintenance of landscaping on this new roadway are included in the FY 2012-13 Budget. In addition, street maintenance costs will decrease slightly in the short term because new roads require less maintenance for the first five to seven years. After this time, street maintenance costs will begin to climb. Since this project has some landscaping improvements, once completed, parks maintenance costs will also increase.

Katy Street / Mesquite Avenue Drainage Improvements

This project consisted of the installation of a large reinforced concrete box storm drain system on Mesquite Avenue from West San Antonio Street to Katy Street as well as improvements to Katy Street. The City has long recognized a significant nuisance and drainage issue affecting the homeowners along Katy Street and Mesquite Avenue. The drainage system significantly reduces the flooding potential by collecting and passing 100-year storm events. The project bid in July 2008 at a total construction cost of \$871,161 and was completed in June 2009. The City funded a portion of the professional services costs from the General Fund (\$163,000) and the Streets and Drainage Fund (\$46,000) which is now closed, with the remaining engineering funding (\$47,068) coming from the 2007 Certificates of Obligation. The 2004 Certificates of Obligation funded \$665,204 in construction costs for this project. The total project cost was \$1,149,211 (including \$1,000 for right-of-way acquisition) funded in the 2007 Certificates of Obligation.

The FY 2012-13 Adopted Budget has continued appropriations for this and other drainage area maintenance to fund the additional costs to keep the drainage channels free of debris and vegetation.

Highway 46 Improvements

This project involved major improvements to Highway 46. TxDOT managed construction of this project. Both Comal County and the City of New Braunfels participated in the project by purchasing right-of-way and providing initial financing that will be repaid by TxDOT as the roadway is used. The City has a contract with TxDOT to pay the right-of-way costs over a three year period. By participation with the County, the City is taking advantage of the ability to expedite a significant regional transportation project. The 2007 Certificates of Obligation funded

the first payment to TxDOT for the right-of-way acquisition for this project (\$181,000). The 2008 Certificates of Obligation paid a portion of this cost as well as utility relocation within the City limits for this project, funded there at \$333,259. The Roadway Impact Fee Fund also paid a portion of this cost (\$176,600). In addition, the City must pay its proportionate share of interest only costs related to a total of \$16 million in debt issued by Comal County to facilitate construction financing. This debt will be repaid by TxDOT through pass-through financing as citizens begin to use the roadway. The pre-completion interest expenses are an actual (non-reimbursable) cost to the City. The 2007 Certificates of Obligation include appropriations of \$428,675, which helps fund this interest expense. The 2011 Certificates of Obligation include \$172,000 for another year's interest expense. Since the roadway is completed, TXDOT will begin taking traffic counts and begin reimbursing the County for the debt it issued (with reimbursement based on the level of activity along the roadway). Therefore, the interest expense to the City (and the County) is short lived, ending once construction is completed. It is not, as is the case with long term debt issued by the City, for a fifteen or twenty year period.

Highway 46 will remain a TxDOT maintained roadway; therefore, most of these improvements will not affect the City's operating costs. The City will have costs associated with traffic signal maintenance since the population has reached 50,000. The City must now maintain traffic signals that TxDOT formerly managed. The FY 2012-13 Budget provides funding for traffic signal maintenance throughout the City, including those signals on Highway 46 inside the City limits.

Gruene Road Hike and Bike Lane

The Gruene Road Hike and Bike trail was a partnership project between the City of New Braunfels and the Texas Department of Transportation (TxDOT). This enhancement project cost a total of \$1,244,233 and required the City to provide a 20 percent match of \$211,161. The City also had to fund the professional services cost of \$463,152 bringing the total City cost to \$674,313. The project resulted in a bike trail that links downtown New Braunfels with the Historic District of Gruene. The project was first initiated by the Comal Trails Group. It consisted of lane widening and striping from the Faust Street Bridge to Sunnybrook Drive. The project integrated with the Church Hill Drainage Project, as a significant portion of the project follows the Church Hill alignment to Gruene Road then along Gruene Road to Sunnybrook Drive. \$208,942 was expensed for this project in the 2003 Certificates of Obligation fund. The remaining cost of the project was funded with the 2007 Certificates of Obligation (\$405,483). The FY 2012-13 Budget includes funds to maintain this new hike and bike trail.

Water Lane Improvements – Design

Water Lane from IH 35 to San Antonio Street (approximately 1,170 linear feet) is currently a 20 foot pavement section with open ditch drainage. The street condition assessment indicates the street needs to be re-constructed. City ordinances require local streets serving multifamily, commercial or industrial property to have a 40 foot pavement width. The project will address all these issues. The City recently purchased property and buildings along Water Lane, making the improvements even more critical since a fire station will move to this location. The 2007 Certificates of Obligation include funds of \$94,408 to design this project. Design was completed in January 2011. This project will not affect the City's operating budget until construction is completed. Construction costs are not currently funded.

Gruene Crossing Drainage Improvements

The Gruene Crossing project includes investigation of improvement options for the low-water crossing at the entrance to the Gruene Crossing Subdivision. Even small rainfall events produce runoff that prevents access to this residential neighborhood of more than 200 units. Preliminary design suggests the project should be done in two phases. The first phase would include channel upgrades downstream; the second phase would involve construction of culverts at Club Crossing Street. Design for this project is funded at \$120,000 in the 2007 Certificates of Obligation. Construction costs of \$444,397 and right-of-way acquisition expected costs of \$158,697 for a total of \$603,094 are funded in the 2011 Certificates of Obligation. Total project cost is \$723,094. The FY 2012-13 Budget includes appropriations for this and other drainage area maintenance to fund the additional costs to keep the drainage channels free of debris and vegetation.

Street Improvement Projects

The Phase 1 2006 street improvement project included construction of Union Avenue from Common to Lincoln, Basel from Union to Grant and Fredericksburg from Landa Street to Bell Street as Phase 1A. Edgewater Terrace from Elizabeth to Houston, Allen from Edgewater to Dallas, Chicago from Edgewater to Dallas, Elizabeth Avenue from Torrey to Edgewater and Country Club Circle were completed as Phase 1B. The project was awarded for construction in two phases to allow areas of high tourist traffic to flow smoothly. The project was also expanded from its original scope by extending Fredericksburg from Howard to Bell and the addition of Allen and Chicago. Competitive construction bids allowed the City to extend the limits of the project while remaining within the initial budget. The total project budget is \$1,229,877 with \$1,027,526 coming from the 2004 Certificates of Obligation, \$30,000 from the 2007 Certificates of Obligation and the remaining \$172,351 from the 2008 Certificates of Obligation.

These road improvements will, in the short term, reduce the operating costs for maintenance and repair of these stretches of pavement. After the first five to seven years, maintenance costs for these roads are expected to increase.

Gruene Road Improvements (Gruene Apple)

Through a Mediated Settlement Agreement with Gruene Apple Land Company, Ltd. the City is working toward addressing some outstanding issues associated with the Gruene Road Project. By mutual agreement, Gruene Apple and the City selected Civil Engineering Consultants (CEC) to investigate, analyze, survey, propose solutions and provide final design for the identified issues. Council authorized proceeding with design services in December of 2011 with the total cost for those services of \$85,000.

As a result of preliminary design, it is evident that not only can the terms and conditions outlined in the mediated settlement agreement be addressed, but proposed improvements can also improve street drainage. The project includes an underground drainage system, reestablishment of an embankment, a retaining wall to stabilize the bank in City right of way at the base of a metal building, gabion bank stabilization in a select area, channel erosion repairs and gabion reconfiguration near the Guadalupe River. Improvements will be constructed by the City with its own forces and by an outside contractor. The estimated construction cost including project administration at the conclusion of preliminary design is \$397,000 for a total project cost of

\$428,322. 2007 Certificates of Obligation will fund \$104,084 of the total project cost and the 2011 Certificates of Obligation will fund the balance of \$378,238.

Landa Park Bathhouse

This \$500,687 project included the construction costs associated with the renovation of the existing Landa Park pools' bathhouse to improve use of space, customer access, concessions area, and storage areas. The bathhouse at the Aquatic Complex was not optimally configured to support customer service or to access the complex. The bathhouses had not been upgraded for over twenty-five years. Through the reconstruction, a concessions area was constructed to better serve pool customers. Another part of this project relocated storage areas, facilitating the movement of equipment back and forth for swimming lessons and team practices. The Aquatic Coordinator's office has been relocated to provide direct access to and visibility of the pool area, increasing management efficiency and improving their ability to ensure safety for all swimmers. Finally, the lifeguard training room was reconfigured to allow better access in and out and to provide more efficient storage of supplies. In FY 2005-06, the professional services costs associated with this project were appropriated during the April 2006 budget adjustments approved by Council. Construction of this project began in the fall of 2007 and was completed in June 2008. The 2007 Certificates of Obligation provided \$229,304 in funding for construction costs. The Parks Capital Improvements Fund (described below) contributed \$271,382 of the total cost of \$500,686. This project has, in the short term, reduced operating expenditures as the new facility requires less maintenance than the old structure; however, maintenance costs are included in the FY 2012-13 Budget.

The 2011 Certificates of Obligation include \$45,000 to complete renovations of the facility's restrooms. These areas were not renovated in the original project.

Landa Park Restrooms Improvements

This project provided the funding for the renovation of two existing restrooms in Landa Park: one restroom located by Fredericksburg Road and one by the dance slab. Construction costs were funded with the 2007 Certificates of Obligation in the amount of \$36,943. The remaining funding of \$21,990 came from the General Fund for a total project cost of \$58,933. The project was completed in the spring of 2008. This project has, in the short term, reduced operating expenditures as the new facility requires less maintenance than the old structure; however, maintenance costs are included in the FY 2012-13 Budget.

Fischer Park Land and Design

This project had several funding requirements from the 2007 Certificates of Obligation. In FY 2007-08, the City purchased 58 acres of land at McQueeney and County Line Roads for development into a park. The initial land was purchased for \$2,284,077 in January 2007. In July 2009, City Council also completed a master plan study (of which \$19,000 was funded from the 2007 Certificates of Obligation and accepted the recommended alternative for the park's development). Once again the 2007 Certificates of Obligation were used to fund \$269,518 to buy the property adjacent to the City's existing property and to provide \$607,612 to fund the construction drawings and engineering to fully implement the master plan recommendations. Design is now complete for this new park with construction to follow. The construction cost for the first phase of this project is provided by the 2012 Certificates of Obligation for \$3,410,000. The debt service associated with this expense will be funded by the New Braunfels Industrial Development Corporation. The second phase of this parks construction will be funded from the

2013 Certificates of Obligation with \$4,350,000 included in that proposed issuance. The total expected construction cost of Fischer Park is \$7,760,000. When finished, the park will include a nature center, an events center, a planetarium, trails, playgrounds and other park facilities.

The FY 2012-13 Adopted Budget has additional appropriations for this and other open space areas' maintenance to fund the additional costs to control vegetation

Riverfront Properties

The City currently owns property along the Guadalupe River (near the New Braunfels Library) that flooded in the last major flood event. The property was purchased because development in this area is discouraged due to its propensity to flood. \$740,916 in funding from the 2007 Certificates of Obligation was used to buy additional properties that are adjacent to those that were already under the City's ownership.

The FY 2012-13 Adopted Budget has additional appropriations for this and other open space areas' maintenance to fund the additional costs to control vegetation

Landa Park Irrigation – Construction

The irrigation system in Landa Park was a manual system that consisted of a combination of galvanized and PVC pipe. The network of existing pipe also supplied potable water to all of the restrooms and drinking fountains within the park. This system has been replaced with new equipment and piping. The new irrigation system for the park includes: all new main lines and water meters that will by-pass the potable water lines; a looped main line to reduce pressure losses; and smart controllers that use soil moisture sensing devices to establish watering schedules. This new system provides a more efficient method of watering the park by increasing watering rates and reducing man hours. The total construction cost for this project was \$444,119 with all funding coming from the 2007 Certificates of Obligation; \$48,450 was from a debt issuance paid by the New Braunfels Industrial Development Corporation.

The FY 2012-13 Parks and Recreation budget includes additional funds for utilities (electricity for pumps and water charges) for the increased water use by the irrigation system.

Landa Park Riverfront Rehabilitation – Walls and Dam

This project identifies existing Comal river bank locations within Landa Park in need of rehabilitation due to severe soil erosion and damage. Additionally, improvements are needed to the Landa Lake Dam to minimize frequent spillover into the Spring Fed Pool (which causes maintenance issues due to silt infiltration). A study was conducted in FY 2008-09 to determine recommended solutions to these issues. The study recommended rebuilding the retaining walls with MSE block material and raising the Landa Lake Dam by 1.7 feet above the current elevation. The 2007 Certificates of Obligation include \$554,300 for the design of this project with \$207,300 for reconstruction and rehabilitation from the debt supported by the New Braunfels Industrial Development Corporation. \$847,000 is included in the 2011 Certificates of Obligation to address repairs to the dam and culverts resulting from the June 2010 flood. Design was completed in January 2011.

Final construction documents are being prepared for the replacement/repair of the retaining walls in Landa Park. Construction of these walls will prevent further erosion and loss of banks and provide a safe surface from which to stand at the water's edge. The cost to make these repairs of

\$ 4,500,000 is funded by the 2012 Certificates of Obligation. Once this project is complete, the operating budget is expected to decrease.

The FY 2012-13 operating budget will not be impacted by this project. After this project is completed, operating costs are expected to decrease due to elimination of the soil erosion issues. The walls and the dam will need future maintenance but not for the first three to five years.

Camp Comal Land

New Braunfels Utilities (NBU) has proposed an expansion to their Kuehler wastewater treatment plant. The City has ball fields on land adjacent to NBU's property (called Camp Comal). For NBU to complete their project, they need additional property. To maintain Camp Comal, the City will purchase property, donate it to NBU and, in exchange, NBU will donate the current Camp Comal property to the City. This will allow the City to keep Camp Comal as a park. Camp Comal consists of 44 acres with 30 acres as for ball fields; the additional 14 acres are Guadalupe River frontage. The land has not been purchased yet but the total budget for this land purchase is \$150,000 and is to be funded from the 2007 Certificates of Obligations.

The FY 2012-13 Adopted Budget has additional appropriations for this and other park areas' maintenance to fund the additional costs to control vegetation.

West Loop Park

This project is for the development of a community park that will include an off-leash dog area, among other amenities. The park will be five to ten acres in size and will include separate areas for small and large dogs. Off leash dog areas are one of the most popular types of new parks being developed throughout the United States. These parks provide an opportunity for dogs to play, unleashed, with other canines. Added benefits are increased fitness and socialization for the owners as they interact with their animals and other pet owners. The FY 2007 Certificates of Obligation include \$21,300 for site work and environmental issues at this site. A community wide effort is underway to raise funds and solicit volunteers to help pay for and construct this park.

The FY 2012-13 Adopted Budget has additional appropriations for this and other park areas' maintenance to fund the additional costs to control vegetation.

Main Plaza Improvements

\$238,552 included in the 2007 Certificates of Obligation was provided funding for improvements to the City's plaza at San Antonio and Seguin streets. This area is a focal point for downtown activities and events including the holiday lighting and associated festivities. These funds were used to upgrade the plaza's electrical infrastructure and sound systems to ensure continued safe and vibrant activities in this area. This project was completed in August 2010.

The FY 2012-13 operating costs will continue at the same level of maintenance as a result of these improvements.

Eikel Parks Playground

The playground at Eikel Park has surpassed its recommended life. The existing play structures have begun to require ongoing maintenance to keep them in compliance with national safety

standards. The project includes replacement of play structures and playground surfacing. The FY 2007 Certificates of Deposits will fund the \$80,000 cost to complete these upgrades to this park.

The FY 2012-13 will experience a reduction of maintenance cost due to these upgrades.

Airport Runway and Taxiway Improvements

The City and the Texas Department of Transportation (TxDOT) on behalf of the Federal Aviation Administration identified the need for the rehabilitation of Runway 13/31, taxiway A, North East Apron, Taxiway C, Taxiway F, and City Terminal Aircraft Ramp. These improvements not only provide a 35 year life span for these surfaces, but they provide additional strength to accommodate larger corporate aircraft that already exceed the capacity of the airport's pavements. This project was funded through Federal Airport Improvement funds at 90 percent with the City contributing 10 percent. The 2007 Certificates of Obligation included \$28,457 to fund the City's match for the engineering costs for this project. The New Braunfels Industrial Development Corporation funded the cash match required for the construction costs (\$880,684).

Once completed, this project is expected to reduce the operating costs in the short term - for the next three to five years as the new pavement will require less maintenance.

Airport Business Plan and Contract Tower Benefit/Cost Analysis

In recognition of the need for sound planning for the future of the Airport, the City and TxDOT agreed that an Airport Business Plan would provide an independent view of the short and long-term strategy for the airport. The Airport Business Plan serves as a dynamic document that addresses such issues as functions, aesthetics, economic challenges and opportunities, marketing and economic developments issues, financial feasibility of various alternatives, land use, airfield planning, transportation infrastructure, and phasing. TxDOT funded 50 percent of the total estimated cost, and the City funded the remaining from the 2007 Certificate of Obligation (\$83,366). The business plan is expected to have future positive impacts on the City's operating budget as more activity will generate more revenue, enough to at least offset any added costs for services to the new businesses. The contract tower benefit/cost analysis resulted in the FAA taking over the airport tower operations, saving the City at least \$320,000 annually.

Airport Hanger Apron and Taxiway Improvements

Texas Department of Transportation (TxDOT) has recognized the need for growth and expansion at the airport by funding the construction of a taxiway and apron to accommodate the construction of new hangars. Construction of new regular and/or T-hangars is critical for the growth of the airport as all hangars and T-hangars used to store aircraft was filled to capacity. This project was funded by a TxDOT non-primary entitlement grant funds at 90 percent and requires the City to participate at a 10 percent share. The 2007 Certificates of Obligation include \$89,577 for the City's match for this project.

This project will reduce operating costs for this pavement section in the short term as the new areas will require less maintenance.

Airport Underground Utilities

To accommodate the construction of the apron and taxiway improvements (described above), TxDOT identified the need to place underground electric utilities that were currently overhead.

New Braunfels Utilities performed this work at total cost to the City of \$90,459. TxDOT also extended a grant in the amount of \$50,000 to fully fund this project. The FY 2012-13 operating budget is not impacted by this project.

Airport Equipment

The use of inadequate equipment for moving and storing aircraft at the airport prompted the need to acquire the proper equipment to perform these operations safely. The cost of this equipment was \$185,103 which was funded by the 2007 Certificates of Obligation. The equipment includes tractors, a gator and an airplane tugger. This equipment makes the staff more efficient in their daily responsibilities, allowing them, in the short term; to meet service demand increases as the airport operations grows. In the longer term, maintenance costs will increase slightly to keep this equipment in good working order and those costs are included in the FY 2012-13 Budget.

Airport Fuel Farm

To increase safety at the airport and minimize failure of the existing fuel storage and dispensing system, funding of \$103,525 from the 2007 Certificates of Obligation was used to upgrade and refurbish the fuel “farm” to include the following: replacement of the spill containers, hook-up connections, Avgas and jet fuel hose reel; pouring of concrete pads for stainless steel cabinets to house new hose reels and high visibility display for fuel dispensing; installation of additional piping to accommodate relocation of hose reels; replacement of two fuel pumps and two liquid control meters; installation of two sump separators; painting of two 12,000 gallon tanks and associated piping; addition of capability to dispense Jet A fuel via self-service machine; and other miscellaneous upgrades. This project makes self-service fuel sales more efficient, and it makes the process for dispensing Jet A fuel to the Med-Evac helicopter tenant safer. Work on this project was completed in October 2010. The FY 2012-13 operating budget for the Airport Fund will be impacted by this project with higher revenues from the increased sale of fuel and decreased costs due to less maintenance of the facility.

Eikel Park Skate Park Improvements

The City completed development of an expanded skate park at Eikel Park. Funding from multiple sources was used for this community project. \$91,000 was incorporated in the \$2.5 million funded in the 2007 Certificates of Obligation being repaid by the New Braunfels Industrial Development Corporation. Additional contributions of \$50,000 from the General Fund, along with grants from the Tony Hawk Foundation (\$25,000), LCRA (\$25,000), Wurstfest Association (\$30,000), New Braunfels Rotary (\$25,000) and CDBG (\$25,000) were also included to fund the total cost of this project. That level of funding allowed for completion of the first phase of this project. The Council appropriated an additional \$175,320 from the 2007 Certificates of Obligation proceeds (not funded by the Industrial Development Corporation) to fully fund all phases of this project. The total cost for all phases of the project was \$446,320. The new skate park benefits the citizens by providing an improved facility that addresses the need for more challenging and various structures for the skating community. It also serves as a course that will draw tournaments and visitors from other cities. Since work on this project was completed in June 2009, the FY 2012-13 budget already includes funds to maintain this new park facility.

South Tributary Hike and Bike Trail

As a part of the South Tributary drainage improvements, an 8-foot-wide concrete trail was placed along the channel. This trail is almost two miles in length and provides hike and bike

access between neighborhoods, schools, and parks. Additional improvements, funded here, include trail crossings, landscaping, signage, benches, a parking area, a pedestrian traffic signal and water fountains. The total project budget for these improvements is \$1,166,000 and is funded in the 2007 Certificates of Obligation.

After this project is complete, maintenance and operating costs are expected to increase due to the increased landscaping and maintenance of these structures. These additional costs are included in the FY 2012-13 Budget.

Hoffman Park Improvements

Improvements to Hoffman Park were completed in FY 2008-09 with the installation of a play unit and park benches and the replacement of the basketball court and goals. The total cost of this project was \$77,883 with \$49,000 funded from the 2007 Certificates of Obligation and the remainder from the General Fund. The FY 2012-13 operating budget includes funds for maintenance and upkeep of this facility.

Fire Stations Design and Improvements

The Central Fire Station (Station #1) needs repairs and upgrades. In addition, the City, because of the population growth over the last ten years, needed to add another fire station to effectively serve the citizens of New Braunfels as well as Emergency Service District #7. Fire Station #4 will provide that expansion of service. The 2007 Certificates of Obligation include \$330,000 to complete design of Fire Station #4 and for renovations to Fire Station #1. The 2009 Certificates of Obligation also include \$200,000 for Fire Station #1 improvements. Fire Station #4 will be completed and become operational in October 2012.

Additional personnel and equipment for Fire Station #4 have been included in the FY 2012-13 Budget. Additionally, the FY 2012-13 Budget includes all other new operating expenditures associated with the new facility such as utilities and maintenance. Staff for the new fire station costs approximately \$1.3 million annually.

Fire Station #6

Construction of the new Fire Station #6 was completed in September 2008. \$2,683,714 million was expended in the 2007 Certificates of Obligation to fund this construction as well as the equipment (emergency service vehicles) needed at the station. Fire Station #6 has three apparatus bays and is capable of housing up to nine Fire Department staff. The City worked with an architectural firm to establish a prototype fire station. Fire Station #6 is built on this prototype. The costs for staffing and operating supplies have already been absorbed in the City's Fire Department operating budget.

Drainage Improvements

The City continues to identify smaller scale drainage improvement projects needing to be addressed. Funding in the amount of \$383,487 was provided in the 2007 Certificates of Obligation to fund design and construction of several of these projects identified. The 2008 Certificates of Obligation have an additional \$160,000 in funding. In FY 2007-08, drainage project opportunities included investigation of ten projects. Through the concept design process, the Cedar Elm Street (\$1,611,800 estimated cost), Conrads Road (\$415,305 estimated cost), Post Road (\$5,379,500 estimated cost) and Live Oak Avenue (\$1,783,200 estimated cost) projects were determined to be too costly to complete with the drainage funding available. These projects

remain on the City's Capital Improvement Program. The South Bank, Pecan Ridge, Dove Crossing and Landa Street drainage projects were completed in FY 2008-09. The Honeysuckle Lane Project had right-of-way issues, and design revisions indicated drainage would not properly tie to the South Tributary project. The River Terrace drainage project was completed in FY 2009-10 at an approximate cost of \$85,000.

In addition to this funding, the City has established a Watershed Advisory Committee. One of their important responsibilities is to make recommendations to Council regarding identified drainage improvement projects that currently total about \$95 million. Funding has not yet been identified for these projects.

The FY 2012-13 Budget has additional appropriations for new drainage areas' maintenance to fund the additional costs to keep the drainage channels free of debris and vegetation.

New Braunfels Industrial Development Corporation Funded Projects

The New Braunfels Industrial Development Corporation funded the debt service associated with \$2.5 million of the 2007 Certificates of Obligation issue. The board of that corporation worked with the City to determine the parks improvement projects that will be completed with that funding. The following describes those projects.

Spring Fed Pool, Landa Park River Front and Dam Rehabilitation and Landa Park Irrigation Improvements: The spring fed pool represents a unique and well used asset to the community. It is, however, in need of maintenance and repair to bring to back to pristine condition for the enjoyment of residents and tourists. \$300,000 was originally provided for the study of recommended improvements to the pool. However, due to significant issues with Landa Park irrigation, retaining walls and Landa Lake Dam, these funds were divided to study each of these three important issues. \$48,450 was allocated to design a new irrigation system for Landa Park; \$207,300 was budgeted for river front rehabilitation (retaining walls and Landa Lake Dam) study; and \$40,310 was used to study improvements to the spring fed pool. The irrigation system and river front rehabilitation were presented to City Council in July 2009. These studies are completed. The FY 2012-13 Budget includes \$390,000 in the Certificates of Obligation to complete necessary repairs to the springfed pool.

Golf Course Improvements: The original golf course irrigation and greens project included the complete replacement of the failing irrigation system on the Landa Park Golf Course. However, the City completed a golf course master plan that recommended major changes and improvements to the golf course. The irrigation/greens project would not need to be completed if the major course overhaul is done. The \$837,564 in funding has been used to complete the archeological survey required and will be used in FY 2012-13 to complete design of the golf course improvements. The course will be completely revitalized through this project.

The FY 2012-13 operating budget will not be impacted by this project. Future fiscal years will see both an increase in revenue from the improved course, should the Council move in that direction, as well as higher costs for maintenance and upkeep. Projections for the golf course show that additional revenues will more than offset higher expenses, including debt service associated with the improvements.

Fredericksburg Fields Bleachers: Existing bleachers at Fredericksburg Fields were dilapidated and beginning to warp and break, which created safety hazards. Funding of \$16,076 provided replacements of two five-row bleachers and two three-row bleachers at Fredericksburg Fields, including shade structures that will provide protection from the sun for youth and families. This amount included two bleacher shades for youth fields at Fredericksburg Fields and three shades for youth fields at Camp Comal. This project was completed in FY 2010-11. The FY 2012-13 Operating Budget will see a slight reduction in operations and maintenance costs because the new bleachers will not need as much maintenance for three to five years.

Landa Playground Improvements: Landa Park provides residents and visitors with many options for play and enjoyment. The playground areas are one important aspect of this experience. This project provides \$442,940 in funding to upgrade the playground areas and the areas surrounding them. This project will be completed in FY 2012-13. New equipment has been installed; drainage improvements remain to be completed. These improvements are not expected to have any significant increase on operating expenses as the areas will continue to be maintained as they have been.

HEB Soccer Complex Improvements: Improvements to the HEB Soccer Complex include improved parking, reclamation of green space, construction of a championship soccer field, new concessions and training rooms, a neighborhood park element with playground and benches, trees and landscaping, signage, shade pavilions, additional goals and fencing improvements. Funding in the amount of \$625,210 is included in the 2007 Certificates of Obligation for this project. Renovation of this complex will allow for better playing conditions, a safer environment for the children through improved parking, the creation of a neighborhood park element to allow neighbors an opportunity for play, and a general improved appearance of the facility. This project began its initial phase in FY 2007-08. Parking lot improvements were completed in July 2009. The remaining improvements will continue into FY 2012-13. These improvements are not expected to have any significant increase on operating expenses as the areas will continue to be maintained as they have been.

Eikel Park Skate Park Improvements: The City completed development of an expanded skate park at Eikel Park. Funding from multiple sources was used for this community project. \$91,000 was incorporated in the \$2.5 million funded in the 2007 Certificates of Obligation being repaid by the New Braunfels Industrial Development Corporation. Additional contributions of \$50,000 from the General Fund, along with grants from the Tony Hawk Foundation (\$25,000), LCRA (\$25,000), Wursthfest Association (\$30,000), New Braunfels Rotary (\$25,000) and CDBG (\$25,000) were also included to fund the total cost of this project. That level of funding allowed for completion of the first phase of this project. The Council appropriated an additional \$175,320 from the 2007 Certificates of Obligation proceeds (not funded by the Industrial Development Corporation) to fully fund all phases of this project. The total cost for all phases of the project was \$446,320. The new skate park benefits the citizens by providing an improved facility that addresses the need for more challenging and various structures for the skating community. It also serves as a course that will draw tournaments and visitors from other cities. Since work on this project was completed in June 2009, the FY 2012-13 budget already includes funds to maintain this new park facility.

Eikel Field Improvements: Improvements to Eikel Field included replacing the asphalt trail with a granite trail, an additional covered picnic pavilion, soccer goals, signage, grills, 35 trees with landscaping, a splash pad/water playground, architectural accents, fencing, and additional sidewalks. Funding in the amount of \$102,000 was provided for this project in the 2007 Certificates of Obligation and was used for trail replacement and relocation of the basketball court. Eikel Field is the major destination park for the west side of town and is used frequently by families for walking and recreation. Expansion of this park provides an alternative to Landa Park. Work on this project began in FY 2007-08 and was completed in early FY 2008-09. The remaining proposed improvements are not yet funded. These improvements are not expected to have any significant increase on operating expenses as the areas will continue to be maintained as they have been.

Panther Canyon: The 2007 Certificates of Obligation include \$9,450 to complete a study of repairs and improvement needed for low water crossings in Panther Canyon. The current crossings consist of wooden bridges that are constantly vandalized and broken. In addition, the June 2010 caused significant erosion in this area. The study made recommendations on how to best address these issues.

Camp Comal Lighting: The lighting at one of the fields at Camp Comal needed to be replaced. The lights were, in some cases, failing and all of them required significant maintenance. The fixtures were of sufficient age that parts were difficult and/or expensive to acquire. All of the other fields have new lighting. The cost to replace these fixtures was \$79,700, funded in the 2007 Certificates of Obligation. They have a useful life of at least fifteen years. This project was completed in FY 2009-10. These improvements are not expected to have any significant increase on operating expenses as the lights will continue to be maintained as the previous structures have been.

City of New Braunfels

Fund: 308

2008 Certifications of Obligation Capital Improvement Fund

Fiscal Year Ending September 30, 2013

	Project Revenue/ Expenditures	Activity to Date As of 9/30/2012	Total Available Funds
Appropriations:			
Available Funds			
Proceeds from Debt Issuance	\$ 16,400,409	\$ 16,320,664	\$ 79,745
Interest Income	161,595	-	161,595
Donations, Contributions and Grants	262,500	-	262,500
Reimbursements	164,924	-	164,924
Miscellaneous	71,330	-	71,330
Interfund Transfers	28,186	-	28,186
TOTAL AVAILABLE FUNDS	\$ 17,088,944	\$ 16,320,664	\$ 768,280
APPROPRIATIONS			
Projects			
Fire Apparatus	\$ 1,970,645	\$ 1,970,645	\$ -
Walnut Avenue Widening - Segment 1	1,623,726		
Right-of Way Acquisition	1,428,726	1,428,726	-
Engineering Services	195,000	195,000	-
Walnut Ave. Widening Segments 2 & 3	764,000	658,331	105,669
Right-of Way Acquisition	80,000	8,475	71,525
Engineering Services	684,000	649,856	34,144
South Tributary Drainage Improvement - Construction	3,829,973	3,829,973	-
Walnut Extension to Klien Road - Land	115,554	115,554	-
Drainage Improvements	160,000	160,000	-
North Tributary - Land	405,194	99,167	306,027
Gruene Rd - Business 35 to Post Rd.	72,379	72,379	-
Railroad Quiet Zones	1,339,000	1,309,960	29,040
Engineering	347,000	323,218	23,782
Construction	992,000	986,742	5,258
Municipal Facilities property acquisition	964,955	874,955	90,000
Parks Modular Building	193,000	193,000	-
Goodwin Lane	302,843	302,843	-
Morningside Drive	946,932	946,932	-
Public Works/Fire Training Facility Design	1,970,711	1,928,816	41,895
Land	1,120,711	1,120,711	-
Professional Services	850,000	808,105	41,895
Highway 46 Improvements - Land	333,259	333,259	-
Pavement Management Program	987,406	987,406	-
Street Improvement Project - Phase 1 - 2006	172,351	172,351	-
Street Improvement Project - Phase 2 - 2005	175,000	175,000	-
Oak Run Bridge	217,918	217,918	-
Total Projects	\$ 16,544,846	\$ 15,972,215	\$ 572,631
Debt Issuance Expense	242,811	242,811	-
Engineering Staff	301,287	\$ 105,638	195,649
TOTAL APPROPRIATIONS	\$ 17,088,944	\$ 16,320,664	\$ 768,280

2008 CERTIFICATES OF OBLIGATION CAPITAL IMPROVEMENTS PROJECT FUND

Fund: 308

Program Description:

The City of New Braunfels issued \$2 million in tax notes to fund the acquisition of fire apparatus in June 2008. In addition, the City issued \$14.3 million in Certificates of Obligation in September 2008 to fund various needed capital improvement projects. Funding for Walnut Avenue Widening, land purchases as well as design costs for a new Public Works/Fire Training Facilities, improvements to Goodwin Lane and Morningside Drive for the Comal Independent School District, railroad quiet zones and the Oak Run Pedestrian Bridge are some of the projects included in the 2008 Certificates of Obligation issuance. These projects are described in more detail below. Various City departments manage these projects.

Appropriations:	Project Revenue/ Expenditures	Activity to Date As of 9/30/2012	Total Available Funds
Projects			
Fire Apparatus	\$ 1,970,645	\$ 1,970,645	\$ -
Walnut Avenue Widening - Segment 1	1,623,726		
Right-of Way Acquisition	1,428,726	1,428,726	-
Engineering Services	195,000	195,000	-
Walnut Ave. Widening Segments 2 & 3	764,000	658,331	105,669
Right-of Way Acquisition	80,000	8,475	71,525
Engineering Services	684,000	649,856	34,144
SouthTributary Drainage Improvement - Construction	3,829,973	3,829,973	-
Walnut Extension to Klien Road - Land	115,554	115,554	-
Drainage Improvements	160,000	160,000	-
North Tributary - Land	405,194	99,167	306,027
Gruene Rd - Business 35 to Post Rd.	72,379	72,379	-
Railroad Quiet Zones	1,339,000	1,309,960	29,040
Engineering	347,000	323,218	23,782
Construction	992,000	986,742	5,258
Municipal Facilities property acquisition	964,955	874,955	90,000
Parks Modular Building	193,000	193,000	-
Goodwin Lane	302,843	302,843	-
Morningside Drive	946,932	946,932	-
Public Works/Fire Training Facility Design	1,970,711	1,928,816	41,895
Land	1,120,711	1,120,711	-
Professional Services	850,000	808,105	41,895
Highway 46 Improvements - Land	333,259	333,259	-
Pavement Management Program	987,406	987,406	-
Street Improvement Project - Phase 1 - 2006	172,351	172,351	-
Street Improvement Project - Phase 2 - 2005	175,000	175,000	-
Oak Run Bridge	217,918	217,918	-
Total Projects	\$ 16,544,846	\$ 15,972,215	\$ 572,631
Debt Issuance Expense	242,811	242,811	-
Engineering Staff	301,287	\$ 105,638	195,649
TOTAL APPROPRIATIONS	\$ 17,088,944	\$ 16,320,664	\$ 768,280

Program Justification and Fiscal Analysis:

Fire Apparatus

A 100-foot platform truck was purchased for the Fire Department to replace an existing 75-foot ladder truck. The replaced truck was incurring significant maintenance costs and showing signs of structural failure. For the safety of the firefighters and to provide the equipment needed to respond effectively to fires, the City purchased this larger apparatus. The move from a 75-foot to a 100-foot ladder addresses the growth in New Braunfels and recognizes the additional reach capabilities required to services new multi-level structures. The 100-foot ladder can also assist with water rescue efforts from major traffic arteries. The tax notes also funded two engines to replace aging equipment that also has high maintenance costs and low reliability. The cost of this apparatus was \$1,896,081. The remaining \$74,564 from the original tax note issuance was used to help fund the new engine being purchased for Fire Station #2. The 2009 Certificates of Obligation include an additional \$478,126 in funding for that engine's purchase. This equipment has been in service for more than three fiscal years; therefore, the maintenance and operating costs are already reflected in the FY 2012-13 operating budget.

Walnut Avenue Widening

This project includes the widening of the Walnut Avenue street section from Business 35 to Katy Street, as well as intersection improvements at Katy Street and Business 35. In addition, the project includes improvements to San Antonio Street at Walnut Avenue. In March 2008, City Council determined that the best approach to this project is to widen Walnut Avenue through the project limits from 60 feet to a total width of 120 feet and, depending on lot configurations, wider in some areas. This approach will allow the street improvements to effectively serve the community for the next fifteen to twenty years. Drainage improvements are also included in the project. In addition, major landscaping and other improvements will be accomplished in the project to create a park-like environment through a portion of this roadway. Right-of-way acquisition and design began in FY 2007-08 and was completed in 2010. Construction began in September 2010 and is projected to be completed in May 2013. Total right-of-way costs were \$7,476,487 with the 2004 Certificates of Obligation funding \$6,047,761 of the total cost and the 2008 Certificates of Obligation providing the remaining funds required (\$1,428,726). The 2007 and 2008 Certificates of Obligation funded the design and engineering costs originally budgeted at \$400,000 but increased to \$1,085,000, with \$890,000 coming from the 2007 Certificates of Obligation and the remaining \$195,000 from the 2008 Certificates of Obligation).

This project was divided into Segments 1 (described above) and Segments 2 and 3. The 2008 Certificates of Obligation also funded \$80,000 for right-of-way and \$684,000 for engineering for segments 2 and 3 of the project. The 2011 Certificates of Obligation included \$5,100,000 in funding for a portion of the total construction costs (all segments). Since the construction time line is two-and-one-half years, three debt issuances will be completed over three fiscal years to fully fund this important project. The FY 2011-12 Budget included additional funding with the 2012 Certificates of Obligation. This debt issuance provides \$6,700,000 for the second phase of construction funding for this important project. The final phase for this project is to be funded by the 2013 Certificates of Obligation at \$4,000,000. The total construction cost of this project – for all phases – is \$25.5 million including amenities, underground utilities and construction contingencies.

An additional \$57,000 was funded in the 2011 Certificates of Obligation for the cost of the Assistant City Engineer and one Construction Inspector for the Walnut Avenue Widening Project. Both of these positions work full time on this project and will continue to this project until it is completed.

The FY 2012-13 operating budget will not be impacted by this project that will be under construction for the next 12 to 24 months. After completion, short term operating costs for street maintenance and repair will decrease because new roads require less maintenance for the first five to seven years. After this period, street maintenance costs will begin to climb. Since this project has significant landscaping and park-like improvements, once completed, parks maintenance costs will also increase.

Walnut Avenue Widening Segments 2 and 3 – Preliminary Engineering and Right-of-Way

The Walnut Avenue Project Segment 2 includes reconstructing approximately 1,300 linear feet of Walnut Avenue from IH-35 to Elliott Knox (Business 35). The Walnut Avenue Project Segment 3 includes reconstruction of approximately 3,300 linear feet of Walnut Avenue from Katy Street to Landa Street. Reconstruction of the bridge of the Dry Comal is not required. The new street sections will be four-lane facilities with a center turn lane and will include curb and gutter with sidewalk on at least one side of the roadway depending on available right-of-way. The project will be constructed within existing City right-of-way in these two segments. Engineering and design of these two segments are complete. The 2008 Certificates of Obligation funded this effort at \$684,000. In addition, \$80,000 is funded here for right-of-way acquisition on these segments. The total construction cost for all three segments of the Walnut Avenue Widening project is \$15.8 million including amenities, underground utilities and construction contingencies. The 2011 Certificates of Obligation include \$5,454,000 million in funding for a portion of the total construction costs. Additional construction costs of \$6,700,000 will be funded by the FY 2012 Certificates of Obligation. Since the construction time line is two-and-one-half years, three debt issuances are proposed over three fiscal years to fully fund this important project.

The FY 2012-13 operating budget will not be impacted by this project that will be under construction for the next 12 months. After completion, short term operating costs for street maintenance and repair will decrease because new roads require less maintenance for the first five to seven years. After this period, street maintenance costs will begin to climb. Since this project has significant landscaping and park-like improvements, once completed, parks maintenance costs will increase.

South Tributary Drainage Improvements

The South Tributary drainage project is a regional flood control project that collects run-off from a 1,932 acres watershed. Low-lying areas of the watershed are prone to flooding and the project is intended to confine the 100-year flood plain to City right-of-way. A feasibility analysis was completed that included a detailed investigation of eight alternatives. The selected alternative includes significant channel modifications to the existing South Tributary conveyance system and the construction of a regional detention basin. The budgeted cost for the project in the FY 2008-09 Budget was \$11,228,500. With the very favorable construction market, the bids for the project came in considerably under this estimated amount, which has allowed the City to reduce the budget to the current \$8,114,292. Of that amount, \$4,284,319 is funded in the 2004 Certificates of Obligation, with the remainder in the 2008 Certificates of Obligation. Project

design was substantially completed in FY 2007-08 and construction began in 2009. The project was delayed and the channel re-aligned, and the project was completed during FY 2010-11.

The drainage channel is completed; therefore, the City will incur new operating costs to maintain and mow the area. The FY 2012-13 Adopted Budget has additional appropriations for this and other drainage area maintenance to fund the additional costs to keep the drainage channels free of debris and vegetation.

Walnut Avenue Extension to Klein Road

This project consisted of extending Walnut Avenue from County Line Road to Klein Road with a five-lane street section. The road section crosses one major drainage way and, therefore, required storm drain improvements as well. The street is a critical element for north-south travel from County Line Road to Klein Road and is important to the school district to serve a new campus. A portion of the funding for the project (\$4,530,016) comes from the 2004 Certificates of Obligation. Remaining funding comes from the 2007 Certificates of Obligation (\$1,943,153), the 2008 Certificates of Obligation (\$115,554) for right-of-way acquisition and the General Fund which paid for some of the engineering costs (\$258,680) for a total project cost of \$6,847,403. The project began construction in FY 2007-08, and street construction was fully completed in early 2009 with the part serving the school completed in time for opening day.

The FY 2012-13 Budget includes \$175,539 in the 2004 Certificates of Obligation to fund enhancements and amenities to this road improvement that funds additional landscaping.

The additional operating costs for maintenance of landscaping on this new roadway are included in the FY 2012-13 Adopted Budget. In addition, street maintenance costs will decrease slightly in the short term because new roads require less maintenance for the first five to seven years. After this time, street maintenance costs will begin to climb. Since this project has some landscaping improvements, once completed, parks maintenance costs will also increase.

Drainage Improvements

The City continues to identify smaller scale drainage improvement projects needing to be addressed. Funding in the amount of \$383,487 is provided in the 2007 Certificates of Obligation to fund design and construction of these projects as they are identified. In addition, the 2008 Certificates of Obligation have an additional \$160,000 in funding. In FY 2007-08, drainage project opportunities included investigation of ten projects. Through the concept design process, the Cedar Elm Street (\$1,611,800 estimated cost), Conrads Road (\$415,305 estimated cost), Post Road (\$5,379,500 estimated cost) and Live Oak Avenue (\$1,783,200 estimated cost) projects were determined to be too costly to complete with the drainage funding available. These projects remain on the City's Capital Improvement Program. The South Bank, Pecan Ridge, Dove Crossing and Landa Street drainage projects were completed in FY 2008-09. The Honeysuckle Lane Project had right-of-way issues, and design revisions indicated drainage would not properly tie to the South Tributary project. The River Terrace drainage project was completed in FY 2009-10 at an approximate cost of \$85,000.

In addition to this funding, the City has established a Watershed Advisory Committee. One of their important responsibilities is to make recommendations to Council regarding identified drainage improvement projects that currently total about \$55 million. Funding has not yet been

identified for these projects. The City is establishing a Stormwater Utility fee that could be used in the future to fund drainage improvement projects.

The FY 2012-13 Budget has additional appropriations for new drainage areas' maintenance to fund the additional costs to keep the drainage channels free of debris and vegetation.

North Tributary Flood Control Project

The North Tributary Flood Control Project is a regional flood control project intended to reduce the threat of potential flooding. A significant number of residential and commercial properties within the watershed are currently within the 100-year floodplain. The North Tributary floodplain was studied in detail through a Federal Emergency Management Agency (FEMA) Flood Insurance Study. The study was intended to identify the known risks associated with flooding within New Braunfels and to update floodplain maps. In an effort to reduce the identified risk, the original project included a regional off-line detention pond along the North Tributary. The project scope was later revised to include channelization because the property being considered for the detention pond was commercially developed. The current project consists of three large regional detention ponds, one on either side of Walnut Avenue and one between Walnut Avenue and Old McQueeney Road, and channel improvements from Walnut Avenue to Old McQueeney Road. The projected total cost for the project including channel improvements is \$8,446,804. All funding is currently in place. The 2004 Certificates of Obligation fund \$825,664 which allocated \$761,360 for professional services and \$64,304 for right-of-way acquisition. The 2008 Certificates of Obligation funded additional right-of-way costs of \$405,194 and the 2011 Certificates of Obligation fund the cost of construction of \$6,000,000 plus \$1,093,000 for additional right-of-way costs, \$90,400 for professional services and \$20,000 for in-house staff working on this project. Design was completed in FY 2009-10, construction bids were received in FY 2010-11 and the Army Corp of Engineers gave approval to begin construction in July 2011. This project was completed during FY 2011-12.

The FY 2011-13 operating budget will be affected by this project. Once these facilities are accepted by the City, operating costs will increase due to the additional costs needed to keep the drainage channels free of debris and vegetation. Other additional future operating costs will include the maintenance of the actual structures. The cost is expected to be similar to that for the South Tributary flood control project (described above). Funds for the maintenance are included in the FY 2012-13 Budget.

Gruene Road Business 35 to Post Rd

The Gruene Road from Business 35 to Post Road project was initially a part of the Street Maintenance Phase 3 2005 project. It was deleted from that project when the Phase 3 2005 project was separated into Tier 1 and Tier 2 components. The project consists of reconstruction of Gruene Road and Glenbrook Lane, plus a drainage outfall. Design costs are funded in the 2008 Certificates of Obligation at a total of \$72,379. Construction is not currently funded and is estimated at \$750,000. This project will not impact the FY 2012-13 operating budget.

Railroad Quiet Zones

This project includes developing railroad quiet zones for various areas within the City. In February 2009, City staff presented a five-year Railroad Quiet Zone Implementation Program to City Council that identified which quiet zones could be addressed in phases over multiple fiscal years. The first phase of the identified quiet zones are generally from downtown to Rock Street (Union Pacific Railroad line number 2), from Church Hill to Rusk (Union Pacific Railroad line

number 1), and from Bridge Street to Coll Street (Union Pacific Railroad line number 1). The first phase also includes from downtown to Live Oak (Union Pacific Railroad line number 2). The project budget for design of both phases and construction of the first phase is \$1,339,000, with \$347,000 of the total budget allocated for engineering and \$992,000 for phase I construction. The FY 2012 Certificates of Obligation fund Phase II Construction costs at \$1,100,000. The total project budget is \$2,439,000

This project will not impact the FY 2012-13 operating budget. It is expected that about five years after these projects are constructed and completed; operating costs will increase and impact the operating budget to cover maintenance costs.

Municipal Facilities Property Acquisition

The City identified various properties that could be used to construct needed City facilities. These properties will serve various purposes including expansion of the City's parks system, additional administrative space, flood property buyouts, and new public safety facilities. The total funding for these purchases in the 2008 Certificates of Obligation is \$964,955. The 2009 Certificates of Obligation include an additional \$1,853,183 in funding for these same types of acquisitions.

Funds for mowing and other landscape maintenance are included in the FY 2012-13 Budget.

Parks Modular Building

These offices are needed to relocate staff from inadequate and deteriorating office spaces and to remove a metal storage container, now being used as an office, from Landa Park. A total of eight offices, one small meeting room, and a climate controlled break and meeting area for field staff are located within the modular building. Staff was working in non-climate controlled areas, and offices have leaking roofs and moldy conditions. The 2008 Certificates of Obligation fund \$193,000 to purchase and install this modular building.

FY 2012-13 operating budget will experience a decrease in their budget due to the purchase of this building as lease costs will be avoided.

Goodwin Lane

The Comal Independent School District expanded their infrastructure with construction of the new Oak Creek Elementary School along Goodwin Lane near Conrads Road. The City worked with the school district to support this effort by funding construction of road improvements needed on Goodwin Lane. The school district contracted for and completed this work and the City contributed \$302,843 toward construction costs from the 2008 Certificates of Deposit.

This new roadway will, in the next three to five years, increase operating expenditures for costs related to street maintenance.

Morningside Drive Improvements

In a similar situation, the Comal Independent School District constructed the new Morningside Elementary School along Morningside Drive near Solms Road. The City again partnered with the school district to complete needed road improvements on Morningside Drive by contributing \$946,932 for construction costs related to this street improvement project.

This new roadway will, in the next three to five years, increase operating expenditures for costs related to street maintenance.

Public Works/Fire Training Property and Facility Design

The City-wide Facilities Master Plan was completed in 2007 and indicated a need to increase available building and yard space for the Public Works Streets and Drainage function, the fleet service center, sign shop and solid waste functions. In addition, the City has identified a need for a full fire training facility. Property has been purchased on Orion Road that will effectively serve both these needs. The 2008 Certificates of Obligation supported the property purchase. The actual cost for this property was \$1,120,711.

In addition, the 2008 Certificates of Obligation include \$850,000 to complete the design of the new Public Works/Fire Training Facility. The design contract was awarded in July 2012. The City has completed the master plan for this campus and is working to identify the most cost effective approach to providing these facilities, including phasing in the full build out. The total estimated cost of construction for the first phase is \$12.6 million. Funding will need to be identified for the construction costs of this project.

This project will not impact the FY 2012-13 operating budget as design has just begun. The budget already incorporates the cost of vegetation maintenance. Once the facility becomes operational, the City's operating budget will need to increase to fund utility expenses as well as other maintenance and upkeep requirements.

Highway 46 Improvements

This project involved major improvements to Highway 46. TxDOT managed construction of this project. Both Comal County and the City of New Braunfels participated in the project by purchasing right-of-way and providing initial financing that will be repaid by TxDOT as the roadway is used. The City has a contract with TxDOT to pay the right-of-way costs over a three year period. By participation with the County, the City is taking advantage of the ability to expedite a significant regional transportation project. The 2007 Certificates of Obligation funded the first payment to TxDOT for the right-of-way acquisition for this project (\$181,000). The 2008 Certificates of Obligation will pay a portion of this cost as well as utility relocation within the City limits for this project, funded there at \$333,259. The Roadway Impact Fee Fund also paid a portion of this cost (\$176,600). In addition, the City must pay its proportionate share of interest only costs related to a total of \$16 million in debt issued by Comal County to facilitate construction financing. This debt will be repaid by TxDOT through pass-through financing as citizens begin to use the roadway. The pre-completion interest expenses are an actual (non-reimbursable) cost to the City. The 2007 Certificates of Obligation include appropriations of \$428,675, which helps fund this interest expense. The 2011 Certificates of Obligation include \$172,000 for another year's interest expense. Since the roadway is completed, TxDOT will begin taking traffic counts and begin reimbursing the County for the debt it issued (with reimbursement based on the level of activity along the roadway). Therefore, the interest expense to the City (and the County) is short lived, ending once construction is completed. It is not, as is the case with long term debt issued by the City, for a fifteen or twenty year period.

Highway 46 will remain a TxDOT maintained roadway; therefore, most of these improvements will not affect the City's operating costs. The City will have costs associated with traffic signal maintenance since the population has reached 50,000. The City must now maintain traffic

signals that TxDOT formerly managed. The FY 2012-13 Budget provides funding for traffic signal maintenance throughout the City, including those signals on Highway 46 inside the City limits.

Pavement Management Program

In June 2009, the City completed a pavement management survey and assessment. This project included a survey of all City streets to assess their current condition and what improvements may be required on every street segment. The \$987,406 included in the 2008 Certificates of Obligation augments the General Fund funding of \$1,156,000 for street maintenance and repair. The \$984,406 in this fund has already been used for mill and overlay type projects. Specifically, work was done on Gruene Road from Loop 337 to Sunny Brook, Saur Road from FM 778 to Westmeyer Road, Conrads Lane from IH 35 to Goodwin Lane and Goodwin Lane from Dove Hollow to Conrads Lane at a construction cost of \$566,369. The assessment shows that the City should spend at least \$2 million annually in crack seal (partially funded from the General Fund in FY 2011-12) and mill and overlay to keep pace with needed street maintenance and repair. The study also identified a large number of other street improvement projects that require reconstruction and/or major overhaul. Funding for many of these projects has not yet been identified.

These road improvements will, in the short term, reduce the operating costs for maintenance and repair of these stretches of pavement. After the first three to five years, maintenance costs for these roads are expected to increase.

Street Improvement Project – Phase 1-2006

The Phase 1 2006 street improvement project included construction of Union Avenue from Common to Lincoln, Basel from Union to Grant and Fredericksburg from Landa Street to Bell Street as Phase 1A. Edgewater Terrace from Elizabeth to Houston, Allen from Edgewater to Dallas, Chicago from Edgewater to Dallas, Elizabeth Avenue from Torrey to Edgewater and Country Club Circle were completed as Phase 1B. The project was awarded for construction in two phases to allow areas of high tourist traffic to flow smoothly. The project was also expanded from its original scope by extending Fredericksburg from Howard to Bell and the addition of Allen and Chicago. Competitive construction bids allowed the City to extend the limits of the project while remaining within the initial budget. The total project budget is \$1,229,877 with \$1,027,526 coming from the 2004 Certificates of Obligation, \$30,000 from the 2007 Certificates of Obligation and the remaining \$172,351 from the 2008 Certificates of Obligation.

These road improvements will, in the short term, reduce the operating costs for maintenance and repair of these stretches of pavement. After the first three to five years, maintenance costs for these roads are expected to increase.

Street Improvement Project – Phase 2-2005

The Phase 2 2005 street improvement project included improvements to Mill Street. The total project cost was \$2,013,579 with \$1,838,579 funded from the 2004 Certificates of Obligation and the remaining funding of \$175,000 from the 2008 Certificates of Obligation. The project was completed in February 2008.

These road improvements will, in the short term, reduce the operating costs for maintenance and repair of these stretches of pavement. After the first three to five years, maintenance costs for these roads are expected to increase.

Oak Run Bridge

Students in New Braunfels Independent School District attending the Oak Run School coming from an adjacent neighborhood were exposed to a flooding hazard at a drainage ditch. This project involved construction of a bridge to connect the Oak Run Subdivision to Oak Run School, eliminating the problem. Funding for the project was shared by the City, the school district and a private developer. The City's contribution totaled \$112,500 from the 2008 Certificates of Obligation. The total project cost was \$217,918.

The FY 2012-13 operating budget for Public Works includes resources to maintain this new pedestrian bridge. City crews will provide the necessary maintenance.

Capital Project Staff

All Budgets beginning with the FY2007-08 Budget proposed to use debt proceeds to fund the capital project management efforts by existing staff. The FY 2012-13 Budget proposes to increase from two positions proposed in FY 2007-08 to three new positions, to more effectively manage these projects. Charging a portion of the salary and benefit costs of the Engineering Division staff will more accurately reflect the total cost of the projects and the associated project management efforts of existing staff. This practice to charge these costs to the capital improvement funds will continue in all future fiscal year's budget. During FY 2012-13 70 percent of the salary and benefit costs associated with the Assistant City Engineer, the Civil Engineer. An additional Engineer was funded in the 2008 Certificates of Obligation for a total of \$57,000 for the Walnut Avenue Widening project plus an additional \$301,287 for the general management of all projects. 30 percent of the costs associated with three construction inspectors are funded in the 2011 Certificates of Obligation for a total of \$180,650. In the FY 2012 Certificates of Obligations these allocations total \$500,000 between the two capital improvement funds to support internal project management costs of existing staff.

In addition, the 2013 Certificates of Obligation Capital Improvement Fund appropriates \$255,000 for FY 2012-13 to fund the costs associated with three new project management positions – two Capital Project Manager positions and one Capital Projects Specialist position. The City has over \$50 million in active capital improvement projects currently funded and over \$500 million in outstanding infrastructure improvement needs. These positions will focus exclusively on capital project management and tracking, adding to the efforts already in place with existing Engineering and Parks staff. The total annual cost of these positions is \$217,000.

City of New Braunfels
2009 Certifications of Obligation Capital Improvement Fund
Fiscal Year Ending September 30, 2013

Fund: 309

Appropriations:	Project Revenue/ Expenditures	Activity to Date As of 9/30/2012	Total Available Funds
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Available Funds

Proceeds from Debt Issuance	\$ 9,564,480	\$ 7,510,641	\$ 2,053,839
Intergovernmental Revenue	292,703	-	292,703
Interest Income	36,801	-	36,801
TOTAL AVAILABLE FUNDS	\$ 9,893,984	\$ 7,510,641	\$ 2,383,343

APPROPRIATIONS

Projects

Human Resources/Finance Software System	\$ 200,000	\$ 140,485	\$ 59,515
Public Works Equipment (pneumatic roller, haul trailer, asphalt paver)	230,988	230,988	-
Computer Aided Dispatch Software System	1,279,000		1,279,000
Parks and Recreation Equipment (trailer, aerifier, dump truck, soil aerator, tractor 2 gators, pool fencing, pool chemical storage)	142,100	142,100	-
Fire Station #1 Improvements	200,000		200,000
Prince Solms Park - Phase 3 and 4	444,692	444,692	-
Wayfinding signs - monuments	197,000	89,413	107,587
Fencing at Camp Comal, Boathouse and Fredericksburg; bleachers at Camp Comal; Torrey Park parking lot	122,832	122,832	-
Fire apparatus for station #2	478,126	478,126	-
Police Vehicles	120,843	120,843	-
Boathouse improvements and boats	6,450	6,450	-
Water Lane property and improvements	1,521,100	1,083,297	437,803
Police Department Facility Improvements	255,000	-	255,000
Fire Station #4 - Construction	2,500,000	2,500,000	-
Property for Municipal Facilities	1,853,183	1,853,183	-
Mini Golf Course Improvements	69,031	34,088	34,943
Total Projects	\$ 9,620,345	\$ 7,246,497	\$ 2,373,848

Debt Issuance Cost	\$ 147,639	\$ 147,639	-
Real Estate Manager	100,000	90,505	9,495
Special Projects Manager	26,000	26,000	-

TOTAL APPROPRIATIONS	\$ 9,893,984	\$ 7,510,641	\$ 2,383,343
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***2009 CERTIFICATES OF OBLIGATION CAPITAL
IMPROVEMENT FUND***

Fund: 309

Program Description:

The City of New Braunfels issued \$9,500,000 in Certificates of Obligation to fund City wide technology upgrades, Public Works heavy equipment, various Parks projects and equipment, property for municipal facilities, fire station construction and a replacement engine and radios for the Fire Department. The individual projects are listed and described below. Various City departments manage these projects.

City of New Braunfels

Fund: 309

2009 Certifications of Obligation Capital Improvement Fund

Fiscal Year Ending September 30, 2013

Appropriations:	Project Revenue/ Expenditures	Activity to Date As of 9/30/2012	Total Available Funds
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Projects

Human Resources/Finance Software System	\$ 200,000	\$ 140,485	\$ 59,515
Public Works Equipment (pneumatic roller, haul trailer, asphalt paver)	230,988	230,988	-
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Fire Station #1 Improvements	200,000		200,000
Prince Solms Park - Phase 3 and 4	444,692	444,692	-
Wayfinding signs - monuments	197,000	89,413	107,587
Fencing at Camp Comal, Boathouse and Fredericksburg; bleachers at Camp Comal; Torrey Park parking lot	122,832	122,832	-
Fire apparatus for station #2	478,126	478,126	-
Police Vehicles	120,843	120,843	-
Boathouse improvements and boats	6,450	6,450	-
Water Lane property and improvements	1,521,100	1,083,297	437,803
Police Department Facility Improvements	255,000	-	255,000
Fire Station #4 - Construction	2,500,000	2,500,000	-
Property for Municipal Facilities	1,853,183	1,853,183	-
Mini Golf Course Improvments	69,031	34,088	34,943
Total Projects	\$ 9,620,345	\$ 7,246,497	\$ 2,373,848
Debt Issuance Cost	\$ 147,639	\$ 147,639	-
Real Estate Manager	100,000	90,505	9,495
Special Projects Manager	26,000	26,000	-
TOTAL APPROPRIATIONS	\$ 9,893,984	\$ 7,510,641	\$ 2,383,343

Program Justification and Fiscal Analysis:

Human Resources and Financial Management Software Systems:

The City continues to upgrade and add technology systems needed to support operations. The land development process and asset management software systems' implementation were completed in April 2009. The technology needs assessment completed by the City in FY 2005-06 identified a new human resource management information system as the next important technology the City needed to put in place to support its critical business processes. The human resources software provides expanded capabilities in the areas of benefits management, position control, employee self service, applicant tracking, employee information tracking, and attendance management. The financial management system must work in conjunction with a human resources system because of the critical payroll function that spans both data sets. For this and other reasons described here, the City upgraded both the financial software system and the human resources software system at the same time. The City's current vendor offered a unique opportunity to move to a new software platform within their product lines, providing enhanced capabilities at a very low implementation cost. This project began in September 2010. The financial/purchasing components of the system went live in June 2011 and the human resources/payroll modules followed in January 2012. The cost for this upgrade is \$200,000. In addition, the City's Project Manager in the Support Services Department was paid from the 2009 Certificates of Obligation. That cost was \$26,000.

It is expected that, although this software implementation will not have any direct dollar impact on the City's operating budget, staff efficiencies will result. Therefore, existing staff will be able to complete more tasks and absorb additional workload as the City grows.

Public Works Equipment

The 2009 Certificates of Obligation include funding for three major pieces of heavy equipment purchased for the Public Works Department for street maintenance and improvement efforts: a pneumatic roller, a 50-foot haul trailer (capable of moving the largest pieces of heavy equipment), and an asphalt paver. The pneumatic roller and asphalt paver are replacements for aged equipment that is also undersized and therefore no longer sufficient to handle the City's current needs. The new equipment makes street crews more efficient in their operations. The total cost for this equipment was \$230,988 funded by the 2009 Certificates of Obligation. All equipment has been purchased. Staff efficiencies have resulted from these purchases, allowing staff to complete more work orders during the course of the year.

Expectations are that the operating budget will continue at the same level for FY 2012-13 due to the purchase of these two pieces of equipment.

Computer Aided Dispatch Software System

The Police Department relies heavily on their computer aided dispatch (CAD) and records management software (RMS) daily to dispatch calls and generate all their reports. The Criminal Investigations Division also uses these systems to assign and manage cases while the communication center uses the same system to manage and dispatch all calls for service for police, fire and animal control. The CAD system proposed for this project is one that will allow the users to complete and submit for approval their field reports utilizing their mobile computers.

The RMS allows all documents to be stored electronically for immediate retrieval. Additionally, the CAD provides detailed illustrated maps, tracks crime trends and other use data needed to deploy resources. Another important benefit of the CAD system is the AVL or automatic vehicle locator which provides numerous benefits such as allowing the communication operator to identify the best resource when one is needed. The current system does not meet the needs of the Police Department for dispatch and records management. The 2009 Certificates of Obligation will fund the cost of this system for \$1,279,000. Included in the total project budget is funding for project manager who will have responsibility for the timely and effective implementation of the software system. This position will also support end users once the system is fully operational. At that time, if the position remains, the funding would need to come from the General Fund. For FY 2012-13, one Senior IT Specialist position is authorized and funded for this effort.

The FY 2012-13 operating budget will not be impacted by this purchase. Future maintenance costs for this system will be necessary.

Parks and Recreation Equipment

New and replacement equipment was needed to provide the resources needed to maintain park assets. The 2009 debt issuance includes \$142,100 to fund the purchase of a haul trailer (to move Parks equipment), an aerifier, a dump truck, a soil aerator, two gators and a tractor. The dump truck is a replacement; the other equipment provides Parks Maintenance crews with the tools they need to effectively maintain the parks and keep the vegetation and trees healthy and thriving. All equipment was purchased in FY 2008-09. Staff efficiencies have resulted from these purchases, allowing staff to complete more work orders during the course of the year.

Fire Stations Design and Improvements

The Central Fire Station (Station #1) needs repairs and upgrades. In addition, the City, because of the population growth over the last ten years, needed to add another fire station to effectively serve the citizens of New Braunfels as well as Emergency Service District #7. Fire Station #4 will provide that expansion of service. The 2007 Certificates of Obligation include \$330,000 to complete design Fire Station #4 and for renovations to Fire Station #1. The 2009 Certificates of Obligation also include \$200,000 for Fire Station #1 improvements. Fire Station #4 will be completed and become operational in October 2012.

Additional personnel and equipment for Fire Station #4 have been included in the FY 2012-13 Budget. Additionally, the FY 2012-13 Budget includes all other new operating expenditures associated with the new facility such as utilities and maintenance. Staff for the new fire station costs approximately \$1.3 million annually.

Prince Solms Park-Phase 3 & 4

In FY 2007-08, the City began a multi-phased project to improve Prince Solms Park. The 2009 Certificates of Obligation include \$444,692 to complete this project. Fencing, ramps, steps and railings in the area around the river were added in the earlier phases of this project. Phases 3 and 4 develop shade for the area, landscaping, stone columns, lighting and a new concrete landing for improved river access. This project was completed in August 2010. This project is not expected to have any significant increase on operating expenses as the area was previously maintained by staff.

Wayfinding Signs Project – Monuments

The City began implementation of the wayfinding signs in FY 2006-07. The project has been implemented in phases. The 2009 debt issuance provides \$197,000 in funding to complete the last phase of the project which includes the gateway monument signs at key entry points into the City and other monument signs at strategic locations including parks and City buildings. The City is currently working with TxDOT to place the entry wayfinding monuments. This project is expected to be completed in FY 2012-13. Some sign maintenance costs may be experienced in FY 2012-13 but are not expected to have any significant impact on expenditures.

Park Improvements

Several smaller parks improvement projects are funded with the 2009 Certificates of Obligation. Funding for all these projects totals \$198,313. Projects include replacement of fencing that is aged and in disrepair at Camp Comal, Fredericksburg fields and the boathouse as well as replacement bleachers at Camp Comal and parking improvement at Torrey Park (\$122,832). The lighting at the mini golf course has been replaced as part of the mini golf course improvements (\$69,031) and several paddle boats were replaced (\$6,450). These improvements have had a small impact on operating costs as the new equipment has reduced maintenance expenses in the short term. Staff time and funding resources will be used for other critical maintenance and repair projects.

Fire Apparatus

The City has been systematically replacing aged fire apparatus that has become costly to maintain and, in some cases, unreliable. The 2009 Certificates of Obligation include \$478,126 to replace the engine at Fire Station #2. The remaining cost of the apparatus was funded from the original 2008 tax note issuance that had funds remaining for this engine purchase (\$74,564). The replacement equipment will have a lower maintenance and repair cost in the short term.

The FY 2012-13 Budget includes the reduction in maintenance expenses will decrease with the purchase of this equipment.

Police Vehicles and Police Facilities Improvements

The 2009 Certificates of Obligation include shorter-term debt to fund the purchase of five police specification vehicles at a total cost of \$120,843. These vehicles are now used by new officers that were hired in FY 2008-09 when City Council authorized the addition of five positions to create a traffic unit and to enhance the community response team. The FY 2012-13 operating budget includes additional funding for maintenance of these vehicles as well as for fuel and other expendable supplies.

In addition, \$255,000 is included in the 2009 issuance to fund upgrades and enhancements to the Police Department's building to make the existing space more efficient and effective and to better serve the expanded workforce in that facility. This work has not yet begun.

Public Works and Parks Maintenance Campus (Water Lane Property)

The City purchased a former TxDOT facility for use by both the Public Works and Parks Maintenance functions. In addition, the City will construct the new Fire Station #2 on this campus. The existing structures included a maintenance building as well as other smaller structures that have passed their useful life. The City will utilize the maintenance facility and

bring in or construct other buildings to house staff. In addition, Comal County is utilizing a portion of the land to construct a new Sheriff's Office. The County paid the City \$289,000 for that land. The total project budget is \$1,521,000 which includes the cost of the County's land was funded from the 2009 Certificates of Obligation. The City paid TxDOT \$1,083,297 for the land and structures. Therefore, \$437,803 is available for structure improvements and/or replacement.

The City is not currently occupying this facility; therefore, the FY 2012-13 operating budget will not be affected by this purchase. Future fiscal years will see an increase in maintenance costs.

Fire Station Construction

The City, because of the population growth over the last ten years, needs to add another fire station to effectively serve the citizens of New Braunfels as well as Emergency Service District #7. Fire Station #4 will provide that expansion of service. The 2009 Certificates of Obligation include \$2,500,000 to fund construction of Fire Station #4. The City broke ground on this construction in June 2011 and the project is expected to be completed in July of 2012 and become fully operational in October 2012. New staff at a cost of \$1.3 million annually is included and fully funded in the FY 2012-13 Budget. In addition, although the facility will be larger, increase utilities and other expenses related to square footage, these are anticipated to be offset by reduced maintenance expenditures because the facility will be new.

Properties for Municipal Improvements

The City identified various properties that could be used to construct needed City facilities. These properties will serve various purposes including expansion of the City's parks system, additional administrative space, flood property buyouts, and new public safety facilities. The total funding for these purchases in the 2008 Certificates of Obligation is \$964,955. The 2009 Certificates of Obligation include an additional \$1,853,183 in funding for these same types of acquisitions.

Funds for mowing and other landscape maintenance are included in the FY 2012-13 Budget.

Real Estate Manager

In FY 2008-09, the City hired a Real Estate Manager to bring in-house the real estate acquisition function, thus saving contracted services costs. In addition, having this expertise in-house assists the City in more timely responses to real estate issues. In FY 2008-09 and in FY 2009-10, the position was fully funded from the 2004 Certificates of Obligation as this position worked on property acquisition for the Walnut Avenue Widening project. As the City's needs to continue to diversify, the funding for this position is changing. For FY 2012-13, the cost of this position will be fully funded in the General Fund.

Authorized Positions:

	FY 2010-11 Actual	FY 2011-12 Estimate	FY 2012-13 Budget
Senior IT Specialist	<u>0</u>	<u>0</u>	<u>1</u>
<i>Total Authorized Positions</i>	<i>0</i>	<i>0</i>	<i>1</i>

City of New Braunfels
2011 Certifications of Obligation Capital Improvement Fund
Fiscal Year Ending September 30, 2013

Fund: 351

Appropriations:	Project Revenue/ Expenditures	Activity to Date As of 9/30/2012	Total Available Funds
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Available Funds

Proceeds from Debt Issuance	\$ 18,200,000	\$ 15,162,500	\$ 3,037,500
Interest Income	44,838		44,838
Leases	38,812		38,812
Interfund Transfer	183,000		183,000
Reimbursement	45,000		45,000
TOTAL AVAILABLE FUNDS	\$ 18,511,650	\$ 15,162,500	\$ 3,349,150

APPROPRIATIONS

Projects

Walnut Avenue Widening Project	\$ 5,454,000	\$ 5,069,395	\$ 384,605
Construction/Professional Services	5,100,000	4,812,800	\$ 287,200
Engineering and Inspection (in-house)	354,000	256,595	97,405
Landa Plaza Property	1,901,862	1,901,862	-
Airport Runway Improvements	70,000	-	70,000
Flood Warning System	270,020	270,020	-
Landa Dam and Culverts Repairs	847,000	49,590	797,410
Landa Park Bridge repairs	700,000	493,418	206,582
Prince Solms Improvements (parking rev)	183,000	-	183,000
Fredericksburg Field Lighting Replacement	150,000	150,000	-
Landa Bathhouse Restroom Improvements	45,000		45,000
Gruene Rd. Improv (Gruene Apple)	378,238		378,238
San Antonio Street Bridge Improvements	340,000		340,000
Highway 46 Interest Expense	172,000		172,000
North Tributary Flood Control Project	6,976,266	6,580,648	395,618
Engineering and Inspecting (in house)	20,000	13,597	6,403
Professional Services	90,400	90,400	-
Right of Way	1,093,000	703,785	389,215
Construction	5,772,866	5,772,866	-
Gruene Crossing Drainage Improvement	603,094	603,094	-
Right of Way	158,697	158,697	-
Construction	444,397	444,397	-
Total Projects	\$ 18,090,480	\$ 15,118,027	\$ 2,972,453
 In House Staff	 180,650	 44,473	 136,177
Contingencies	\$ 240,520		240,520
 TOTAL APPROPRIATIONS	 \$ 18,511,650	 \$ 15,162,500	 \$ 3,349,150

2011 CERTIFICATES OF OBLIGATION CAPITAL IMPROVEMENT FUND

Fund: 351

Program Description:

The FY 2011-12 Budget includes a proposed \$18.19 million issuance of Certificates of Obligation to fund the Walnut Avenue Widening project's construction costs, construction costs for the North Tributary Flood Control project, parks repair and improvement projects, property acquisition, flood warning sirens, airport improvements, downtown improvements, and the Gruene Crossing Drainage Improvement project. Various City departments manage these projects.

Appropriations:	Project Revenue/ Expenditures	Activity to Date As of 9/30/2012	Total Available Funds
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Projects

Walnut Avenue Widening Project	\$ 5,454,000	\$ 5,069,395	\$ 384,605
Construction/Professional Services	5,100,000	4,812,800	\$ 287,200
Engineering and Inspection (in-house)	354,000	256,595	97,405
Landa Plaza Property	1,901,862	1,901,862	-
Airport Runway Improvements	70,000	-	70,000
Flood Warning System	270,020	270,020	-
Landa Dam and Culverts Repairs (flood dam)	847,000	49,590	797,410
Landa Park Bridge repairs (wading pool, bel	700,000	493,418	206,582
Prince Solms Improvements (parking revenue)	183,000	-	183,000
Fredericksburg Field Lighting Replacement	150,000	150,000	-
Landa Bathhouse Restroom Improvements	45,000		45,000
Gruene Rd. Improvements (Gruene Apple)	378,238		378,238
San Antonio Street Bridge Improvements	340,000		340,000
Highway 46 Interest Expense	172,000		172,000
North Tributary Flood Control Project	6,976,266	6,580,648	395,618
Engineering and Inspecting (in house)	20,000	13,597	6,403
Professional Services	90,400	90,400	-
Right of Way	1,093,000	703,785	389,215
Construction	5,772,866	5,772,866	-
Gruene Crossing Drainage Improvement	603,094	603,094	-
Right of Way	158,697	158,697	-
Construction	444,397	444,397	-
Total Projects	\$ 18,090,480	\$ 15,118,027	\$ 2,972,453
 In House Staff	 180,650	 44,473	 136,177
Contingencies	\$ 240,520		240,520
 TOTAL APPROPRIATIONS	 \$ 18,511,650	 \$ 15,162,500	 \$ 3,349,150

Program Justification and Fiscal Analysis:

Walnut Avenue Widening

This project includes the widening of the Walnut Avenue street section from Business 35 to Katy Street, as well as intersection improvements at Katy Street and Business 35. In addition, the project includes improvements to San Antonio Street at Walnut Avenue. In March 2008, City Council determined that the best approach to this project is to widen Walnut Avenue through the project limits from 60 feet to a total width of 120 feet and, depending on lot configurations, wider in some areas. This approach will allow the street improvements to effectively serve the community for the next fifteen to twenty years. Drainage improvements are also included in the project. In addition, major landscaping and other improvements will be accomplished in the project to create a park-like environment through a portion of this roadway. Right-of-way acquisition and design began in FY 2007-08 and was completed in 2010. Construction began in September 2010 and is projected to be completed in May 2013. Total right-of-way costs were \$7,476,487 with the 2004 Certificates of Obligation funding \$6,047,761 of the total cost and the 2008 Certificates of Obligation providing the remaining funds required (\$1,428,726). The 2007 and 2008 Certificates of Obligation funded the design and engineering costs originally budgeted at \$400,000 but increased to \$1,085,000, with \$890,000 coming from the 2007 Certificates of Obligation and the remaining \$195,000 from the 2008 Certificates of Obligation).

This project was divided into Segments 1 (described above) and Segments 2 and 3. The 2008 Certificates of Obligation also funded \$80,000 for right-of-way and \$684,000 for engineering for segments 2 and 3 of the project. The 2011 Certificates of Obligation included \$5,100,000 in funding for a portion of the total construction costs (all segments). Since the construction time line is two-and-one-half years, three debt issuances will be completed over three fiscal years to fully fund this important project. The FY 2011-12 Budget included additional funding with the 2012 Certificates of Obligation. This debt issuance provides \$6,700,000 for the second phase of construction funding for this important project. The final phase for this project is to be funded by the 2013 Certificates of Obligation at \$4,000,000. The total construction cost of this project – for all phases – is \$25.5 million including amenities, underground utilities and construction contingencies.

An additional \$57,000 was funded in the 2011 Certificates of Obligation for the cost of the Assistant City Engineer and one Construction Inspector for the Walnut Avenue Widening Project. Both of these positions work full time on this project and will continue to this project until it is completed.

The FY 2012-13 operating budget will not be impacted by this project that will be under construction for the next 12 to 24 months. After completion, short term operating costs for street maintenance and repair will decrease because new roads require less maintenance for the first five to seven years. After this period, street maintenance costs will begin to climb. Since this project has significant landscaping and park-like improvements, once completed, parks maintenance costs will also increase.

Landa Plaza Property

This property known as Landa Plaza located on Landa Street was purchased to provide a location for a future municipal facility. The City has several needs for a number of municipal facilities and has not yet determined which would be most appropriate for this site. The 2011 Certificates

of Obligation funded the cost of the land totaling \$1,901,862. The FY 2012-13 Budget includes the cost of maintaining this property.

Airport Runway Improvements

The 2011 Certificates of Obligations include \$70,000 for City's 10 percent cash match for this TxDOT airport improvement project to help fund the design of extension of the Airport runway 13. This project includes the design of the overlay of Runway 13/31 and Taxiways A, B, C, D and F, the apron in front of the City Terminal, the apron around the City owned T-Hangars, resurfacing of the North East Apron, design for City Terminal apron expansion, design of the new taxiway stub next to the City Terminal, design of a new lighting system for Runway 13/31 and Taxiway A, relocation of the Airport electrical vault, and new marking and striping of the areas to be re-surfaced. The \$480,000 cash match for construction costs for this project will be funded by the New Braunfels Industrial Development Corporation and is included in their FY 2012-13 Budget. Once completed, this project is expected to reduce maintenance costs on these new surfaces.

Flood Warning System

The City has purchased and installed flood warning sirens to improve the ability to warn citizens and visitors of potential and/or imminent danger on or near the two rivers flowing through the City. The 2011 Certificates of Obligation fully funded the \$270,020 cost of this project. The system is in place and available for use should the need arise. Maintenance costs for the system have been included in the FY 2012-13 operating budget.

Landa Dam and Culverts Repairs

The Landa Lake Dam has eroded over the past years due to flood events and natural erosion, allowing lake water to enter the spring fed pool and fill it with sediment. This project will raise the height of the dam by 1.7' to prevent frequent overtopping. In addition, after the June 2010 flood, it was discovered that the lake culverts leading into the old channel were severely eroded and in danger of failing. This project will also replace the culverts to prevent possible failure. The sluice gates that control flow into the old channel will also be replaced. This project is funded in the 2011 Certificates of Obligation at \$700,000. These repairs are expected to reduce the FY 2012-13 operating budget.

Landa Park Bridge Repairs

The Landa Park wading pool pedestrian bridge and the pedestrian bridge by the gazebo were lost during the June 2010 flood. In addition, the bridge into Gazebo Circle at Landa Park was damaged. This project will replace the pedestrian bridges with sturdier structures that will better withstand future high water and flooding and will repair the other bridge. The FY 2011 Certificates of Obligation fund the \$700,000 needed to cover these costs. The FY 2012-13 operating budget will not be affected by these repairs.

Prince Solms Improvements

Since parking has been limited to pavement only at Prince Solms Park, the opportunity exists to make improvements to the park for use by local residents and visitors. Improvements could include irrigation, parking and road improvements, benches, trails, landscaping and other amenities. A park master plan is currently underway that will result in the presentation of options for design concepts for Council consideration. \$183,000 from the parking revenue from the last year of parking in this area is allocated in the 2011 Certificates of Obligation Fund to

support this effort. These funds were previously accounted for in the Facilities Maintenance Fund and area transferred here in FY 2012-13 to better track these funds

This project will not impact the FY 2012-13 operating budget

Fredericksburg Field Lighting Replacement

The current lighting system at the Fredericksburg Field is at the end of its useful life and is causing energy inefficiencies. The wooden pools are seriously deteriorating. The system must be replaced to keep the fields viable. The new lighting system will also provide automatic scheduling and increased energy efficiency. The 2011 Certificates of Obligation funded the cost of this replacement at \$150,000. This project is complete. Some operating costs savings are expected from the more energy efficient lighting.

Landa Bathhouse Restroom Improvements

This project replaces pipes, toilets and urinal fixtures, as well as replaces walls in the Landa Bathhouse. Individual toilets and urinals throughout the building are frequently “out of service”. The majority of the plumbing lines within the walls are cast-iron, installed during the 1969 renovation of the building. Failures and major deterioration have been discovered through an evaluation of the pipes and carrier system within the walls that support the installation of toilet fixtures. New units will be installed to replace existing toilets and urinals that show signs of deterioration. The 2011 Certificates of Obligation will fund \$45,000 for this project. These improvements were not part of the bathhouse renovations completed in June 2008.

Gruene Road Improvements (Gruene Apple)

Through a Mediated Settlement Agreement with Gruene Apple Land Company, Ltd. the City is working toward addressing some outstanding issues associated with the Gruene Road Project. By mutual agreement, Gruene Apple and the City selected Civil Engineering Consultants (CEC) to investigate, analyze, survey, propose solutions and provide final design for the identified issues. Council authorized proceeding with design services in December of 2011 with the total cost for those services being \$85,000.

As a result of preliminary design it is evident that not only can the terms and conditions outlined in the mediated settlement agreement be addressed, but proposed improvements can also improve street drainage. The project includes an underground drainage system, reestablishment of an embankment, a retaining wall to stabilize the bank in City ROW at the base of a metal building, gabion bank stabilization in a select area, channel erosion repairs and gabion reconfiguration near the Guadalupe River. Improvements will be constructed by the City with its own forces and by an outside contractor. The estimated construction cost including project administration at the conclusion of preliminary design is \$397,000. The 2007 Certificates of Obligation will fund \$104,084 of this amount and the 2011 Certificates of Obligation will fund the balance of \$378,238.

This project will not impact the FY 2012-13 operating budget.

San Antonio Street Bridge Improvements

This project includes repairs to the San Antonio Street Bridge and improvements to the lighting. In FY 2011-12, there was a single car accident on this bridge that resulted in the need for structural repairs. The 2011 Certificates of Obligation include funding to address the damages

incurred from accident. The second part of this project includes installing historical type lighting on the bridge. The funding for this aspect of the project is a collaborative effort between the City and the Main Street Partners, who have been fundraising for this project over the past several years. In total, the expected cost of the project is \$452,000. The City expects to receive insurance proceeds of \$25,000 to help offset the City's portion of the project costs of \$340,000 for bridge repairs and lighting installation. The Main Street Partners have committed to funding the actual lighting purchase (estimated at \$112,000)

Highway 46 Interest Expense

This project involves major improvements to Highway 46. TxDOT is managing construction of this project. Both Comal County and the City of New Braunfels have participated in the project by purchasing right-of-way and providing initial financing that will be repaid by TxDOT once the roadway is completed. The City has a contract with TxDOT to pay the right-of-way costs over a three year period. By participation with the County, the City is taking advantage of the ability to expedite a significant regional transportation project. The 2007 Certificates of Obligation funded the first payment to TxDOT for the right-of-way acquisition for this project (\$181,000). The 2008 Certificates of Obligation will pay a portion of this cost as well as utility relocation within the City limits for this project, funded there at \$333,259. The Roadway Impact Fee Fund also paid a portion of this cost (\$176,600) and has an additional \$300,000 budgeted for costs associated with this project. In addition, the City must pay its proportionate share of interest only costs related to a total of \$16 million in debt issued by Comal County to facilitate construction financing. This debt will be repaid by TxDOT through pass-through financing as citizens begin to use the roadway. The pre-completion interest expenses are an actual (non-reimbursable) cost to the City. The 2007 Certificates of Obligation include appropriations of \$428,675, which funds this interest expense through FY 2011-12. The 2011 Certificates of Obligation include \$172,000 for another year's interest expense. Once the roadway is completed, TxDOT will begin taking traffic counts and begin reimbursing the County for the debt it issued (with reimbursement based on the level of activity along the roadway). Therefore, the interest expense to the City (and the County) is short lived, ending once construction is completed. It is not, as is the case with long term debt issued by the City, for a fifteen or twenty year period. Therefore, it is appropriate to use these one-time funds for this purpose.

Highway 46 will remain a TxDOT maintained roadway; therefore, most of these improvements will not affect the City's operating costs. The City will have costs associated with traffic signal maintenance since the population has reached 50,000. The City must now maintain traffic signals that TxDOT formerly managed. The FY 2012-13 Budget provides funds for traffic signal maintenance throughout the City, including Highway 46 inside the City limits.

North Tributary Flood Control Project

The North Tributary Flood Control Project is a regional flood control project intended to reduce the threat of potential flooding. A significant number of residential and commercial properties within the watershed are currently within the 100-year floodplain. The North Tributary floodplain was studied in detail through a Federal Emergency Management Agency (FEMA) Flood Insurance Study. The study was intended to identify the known risks associated with flooding within New Braunfels and to update floodplain maps. In an effort to reduce the identified risk, the original project included a regional off-line detention pond along the North Tributary. The project scope was later revised to include channelization because the property being considered for the detention pond was commercially developed. The current project

consists of three large regional detention ponds, one on either side of Walnut Avenue and one between Walnut Avenue and Old McQueeney Road, and channel improvements from Walnut Avenue to Old McQueeney Road. The projected total cost for the project including channel improvements is \$8,446,804. All funding is currently in place. The 2004 Certificates of Obligation fund \$825,664 which allocated \$761,360 for professional services and \$64,304 for right-of-way acquisition. The 2008 Certificates of Obligation funded additional right-of-way costs of \$405,194 and the 2011 Certificates of Obligation fund the cost of construction of \$6,976,266 including \$5,772,866 for the cost of constructions, \$1,093,000 for additional right-of-way costs, \$90,400 for professional services and \$20,000 for in-house staff working on this project. Design was completed in FY 2009-10, construction bids were received in FY 2010-11 and the Army Corp of Engineers gave approval to begin construction in July 2011. This project was completed during FY 2011-12.

Once these facilities are accepted by the City, operating costs will increase due to the additional costs needed to keep the drainage channels free of debris and vegetation. Other additional future operating costs will include the maintenance of the actual structures. The cost is expected to be similar to that for the South Tributary flood control project (described above). Funds for the maintenance are included in the FY 2012-13 Budget.

Gruene Crossing Drainage Improvements

The Gruene Crossing project includes investigation of improvement options for the low-water crossing at the entrance to the Gruene Crossing Subdivision. Even small rainfall events produce runoff that prevents access to this residential neighborhood of more than 200 units. Preliminary design suggests the project should be done in two phases. The first phase would include channel upgrades downstream; the second phase would involve construction of culverts at Club Crossing Street. Design for this project is funded at \$120,000 in the 2007 Certificates of Obligation. Construction costs of \$444,397 and right-of-way acquisition expected costs of \$158,697 for a total of \$603,094 are funded in the 2011 Certificates of Obligation. Total project cost is \$723,094. The FY 2012-13 Budget includes appropriations for this and other drainage area maintenance to fund the additional costs to keep the drainage channels free of debris and vegetation.

Capital Project Staff

All Budgets beginning with the FY2007-08 Budget proposed to use debt proceeds to fund the capital project management efforts by existing staff. The FY 2012-13 Budget proposes to increase from two positions proposed in FY 2007-08 to three new positions, to more effectively manage these projects. Charging a portion of the salary and benefit costs of the Engineering Division staff will more accurately reflect the total cost of the projects and the associated project management efforts of existing staff. This practice to charge these costs to the capital improvement funds will continue in all future fiscal year's budget. During FY 2012-13 70 percent of the salary and benefit costs associated with the Assistant City Engineer, the Civil Engineer. An additional Engineer was funded in the 2008 Certificates of Obligation for a total of \$57,000 for the Walnut Avenue Widening project plus an additional \$301,287 for the general management of all projects. 30 percent of the costs associated with three constructions inspectors are funded in the 2011 Certificates of Obligation for a total of \$180,650. In the FY 2012 Certificates of Obligations these allocations total \$500,000 between the two capital improvement funds to support internal project management costs of existing staff.

In addition, the 2013 Certificates of Obligation Capital Improvement Fund appropriates \$255,000 for FY 2012-13 to fund the costs associated with three new project management positions – two Capital Project Manager positions and one Capital Projects Specialist position. The City has over \$50 million in active capital improvement projects currently funded and over \$500 million in outstanding infrastructure improvement needs. These positions will focus exclusively on capital project management and tracking, adding to the efforts already in place with existing Engineering and Parks staff. The total annual cost of these positions is \$217,000.

City of New Braunfels
2012 Certifications of Obligation Capital Improvement Fund
Fiscal Year Ending September 30, 2012

Fund:352

	Project Revenue/ Expenditures	Activity to Date As of 9/30/2012	Total Available Funds
Appropriations:			

Available Funds

Proceeds from Debt Issuance	\$ 20,750,000	\$ -	\$ 20,750,000
Interest Income	30,000		30,000
TOTAL AVAILABLE FUNDS	\$ 20,780,000	\$ -	\$ 20,780,000

APPROPRIATIONS

Projects

Walnut Avenue Widening - Construction	\$ 6,700,000		\$ 6,700,000
Downtown Improvements - Phase I Construction	2,200,000		2,200,000
Railroad Quiet Zones - Construction - Phase II	1,100,000		1,100,000
Fire apparatus for Station #4	930,000		930,000
Ambulance Remounts	208,000		208,000
Maintenance Shop Structural Repairs	500,000		500,000
Park Improvement Projects			
Fischer Park Improvements - Construction	3,410,000		3,410,000
Landa Park Retaining Walls - Construction	4,500,000		4,500,000
Springfed Pool repairs	390,000		390,000
Total Projects	\$ 19,938,000	\$ -	\$ 19,938,000
Capital Project Staff	500,000		500,000
Contingencies	342,000	-	342,000
TOTAL APPROPRIATIONS	\$ 20,780,000	\$ -	\$ 20,780,000

2012 CERTIFICATES OF OBLIGATION CAPITAL IMPROVEMENT FUND

Program Description:

The FY 2011-12 Budget includes a proposed \$15.5 million issuance of Certificates of Obligation in 2012. Projects funded with the proceeds would include additional funds for the Walnut Avenue Widening project, the FM 306 overpass, railroad quiet zones (2nd phase), airport and fire department equipment, parks improvements, downtown improvements and a computer aided dispatch/records management software system for public safety. Various City departments manage these projects. The New Braunfels Industrial Development Corporation will fund the debt service associated with the FM 306 overpass project (\$1.5 million in debt issuance).

City of New Braunfels

Fund: 352

2012 Certifications of Obligation Capital Improvement Fund

Fiscal Year Ending September 30, 2012

Appropriations:	Project Revenue/ Expenditures	Activity to Date As of 9/30/2012	Total Available Funds
Projects			
Walnut Avenue Widening - Construction	\$ 6,700,000		\$ 6,700,000
Downtown Improvements - Phase I Construction	2,200,000		2,200,000
Railroad Quiet Zones - Construction - Phase II	1,100,000		1,100,000
Fire apparatus for Station #4	930,000		930,000
Ambulance Remounts	208,000		208,000
Maintenance Shop Structural Repairs	500,000		500,000
Park Improvement Projects			
Fischer Park Improvements - Construction	3,410,000		3,410,000
Landa Park Retaining Walls - Construction	4,500,000		4,500,000
Springfed Pool repairs	390,000		390,000
Total Projects	\$ 19,938,000	\$ -	\$ 19,938,000
Capital Project Staff	500,000		500,000
Contingencies	342,000	-	342,000
TOTAL APPROPRIATIONS	\$ 20,780,000	\$ -	\$ 20,780,000

Program Justification and Fiscal Analysis:

Walnut Avenue Widening

This project includes the widening of the Walnut Avenue street section from Business 35 to Katy Street, as well as intersection improvements at Katy Street and Business 35. In addition, the project includes improvements to San Antonio Street at Walnut Avenue. In March 2008, City Council determined that the best approach to this project is to widen Walnut Avenue through the project limits from 60 feet to a total width of 120 feet and, depending on lot configurations, wider in some areas. This approach will allow the street improvements to effectively serve the community for the next fifteen to twenty years. Drainage improvements are also included in the project. In addition, major landscaping and other improvements will be accomplished in the project to create a park-like environment through a portion of this roadway. Right-of-way acquisition and design began in FY 2007-08 and was completed in 2010. Construction began in September 2010 and is projected to be completed in May 2013. Total right-of-way costs were \$7,476,487 with the 2004 Certificates of Obligation funding \$6,047,761 of the total cost and the 2008 Certificates of Obligation providing the remaining funds required (\$1,428,726). The 2007 and 2008 Certificates of Obligation funded the design and engineering costs originally budgeted at \$400,000 but increased to \$1,085,000, with \$890,000 coming from the 2007 Certificates of Obligation and the remaining \$195,000 from the 2008 Certificates of Obligation).

This project was divided into Segments 1 (described above) and Segments 2 and 3. The 2008 Certificates of Obligation also funded \$80,000 for right-of-way and \$684,000 for engineering for segments 2 and 3 of the project. The 2011 Certificates of Obligation included \$5,454,000 in funding for a portion of the total construction costs. Since the construction time line is two-and-one-half years, three debt issuances are proposed over three fiscal years to fully fund this important project. The FY 2011-12 Budget includes additional funding with the 2012 Certificates of Obligation. This debt issuance provides \$6,700,000 for the second phase of construction funding for this important project...The final phase for this project is to be funded by the 2013 Certificates of Deposits for a total \$4,000,000. The total construction cost of this project – for all phases – is \$25.5 million including amenities, underground utilities and construction contingencies.

An additional \$57,000 was funded in the 2011 Certificates of Obligation for the cost of the Assistant City Engineer and one Construction Inspector for the Walnut Avenue Widening Project. Both of these positions work full time on this project and will continue to this project until it is completed.

The FY 2012-13 operating budget will not be impacted by this project that will be under construction for the next 12 months. After completion, short term operating costs for street maintenance and repair will decrease because new roads require less maintenance for the first five to seven years. After this period, street maintenance costs will begin to climb. Since this project has significant landscaping and park-like improvements, once completed, parks maintenance costs will also increase.

Downtown Improvements- Phase I

The City completed a downtown implementation plan that included many recommendations for infrastructure improvements in the area. The total project cost is estimated at \$6.3 million. The

project will be broken into several phases. This first phase of the project will enhance the sidewalk infrastructure for the downtown area to make the area more accessible, increase pedestrian safety in the area while also increasing the pedestrian traffic to the area. It includes portions of the sidewalk upgrades; other phases will continue these improvement efforts. The New Braunfels Industrial Development Board will fund design costs for the first phase of this project. Their FY 2011-12 Budget includes \$250,000 for this expense. Phase I construction costs are funded in the proposed 2012 Certificates of Obligation at \$2,200,000.

This project will not affect the FY 2012-13 Operating Budget. Once the project is complete and accepted by the City operating costs will increase to cover the costs to maintain the sidewalks.

Railroad Quiet Zones – Construction - Phase II

This project includes developing railroad quiet zones for various areas within the City. In February 2009, City staff presented a five-year Railroad Quiet Zone Implementation Program to City Council that identified which quiet zones could be addressed in phases over multiple fiscal years. This project includes designing all and constructing the first phase of the identified quiet zones. These zones are generally from downtown to Rock Street (Union Pacific Railroad line number 2), from Church Hill to Rusk (Union Pacific Railroad line number 1), and from Bridge Street to Coll Street (Union Pacific Railroad line number 1). The first phase also includes from downtown to Live Oak (Union Pacific Railroad line number 2). The total project budget for this phase is \$1,339,000, with \$347,000 of the total budget allocated for engineering and \$992,000 for construction. The FY 2012 Certificates of Obligation will fund the Phase II Construction for a total of \$1,100,000.

This project will not impact the FY 2012-13 operating budget. It is expected that about five years after these projects are constructed and completed; operating costs will increase and impact the operating budget to cover maintenance costs.

Fire Station Construction/ Apparatus

The newly constructed Fire Station #4 will become operational in October 2012. The construction costs are funded with the 2009 Certificates of Obligation. The 2012 debt issuance funds the purchase of the engine and ambulance needed for this station at total cost of \$930,000.

Maintenance and operations costs for these vehicles are included in the Fire Department's FY 2012-13 Budget.

Ambulance Remounts

The City's ambulances require partial replacement (chassis) every five years and full replacement after two chassis replacement. This is an effective way to get the maximum use from the ambulance "box" and equipment that sits on the chassis. In FY 2011-12, two ambulances were remounted. \$208,000 is provided in the 2012 debt issuance to fund this cost.

Maintenance Shop Structural Repairs

The maintenance shop structure was originally built by the Landa Cotton Oil Company as a fireproof hull warehouse in the late 1800's to early 1900's. Currently, the Parks and Recreation Department is using it as office space and workspace as well as for storage for supplies and equipment. It provides approximately 12,000 square feet of inadequate space for Parks and Golf

operations. There is little or no climate control, potential roof leaks and other structural issues that make it difficult at best for the staff using the facility. Although not currently designated as an historical structure, it is one which would preserve the heritage of this City. The 2012 Certificates of Obligation provide \$500,000 to address the structural problems at this facility. This project is expected to reduce operating costs after the repairs are complete.

Fischer Park Improvements

This project had several funding requirements from the 2007 Certificates of Obligation. In FY 2007-08, the City purchased 58 acres of land at McQueeney and County Line Roads for development into a park. The land was purchased for \$2,284,077 in January 2007. In July 2009, City Council also completed a master plan study (of which \$19,000 was funded from the 2007 Certificates of Obligation and accepted the recommended alternative for the park's development. Once again the 2007 Certificates of Obligation were used to fund \$269,518 to buy the property adjacent to the City's existing property and to provide \$608,662 to fund the construction drawings and engineering to fully implement the master plan recommendations. Design is now complete for this new park with construction to follow. The construction cost for phase I of this project is provided by the 2012 Certificates of Obligation for \$3,410,000.

The FY 2012-13 Adopted Budget has additional appropriations for this and other open space areas' maintenance to fund the additional costs to control vegetation

Landa Park Retaining Walls- Construction

This project identifies existing Comal river bank locations within Landa Park in need of rehabilitation due to severe soil erosion and damage. Additionally, improvements are needed to the Landa Lake Dam to minimize frequent spillover into the Spring Fed Pool (which causes maintenance issues due to silt infiltration). A study was conducted in FY 2008-09 to determine recommended solutions to these issues. The study recommended rebuilding the retaining walls with MSE block material and raising the Landa Lake Dam by 1.7 feet above the current elevation. The 2007 Certificates of Obligation include \$347,000 for the design of this project. In addition, \$847,000 is included in the 2011 Certificates of Obligation to address repairs to the dam and culverts resulting from the June 2010 flood. Design was completed in January 2011.

Final construction documents are being prepared for the replacement/repair of the retaining walls in Landa Park. Construction of these walls will prevent further erosion and loss of banks and provide a safe surface from which to stand at the water's edge. The cost to make these repairs of \$ 4,500,000 will be funded by the 2012 Certificates of Obligation.

The FY 2012-13 operating budget will not be impacted by this project. After this project is completed, operating costs are expected to decrease due to elimination of the soil erosion issues. The walls and the dam will need future maintenance but not for the first three to five years.

Spring Fed Pool Repair

The spring fed pool represents a unique and well used asset to the community. It is, however, in need of maintenance and repair to bring it back to pristine condition for the enjoyment of residents and tourists. \$300,000 was originally provided for the study of recommended improvements to the pool. However, due to significant issues with Landa Park irrigation, retaining walls and Landa Lake Dam, these funds were divided to study each of these three important issues with one of the issues being to use \$40,310 to study improvements to the spring

fed pool. The FY 2012 Certificates of Obligation will fund repairs for the Springfed Pool for a total of \$390,000

Until this project is completed, the operating budget will not be affected.

Capital Project Staff

All Budgets beginning with the FY2007-08 Budget proposed to use debt proceeds to fund the capital project management efforts by existing staff. The FY 2012-13 Budget proposes to increase from two positions proposed in FY 2007-08 to three new positions, to more effectively manage these projects. Charging a portion of the salary and benefit costs of the Engineering Division staff will more accurately reflect the total cost of the projects and the associated project management efforts of existing staff. This practice to charge these costs to the capital improvement funds will continue in all future fiscal year's budget. During FY 2012-13 70 percent of the salary and benefit costs associated with the Assistant City Engineer, the Civil Engineer. An additional Engineer was funded in the 2008 Certificates of Obligation for a total of \$57,000 for the Walnut Avenue Widening project plus an additional \$301,287 for the general management of all projects. 30 percent of the costs associated with three constructions inspectors are funded in the 2011 Certificates of Obligation for a total of \$180,650. In the FY 2012 Certificates of Obligations these allocations total \$500,000 between the two capital improvement funds to support internal project management costs of existing staff.

In addition, the 2013 Certificates of Obligation Capital Improvement Fund appropriates \$255,000 for FY 2012-13 to fund the costs associated with three new project management positions – two Capital Project Manager positions and one Capital Projects Specialist position. The City has over \$50 million in active capital improvement projects currently funded and over \$500 million in outstanding infrastructure improvement needs. These positions will focus exclusively on capital project management and tracking, adding to the efforts already in place with existing Engineering and Parks staff. The total annual cost of these positions is \$217,000.

City of New Braunfels
2013 Certifications of Obligation Capital Improvement Fund
Fiscal Year Ending September 30, 2013

Fund: 353

	Project Revenue/ Expenditures	Activity to Date As of 9/30/2012	Total Available Funds
Appropriations:			

Available Funds

Proceeds from Debt Issuance	\$ 15,700,000	\$ -	\$ 15,700,000
Federal Grant	855,518		855,518
Interest Income	5,000		5,000
TOTAL AVAILABLE FUNDS	\$ 16,560,518	\$ -	\$ 16,560,518

APPROPRIATIONS

Projects

Walnut Avenue Widening - Construction	\$ 4,000,000		\$ 4,000,000
FM 306 Contstruction	4,000,000		4,000,000
Flood Property Buyout (Grant)	1,140,700		1,140,700
Radio Replacement	2,100,000		2,100,000
Fischer Park Construction - Phase 2	4,350,000		4,350,000
Total Projects	\$ 15,590,700	\$ -	\$ 15,590,700

Debt Issuance Cost	\$ 200,000	\$ -	200,000
Capital Project Staff	255,000		255,000
Contingencies	514,818	-	514,818
TOTAL APPROPRIATIONS	\$ 16,560,518	\$ -	\$ 16,560,518

2013 CERTIFICATES OF OBLIGATION CAPITAL IMPROVEMENT FUND

Program Description:

The FY 2012-13 Budget includes a proposed \$15.7 million issuance of Certificates of Obligation in 2012. Projects funded with the proceeds would include the final funds for the completion of the Walnut Avenue Widening project, the FM 306 overpass, replacement of all public safety radios, and the 2nd phase of construction for Fischer Park. Various City departments manage these projects.

	Project Revenue/ Expenditures	Activity to Date As of 9/30/2012	Total Available Funds
Appropriations:			
Projects			
Walnut Avenue Widening - Construction	\$ 4,000,000		\$ 4,000,000
FM 306 Construction	4,000,000		4,000,000
Flood Property Buyout (Grant)	1,140,700		1,140,700
Radio Replacement	2,100,000		2,100,000
Fischer Park Construction - Phase 2	4,350,000		4,350,000
Total Projects	\$ 15,590,700	\$ -	\$ 15,590,700
Debt Issuance Cost	\$ 200,000	\$ -	200,000
Capital Project Staff	255,000		255,000
Contingencies	514,818	-	514,818
TOTAL APPROPRIATIONS	\$ 16,560,518	\$ -	\$ 16,560,518

Program Justification and Fiscal Analysis:

Walnut Avenue Widening

This project includes the widening of the Walnut Avenue street section from Business 35 to Katy Street, as well as intersection improvements at Katy Street and Business 35. In addition, the project includes improvements to San Antonio Street at Walnut Avenue. In March 2008, City Council determined that the best approach to this project is to widen Walnut Avenue through the project limits from 60 feet to a total width of 120 feet and, depending on lot configurations, wider in some areas. This approach will allow the street improvements to effectively serve the community for the next fifteen to twenty years. Drainage improvements are also included in the project. In addition, major landscaping and other improvements will be accomplished in the project to create a park-like environment through a portion of this roadway. Right-of-way acquisition and design began in FY 2007-08 and was completed in 2010. Construction began in September 2010 and is projected to be completed in May 2013. Total right-of-way costs were \$7,476,487 with the 2004 Certificates of Obligation funding \$6,047,761 of the total cost and the 2008 Certificates of Obligation providing the remaining funds required (\$1,428,726). The 2007

and 2008 Certificates of Obligation funded the design and engineering costs originally budgeted at \$400,000 but increased to \$1,085,000, with \$890,000 coming from the 2007 Certificates of Obligation and the remaining \$195,000 from the 2008 Certificates of Obligation).

This project was divided into Segments 1 (described above) and Segments 2 and 3. The 2008 Certificates of Obligation also funded \$80,000 for right-of-way and \$684,000 for engineering for segments 2 and 3 of the project. The 2011 Certificates of Obligation included \$5,454,000 in funding for a portion of the total construction costs. Since the construction time line is two-and-one-half years, three debt issuances are proposed over three fiscal years to fully fund this important project. The FY 2011-12 Budget includes additional funding with the 2012 Certificates of Obligation. This debt issuance provides \$6,700,000 for the second phase of construction funding for this important project...The final phase for this project is to be funded by the 2013 Certificates of Deposits for a total \$4,000,000. The total construction cost of this project – for all phases – is \$25.5 million including amenities, underground utilities and construction contingencies.

An additional \$57,000 was funded in the 2011 Certificates of Obligation for the cost of the Assistant City Engineer and one Construction Inspector for the Walnut Avenue Widening Project. Both of these positions work full time on this project and will continue to this project until it is completed.

The FY 2012-13 operating budget will not be impacted by this project that will be under construction for the next 12 months. After completion, short term operating costs for street maintenance and repair will decrease because new roads require less maintenance for the first five to seven years. After this period, street maintenance costs will begin to climb. Since this project has significant landscaping and park-like improvements, once completed, parks maintenance costs will also increase.

FM 306 Overpasses (TXDOT project)

This is a TxDOT project and involves improvements to FM 306 from north of Hunter Road to IH 35. It includes two new railroad grade separations and other road features and amenities. The estimated total project cost is \$47 million. City Council passed a resolution in support of the project and ultimately committed to \$9 million in cost participation. This commitment will be met by \$3 million in New Braunfels Industrial Development Corporation (NBIDC) funding (\$1.5 million in cash and \$1.5 million in debt where the NBIDC will pay the debt service) and \$6 million in certificates of obligation where the debt service will be supported by property tax. The City and County each originally committed \$6 million in funding to meet the local funding requirement of \$12 million. However, Comal County's contribution was reduced to \$3 million (with the County committing to pay the first \$3 million required by TxDOT) and the City and NBIDC's combined amount was increased to \$9 million so the County would have sufficient funds to complete a dam project. The 2013 Certificates of Obligation will fund the first portion of the City's and NBIDC contribution by issuing \$4 million. The associated debt service for \$1.5 million of this amount will be paid by NBIDC. Additionally, NBIDC will contribute another \$1.5 million in cash.

Flood Property Buyout (Grant)

The Repetitive Flood Claim (RFC) Grant from FEMA awarded to the City for \$700,100 will be used to acquire and demolish homes prone to flooding due to their location in the floodway.

Once the homes have been demolished, the land acquired will be used for open, green space which will help alleviate flooding issues in the area. The grant requires that no structures can be built on the properties once they are acquired. This grant is accounted for in the Grant Fund. The City has also applied for two FEMA's Hazard Mitigation grants for \$357,817 and \$497,700 to be used for the same purpose. These two grants require matching funds of \$119,272 and \$165,900 respectively. The 2013 Certificates of Obligation will provide the matching portion of these grants. Therefore, the full expenditure of \$1,140,700 is budgeted in the 2013 Certificates of Obligation Fund. The grant revenue of \$855,518 is also accounted for in this fund.

FY 2012-13 will provide for funds to maintain the properties clean after the homes are demolished.

Radio Replacement

The current 900 analog radio system must be converted to a digital system by February 2014. The system is at the end of its fifteen year life span. Upgrades totaling \$375,000 started in FY 2011-12. This includes adding 8 channels and two towers. These additions are necessary to ensure the proper radio coverage and meet user demands of the fire and police departments. The majority of hand held and mobile radios will be obsolete when this change over occurs. The newer radios purchased in the last three years can be utilized by Public Works on the new 900 digital system. This 700 MHz radio conversion will be in line with AACOG's regional interoperability plan. Funding for this new replacement system is included in the 2013 Certificates of Obligation for a total of \$2,100,000.

The FY 2012-13 will not be impacted by this project.

Fischer Park Land and Design

This project had several funding requirements from the 2007 Certificates of Obligation. In FY 2007-08, the City purchased 58 acres of land at McQueeney and County Line Roads for development into a park. The land was purchased for \$2,284,077 in January 2007. In July 2009, City Council also completed a master plan study (of which \$19,000 was funded from the 2007 Certificates of Obligation and accepted the recommended alternative for the park's development. Once again the 2007 Certificates of Obligation were used to fund \$269,518 to buy the property adjacent to the City's existing property and to provide \$608,662 to fund the construction drawings and engineering to fully implement the master plan recommendations. Design is now underway for this new park. The construction cost for this project is provided by the 2012 Certificates of Obligation for \$4,350,000.

The FY 2012-13 Adopted Budget has additional appropriations for this and other open space areas' maintenance to fund the additional costs to control vegetation.

Capital Project Staff

All Budgets beginning with the FY2007-08 Budget proposed to use debt proceeds to fund the capital project management efforts by existing staff. The FY 2012-13 Budget proposes to increase from two positions proposed in FY 2007-08 to three new positions, to more effectively manage these projects. Charging a portion of the salary and benefit costs of the Engineering Division staff will more accurately reflect the total cost of the projects and the associated project management efforts of existing staff. This practice to charge these costs to the capital improvement funds will continue in all future fiscal year's budget. During FY 2012-13 70

percent of the salary and benefit costs associated with the Assistant City Engineer, the Civil Engineer. An additional Engineer was funded in the 2008 Certificates of Obligation for a total of \$57,000 for the Walnut Avenue Widening project plus an additional \$301,287 for the general management of all projects. 30 percent of the costs associated with three constructions inspectors are funded in the 2011 Certificates of Obligation for a total of \$180,650. In the FY 2012 Certificates of Obligations these allocations total \$500,000 between the two capital improvement funds to support internal project management costs of existing staff.

In addition, the 2013 Certificates of Obligation Capital Improvement Fund appropriates \$255,000 for FY 2012-13 to fund the costs associated with three new project management positions – two Capital Project Manager positions and one Capital Projects Specialist position. The City has over \$50 million in active capital improvement projects currently funded and over \$500 million in outstanding infrastructure improvement needs. These positions will focus exclusively on capital project management and tracking, adding to the efforts already in place with existing Engineering and Parks staff. The total annual cost of these positions is \$217,000.

Authorized Positions:

	FY 2010-11 Actual	FY 2011-12 Estimate	FY 2012-13 Budget
Capital Project Manager	0	0	2
Capital Project Specialist	<u>0</u>	<u>0</u>	<u>1</u>
<i>Total Authorized Positions</i>	<i>0</i>	<i>0</i>	<i>3</i>

City of New Braunfels
Parks Improvements Fund
Fiscal Year Ending September 30, 2013

Fund: 314

<i>APPROPRIATIONS:</i>	FY 2010-11 Actual	FY 2011-12 Estimate	FY 2012-13 Funds
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Beginning Balance

Undesignated Funds	\$ 214,117	\$ 219,773	\$ 225,873
Total Beginning Balance	\$ 214,117	\$ 219,773	\$ 225,873

Revenue

Interest Income	\$ 245	\$ 100	\$ 125
Development Fees	5,411	6,000	6,000
Total Revenue	\$ 5,656	\$ 6,100	\$ 6,125

TOTAL AVAILABLE FUNDS	\$ 219,773	\$ 225,873	\$ 231,998
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APPROPRIATIONS

Capital Improvement Projects

Quadrant 1	91,600
Quadrant 2	6,000
Quadrant 3	69,325
Quadrant 4	48,700

TOTAL OPERATING APPROPRIATIONS	\$ -	\$ -	\$ 215,625
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Appropriated Fund Balance	\$ 219,773	\$ 225,873	\$ 16,373
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TOTAL APPROPRIATIONS	\$ 219,773	\$ 225,873	\$ 231,998
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PARKS IMPROVEMENT FUND

Fund: 314

Program Description:

The Parks Improvement Fund has been used by the City of New Braunfels to fund capital improvement projects at any of the parks facilities, from picnic tables to the spring fed swimming pool to the tennis courts, as well as for neighborhood parks development under the City's Parks Development Fee program. In the past, funding for projects came from a percentage of the gross receipts from various parks activities such as the swimming pools and tube chute as well as interest income. The revenue from parks activities is no longer a revenue source for this fund. However, in FY 2005-06, the City instituted a new Parks Development Fee. This fee must be used only to develop neighborhood parks. The City is divided into four districts and funds generated by each district must be used in that district. This Parks Improvement Fund is now used to account for this program. The fund is managed by the Parks and Recreation Department.

<i>APPROPRIATIONS:</i>	FY 2010-11 Actual	FY 2011-12 Estimate	FY 2012-13 Funds
Capital Improvement Projects			
Quadrant 1			91,600
Quadrant 2			6,000
Quadrant 3			69,325
Quadrant 4			48,700
TOTAL APPROPRIATIONS	\$ -	\$ -	\$ 215,625

Program Justification and Fiscal Analysis:

The Parks Improvement Fund has \$215,625 appropriated by quadrant to support future neighborhood park development efforts. Funds must be spent in the quadrant in which they were generated. No specific projects are identified, therefore there is no short term impact on the operating budget including for FY 2012-13.

City of New Braunfels
Roadway Development Impact Fees Fund
Fiscal Year Ending September 30, 2013

Fund: 336

	FY 2010-11 Actual	FY 2011-12 Estimate	FY 2012-13 Budget
Beginning Balance			
Undesignated Funds	\$ 1,669,776	\$ 2,323,790	\$ 3,254,437
Total Beginning Balance	\$ 1,669,776	\$ 2,323,790	\$ 3,254,437
Revenue			
Development Fees	\$ 680,948	\$ 1,017,000	\$ 800,000
Interest Income	1,567	1,400	1,500
Total Revenue	\$ 682,515	\$ 1,018,400	\$ 801,500
TOTAL AVAILABLE FUNDS	\$ 2,352,291	\$ 3,342,190	\$ 4,055,937

APPROPRIATIONS

Projects

Highway 46 Right-of-Way Acquisition	\$ -	\$ 12,753	\$ -
Roadway Impact Fee study update	-	75,000	
Projects			
District 1			811,200
District 2			53,600
District 3			824,050
District 4			16,600
District 5			1,177,600
District 6			1,020,930
Reimbursements	28,501	-	
TOTAL APPROPRIATIONS	\$ 28,501	\$ 87,753	\$ 3,903,980
Appropriated Fund Balance	\$ 2,323,790	\$ 3,254,437	\$ 151,957
TOTAL APPROPRIATIONS	\$ 2,352,291	\$ 3,342,190	\$ 4,055,937

ROADWAY DEVELOPMENT IMPACT FEES FUND**Fund: 336*****Program Description:***

In FY 2007-08, the City instituted roadway development impact fees. Revenue from these fees must be used only to complete roadway improvements in the district in which the funds were generated. The City is divided into six districts. The City completed the required studies to determine the maximum fee per district. Council set the fees as a result of that study. The Public Works Department manages this fund.

	FY 2010-11	FY 2011-12	FY 2012-13
Appropriations:	Actual	Estimate	Budget

Projects

Highway 46 Right-of-Way Acquisition	\$ -	\$ 12,753	\$ -
Roadway Impact Fee study update		75,000	
Projects			
District 1			811,200
District 2			53,600
District 3			824,050
District 4			16,600
District 5			1,177,600
District 6			1,020,930
Reimbursements	28,501	-	
TOTAL APPROPRIATIONS	\$ 28,501	\$ 87,753	\$ 3,903,980

Program Justification and Fiscal Analysis:

The Roadway Development Impact Fees Fund has \$3,903,980 appropriated that can be used to fund roadway improvements identified in the impact fee study. Funds are appropriated by roadway district as the money must be expended in the district it was generated.



Other Funds



City of New Braunfels
Debt Service Fund
Fiscal Year Ending September 30, 2013

Fund: 401

Available Funds	FY 2010-11 Actual	FY 2011-12 Estimate	FY 2012-13 Budget
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Beginning Balance

Undesignated Funds	\$ 679,114	\$ 600,519	\$ 856,612
Total Beginning Balance	\$ 679,114	\$ 600,519	\$ 856,612

Revenue

Taxes	\$ 5,698,009	\$ 7,338,560	\$ 8,068,352
Interest Income	471	500	500
Contribution - 4B	983,391	990,448	1,681,294
Interfund Transfers - Hotel/Motel Tax	609,798	612,598	611,598
Miscellaneous	730,000	-	-
Total Revenue	\$ 8,021,668	\$ 8,942,106	\$ 10,361,744

TOTAL AVAILABLE FUNDS \$ **8,700,782** \$ **9,542,625** \$ **11,218,356**

APPROPRIATIONS

Debt Service	\$ 8,100,263	\$ 8,686,013	\$ 10,152,917
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TOTAL OPERATING APPROPRIATION \$ **8,100,263** \$ **8,686,013** \$ **10,152,917**

Ending Fund Balance \$ **600,519** \$ **856,612** \$ **1,065,439**

TOTAL APPROPRIATIONS \$ **8,700,782** \$ **9,542,625** \$ **11,218,356**

DEBT SERVICE FUND

Debt Service Fund: 401

Program Description:

The City of New Braunfels issues bonds and certificates of obligation to fund needed capital improvement projects such as streets and drainage improvements, park improvements, library and fire station construction, civic/convention center renovations and additions, airport towers and hangers and other major projects. The amounts budgeted in this fund reflect the principal and interest payments for outstanding debt. The first table below lists the current outstanding Certificates of Obligation (C of O's), refunding bonds and tax note debt issuances, their purpose, issuance date and amount of debt. The second set of tables shows the City's total principal and interest payments for the life of the existing outstanding debt by issuance. The Support Services Department manages this fund.

The City does not have a debt limit from the perspective of the total amount that can be issued under current Texas law. However, Article XI, Section 5 of the Texas Constitution, applicable to cities of more than 5,000 in population limits the City's total tax rate to \$2.50 per \$100 assessed valuation. The Texas Attorney General has further adopted an administrative policy that generally prohibits the issuance of debt by a municipality, such as the City, if its issuance produces debt service requirements exceeding that which can be paid from a \$1.50 maximum tax rate calculated at 90 percent collection. This \$1.50 is part of the overall \$2.50 limit. The City has adopted a Home Rule Charter which does not limit the City's maximum tax rate limit beyond these limits.

<u>Authorized and Issued Amount</u>	<u>Purpose</u>	<u>Type Debt</u>	<u>Interest Rate</u>	<u>Issue Date/ Maturity Date</u>
\$3.25 million	Library building construction	C of O's	6.0%	August 1, 1998/ September 1, 2018
\$6.27 million	Street improvements and hike/bike trail	C of O's	3.7%	June 15, 2003/ September 30, 2023
\$26 million	Streets and drainage improvements	C of O's	4.2%	April 15, 2004/ September 30, 2020
\$1.6 million	Airport hanger	C of O's	4.3%	September 25, 2006/ September 30, 2021
\$8.0 million	Civic/Convention Center improvements and expansion	C of O's	4.2%	September 25, 2006/ September 30, 2026
\$10.6 million	Refunding	GO Bond	4.0%	December 5, 2006/ September 30, 2025
\$17.5 million	Streets and Drainage, Parks, Fire Station	C of O's	4.2%	September 19, 2007/ September 30, 2027
\$2 million	Tax Notes	Tax Notes	3.4%	June 5, 2008/ September 30, 2015
\$14.3 million	Streets and drainage, Public Works facility, fire training facility	C of O's	4.82%	August 11, 2008/ September 30, 2028

<u>Authorized and Issued Amount</u>	<u>Purpose</u>	<u>Type Debt</u>	<u>Interest Rate</u>	<u>Issue Date/ Maturity Date</u>
\$9.5 million	Public Works, Parks, Police and Fire Equipment, parks improvements, fire station construction, municipal facilities	C of O's	3.99%	August 19, 2009/ September 30, 2029
\$540,000	Refunding	GO Bond	2.00%	October 18, 2010 September 30, 2018
\$18.2 Million	Streets and Drainage, Public Works Parks, Airport, park improvements, drainage projects, Flood warning equip, Property acquisition.	C of O's	4.05%	February 1, 2011/ September 30, 2031
\$19.5 Million	Streets and Drainage police and fire equipment and facility improvements, property acquisition, municipal facility construction and improvements.	C of O's	3.31%	July 9, 2012, September 30, 2032

The following chart shows the City of New Braunfels total outstanding debt requirements annually through the life of all outstanding debt.

<u>Period Ending</u>	<u>Total Principal</u>	<u>Total Interest</u>	<u>Total Debt Service</u>
FY 2012-13	5,825,000	4,315,919	10,140,919
FY 2013-14	6,065,000	4,084,432	10,149,432
FY 2014-15	6,325,000	3,840,891	10,165,891
FY 2015-16	6,055,000	3,616,729	9,671,729
FY 2016-17	6,270,000	3,345,440	9,615,440
FY 2017-18	6,135,000	3,088,140	9,223,140
FY 2018-19	6,105,000	2,833,556	8,938,556
FY 2019-20	6,220,000	2,582,444	8,802,444
FY 2020-21	6,440,000	2,322,120	8,762,120
FY 2021-22	6,505,000	2,054,793	8,559,793
FY 2022-23	6,745,000	1,778,350	8,523,350
FY 2023-24	6,455,000	1,483,966	7,938,966
FY 2024-25	6,700,000	1,198,653	7,898,653
FY 2025-26	5,015,000	928,443	5,943,443
FY 2026-27	4,460,000	691,303	5,151,303
FY 2027-28	3,990,000	493,277	4,483,277
FY 2028-29	3,030,000	342,028	3,372,028
FY 2029-30	2,535,000	226,047	2,761,047
FY 2030-31	2,650,000	108,654	2,758,654
FY 2031-32	1,390,000	24,325	1,414,325
Total	\$104,915,000	\$39,359,510	\$144,274,510

The chart below shows the outstanding obligations for the City of New Braunfels Certificates of Obligation issued in June 2003. The original issue amount was \$6,270,000. This debt service is paid by the New Braunfels Industrial Development Corporation.

<u>Period Ending</u>	<u>Total Principal</u>	<u>Total Interest</u>	<u>Total Debt Service</u>
FY 2012-13	290,000	156,233	446,233
FY 2013-14	305,000	147,533	452,533
FY 2014-15	325,000	138,078	463,078
FY 2015-16	345,000	127,353	472,353
FY 2016-17	360,000	115,623	475,623
FY 2017-18	380,000	103,023	483,023
FY 2018-19	405,000	88,963	493,963
FY 2019-20	425,000	73,775	498,775
FY 2020-21	450,000	57,200	507,200
FY 2021-22	475,000	39,200	514,200
FY 2022-23	505,000	20,200	525,200
Total	\$4,265,000	\$1,067,181	\$5,332,181

The chart below shows the outstanding obligations for the City of New Braunfels Certificates of Obligation issued in April 2004. The original issue amount was \$26,000,000. A portion of this debt was refunded in 2006.

<u>Period Ending</u>	<u>Total Principal</u>	<u>Total Interest</u>	<u>Total Debt Service</u>
FY 2012-13	1,185,000	509,625	1,694,625
FY 2013-14	1,225,000	449,375	1,674,375
FY 2014-15	1,270,000	387,000	1,657,000
FY 2015-16	1,315,000	322,375	1,637,375
FY 2016-17	1,365,000	255,375	1,620,375
FY 2017-18	1,415,000	185,875	1,600,875
FY 2018-19	1,475,000	113,625	1,588,625
FY 2019-20	1,535,000	38,375	1,573,375
Total	\$10,785,000	\$2,261,625	\$13,046,625

The chart below shows the outstanding obligations for the City of New Braunfels Certificates of Obligation issued in September 2006. The original issue amount was \$8,000,000. This debt is paid entirely with proceeds from the City's hotel/motel tax.

<u>Period Ending</u>	<u>Total Principal</u>	<u>Total Interest</u>	<u>Total Debt Service</u>
FY 2012-13	335,000	276,598	611,598
FY 2013-14	350,000	259,429	609,429
FY 2014-15	370,000	241,929	611,929
FY 2015-16	385,000	227,129	612,129
FY 2016-17	405,000	211,729	616,729
FY 2017-18	425,000	195,529	620,529
FY 2018-19	450,000	178,529	628,529
FY 2019-20	470,000	160,529	630,529
FY 2020-21	495,000	141,259	636,259
FY 2021-22	520,000	120,840	640,840
FY 2022-23	545,000	99,390	644,390
FY 2023-24	570,000	76,500	646,500
FY 2024-25	600,000	52,275	652,275
FY 2025-26	630,000	26,775	656,775
Total	\$6,550,000	\$2,268,440	\$8,818,440

The chart below shows the outstanding obligations for the City of New Braunfels Certificates of Obligation issued in September 2006. The original issue amount was \$1,600,000 and was used to construct a hanger at the New Braunfels Municipal Airport.

<u>Period Ending</u>	<u>Total Principal</u>	<u>Total Interest</u>	<u>Total Debt Service</u>
FY 2012-13	105,000	49,493	154,493
FY 2013-14	110,000	44,768	154,768
FY 2014-15	115,000	39,818	154,818
FY 2015-16	120,000	34,643	154,643
FY 2016-17	125,000	29,243	154,243
FY 2017-18	135,000	24,243	159,243
FY 2018-19	140,000	18,708	158,708
FY 2019-20	145,000	12,828	157,828
FY 2020-21	155,000	6,665	161,665
Total	\$1,150,000	\$260,409	\$1,410,409

The chart below shows the outstanding obligations for the City of New Braunfels Refunding General Obligation issued in December 2006. The original issue amount was \$10,600,000.

<u>Period Ending</u>	<u>Total Principal</u>	<u>Total Interest</u>	<u>Total Debt Service</u>
FY 2012-13	260,000	416,638	676,638
FY 2013-14	270,000	406,038	676,038
FY 2014-15	175,000	397,138	572,138
FY 2015-16	295,000	387,738	682,738
FY 2016-17	310,000	375,638	685,638
FY 2017-18	70,000	368,038	438,038
FY 2018-19	70,000	365,238	435,238
FY 2019-20	75,000	362,338	437,338
FY 2020-21	1,665,000	327,538	1,992,538
FY 2021-22	1,715,000	259,938	1,974,938
FY 2022-23	1,765,000	189,234	1,954,234
FY 2023-24	1,820,000	115,294	1,935,294
FY2024-25	1,885,000	38,878	1,923,878
Total	\$ 10,375,000	\$4,009,686	\$14,384,686

The chart below shows the outstanding obligations for the City of New Braunfels Streets and Drainage, Parks and Fire Station Obligations issued in December 2007. The original issue amount was \$17,500,000.

<u>Period Ending</u>	<u>Total Principal</u>	<u>Total Interest</u>	<u>Total Debt Service</u>
FY 2012-13	1,005,000	569,738	1,574,738
FY 2013-14	1,015,000	528,069	1,543,069
FY 2014-15	1,030,000	483,969	1,513,969
FY 2015-16	1,045,000	437,925	1,482,925
FY 2016-17	1,055,000	390,675	1,445,675
FY 2017-18	750,000	350,438	1,100,438
FY 2018-19	750,000	316,688	1,066,688
FY 2019-20	750,000	282,094	1,032,094
FY 2020-21	750,000	246,000	996,000
FY 2021-22	750,000	208,500	958,500
FY 2022-23	750,000	171,000	921,000
FY 2023-24	750,000	132,563	882,563
FY2024-25	750,000	93,188	843,188
FY2025-26	750,000	53,813	803,813
FY2026-27	650,000	17,063	667,063
Total	\$12,550,000	\$4,281,723	\$16,831,723

The chart below shows the outstanding obligations for the City of New Braunfels Tax Note Obligations issued in June 2008. The original issue amount was \$2,000,000.

<u>Period Ending</u>	<u>Total Principal</u>	<u>Total Interest</u>	<u>Total Debt Service</u>
FY 2012-13	295,000	26,265	321,265
FY 2013-14	305,000	16,065	321,065
FY 2014-15	320,000	5,440	325,440
Total	\$ 920,000	\$47,440	\$967,770

The chart below shows the outstanding obligations for the City of New Braunfels Certificates of Obligation issued in August 2008. The original issue amount was \$14,300,000.

<u>Period Ending</u>	<u>Total Principal</u>	<u>Total Interest</u>	<u>Total Debt Service</u>
FY 2012-13	545,000	567,309	1,112,309
FY 2013-14	565,000	545,109	1,110,109
FY 2014-15	590,000	522,009	1,112,009
FY 2015-16	610,000	498,009	1,108,009
FY 2016-17	635,000	473,109	1,108,109
FY 2017-18	665,000	446,776	1,111,776
FY 2018-19	690,000	418,481	1,108,481
FY 2019-20	720,000	387,619	1,107,619
FY 2020-21	755,000	352,544	1,107,544
FY 2021-22	795,000	313,794	1,108,794
FY 2022-23	835,000	272,522	1,107,522
FY 2023-24	880,000	228,575	1,108,575
FY2024-25	930,000	181,613	1,111,613
FY2025-26	980,000	131,475	1,111,475
FY2026-27	1,030,000	80,000	1,110,000
FY2027-28	1,085,000	27,125	1,112,125
TOTAL	\$12,310,000	\$5,446,069	\$17,756,069

The chart below shows the outstanding obligations for the City of New Braunfels Certificates of Obligation issued in August 2009. The original issue amount was \$9,500,000.

<u>Period Ending</u>	<u>Total Principal</u>	<u>Total Interest</u>	<u>Total Debt Service</u>
FY 2012-13	460,000	317,990	777,990
FY 2013-14	535,000	304,215	839,215
FY 2014-15	600,000	287,190	887,190
FY 2015-16	465,000	270,634	735,634
FY 2016-17	490,000	253,890	743,890
FY 2017-18	455,000	236,740	691,740
FY 2018-19	475,000	219,871	694,871
FY 2019-20	405,000	202,865	607,865
FY 2020-21	420,000	186,365	606,365
FY 2021-22	440,000	169,055	609,055
FY 2022-23	460,000	150,715	610,715
FY 2023-24	480,000	131,205	611,205
FY 2024-25	500,000	110,375	610,375
FY 2025-26	525,000	88,206	613,206
FY 2026-27	550,000	64,688	614,688
FY 2027-28	575,000	39,794	614,794
FY 2028-29	600,000	13,500	613,500
TOTAL	\$8,435,000	\$3,047,298	\$11,482,298

The chart below shows the outstanding obligations for the City of New Braunfels General Obligation Refunding Bonds issued in August 2010. This issue refunded the 1998 Certificates of Obligation issued by the City with the debt service paid by the New Braunfels Industrial Development Corporation. The corporation now pays the debt service on this refunding issue. The amount refunded was \$540,000.

<u>Period Ending</u>	<u>Total Principal</u>	<u>Total Interest</u>	<u>Total Debt Service</u>
FY 2012-13	0	9,275	9,275
FY 2013-14	0	9,275	9,275
FY 2014-15	105,000	9,275	114,275
FY 2015-16	0	7,228	7,228
FY 2016-17	0	7,228	7,228
FY 2017-18	245,000	7,228	252,228
Total	\$350,000	\$49,509	\$399,509

The chart below shows the outstanding obligations for the City of New Braunfels Certificates of Obligation issued in February 2011. The original issue amount was \$18,200,000.

<u>Period Ending</u>	<u>Total Principal</u>	<u>Total Interest</u>	<u>Total Debt Service</u>
FY 2012-13	635,000	706,017	1,341,016
FY 2013-14	660,000	679,793	1,339,793
FY 2014-15	685,000	652,557	1,337,556
FY 2015-16	715,000	624,206	1,339,206
FY 2016-17	745,000	594,642	1,339,641
FY 2017-18	775,000	563,862	1,338,861
FY 2018-19	810,000	531,765	1,341,765
FY 2019-20	840,000	498,352	1,338,353
FY 2020-21	875,000	463,624	1,338,624
FY 2021-22	910,000	427,478	1,337,478
FY 2022-23	950,000	389,813	1,339,813
FY 2023-24	990,000	350,528	1,340,528
FY 2024-25	1,030,000	309,623	1,339,623
FY 2025-26	1,070,000	267,098	1,337,098
FY 2026-27	1,115,000	222,851	1,337,851
FY 2027-28	1,160,000	176,782	1,336,783
FY 2028-29	1,210,000	128,790	1,338,790
FY 2029-30	1,260,000	78,772	1,338,773
FY 2030-31	1,315,000	26,629	1,341,629
TOTAL	\$17,750,000	\$7,693,182	\$25,443,182

The chart below shows the outstanding obligations for the City of New Braunfels Certificates of Obligation issued in July 2012. The original issue amount was \$19,470,000. The City received a net total (after debt issuance costs) of \$20,750,000 because of a significant premium (\$1,525,866) associated with this debt sale.

<u>Period Ending</u>	<u>Total Principal</u>	<u>Total Interest</u>	<u>Total Debt Service</u>
FY 2012-13	710,000	710,738	1,420,738
FY 2013-14	725,000	694,763	1,419,763
FY 2014-15	740,000	676,488	1,416,488
FY 2015-16	760,000	661,488	1,421,488
FY 2016-17	780,000	638,288	1,418,288
FY 2017-18	815,000	606,388	1,421,388
FY 2018-19	840,000	581,688	1,421,688
FY 2019-20	855,000	563,669	1,418,669
FY 2020-21	875,000	540,925	1,415,925
FY 2021-22	900,000	515,988	1,415,988
FY 2022-23	935,000	485,476	1,420,476
FY 2023-24	965,000	452,301	1,417,301
FY 2024-25	1,005,000	412,701	1,417,701
FY 2025-26	1,060,000	361,076	1,421,076
FY 2026-27	1,115,000	306,701	1,421,701
FY 2027-28	1,170,000	249,576	1,419,576
FY 2028-29	1,220,000	199,738	1,419,738
FY 2029-30	1,275,000	147,275	1,422,275
FY 2030-31	1,335,000	82,025	1,417,025
FY 2031-32	1,390,000	24,325	1,414,325
TOTAL	\$19,470,000	\$8,911,617	\$28,381,617

Appropriations:

	<u>FY 2010-11 Actual</u>	<u>FY 2011-12 Estimate</u>	<u>FY 2012-13 Budget</u>
Debt Service	\$8,100,263	\$8,686,013	\$10,152,917
<i>Total Appropriations</i>	<i>\$8,100,263</i>	<i>\$8,686,013</i>	<i>\$10,152,917</i>

Program Justification and Fiscal Analysis:

The FY 2012-13 Budget appropriates \$10,152,917, \$1,466,902 or 16.9 percent more than the FY 2011-12 estimates. This is due entirely to the debt service associated with the certificates of deposit issued by the City in July 2012. The budget amount reflects the full annual debt service requirements for all issues. In addition, \$12,000 in administrative fees is included in the FY 2012-13 Budget.

Prior to FY 2008-09, the City maintained a fund balance in the Debt Service Fund about equal to one half the annual debt service requirements. Internal Revenue Service regulations discourage public entities from maintaining a fund balance of more than approximately 10 percent of the total annual debt service of an entity. In FY 2008-09, the City began drawing down the debt service fund balance and continued the draw-down in FY 2009-10. In FY 2010-11 and FY 2011-12, the Debt Service Fund has maintained the 10 percent fund balance. This level of reserve continues in FY 2012-13

As a result of the additional available funds from the draw-down in FY 2009-10, the City was able to fund additional debt service payments and, therefore, issued the 2009 Certificates of Obligation issuance without having to increase the debt service property tax rate. In FY 2010-11, fund balance was not available to continue to fund the additional debt service payments which required the property tax rate for debt to increase by \$0.020817, which represents a 16.3 percent increase. The total property tax did not change for FY 2010-11, however; instead, the portion of the overall tax rate dedicated to operations and maintenance decreased to accommodate the increase in the debt service rate. In FY 2011-12, a tax rate increase for debt service payments once again occurred. For the first time in six years, this increase was not absorbed by an equivalent decrease in the operations and maintenance tax rate. An additional \$.0385 in tax rate was needed to fully fund the debt service requirements for all outstanding debt. This rate was in addition to the total current tax rate for both debt service and operations and maintenance.

In FY 2012-13, an increase in the property tax rate is included to fund the increase in the debt service requirement resulting from the issuance of the 2012 Certificates of Obligation. A portion of the debt service will be paid by the New Braunfels Industrial Development Corporation (4B), reducing the amount that needs to be funded from property tax. The proposed increase for FY 2012-13 to the debt service portion of the property tax rate is \$0.01178 which will bring the total debt service portion of the tax rate to \$0.19878, an increase of 6.3 percent when compared to FY 2011-12.

City of New Braunfels
Self Insurance Fund
Fiscal Year Ending September 30, 2013

Fund: 601

Available Funds	FY 2010-11 Actual	FY 2011-12 Estimate	FY 2012-13 Budget
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Beginning Balance

Undesignated Funds	\$ 174,224	\$ 378,544	\$ 893,894
Total Beginning Balance	\$ 174,224	\$ 378,544	\$ 893,894

Revenue

Premiums	\$ 4,547,376	\$ 4,898,750	\$ 5,010,069
Interest Income	141	100	100
Miscellaneous	8,550	44,000	10,000
Interfund Transfer	500,000	400,000	-
Total Revenue	\$ 5,056,067	\$ 5,342,850	\$ 5,020,169

TOTAL AVAILABLE FUNDS	\$ 5,230,291	\$ 5,721,394	\$ 5,914,063
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APPROPRIATIONS

Premiums and administrative expenses	\$ 4,786,872	\$ 4,749,000	\$ 4,952,000
Wellness program including EAP, other prevention	\$ 64,875	\$ 78,500	\$ 80,000

TOTAL OPERATING APPROPRIATIONS	\$ 4,851,747	\$ 4,827,500	\$ 5,032,000
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Ending Fund Balance	\$ 378,544	\$ 893,894	\$ 882,063
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TOTAL APPROPRIATIONS	\$ 5,230,291	\$ 5,721,394	\$ 5,914,063
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SELF INSURANCE FUND

Fund: 601

Mission:

To design, maintain and manage a quality, cost-effective benefit program that meets employee needs.

Vision:

To continue to maximize the value and quality of the employees' benefit package to attract and retain highly qualified, productive employees.

Program Description:

The Self Insurance Fund of the City of New Braunfels is used to account for the employee insurance benefits program. Revenue into the fund comes from insurance premiums paid by both the City and the employee. Expenses include: third-party administration; the cost of stop/loss insurance; and actual claims expenses paid for medical (to include prescription), dental and vision services. The employee's medical, vision, dental, accidental death and dismemberment and life insurance become effective the first day of full-time employment. Employees must contribute to the cost of coverage for themselves and their dependents for medical, dental and vision, and they have the option of paying the full cost for themselves and/or for their dependents for other supplementary cafeteria plan benefits offered such as health and dependent care accounts, short term disability, accident and cancer insurance, universal and term life policies and other similar programs. The Human Resources and Support Services Departments work together to manage this fund.

The City is self insured for medical, dental and vision insurances provided to employees. This means that the City pays a per employee per month premium from all funds that pay for employees including the general and enterprise funds into this Self Insurance Fund. The fund then uses that revenue to pay actual claims costs, administrative expenses and stop/loss insurance premiums. Stop/loss provides the City outside insurance for large claims. Once a claim reaches the stop/loss level, currently \$125,000, the City's Self Insurance Fund no longer pays the claim costs; the stop/loss insurer pays the claim costs. This has proven a cost-effective means for the City to control medical insurance expenses.

Beginning in FY 2007-08, the Self Insurance Fund is also used to fund the City's wellness program – *Cityfit* – to further promote employee's health and well-being. In addition, beginning in FY 2009-10, this fund pays the cost of the Employee Assistance Program and other preventive measures such as vaccinations and flu shots.

Appropriations:

	FY 2010-11 <u>Actual</u>	FY 2011-12 <u>Estimate</u>	FY 2012-13 <u>Budget</u>
Employee Expenses	\$4,786,872	\$4,749,000	\$4,952,000
Operation Expenses	64,875	78,500	80,000
<i>Total Appropriations</i>	<i>\$4,851,747</i>	<i>\$4,827,500</i>	<i>\$5,032,000</i>

Program Justification and Fiscal Analysis:

Medical, Dental, Prescription and Vision Employee Benefits Plan: The rising cost of health care is a constant concern nationwide, and for the City of New Braunfels. Over the last five years, many organizations have seen double-digit increases in costs in claims as well as in administrative service costs. With the exception of FY 2009-10, the City of New Braunfels has not experienced these types of increased costs. Prior to plan year October 2009 through September 2010, the City of New Braunfels and its employees had effectively managed medical services costs and claims and, therefore, avoided large increases in costs and premiums (both paid by the City and the employees). Due to the City's good experience from October 2006 through September 2009, no increases occurred in the premiums either for the City's contribution or for employees' contributions for their dependents' coverage. In fact, in plan year 2007-08, Council reduced the employees' contribution for all dependent coverage by \$50 per pay period. Unfortunately, as stated, claims in plan year 2009-10 increased significantly; the total cost for claims and administrative expenses for FY 2009-10 was 31 percent higher than FY 2008-09. This was the result of multiple factors: increases in large claims by individuals, overall increased utilization and rising medical costs. In addition, staff believes the uncertainty caused by the health care/insurance legislative reform also impacted the claims expenses in that year. Since that year, the City's claims expenses have held steady – at a lower level than that extraordinary year. This is due in part to changes in plan design and part from a lower demand for medical services than in FY 2009-10. Current projections for FY 2011-12 are flat when compared to FY 2010-11 actuals, clearly a positive sign for the overall financial condition of the fund. The FY 2012-13 budget is projecting a 4.2 percent increase when compared to the FY 2011-12 estimates.

Even with the better claims expenditures every year after FY 2009-10, changes in the City's employee medical insurance program need to continue over the next several years to keep the plan and the fund healthy. Currently, premium payments from the employees and the City total about \$5.02 million with recurring expenditures for claims and administrative costs projected at \$5.03 million. Based on recent claim history, current revenues should be able to cover current expenditures. However, the fund balance remains below the recommended (by the insurance industry) three months' claims costs. The City has already made one-time contributions from the General Fund into the Self Insurance fund. The first was in FY 2010-11 for \$500,000 and another is included in FY 2011-12 for \$400,000. No transfer is budgeted for FY 2012-13; if claims continue at their current level, the fund will have about \$880,000 in fund balance, under the target by about \$376,000. Again, whether the fund balance recovers to the 25 percent level will depend on actual claims experience.

An Employee Benefits Committee was formed and works with Human Resources staff throughout the year to provide input into options and opportunities to manage employee medical insurance. The role of the committee also includes assisting with overall communication about benefits, as well as relaying information to employees about making wise, cost effective choices when utilizing the health plan

Over the last several years, Council has taken actions to change premium contributions and plan benefits to mitigate the cost of employee medical insurance. This continues in FY 2012-13. In FY 2010-11, Council approved moving from Great West, the City's third party administrator and health network, to CIGNA effective October 1, 2010. This was done in part to reduce claims

expenses because of the better network discounts offered by CIGNA. It also reduced estimated administrative expenses by about \$53,000 in FY 2010-11.

In FY 2010-11, Council adopted a three-pronged approach to address the need to reduce costs and/or increase revenue into the fund to bring it into balance. First, premiums were increased \$20 per month for all types of coverage under the higher coverage plan (Plan A), including employee only and dependents. This represented the first time employees contributed a premium for employee only coverage. Prior to that year, employee medical, dental, and vision coverage were offered at no charge to the employee. The base coverage plan (Plan B) was still offered at no cost to the employee. The City “matched” this increased contribution by adding \$10 per pay period or \$260 per year to the City’s contribution for employee health insurance, increasing the amount from \$7,408 annually to \$7,668 or 3.5 percent. These premium changes generated about \$240,000 annually. In FY 2011-12, the incremental increase to premium costs continued with employee contributions for Plan A increasing by \$10 per pay period (for employee only and employee plus children) and \$16 and \$17 per pay period (for employee plus family and employee plus spouse respectively). No increases in premiums were included for Plan B (which was offered for the first time in FY 2008-09). This plan has higher deductibles and co-payments, but lower monthly premiums. The City also increased its premium contributions by \$10 per pay period per employee (for both Plan A and Plan B).

In FY 2012-13, changes to employee contributions are once again proposed. In Plan A, employee only and employee plus children premiums will be increased by \$20 per month. In addition, employee and spouse and employee plus family premiums will be increased by \$30 per month. In Plan B, employee only coverage will be \$20 per month. As mentioned earlier, employee only coverage in Plan B had been offered at no cost to the employee. For all other plan B enrollees, premiums will be increased by \$10 per month. The City will continue to contribute \$7,904 per employee annually for these important benefits. In total, these premium changes will generate about \$90,000 annually in additional revenue to the fund. These premium changes are proposed to take effect on January 1, 2013.

The second portion of the strategy involves continuing to make changes in the benefits structure of the medical insurance. In plan year 2008-09, some plan design changes were implemented that affected deductions and co-pay levels. In plan year 2010-11, continuing gradual changes to deductibles and co-pays, and maximum out-of-pockets as well as some other minor changes were made, resulting in a reduction of the costs of claims to the fund. For FY 2011-12, increased deductibles and maximum out-of-pockets were once again implemented for both Plan A and Plan B. In addition, both plans now have a \$50 separate deductible for non-generic prescriptions. Employees can make smart choices in their medical services (including using network providers rather than non-network providers) that help them reduce their out-of-pocket costs for services, even with these higher deductibles and co-pays. They can also choose to pay for services with their doctor of choice, regardless of the provider’s network status. These plan changes were estimated to save approximately \$120,000 annually. In FY 2012-13, there are no additional plan modifications recommended.

The third component of the recommended strategy involved a transfer of funds from the General Fund into the Self Insurance Fund to maintain a reasonable fund balance. The FY 2010-11 Budget included a \$500,000 transfer into the Self Insurance Fund to begin to address the fund balance shortfall. As stated, plan year 2009-10 was a particularly high year for claims, including

some very large single claims. That experience has, fortunately, not recurred since that year. However, there still remains a fund balance shortfall because of the FY 2009-10 costs. Therefore, the FY 2011-12 Budget once again provided a transfer from the General Fund into the Self Insurance Fund, of \$400,000. As mentioned earlier, after these two one-time transfers and positive recent claim history, there is no General Fund transfer budgeted in FY 2012-13. Staff will continue to monitor claim data closely to determine if any General Fund support is necessary to maintain the fund's financial position.

Staff continues to work toward a long term strategy to ensure medical coverage for employees at an affordable cost – both to the City and the employees. This includes continuing to work with an employee committee made up of employees from all departments and from various levels so that all perspectives can be brought to the process. Along with this group, staff will continue with the three-to-five-year strategy for changes in benefits levels that will positively impact the overall cost of claims and/or increases in premiums for employee and dependent coverage. This strategy will take into account all aspects of medical insurance including the impact of health care reform, our loss experiences, the impact to employees and the City's overall financial position. It is anticipated that this strategy will make gradual changes in deductibles, co-pays and other benefits to smooth the impact on employees while maintaining the fund's financial stability.

Part of this strategy includes offering a health savings account (HSA) medical insurance option, expected to be available in plan year 2013-14. HSAs offer multiple benefits both to the employer and the employee. HSAs work with a high deductible plan. An account is set up for each employee that both the employee and the employer can contribute into. The contributions for the employee are pre-tax. The fund can be used to pay for the cost of medical expenses for the employee and their dependents. Employees have to pay all medical costs until the deductible is met. After that, the plan pays the costs with no co-pays. Any money in their individual HSA fund not used by the employee for medical expenses is the employee's to keep, even if they leave their employer. It also rolls over from year-to-year. The concept behind an HSA is that, since employees spend their own money first, they are incentivized to "shop" for services and use them only when really needed. The first costs for services are born entirely by the employee; the savings expected from an HSA come from this plan parameter.

The Human Resources staff will also continue to work with employees to focus on wellness and employee education regarding smart consumerism as it relates to utilization of the health plan to help the City maintain as much as possible its current level of benefits.

Wellness: The FY 2012-13 Budget also includes continued funding in the amount of \$80,000 for the City's wellness program – *Cityfit* – that was established in FY 2007-08. This program is designed to further promote the health and well-being of our employees. Wellness programs are shown, over the long term, to reduce the cost of medical insurance to employers. Since the program is expected to directly impact the claims expenses in this fund, *Cityfit* is funded in the Self Insurance Fund again this budget year. The program was initially established through an outside provider that offers a web-based program that tracks employees' fitness activities and provides rewards for reaching various levels of activity. This program continues. Some other programs/events held this past year have included: the gym reimbursement program; wellness and fitness seminars; City-wide health screenings; and a Weight Watchers at work program, which has been very successful. To continue building this program, staff is pursuing partnerships

with local wellness providers, reviewing additional wellness initiatives, and looking at ways to further tie incentives for good health with reductions in health care costs to the employee, thus reducing costs to the City.

Employee Assistance Program and other wellness efforts: In January 2006, the City began offering an Employee Assistance Program. It provides counseling and referral services for employees and their dependents on a voluntary basis. The response to this program has been positive both from the employees' and the City's perspectives. The FY 2012-13 Budget continues funding this program at an annual cost of \$12,000.

Policy Considerations:

The cost of employee benefit programs, particularly medical insurance, continues to rise. The City is taking measured steps to ensure maintenance of a quality benefits package that is affordable for employees. As stated, an Employee Benefits Committee assists with overall communication about benefits, as well as relaying information to employees about making wise, cost effective choices when utilizing the health plan. Staff will continue to closely monitor the health plan to determine what additional changes need to be made to continue to have a quality plan that is affordable for employees and the City. City staff will also closely monitor the mandated changes due to health care reform legislation to ensure compliance and cost effectiveness as these changes are implemented. Human Resources staff and the Employee Benefits Committee will continue to make necessary recommendations as appropriate for changes to the health plan design and/or premiums during this fiscal year.

During the next fiscal year, staff plans to work with other local public entities to determine the best course of action for future medical insurance or workers' compensation insurance. This will include exploring partnerships with these entities to increase our risk pool with the objective of reducing or maintaining current costs. The objective will remain to provide quality employee benefits at the most reasonable cost.

Risk management and safety programs are a key component of any strategy to provide effective services to the citizens at the least cost possible. The City currently has training and safety programs in some areas of the organization. However, a City-wide approach to this issue remains to be implemented. Enhanced training programs would also provide additional benefits, as well as cost savings to the worker's compensation program. The safer the work environment, the more productive the employees can be. To address these issues, staff has identified the need for a risk and safety coordinator to manage inherent risks associated with employees' work environments, business processes and safety policies and practices. This position is listed in the FY 2012-13 Budget as an unmet need.

CONVENTION AND TOURISM FUND

Program Description:

The City of New Braunfels collects a 7 percent tax on all hotel and motel rooms rented in the City limits. This tax currently generates about \$2.8 million annually. The City Council has adopted the allocation of those funds including payments to the New Braunfels Chamber of Commerce under a contract for the promotion of tourism, marketing and other professional services. Prior to January 2007, the Chamber received 55 percent of the tax revenue to fund these efforts. In September 2006, the allocation was changed contractually to provide additional funding for the renovation and expansion of the Civic/Convention Center. The Chamber then received 50 percent of the tax revenue. Effective January 1, 2010, a new contract was executed. Under the new terms, the Convention and Tourism Fund (CTF) (managed by the Chamber of Commerce Convention and Visitors Bureau) receives a portion the total hotel/motel tax generated; the Council approves the CTF budget and pays only the total actual expenses made under the contract. In addition to the actual expenditures, the contract calls for the City to fund a 25 percent operating reserve for this important function.

The Convention and Visitors Bureau represents New Braunfels in their efforts to generate overnight stays. They act as the community's destination marketing organization, promoting growth in tax revenue from hotel/motel stays. They use various trade shows, print media, social network forums, and other technology based outlets to promote conventions and other tourist activities in New Braunfels.

2011 Actual (Nine Months)	FY 2011-12 Estimate	FY 2012-13 Budget
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Program Justification and Fiscal Analysis:

In FY 2010-11, the Convention and Tourism Fund changed its fiscal year from January 1 to December 31 to October 1 to September 30. This action was taken so that the fund's fiscal year would match the City's fiscal year. This change makes budgeting and accounting more manageable because the revenue source for this fund is hotel/motel tax collected by the City and then paid to the Convention and Tourism Fund. As a result, the FY 2010-11 Actual for this fund reflects only nine months of expenditures and revenue. This accounts in part for the significant increase in expenditures between the FY 2010-11 actual and the FY 2011-12 estimates. For FY 2012-13, there are no major increases to the Convention and Tourism Fund. However, Council may consider additional allocations during FY 2012-13 within the 50 percent cap on funding from hotel/motel tax revenue for other projects that have been identified by the Convention and Visitor's Bureau.

NEW BRAUNFELS INDUSTRIAL DEVELOPMENT CORPORATION FUND

Fund: 212

Program Description:

The New Braunfels Industrial Development Corporation (4B) works with the City of New Braunfels to promote economic development in the community. They receive a portion (25 percent) of the sales tax collected in the City to fund various programs and projects that benefit the citizens. These projects include park improvements, construction of a new airport tower and other airport improvements, loans to businesses relocating and/or expanding in the area (examples include Home Depot, Leisure Pools, Ashley Furniture and the Scooter Store), contributions to the cost of the Civic/Convention Center improvements, training funds for companies moving into the area, and other important efforts. The main focus of 4B is to encourage economic development that brings quality jobs to the community.

As new projects are brought before the board for consideration and approval by both the board and the City Council, the budget is revised during the year.

New Braunfels Industrial Development Corp.
Fiscal Year Ending September 30, 2013

	FY 2010-11	FY 2011-12	FY 2012-13
	Actual	Estimate	Budget
Beginning Fund Balance	\$ 10,297,306	\$ 12,158,221	\$ 14,998,567
Revenue:			
Sales Tax	\$ 4,105,889	\$ 4,287,097	\$ 4,501,452
Interest Income	28,818	24,000	24,000
Reimbursements	193,779	-	-
Loan Payments	635,863	616,500	620,000
Total Revenue	\$ 4,964,349	\$ 4,927,597	\$ 5,145,452
Total Available Funds	\$ 15,261,655	\$ 17,085,818	\$ 20,144,019
Expenditures:			
Administrative (City)	\$ 12,000	\$ 50,000	\$ 50,000
Chamber of Commerce Contract	255,322	260,000	307,000
Miscellaneous	572	2,000	2,000
Outdoor art		41,250	25,000
New Braunfels Railroad Museum			55,000
Downtown Parking Project	1,500	18,000	18,000
Downtown Public Infrastructure	-	36,052	250,000
Pedestrian Bridge over Comal River	-		338,000
Brauntex Theater Project	205,119	45,000	
Circle Arts Theater Project		50,000	
CLARUS Higher Education Study	7,647		
Goodwin Lane Road Improvements	869,136		
Ashley Furniture Fire Suppression Improven	199,000	199,000	
Natural gas line on Stolte Rd.		24,001	8,260
CTTC Manufacturing Technology Academy		65,000	65,000
Sports Complex Study - Resolute		27,500	
CTTC Infrastructure	72,500		
Center for Entrepreneurship		85,000	85,000
National Flight Services			400,000
Symons Corporation			165,000
Buc-cee's			333,333
Ernest Health, Inc.	309,040	62,000	
FM 306 project - overpasses			1,500,000
Airport Runway/Taxiway Overlay	152,543		
Airport Hanger Alterations		82,000	169,100
Airport Runway Extension			480,000
Airport Utility Extensions		50,000	725,000
Airport Improvements - hanger and training (Alpha Aircraft)	35,664		
Debt Service Reserve - Park Improvement Projects			3,300,000
Golf Course Support			750,000

New Braunfels Industrial Development Corp.**Fiscal Year Ending September 30, 2013**

	FY 2010-11	FY 2011-12	FY 2012-13
	Actual	Estimate	Budget
Projects			9,800,000
<i>Debt</i>			
1998 Certificates of Obligation	207,658		
2003 Certificates of Obligation	431,220	439,070	446,233
2006 Refunding	39,400	39,400	235,400
2007 Certificates of Obligation	305,113	310,613	310,612
2010 Refunding		201,365	9,275
FM 306 project - overpasses -Debt Service			110,373
Total Expenditures	3,103,434	2,087,251	19,937,586
Ending Fund Balance	\$ 12,158,221	\$ 14,998,567	\$ 206,433

Program Justification and Fiscal Analysis:

The FY 2012-13 Budget for the New Braunfels Industrial Development Corporation totals \$19,937,586. This includes funding for all projects already approved by the board and the City Council. In addition, \$9,800,000 is available for new projects that may be identified throughout the fiscal year. Annually, about \$4.25 million in new sales tax revenue is generated to fund these important economic development and quality of life projects.

City of New Braunfels
 Creekside Town Creek TIRZ Fund
 Fiscal Year Ending September 30, 2013

Fund: 210

Available Funds	FY 2010-11 Actual	FY 2011-12 Estimate	FY 2012-13 Budget
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Beginning Balance

Unrestricted Beginning Fund Balance	\$ 476,821	\$ 657,976	\$ 705,802
Debt Service Reserve	258,655	258,655	462,009
Total Beginning Balance	\$ 735,476	\$ 916,631	\$ 1,167,811

Revenue

Property Tax	270,799	320,680	369,950
Municipal Sales Tax	417,065	435,500	457,250
Interest Income	151	-	-

Total Revenue	\$ 688,015	\$ 756,180	\$ 827,200
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TOTAL AVAILABLE FUNDS	\$ 1,423,491	\$ 1,672,811	\$ 1,995,012
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APPROPRIATIONS

Administrative Expenses	\$ 31,860	\$ 30,000	\$ 80,000
Annual Debt Service	475,000	475,000	478,000

TOTAL OPERATING APPROPRIATIONS	\$ 506,860	\$ 505,000	\$ 558,000
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Unrestricted Ending Fund Balance	\$ 657,976	\$ 705,802	\$ 882,412
Debt Service Reserve	\$ 258,655	\$ 462,009	\$ 554,600

TOTAL APPROPRIATIONS	\$ 1,423,491	\$ 1,672,811	\$ 1,995,012
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CREEKSIDE TIRZ

Program Description:

The City of New Braunfels created the Creekside Tax Increment Reinvestment Zone (TIRZ) to support a major new mixed-use development in the City limits that includes retail stores, a hospital complex and, eventually, residential areas. The developer completed and initially funded public improvements that include drainage structures and new and improved roadways. The TIRZ now generates sales tax and property tax revenue. Per the economic development agreement between the City and the developer, the funds will be used for two purposes. Administrative costs for managing the TIRZ will be paid from this revenue and to pay for projected debt service requirements. Debt will be issued in amounts that the revenue can support. The proceeds of the debt will be used to reimburse the developer for the cost of that public infrastructure. In December 2010, the TIRZ issued its first debt - \$7 million in tax increment contract revenue notes. The developer received reimbursement of \$6,769,751.

Program Justification and Fiscal Analysis:

The FY 2012-13 Budget for the Creekside TIRZ totals \$558,000 and will provide sufficient funding for all expenses. The agreement executed when the debt was issued for the TIRZ requires all funds to be transferred to Wells Fargo bank as they are the designated fiscal agent for this fund. They make all actual payments including annual debt service and administrative expenses.

Appendices

**2012 PLANNING CALENDAR
FOR BUDGET AND TAX RATE ADOPTION**

Dates	Requirements
Sunday, August 12	<ul style="list-style-type: none"> • Publication of Effective and Rollback Tax Rates, Statements and Schedules.
Monday, August 13	<ul style="list-style-type: none"> • Presentation on FY 2012-13 Proposed Budget. • Council discusses tax rate and, if proposed rate will exceed the rollback rate or effective rate (whichever is lower), recorded vote is taken and two public hearings are scheduled.
Tuesday, August 14	<ul style="list-style-type: none"> • Council work session on FY 2012-13 Proposed Budget. • Notice of Public Hearing on the FY 2012-13 Proposed Budget.
Wednesday, August 15	<ul style="list-style-type: none"> • Notice of Public Hearings on Tax Increase (if needed). Must include quarter-page ad, television, and website; must be published at least seven days before public hearings.
Thursday, August 16	<ul style="list-style-type: none"> • Council work session on FY 2012-13 Proposed Budget.
Monday, August 20	<ul style="list-style-type: none"> • Council work session on FY 2012-13 Proposed Budget.
Tuesday, August 21	<ul style="list-style-type: none"> • Council work session on FY 2012-13 Proposed Budget.
Monday, August 27	<ul style="list-style-type: none"> • Public Hearing on the FY 2012-13 Proposed Budget. • First Public Hearing on the Proposed Tax Rate; schedule and announce meeting to adopt tax rate. • First Reading of Ordinance to adopt the Budget. • First Reading of tax ordinance.
Tuesday, September 4	<ul style="list-style-type: none"> • Second Public Hearing on the Proposed Tax Rate; announce meeting to adopt tax rate 3-14 days from this date.
Wednesday, September 5	<ul style="list-style-type: none"> • Notice of Tax Revenue Increase published before meeting to adopt (if needed); second quarter-page notice, television and website; must be published at least seven days before meeting.
Monday, September 10	<ul style="list-style-type: none"> • Council adopts FY 2012-13 Proposed Budget; second reading of budget ordinance; ratifies property tax revenue increase reflected in the budget (if needed). • Meeting to Adopt Tax Rate; second reading of tax ordinance (must be between 3 and 14 days after Second Public Hearing).

2012 Property Tax Rates in City of New Braunfels

This notice concerns 2012 property tax rates for City of New Braunfels. It presents information about three tax rates. Last year's tax rate is the actual rate the taxing unit used to determine property taxes last year. This year's *effective* tax rate would impose the same total taxes as last year if you compare properties taxed in both years. This year's *rollback* tax rate is the highest tax rate the taxing unit can set before taxpayers can start tax rollback procedures. In each case these rates are found by dividing the total amount of taxes by the tax base (the total value of taxable property) with adjustments as required by state law. The rates are given per \$100 of property value.

Last year's tax rate:

Last year's operating taxes	\$10,183,097
Last year's debt taxes	\$7,285,830
Last year's total taxes	\$17,468,927
Last year's tax base	\$3,496,258,631
Last year's total tax rate	0.448362/\$100

This year's effective tax rate:

Last year's adjusted taxes (after subtracting taxes on lost property)	\$15,423,281
÷ This year's adjusted tax base (after subtracting value of new property)	\$3,502,887,819
= This year's effective tax rate	0.440300/\$100

This year's rollback tax rate:

Last year's adjusted operating taxes (after subtracting taxes on lost property and adjusting for any transferred function, tax increment financing, state criminal justice mandate and/or enhanced indigent health care expenditures)	\$10,602,196
÷ This year's adjusted tax base	\$3,502,887,819
= This year's effective operating rate	0.302600/\$100
× 1.08 = this year's maximum operating rate	0.326800/\$100
+ This year's debt rate	0.220400/\$100
= This year's rollback rate	0.547200/\$100

A hospital district or city that collects the additional sales tax to reduce property taxes, including one that collects the tax for the first time this year, must insert the following lines:

- Sales tax adjustment rate	0.048200/\$100
= Rollback tax rate	0.499000/\$100

Statement of Increase/Decrease

If City of New Braunfels adopts a 2012 tax rate equal to the effective tax rate of 0.438400 per \$100 of value, taxes would increase compared to 2011 taxes by \$ 14,992.

Schedule A: Unencumbered Fund Balances:

The following estimated balances will be left in the unit's property tax accounts at the end of the fiscal year. These balances are not encumbered by a corresponding debt obligation.

Type of Property Tax Fund	Balance
Debt Service Fund	856,612
General Fund	16,818,321

Schedule B: 2012 Debt Service:

The unit plans to pay the following amounts for long-term debts that are secured by property taxes. These amounts will be paid from property tax revenues (or additional sales tax revenues, if applicable).

Description of Debt	Principal or Contract Payment to be Paid from Property Taxes	Interest to be Paid from Property Taxes	Other Amounts to be Paid	Total Payment
2003 Certificates of Obligation	290,000	156,233	1,000	447,233
2004 Certificates of Obligation	1,185,000	509,625	1,000	1,695,625
2006A Certificates of Obligation	105,000	49,493	1,000	155,493
2006B Certificates of Obligation	335,000	276,598	1,000	612,598
2007 Certificates of Obligation	1,005,000	569,735	1,000	1,575,735
2008 Certificates of Obligation	545,000	567,309	1,000	1,113,309
2009 Certificates of Obligation	460,000	317,990	1,000	778,990
2011 Certificates of Obligation	635,000	706,016	1,000	1,342,016
2012 Certificates of Obligation	710,000	710,738	1,000	1,421,738

2006 General Obligation Refunding	260,000	416,638	1,000	677,638
2010 General Obligation Refunding	0	9,275	1,000	10,275
2008 Tax Notes	295,000	26,265	1,000	322,265

Total required for 2012 debt service	\$10,152,915
- Amount (if any) paid from funds listed in Schedule A	\$0
- Amount (if any) paid from other resources	\$2,182,518
- Excess collections last year	\$0
= Total to be paid from taxes in 2012	\$7,970,397
+ Amount added in anticipation that the unit will collect only 100.000000% of its taxes in 2012	\$0
= Total Debt Levy	\$7,970,397

Schedule C - Expected Revenue from Additional Sales Tax

(For hospital districts, cities and counties with additional sales tax to reduce property taxes)

In calculating its effective and rollback tax rates, the unit estimated that it will receive \$ 1,744,824 in additional sales and use tax revenues. **For County:** The county has excluded any amount that is or will be distributed for economic development grants from this amount of expected sales tax revenue.

This notice contains a summary of actual effective and rollback tax rates' calculations. You can inspect a copy of the full calculations at 205 N Seguin Ave, New Braunfels, Tx 78130.

Name of person preparing this notice: Cathy C Talcott, RTA

Title: Tax Assessor-Collector

Date prepared: July 25, 2012

ORDINANCE NO. 2012- 51

AN ORDINANCE ADOPTING THE ANNUAL BUDGET FOR THE CITY OF NEW BRAUNFELS FOR THE FISCAL YEAR 2012-13; MAKING APPROPRIATIONS FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2012 AND ENDING SEPTEMBER 30, 2013; AND REGULATING THE PAYMENT OF MONEY OUT OF THE CITY TREASURY.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF NEW BRAUNFELS, TEXAS:

SECTION 1. The annual budget as more detailed in the attached document – City of New Braunfels FY 2012-13 Proposed Budget - by reference and made a part hereof; and the attached Budget Order (including attachments) are hereby ratified and adopted as the budget for Fiscal Year 2012-13.

SECTION 2. The amounts documented in the City of New Braunfels FY 2012-13 Proposed Budget are hereby appropriated subject as hereinafter set forth in this ordinance for use in maintenance and support of the departments and divisions of the City's government and for the purposes hereinafter mentioned for the fiscal year beginning October 1, 2012, and ending September 30, 2013.

SECTION 3. That revenues included in the City of New Braunfels FY 2012-13 Proposed Budget shall be used to fund the City's required expenditures for FY 2012-13. The amount of revenue raised by taxation shall constitute a determination of the amount of levy for the City's purposes in the corresponding tax year.

SECTION 4. That expenditures of funds for the City of New Braunfels shall hereafter be made in conformance with this budget as adopted; and as set forth in the Charter and ordinances of the City of New Braunfels, Texas.

SECTION 5. This ordinance shall become effective immediately upon its passage as provided by the Charter.

PASSED AND APPROVED: First reading this the 27th day of August, 2012.

PASSED AND APPROVED: Second reading this the 10th day of September, 2012.

CITY OF NEW BRAUNFELS, TEXAS

BY: 

Mark Goodner, Mayor Pro Tem

ATTEST:


PATRICK ATEN, City Secretary

APPROVED AS TO FORM:


VALERIA ACEVEDO, City Attorney



Budget Order - REVISED

City of New Braunfels

FY 2012-13 Budget

For the period October 1, 2012 through September 30, 2013

Approval of the FY 2012-13 Budget

City Council approves the FY 2012-13 Budget as filed with the City Secretary with the amendments included in the August 27, 2012 memorandum "Recommended Changes to the FY 2012-13 Budget" included here as Attachment 1, 2 and Attachment 3.

Authorized Positions and Salaries

The positions listed in the FY 2012-13 Budget document under each department or division are the authorized positions for FY 2012-13. These lists include seasonal and part time positions but not temporary positions. Temporary positions are approved during the year at the City Manager's discretion and depend on available budgeted funds.

Salary increases are authorized for FY 2012-13 including step increases (based on longevity) for employees under the Public Safety Uniform Employees Step Pay Plan and performance pay for employees not on the Step Pay Plan. Salary increases are effective January 1, 2013 for all employees. For employees under the Public Safety Uniform Employees Step Pay Plan, step increases will also occur after January 1, 2013 as individual employees reach the next step based on their actual time in position.

All new positions in the FY 2012-13 Budget are authorized effective October 1, 2012; however, funding for these positions varies, as stipulated by Council, and is stated by position in the budget document.

General Fund, Enterprise Funds, Special Revenue Funds, and Other Funds (as listed in the designated sections of the FY 2012-13 Budget document)

The FY 2012-13 Budget, as adopted by City Council, controls expenditures by fund, department and at the group level for all funds in these categories. These groups are:

- Employee Expenses
- Operations Expenses
- Capital Expenses
- Interfund Transfers
- Debt Service
- Contingencies

This means that, although funds are allocated into individual line items in each budget and those line item allocations are adopted as part of the FY 2012-13 Budget, departments have flexibility in expensing these funds within the group. As long as the total appropriation for a group (for

example employee expenses) is not exceeded, one or more line items in the group (for example health insurance) may exceed its budget allocation.

In the CDBG, Special Revenue, Grants Funds, and New Braunfels Industrial Development Corporation (NBIDC) Budget, appropriations are controlled at the project level. As the Council accepts federal entitlements and grants, as donations are received from outside sources, and as projects are approved, those proceeds are appropriated and available to departments and to NBIDC to expend for identified City purposes and needs.

Capital Improvement Funds (as listed in the designated section of the FY 2012-13 Budget document)

Capital improvement funds are controlled at the project level. Expenditures within the individual projects may span fiscal years. However, budgetary control is not exercised by fiscal year; it is by the total project cost and total project expenditures. This provides a more realistic approach to budgetary control for these types of activities.

Budget Amendment Process:

The budget may be changed through a budget transfer or a budget amendment only through an action of the City Council. Transfers move appropriations within a fund from one of the appropriation groups listed above to another of those groups, for example from operations expenses to capital expenses. These transfers most often occur within one department but can occur between departments within the same fund. Budget amendments generally reflect changes in revenues and may allocate additional funds into a budget expenditure appropriation. Staff prepares an agenda item for Council consideration that describes the proposed budget amendment or budget transfer. A vote by the majority of the Council is required for approval of changes to the budget.

Authority of the City Manager

The City Manager and his authorized and designated employees, at his direction, are authorized to sign or release easements, airport leases, permits, and licenses; to authorize change orders of less than \$25,000; to sign interlocal agreements as authorized by state law; to sign documents authorizing the payment of funds, and to expend public funds as authorized by state law unless otherwise authorized by the City Council; to settle paving assessment, weed mowing, demolition, and other disputes based on legal questions of whether the assessments are enforceable or other extenuating factual circumstances.

The City Manager is authorized to adjust compensation, within Council policy guidelines, of any City employee when in his discretion an adjustment needs to be made to hire or retain qualified personnel. The City Manager is authorized to hire temporary employees when needed and if sufficient funds are available within the adopted budget. The intent of this section is to provide the ability to conduct daily affairs of the City, which involves numerous decisions of a routine nature, and to hire and retain qualified personnel.

City Council Approval

The City Council hereby approves grants and contracts that are set out by this budget and authorizes the City Manager and his authorized and designated employees, at his discretion, to sign said federal, state, and other such grant and contract documents, including interlocal agreements, on behalf of the City. The funds for said contracts, agreements, and purchases are hereby approved and appropriated. The intent of this section is to approve and simplify the grant process and approve expenditures that are exempt from the Purchasing and Contracting Authority of Municipalities, Chapter 252 of the Local Government Code.



SUPPORT SERVICES DEPARTMENT

ATTACHMENT 1

To: City Council
 From: Deborah Korinchock, Support Services Director
 Date: August 27, 2012
 Subject: Recommended Changes to the FY 2012-13 Proposed Budget

After Council direction on budget issues and further review of the FY 2012-13 Proposed Budget document submitted to City Council for their consideration, the following changes are recommended.

1. General Fund Ad Valorem Property Tax Revenue – Ad valorem tax revenue is reduced by \$606,685 to reflect the revised FY 2012-13 tax rate for operations and maintenance of 27.8529 cents. The revised FY 2012-13 General Fund total property tax revenue is \$11,341,315.
2. General Fund Sales Tax – Current revenue is increased by \$430,000 to reflect the revised projected sales tax. The revised FY 2012-13 General Fund sales tax appropriation is \$15,059,909.
3. General Fund Expenditures – As a result of Council direction during the FY 2012-13 Proposed Budget Council work sessions, the following expenditure reductions and increases for the General Fund are included:

<u>Non-Departmental:</u>	
Reduction in Interfund Transfers (to reflect the reduction in Police overtime in the River Activities Fund)	\$(65,000)
Reduction in Undesignated Funds	(50,000)
Eliminate GIS aerial photography expenditures	(25,000)
Reduction in cash match for grants	(20,000)
Reduction in building rental	(20,000)
Reduction in election services and supplies (no November election)	(14,000)
<u>Library</u>	
Technology equipment funding moved to Equipment Replacement Fund	(7,600)
<u>Planning and Community Development</u>	
Full year funding for Permit Technician and Planner positions	65,000
<u>Various Departments</u>	
Reduction in workers compensation premium	(25,000)
Total Change in General Fund Expenditures	\$(161,600)

The net change to the General Fund fund balance as a result of items #1, 2 and 3 is a reduction of \$(15,085).

4. General Fund – Non-Departmental – A payment to Dell of \$55,076 for services related to server replacements, storage upgrades, backup systems and disaster recovery was anticipated to be made during FY 2011-12. However, the project will not be completed by September 30; therefore, the payment will occur in FY 2012-13. The FY 2012-13 Non-Departmental Budget operations expense appropriation needs to increase by \$55,076 and the FY 2011-12 estimate will decrease by the same amount. This has no net impact on the FY 2012-13 General Fund fund balance.
5. Equipment Replacement Fund – On August 13, 2012, Council approved the use of equipment replacement funds to purchase a motor grader for the Public Works – Streets Division. This equipment will not be delivered until mid October. Therefore, the cost of this equipment (\$209,000) will be moved from the FY 2011-12 estimate to the FY 2012-13 appropriation to recognize the purchase of this asset in the correct fiscal period. This increases the FY 2012-13 Equipment Replacement Fund Capital Expenses appropriation by \$209,000, reducing the FY 2011-12 Estimate by an equal amount. This has no net impact on this fund's ending balance for FY 2012-13.

In addition, the Operations Expense for the FY 2012-13 appropriation in the Equipment Replacement Fund is increased by \$7,600 to reflect the cost of the Library technology equipment purchase. This action reduces the fund balance for this fund by an equal amount.

6. River Activities Fund – The appropriation for Police overtime in the River Activities Fund has been reduced in FY 2012-13 by \$65,000. The revised overtime budget for FY 2012-13 now totals \$235,000. This action reduces the Employee Expense appropriation in this fund by \$65,000. In addition, the Interfund Transfer revenue in the fund for FY 2012-13 is reduced by \$65,000.
7. Grant Fund – The appropriations for two of the FEMA grants need to be removed from the Grant Fund FY 2012-13 Budget as these grants are accounted for in the FY 2012-13 Proposed Budget in the 2013 Certificates of Obligation Capital Improvement Fund. This results in a reduction of \$1,171,500 from the Public Works appropriation in the Grant Fund for FY 2012-13. A revenue reduction in the Intergovernmental Revenue in this fund of an equal amount is also required.
8. Convention and Tourism Fund and Hotel/Motel Tax Fund – The FY 2011-12 Budget for the Convention and Tourism Fund was increased on August 20, 2012 by \$91,238 due to pre-paid expenses from the prior year; the estimates included in the FY 2012-13 Budget also need to increase by the same amount. However, the Convention and Tourism Fund no longer includes the Environmental Stewardship program funding for FY 2011-12. That program is authorized under a separate contract with the Greater New Braunfels Chamber of Commerce. That contract is funded directly in the Hotel/Motel Tax Fund.

The recommended FY 2012-13 Budget for the Convention and Tourism Fund is as follows. The changes to that fund from the one included in the FY 2012-13 Proposed Budget are the increased

estimates for FY 2011-12 for the \$91,238 and the elimination of the \$218,700 for environmental stewardship, again in FY 2011-12, as that expenditure is in the Hotel/Motel Tax Fund. In addition, the beginning fund balance for 2011 was changed to reflect the audited amount.

New Braunfels Covention and Visitors Bureau
FY 2012-13 Budget
Fiscal Year Ending September 30, 2013

	2011 Actual (Nine Months)	FY 2011-12 Estimate	FY 2012-13 Budget
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Beginning Fund Balance:	\$ 200,349	\$ 292,564	\$ 327,564
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Revenues

Hotel/Motel Tax	\$ 1,081,230	\$ 1,338,410	\$ 1,272,850
Interest Income	31	5,000	4,200

Total Revenues	\$ 1,081,261	\$ 1,343,410	\$ 1,277,050
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Total Available Funds	\$ 1,281,610	\$ 1,635,974	\$ 1,604,614
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Expenditures:

Administration	\$ 270,648	\$ 380,165	\$ 391,571
Convention Services	17,138	30,281	25,000
Brochure and Graphics/Creative	53,545	80,923	62,000
Telephone	648	1,500	1,500
Postage	16,672	15,000	10,000
Advertising	333,677	420,374	431,422
Operations	96,482	165,720	170,358
Travel Trade	18,473	20,000	20,000
Market Research	5,552	5,000	5,000
Direct Mail			5,000
Public Relations/Fam	53,383	70,233	68,000
Miscellaneous/Training	3,879	15,500	13,000
Contingency/Coop	5,129	12,000	15,000
Technology and Emerging Opportunities	54,955	49,250	40,000
Convention Incentives	21,867	33,304	25,000
High Water Event Recovery			
Cultural Heritage	36,998	9,160	
Environmental Stewardship Program			

Total Expenditures	\$ 989,046	\$ 1,308,410	\$ 1,282,850
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Appropriated Fund Balance	\$ 292,564	\$ 327,564	\$ 321,764
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The appropriations in the Hotel/Motel Tax Fund also need to change to reflect the changes in the Convention and Tourism Fund budget. The revised payments to that fund are reflected below as well as the separate Environmental Stewardship Plan expenditure. The fund balance in this fund

is reduced by the \$91,238 expenditures in FY 2011-12, the addition of the environmental stewardship program expense in FY 2012-13 and the additional funding to meet the contractually stipulated reserve requirements for the Convention and Tourism Fund driven by the reduction in the beginning balance in that fund that now matches the audit.

Appropriations:

	FY 2010-11 <u>Actual</u>	FY 2011-12 <u>Estimate</u>	FY 2012-13 <u>Budget</u>
Operation Expenses			
Convention and Tourism Fund	\$1,382,453	\$1,338,410	\$1,272,850
Arts and Heritage Organization	367,878	367,900	425,250
Environmental Stewardship Plan	0	218,700	218,000
Interfund Transfers	923,178	1,023,134	981,300
<i>Total Appropriations</i>	<i>\$2,673,509</i>	<i>\$2,948,144</i>	<i>\$2,897,400</i>

City of New Braunfels
Hotel/Motel Tax Fund
Fiscal Year Ending September 30, 2013

Fund: 794

Available Funds	FY 2010-11 Actual	FY 2011-12 Estimate	FY 2012-13 Budget
Beginning Balance			
Undesignated Funds	\$ 443,143	\$ 383,424	\$ 136,480
Designated for Encumbrances			
Total Beginning Balance	\$ 443,143	\$ 383,424	\$ 136,480
Revenue			
Hotel/Motel Tax	\$ 2,613,202	\$ 2,700,000	\$ 2,835,000
Interest Income	563	1,200	1,200
Miscellaneous	25	-	-
Total Revenue	\$ 2,613,790	\$ 2,701,200	\$ 2,836,200
TOTAL AVAILABLE FUNDS	\$ 3,056,933	\$ 3,084,624	\$ 2,972,680
APPROPRIATIONS			
Operating Expenses	\$ 1,750,331	\$ 1,925,010	\$ 1,916,100
Interfund Transfer	923,178	1,023,134	981,300
TOTAL OPERATING APPROPRIATION	\$ 2,673,509	\$ 2,948,144	\$ 2,897,400
Ending Fund Balance	\$ 383,424	\$ 136,480	\$ 75,280
TOTAL APPROPRIATIONS	\$ 3,056,933	\$ 3,084,624	\$ 2,972,680



SUPPORT SERVICES DEPARTMENT

ATTACHMENT 2

To: City Council
From: Deborah Korinchock, Support Services Director
Date: August 27, 2012
Subject: Additional Recommended Changes to the FY 2012-13 Proposed Budget

Child Safety Fund – The superintendent of New Braunfels Independent School District requested one additional school crossing guard to work at County Line Elementary School. School crossing guards are paid from the Child Safety Fund. There is sufficient funding available in FY 2012-13 for this additional position; therefore, the employee expense appropriation for FY 2012-13 in the Child Safety Fund is being increased by \$5,000. The fund's fund balance will be reduced by an equal amount. In addition, the revised position listing is included below.

Authorized Positions

	FY 2010-11 Actual	FY 2011-12 Estimate	FY 2012-13 Budget
School Crossing Guard (Seasonal)	<u>12</u>	<u>13</u>	<u>14</u>
<i>Total Authorized Positions</i>	<i>12</i>	<i>13</i>	<i>14</i>



SUPPORT SERVICES DEPARTMENT

ATTACHMENT 3

To: City Council
From: Deborah Korinchock, Support Services Director
Date: September 10, 2012
Subject: Additional Recommended Changes to the FY 2012-13 Proposed Budget

1. Reduce General Fund contribution (various departments) to Equipment Replacement Fund appropriations by \$91,000. Reduce Equipment Replacement Fund Interfund Transfer by \$91,000.
2. Reduce Planning and Community Development – General Fund appropriations by:
 - Operations Expense - \$63,000
 - Employee Expense - \$50,000
3. Reduce General Fund Operations Expense (various departments) for civic center rental by \$20,000.
4. Increase Hotel/Motel Fund Operations Expense by \$13,000
 - Increase Hotel/Motel Fund Interfund Transfer appropriation by \$20,000
 - Increase Convention/Civic Center Interfund Transfer Revenue by \$20,000
 - Decrease Convention/Civic Center Rental Revenue by \$20,000
5. Decrease General Fund appropriations by \$165,000

ORDINANCE NO. 2012- 52

TAX LEVY ORDINANCE

AN ORDINANCE LEVYING TAXES FOR THE USE AND SUPPORT OF THE MUNICIPAL GOVERNMENT OF THE CITY OF NEW BRAUNFELS AND FOR THE TAX DEBT SERVICE FUND FOR PAYMENT OF INTEREST AND PRINCIPAL REQUIREMENTS FOR THE FISCAL YEAR OCTOBER 1, 2012 THROUGH SEPTEMBER 30, 2013

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF NEW BRAUNFELS, TEXAS:

SECTION 1. That there is hereby levied and there shall be collected for the use and benefit of the City's General Operating Fund during the Fiscal Year 2012-13, the sum of \$0.268564 on each One Hundred Dollars (\$100.00) of the assessed valuation of taxable property, real, personal and mixed, of said City of New Braunfels, which taxes, when collected, shall be paid into the City's General Operating Fund in the City Treasury. In accordance with the provisions and requirements of Section 26.05 (b) (1) of the Texas Property Tax Code, as amended, the City Council hereby states that **THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE.**

SECTION 2. That there is hereby levied and there shall be collected for the use and benefit of the City's Tax Debt Service Fund during the Fiscal Year 2012-13, the sum of \$0.198780 on each One Hundred Dollars (\$100.00) of the assessed valuation of taxable property, real, personal and mixed, of said City of New Braunfels, which taxes, when collected, shall be paid into the City's Tax Debt Service Fund.

SECTION 3. That for the use and support of the Fiscal Year 2012-13 Budget, the total tax levy of \$0.467344 on every One Hundred Dollars (\$100.00) assessed valuation of taxable property in the City of New Braunfels as listed and rated above, shall become due and payable on/about October 1st, 2012, and become and be considered delinquent if not paid by January 31st, 2013. In accordance with the provisions and requirements of Section 26.05 (b) (1) of the Texas Property Tax Code, as amended, the City Council hereby states that **THE TAX RATE WILL EFFECTIVELY BE RAISED BY 4.23 PERCENT AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY \$7.20.**

After January 31, 2013, such taxes shall become delinquent and the penalty and interest designated herein shall be collected for each month or portion of month that the delinquent taxes remain unpaid:

	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan
Penalty	6	7	8	9	10	12	12	12	12	12	12	12
Interest	1	2	3	4	5	6	7	8	9	10	11	12
Total	7%	9%	11%	13%	15%	18%	19%	20%	21%	22%	23%	24%

The rate of interest to be collected on delinquent taxes shall be one percent (1%) per month for each month they remain unpaid. On July 1, the total penalty incurred on delinquent taxes shall be twelve percent (12%) without regard to the number of months the tax is delinquent. Accrual of interest at one percent (1%) per month for each month taxes remain unpaid shall continue to accrue until taxes are paid.

Further, after July 1, 2013, an additional Tax Attorney Fee in the amount of fifteen percent (15%) shall be added to penalty and interest as set forth herein on all delinquent taxes forwarded to the designated Delinquent Tax Attorney for collection of said delinquent taxes.

SECTION 4. All monies collected under this Ordinance for the specific items herein named, be and the same are hereby appropriated and set apart for the specific purposes indicated in such items and that the Assessor-Collector of Taxes, the City Secretary and the City Treasurer shall keep these accounts so as to readily and distinctly show the amount collected, the amounts expended and the amount on hand at any time, belonging to such funds, it is hereby made the duty of the Tax Assessor-Collector of Taxes and every person collecting money for the City of New Braunfels, Texas, for delivery to the City Treasurer and the City Secretary at the time of depositing monies, a statement showing to what funds such deposit shall be made and from what sources received. All receipts for the City not specifically apportioned by this Ordinance are hereby made payable to the General Operating Fund of the City.

SECTION 5. The recorded vote on this Ordinance was as follows:

		1 st Reading	2 nd Reading
District One	Council Member Richard Zapata	Nay	Nay
District Two	Mayor Pro Tem Mark Goodner	Aye	Nay
District Three	Council Member Ron Reaves	Aye	Aye
District Four	Council Member Sandy Nolte	Aye	Aye
District Five	Council Member Bryan Miranda	Aye	Aye
District Six	Council Member Steven Digges	Aye	Aye
	Mayor Gale Pospisil	Aye	Absent

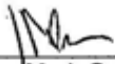
SECTION 6. That all ordinances and parts of ordinances in conflict be and same are hereby repealed.

SECTION 7. This ordinance shall become effective immediately upon its passage as provided by the Charter.

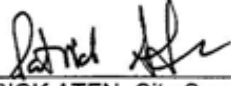
PASSED AND APPROVED: First reading this the 27th day of August, 2012.

PASSED AND APPROVED: Second reading this the 10th day of September, 2012.

CITY OF NEW BRAUNFELS, TEXAS

BY: 
Mark Goodner, Mayor Pro Tem

ATTEST:


PATRICK ATEN, City Secretary

APPROVED AS TO FORM:


VALERIA ACEVEDO, City Attorney



City of New Braunfels

Financial Policies

PURPOSE:

To establish guidelines and procedures for accounting and auditing; financial planning; budgeting and budget transfers; revenues; operating and debt reserves; personnel; purchasing and fixed assets; debt management and investment and cash management.

A. GENERAL

1. The City will operate on a fiscal year which begins on October 1 and ends on September 30.
2. The City will conduct its financial affairs in conformity with state and federal laws. These Financial Policies shall be approved by City Council and reviewed on an annual basis as a part of the budget development process.

B. ACCOUNTING, AUDITING AND FINANCIAL PLANNING

1. The Support Services Department maintains records on a basis consistent with generally accepted accounting principles (GAAP) including standards for local government accounting, as determined by GASB and GFOA.
2. Regular monthly and annual financial reports are issued summarizing financial activity. The monthly financial reports are provided to City Council and departments. A presentation of the financial reports and status is made quarterly to the City Council by the Support Services Director/Chief Financial Officer.
3. A financial audit is performed annually by an independent public accounting firm, and an official opinion and annual financial report is published and issued.
 - a) Annually, City Council will accept the audited Comprehensive Annual Financial Report for the prior fiscal year.
4. Full disclosure is provided in the annual financial and budget reports and bond representations.

C. BUDGETING

1. The City budgets resources on a fiscal year which begins October 1 and ends the following September 30.
2. Since FY 2008-09, the City of New Braunfels has prepared and maintained a long range five year financial forecast which: a) updates reserve and expenditure projections for the next five years; b) projects capital improvement requirements over the five year period, including operating costs associated with all projects; c) projects revenue and expenses for each year in

the period; and d) describes strategic issues that present the City with challenges and opportunities for the future.

3. Information and forms for use in the annual budget preparation process will be distributed to City departments each year at the beginning of the budget development process. All departments must return their budget proposals to the Support Services Director/Chief Financial Officer.
4. A balanced proposed budget will be prepared and distributed to City Council in accordance with the City charter.
5. The proposed budget document shall include:
 - a) A budget message
 - b) Fund balance schedules that include expected revenue and expenditures for all funds
 - c) An analysis of property valuations and tax rates including tax levies and collections for the last five years
 - d) Revenue estimates
 - e) Operating expenditures by department and expense category (delineated below)
 - f) A five year capital improvement program including provisions for financing that plan
 - g) Debt service costs (delineating principal and interest) by issuance and a description of outstanding debt issuances
 - h) A statement of expenditures for debt proceeds
 - i) Descriptions of departments functions and mission
 - j) Performance measures for each department – workload, efficiency and effectiveness
 - k) Descriptions and cost analysis of program changes
 - l) Description of capital projects included for funding in the proposed budget
 - m) A list of authorized positions by department and division (where appropriate)
 - n) The budget and tax ordinances adopted by Council
6. City Council will adopt the tax rate and budget by ordinance in accordance with the City charter and to allow sufficient time to send out property tax statements.
7. Appropriations as approved by the City Council are incorporated into the City's financial records by the Support Services Director/Chief Financial Officer
 - a. The following general categories are used to appropriate funds annually:
 - i. Employee Expenses
 - ii. Operations Expenses
 - iii. Capital Expense
 - iv. Debt Service Expenses
 - v. Contingencies
 - vi. Interfund Transfers

Detailed expenditures by line item and by department (divisions where appropriate) are maintained by the Support Services Director/Chief Financial Officer.

- b. Annually, the budget will be developed for each department at the division level to better represent their organization structures. However, the budget approved by City Council will appropriate funds at the department level and fiscal control shall occur at this level.
 - c. Appropriations in the Capital Project Funds are made on a project basis across multiple fiscal years rather than on a single fiscal year basis and are carried forward until the projects are completed.
 - d. Appropriations in the grants and donations funds (including CDBG, HOME, the Grant Fund and the Special Revenue Fund) are made on a program year basis and/or by project rather than on a City fiscal year basis.
8. Except for capital projects, grants and federal entitlement programs (CDBG and HOME), and for encumbrances outstanding in any fund at fiscal year end, unused appropriations lapse at the end of each fiscal year.
 9. A budget transfer shall be made ONLY when it is submitted in writing, and initiated and signed by the department head. The Support Services Director/Chief Financial Officer shall approve all budget transfers in amounts under \$5,000 except as stated in Section C-10 below. City Council shall approve all budget transfers of \$5,000 or greater.
 10. **ALL** budget transfers taking funds from Fund Balance and all budget transfers that move funds between departments require City Council approval, regardless of the amount.
 11. Departments are accountable for not exceeding their annual budgetary appropriations.

D. RESERVES

1. The City of New Braunfels will maintain an operating reserve for use in the event of unanticipated, extraordinary expenditures and/or the loss of a major revenue source. In the General Fund, the operating reserve and specified contingencies shall be established at a minimum of twenty-five (25) percent of the General Fund budgeted expenditures for the current fiscal year. For all other Special Revenue Funds, the operating reserve shall equal ten (10) percent of the budgeted annual expenditures. For all Enterprise Funds, the operating reserve shall equal (25) percent of the budgeted annual expenditures. These funds can only be appropriated by an affirmative vote of five of the seven Council members.
2. Capital project funds' reserves will be established by project, not by fund and will, in general, reflect three (3) percent of the total project costs.
3. The City will maintain a balance in the Debt Service Funds equal to not less than ten percent of the principal and interest payments on outstanding debt for each fiscal year. These funds can only be appropriated by an affirmative vote of five of the seven Council members.

E. PERSONNEL

1. At no time shall the number of regular employees on the payroll in each department exceed the total number of positions authorized by City Council. All personnel actions shall at all times be in strict conformance with applicable federal, state and City policies.
2. The City Council may institute a freeze during the fiscal year on hiring, promotions and transfers.
3. City Council shall annually approve all authorized regular positions through the annual budget adoption process and any subsequent additions or deletions to the total number of positions. The City Manager approves reclassifications of positions.
4. The City Manager is authorized to adjust compensation, within Council policy guidelines, of any City employee, including appointees, when in his discretion an adjustment needs to be made to hire or retain qualified personnel. The City Manager is authorized to hire temporary employees when needed and if sufficient funds are available within the adopted budget. The intent of this section is to provide the ability to hire and retain qualified personnel.
5. The City maintains written Personnel Policies adopted by City Council.

F. PURCHASING, CONTRACTING AND FIXED ASSETS

1. All purchases of fixed assets with a value of \$5,000 or more will be placed on the City inventory.
2. The City will maintain these assets at a level adequate to protect the City's capital investments and to minimize future maintenance and replacement costs by:
 - a) Developing and maintaining a five year plan for capital projects and authorizing all capital projects in accordance with this plan; and
 - b) Providing for adequate maintenance of capital plant and equipment replacement in the annual operating budget.
 - c) The City shall maintain reserves for vehicle replacement, computer replacement, facilities maintenance and parks maintenance.
3. Where possible, items in good, safe, useable condition placed in surplus will be used to supplement expenditures for new budgeted capital purchases or to supply needed unbudgeted new and replacement equipment.
4. The City Manager has the authority to declare items with a value of no greater than \$5,000 as surplus and/or salvage for auctioning purposes.
5. Information Technology staff will review and approve all purchases of information and communication technology to ensure compatibility with the City's existing voice and data infrastructure and to protect that infrastructure from viruses and other threats.

6. Any asset seized by forfeiture will be accepted by the City Council and placed into the City inventory, before any expenditure of City budgeted funds is made for or in relation to the asset.
7. The City Manager and his authorized and designated employees, at his direction, are authorized to sign or release easements, permits, licenses and change orders; to sign interlocal agreements as authorized by state law; to sign documents authorizing the payment of funds, and to expend public funds as authorized by state law unless otherwise authorized by the City Council; to settle paving assessment, weed mowing, demolition, and other disputes based on legal questions of whether the assessments are enforceable or other extenuating factual circumstances. The intent of this section is to provide the ability to conduct daily affairs of the City, which involves numerous decisions of a routine nature, and to hire and retain qualified personnel.

G. DEBT MANAGEMENT

1. The City will not use long term debt for current operations.
2. The City will adhere to the following when it finds it necessary to issue debt instruments:
 - a) Average weighted general obligation bond maturities will not exceed twenty (20) years.
 - b) The term of any debt issuance will not exceed the useful life of the capital project, facility or equipment for which the borrowing is intended.
 - c) Debt service for all funds in any year will not exceed twenty-five (25) percent of the total annual operations budgets;
 - d) The City will maintain a balance in the debt service fund equal to not less than ten percent of the principal and interest payments on outstanding debt for each fiscal year for all debt not requiring an earnings coverage;
 - e) Interest earnings on debt service fund balances will be used to make debt service payments;
3. The City will comply with all federal requirements regarding arbitrage on debt issuances to avoid any penalties.
4. The City will consider opportunities to refund existing debt issuances if the savings on the current principal and interest payments over the remaining life of the debt produces present value savings of three (3) percent or greater.

H. INVESTMENT AND CASH MANAGEMENT

1. The City maintains a written Investment Policy adopted by City Council and reviewed annually.



INVESTMENT POLICY

1.0 POLICY

It is the policy of the City of New Braunfels to invest public funds in a manner which will provide the highest reasonable investment return with the maximum security while meeting the daily cash flow demands of the City and conforming to all state and local statutes governing the investment of public funds. The Policy complies with and incorporates the Public Funds Investment Act, (the “Act”), Chapter 2256, Texas Government Code and the Public Funds Collateral Act, Chapter 2257, Texas Government Code.

2.0 SCOPE

This Investment Policy applies to all financial assets of the City of New Braunfels. These funds are accounted for in the City’s Comprehensive Annual Financial Report and include:

Funds

- General Fund
- Special Revenue Funds
- Debt Service Funds
- Capital Project Funds
- Enterprise Funds
- Trust and Agency Funds
- Internal Service Funds

Any new funds created by the City will be incorporated under this Policy unless specifically exempted by Council action.

3.0 PRUDENCE

The standard of prudence to be used by investment officials shall be the “prudent person” standard and shall be applied in the context of managing an overall portfolio. The standard states:

Investments shall be made with judgment and care – under circumstances then prevailing – which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

Investment officers acting in accordance with written procedures and the investment policy and exercising due diligence shall be relieved of personal liability for an individual security’s credit

risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

In determining whether the investment officers have exercised prudence with respect to an investment decision, the determination shall be made taking into consideration the investment of all funds over which the officer had responsibility rather than a consideration as to the prudence of a single investment, and whether the investment decision was consistent with the written investment policy.

4.0 OBJECTIVES

The primary objectives, in priority order, of the City of New Braunfels' investment activities shall be:

4.1 Safety

Safety of principal is the foremost objective of the investment program. Investments of the City shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, diversification is required in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio. The City shall seek to control the risk of loss due to the failure of a security issuer or guarantor by investing in high credit quality securities, by qualifying and monitoring financial counterparties, through adequate collateralization, through diversification, and by establishing maximum maturities and weighted average maturities.

4.2 Liquidity

The City of New Braunfels' investment portfolio will remain sufficiently liquid to enable the City to meet all operating requirements which might be reasonably anticipated.

4.3 Diversification

Whenever practical, assets held in the portfolio(s) shall be diversified to minimize the risk of loss resulting from the concentration of assets in a specific maturity, a specific issuer, or a specific market sector. The City's investments shall be reviewed and rebalanced with respect to diversification at least once per calendar quarter.

4.4 Return on Investments

The City of New Braunfels' investment portfolio shall be designed with the objective of attaining a rate of return throughout budgetary and economic cycles, commensurate with the City's investment risk constraints and the cash flow characteristics of the portfolio.

5.0 INVESTMENT STRATEGY

The City maintains one commingled portfolio for investment purposes which incorporates the specific investment strategy considerations and the unique characteristics of the fund groups represented in the portfolio:

- A. The investment strategy for operating, enterprise and special revenue funds has as its primary objective assurance that anticipated liabilities are matched and adequate investment liquidity

provided. The secondary objective is to create a portfolio structure which will experience minimal volatility. This may be accomplished by purchasing high quality, short- to medium-term maturity securities which will complement each other in a laddered maturity structure permitting some extension for yield enhancement.

- B. The investment strategy for debt service funds shall have as its primary objective the assurance of available funds adequate to fund the debt service obligations on a timely basis. Successive debt service dates will be fully funded before extension.
- C. The investment strategy for debt service reserve funds shall have as its primary objective the ability to generate a revenue stream to the debt service funds from high quality securities with a low degree of volatility. Securities should be high credit quality and, except as may be required by the bond ordinance specific to an individual issue, of short to intermediate-term maturities. The potential for loss shall be further controlled through the purchase of securities within the desired maturity range.
- D. The investment strategy for capital projects or capital project funds will have as its primary objective assurance that anticipated cash flows are matched and provide adequate investment liquidity. The stated final maturity dates of securities held may not exceed the estimated project completion date.

The City intends to match investments with the projected cash flows and liquidity needs of the City. In no case will the dollar-weighted average maturity of the portfolio exceed six (6) months. The maximum final stated maturity of any investment shall not exceed two years.

The City shall pursue an active versus a passive portfolio management strategy. That is, securities may be sold before they mature if market conditions present an opportunity for the City to benefit from the trade.

6.0 DELEGATION OF AUTHORITY AND RESPONSIBILITIES

Management responsibility for the investment program has been delegated by City Council primarily to the City Manager and the Chief Financial Officer, who are designated by resolution as investment officers. A registered investment adviser may also be designated as a City Council appointed Investment Officer. This authority is derived from the Act.

The Investment Officers shall establish written procedures for the operation of the investment program consistent with this Investment Policy. Procedures should include safekeeping controls, documentation, internal controls, repurchase agreements, wire transfers, banking service contracts and collateral/depository agreements. Such procedures shall include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Chief Financial Officer. The Chief Financial Officer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials.

Each Investment Officer shall attend 10 hours of training in the responsibilities of the position within twelve months of assuming those duties and within every succeeding two-year period as required by the Act.

The Chief Financial Officer shall establish an annual process of independent review by an external auditor for compliance with policies and procedures.

7.0 ETHICS AND CONFLICT OF INTEREST

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Employees and investment officials shall disclose to the City Manager any material financial interests in financial institutions that conduct business within their jurisdiction, and they shall further disclose any personal financial/investment relationships that could impact the performance of the City of New Braunfels' investment portfolio. If an Investment Officer has a personal relationship as defined in the Act with a business organization engaging in investment transactions with the City, the Investment Officer must disclose the relationship and file a disclosure with the City Secretary and the Texas Ethics Commission.

8.0 AUTHORIZED FINANCIAL DEALERS AND INSTITUTIONS

The Investment Officer(s) or adviser will maintain a list of Council authorized broker/dealers, financial institutions, money market mutual funds and local government investment pools offering to engage in an investment transaction with the City. An annual review of the services provided, financial condition and registrations of these firms will be conducted by the Chief Financial Officer and a list of firms submitted to Council for approval at least once a year. [2256.005]

Broker/dealers may include "primary" dealers as defined by the New York Federal Reserve or regional dealers. Financial institutions shall be qualified public depositories as designated by state law.

All firms desiring to transact investment transactions with the City must complete the City's internal questionnaire and execute a Policy Certification (Appendix A) before any transaction. A current audited financial statement is required to be on file for each firm. Should the City contract with an external investment advisor to execute the City's investment strategy, including the negotiation and execution of investment transactions, a managing officer of the investment advisory firm shall sign the written certification, which shall be included as part of the investment advisory contract.

9.0 AUTHORIZED INVESTMENTS

Authorized investments shall be limited to the following, as further defined by the Act:

- 9.1** Obligations of the United States or its agencies and instrumentalities excluding mortgage backed securities;

- 9.2** Other obligations, the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of, this state or the United States or their respective agencies and instrumentalities;
- 9.3** Fully insured or collateralized certificates of deposit issued by banks doing business in Texas that are guaranteed or insured by the Federal Deposit Insurance Corporation, or its successor; or, secured by obligations as described by the Policy;
- 9.4** Fully collateralized repurchase agreements having a defined termination date, placed through a primary government securities dealer or a bank doing business in Texas, and secured in accordance with this Policy, purchased under a master repurchase agreement which specifies the rights and obligations of both parties and requires that the securities involved in the transaction be held in a safekeeping account subject to the control of the City with a stated final maturity of one year, except flex repurchase agreements used for bond funds which may extend to match the expenditure plan of the bond proceeds.
- 9.5** AAA rated Security and Exchange Commission registered money market mutual funds with a dollar-weighted average portfolio maturity of 90 days or fewer whose investment objectives include seeking to maintain a stable net asset value of \$1 per share.
- 9.6** Constant-dollar, AAA-rated Texas local government investment pools as defined by the Act.
- 9.7** Collateralized or insured demand deposit accounts in approved depositories approved by City Council under an executed depository agreement.
- 9.8** An SEC registered, no-load mutual fund with a weighted average maturity of less than two years, invested exclusively in obligations approved by the Policy, and continuously rated as to investment quality by at least one nationally recognized investment rating firm of not less than AAA or its equivalent.
- 9.9** Obligations of any US state or political subdivision rated AA or better by a nationally recognized rating agency not to exceed two years to maturity.
- 9.10** FDIC insured brokered certificate of deposit securities from a bank in any US state, delivered versus payment to the City's safekeeping depository, not to exceed one year to maturity. Before purchase, the Investment Officer or adviser must verify the FDIC status of the bank on www2.fdic.gov/idasp/main_bankfind.asp to assure that the bank is FDIC insured.

Competitive Bidding Requirement

All investment transactions will be made on a competitive bid/offer basis. It is the policy of the City to require competitive bidding for all individual security purchases except for those transactions with money market mutual funds and local government investment pools which are deemed to be made at prevailing market rates. At least three bids/offers must be obtained. Bids may be solicited in any manner provided by law. For those situations where it may be impractical or unreasonable to receive three bids for a transaction due to a rapidly changing market environment or to secondary market availability, documentation of a competitive market survey of comparable securities or an explanation of the specific circumstance must be included with the bid document. All bids received must be documented and filed for auditing purposes.

Delivery versus Payment

Transactions must be settled on a delivery versus payment (DVP) basis to a City approved depository except for transactions involving mutual funds or investment pool funds. This assures City control of all its funds and assets. No securities shall be held by transaction counter-party.

Change of Authorization or Rating

The City will not be required to liquidate investments that were authorized investments at the time of purchase. The Investment Officer or investment adviser shall monitor, on no less than a weekly basis, the credit rating on all authorized investments in the portfolio based upon independent information from a nationally recognized rating agency. If any security falls below the minimum rating required by Policy, the Investment Officer or adviser shall notify the City Manager of the loss of rating, conditions affecting the rating and possible loss of principal with liquidation options available, within two weeks after the loss of the required rating.

Monitoring FDIC Status

The Investment Officer or Investment Adviser shall monitor, on no less than a weekly basis, the status and ownership of all banks issuing brokered CDs owned by the City based upon information from the FDIC. If any bank has been acquired or merged with another bank in which brokered CDs are owned, the Investment Officer or Adviser shall immediately liquidate any brokered CD which places the City above the FDIC insurance level.

10.0 COLLATERALIZATION

10.1 Pledged Collateral

The City of New Braunfels requires all time and demand deposits to be insured or collateralized at 102%. City depositories will be required to execute tri-party depository agreements to include safekeeping agents. If the Federal Reserve acts as custodian, the Pledge Agreement of Circular 7 will be executed in lieu of the tri-party FRB signature. The agreement shall define the City's rights to collateral and shall establish a perfected security interest in compliance with federal and state regulations, including:

- A. The agreement shall be in writing;
- B. The agreement shall be executed by the Depository and the City contemporaneously with the acquisition of the asset;
- C. The agreement will include no listing of pledged collateral.

- D. The agreement must be approved by the Board of Directors or the Loan Committee of the Depository and a copy of the meeting minutes must be delivered to the City.

If the City's depository offers a collateral pooling program as defined by State Law (Local Government Code 2257) the investment officers will evaluate the program for cost efficiencies and risk before participation. Participation in a collateral pool will require Council approval.

10.2 Owned Repurchase Agreement Collateral

Each counter party to a repurchase transaction is required to execute the Securities Industry and Financial Markets Association (SIFMA) Master Repurchase Agreement. An executed copy of this Agreement must be on file before any transaction is initiated. Collateral will be evidenced by safekeeping receipts clearly denoting City ownership from the safekeeping agent.

10.3 Authorized Collateral

A. Time and Demand Deposits

Eligible securities for collateralization of time and demand deposits are:

- Obligations of the US Government, its agencies and instrumentalities including mortgage backed securities which pass the bank test,
- Obligations of states, agencies, counties, cities, and other political subdivisions of any State having been rated as to investment quality by a nationally recognized investment rating firm and having received a rating of not less than "A" or its equivalent.

Eligible collateral does not include surety bonds or letters of credit.

B. Repurchase Agreements

Securities bought and sold as part of a repurchase agreement are limited to:

- U.S. Government, Agencies and Instrumentalities obligations including mortgage backed securities

The eligibility of specific issues may at times be restricted or prohibited by the City because of current market conditions.

10.4 Collateral Substitution or Reduction

The right of collateral substitution or reduction is to be granted on an individual issue basis. Any depository institution requesting substitution or reduction must contact the Chief Financial Officer for approval and settlement. The value will be calculated and substitution/reduction approved if its resulting value is equal to or greater than the required value (see item 10.3 of this policy).

10.5 Collateral Levels for Certain Investments

A. Time and Demand Deposits

The market value of the principal portion of collateral pledged for time and demand deposits must at all times be equal to or greater than 102% of the total value of the time and demand deposits less the applicable level of FDIC insurance. The

Depository shall be liable for monitoring and maintaining the collateral and collateral margins at all times.

B. Repurchase Agreements

A repurchase agreement's total book value equals the par value plus accrued interest. The collateral for the repurchase must be maintained at 102% of the total book value of the repurchase at all times.

10.6 Safekeeping of Collateral

A. Time and Demand Deposits

The market value of the principal portion of collateral pledged for time and demand deposits must at all times be equal to or greater than 102% of the total value of the time and demand deposits less the applicable level of FDIC insurance. The Depository shall be liable for monitoring and maintaining the collateral and collateral margins at all times. The custodian shall be an independent institution outside the holding company of the pledging bank.

B. Repurchase Agreements

The custodian shall be an independent institution.

10.7 Monitoring Collateral Adequacy for Certain Investments

Monthly reports of the pledged securities with the full descriptions and market values are required to be sent directly to the City from the custodian for all time and demand deposits. The Investment Officers will review the adequacy of the collateral. The financial institutions will be contractually liable for the daily monitoring and maintaining the required collateralization levels.

For repurchase agreements, either the counter party or custodian will be held contractually liable for monitoring and maintaining required collateral levels on a daily basis.

The Investment Officers will monitor the adequacy of all collateral underlying repurchase agreements on at least a weekly basis.

10.8 Margin Calls

If any collateral falls below 102% the deposit plus accrued interest less FDIC insurance, if applicable, the counterparty will be notified by the Investment Officers and required to pledge additional securities no later than the end of the next business day.

11.0 DELIVERY VERSUS PAYMENT

All security transactions, including collateral for repurchase agreements, shall be conducted on a delivery-versus-payment (DVP) basis. Securities shall be held by a third party custodian approved by the Chief Financial Officer and evidenced by original safekeeping receipts.

12.0 DIVERSIFICATION

The City of New Braunfels shall diversify its portfolio by security type and institution. The City will diversify to reduce reliance on any one issuer or financial institution Risk of principal loss in the portfolio as a whole shall be minimized by diversifying investment types according to the following limitations.

<u>Investment Type</u>	<u>% of Portfolio</u>
U.S. Treasury Notes/Bonds/Bills	90%
U.S. Government Agencies	80%
Certificates of Deposit	50%
Limit per financial institution	10%
Repurchase Agreements	20%
Flex repurchase agreements by bond issue	100%
Money Market Mutual Funds	25%
Local Government Investment Pools	100%

13.0 MAXIMUM MATURITIES

To the extent possible, the City will attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the City will not invest in securities maturing more than two (2) years from the date of purchase.

14.0 PERFORMANCE STANDARDS

The investment portfolio shall be designed with the objective of obtaining a reasonable yield throughout budgetary and economic cycles, commensurate with the investment risk constraint and the cash flow requirements. The benchmark established for the portfolio in keeping with the cash flow requirements of the City shall be the six month U.S. Treasury Bill.

15.0 REPORTING

The Investment Officers shall provide a report on investment activity and returns to the City Council in the quarterly financial report. Investment performance will be monitored and evaluated by the Investment Officers on a monthly basis. This investment report shall be signed and in compliance with the Act and include, at a minimum:

- 1) detail on each investment position of the portfolio,
- 2) the beginning and ending amortized book and market value,
- 3) the change to market value during the period for each portfolio,
- 4) the beginning and ending amortized book and market value for each investment security by asset type and fund type,
- 5) the final stated maturity date of each investment security,
- 6) the dollar weighted average maturity of the portfolio and its comparison to an accepted benchmark, and
- 7) a statement of compliance of the investment portfolio with the Authority's Investment Policy and Strategy and the Act.

Prices used for the calculation of market values will be obtained from independent sources.

16.0 INVESTMENT POLICY ADOPTION

The Investment Policy shall be adopted by resolution of the City Council on no less than an annual basis. Any changes to the Policy shall be reflected in the approving resolution of Council.

APPENDIX A:

CITY OF NEW BRAUNFELS

INVESTMENT POLICY CERTIFICATION

Firm: _____
Account Representative: _____
Date of Completion: _____

This certification is executed on behalf of the City of New Braunfels (the "City") and the "Firm" pursuant to the Public Funds Investment Act, Chapter 2256, Texas Government Code in relation to investment transactions conducted between the City and the Firm.

As the authorized representative of the Firm I hereby acknowledge that I have received and reviewed the attached Investment Policy of the City of New Braunfels.

I hereby further acknowledge that the Firm has implemented reasonable procedures and controls in an effort to preclude investment transactions conducted between the City and the Firm not authorized by the Investment Policy, except to the extent that this authorization is dependent on analysis of the makeup of the City's entire portfolio or requires an interpretation of subjective investment standards.

Firm Name: _____

Address _____

Representative's Telephone (____) _____

Representative's FAX (____) _____

Representative's Email: _____

Signature _____

Printed Name _____

APPENDIX B:

AUTHORIZED BROKER/DEALERS AND COUNTERPARTIES

In accordance with the Texas Public Funds Investment Act, 2256.025 Selection of Authorized Brokers,

The governing body of an entity subject to this subchapter or the designated investment committee of the entity shall, at least annually, review, revise, and adopt a list of qualified brokers that are authorized to engage in investment transactions with the entity.

The authorized list of counterparties is:

Bank of America/Merrill Lynch
Citigroup/Morgan Stanley
G.X. Clark
JPMorgan Chase Securities
Mizuho Securities
Morgan Keegan Capital Markets
Multi-Bank Securities
Stifel Nicolaus

Texpool Local Government Pool
TexStar Local Government Pool
MBIA Class Local Government Pool

JPMorgan Chase Money Market Mutual Fund – Government and Agency

APPENDIX C:

GLOSSARY

AGENCIES: Federal agency securities.

ASKED: The price at which securities are offered.

BANKERS' ACCEPTANCE (BA): A draft or bill or exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill, as well as the issuer.

BID: The price offered by a buyer of securities. (When you are selling securities, you ask for a bid.). See Offer.

BROKER: A broker brings buyers and sellers together for a commission.

CERTIFICATE OF DEPOSIT (CD): A time deposit with a specific maturity evidenced by a certificate. Large-denomination CD's are typically negotiable.

COLLATERAL: Securities, evidence of deposit or other property which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR): The official annual report for the City of New Braunfels. It includes five (5) combined statements for each individual fund and account group prepared in conformity with GAAP. It also includes supporting schedules necessary to demonstrate compliance with finance-related legal and contractual provisions, extensive introductory material, and a detailed Statistical Section.

COUPON: (a) The annual rate of interest that bond issuer promises to pay the bondholder on the bond's face value. (b) A certificate attached to a bond evidencing interest due on a payment date.

DEALER: A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling from his own account.

DEBENTURE: A bond secured only by the general credit of the issuer.

DELIVERY VERSUS PAYMENT: There are two (2) methods of delivery of securities: delivery versus payment and delivery versus receipt. Delivery versus payment is delivery of securities with an exchange of money for the securities. Delivery versus receipt is delivery of securities with an exchange of a signed receipt for the securities.

DISCOUNT: The difference between the cost price of a security and its maturity when quoted at lower than face value. A security selling below original offering price shortly after sale also is considered to be at a discount.

DISCOUNT SECURITIES: Non-interest bearing money market instruments that are issued at a discount and redeemed at maturity for full face value, e.g. U. S. Treasury Bills.

FEDERAL FUNDS RATE: The rate of interest at which Federal funds are traded. This rate is currently pegged by the Federal Reserve through open-market operations.

DIVERSIFICATION: Dividing investment funds among a variety of securities offering independent returns.

FEDERAL CREDIT AGENCIES: Agencies of the Federal government set up to supply credit to various classes of institutions and individuals, e.g. Savings and Loans, small business firms, students, farmers, farm cooperatives, and exporters.

FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC): A Federal agency that insures bank deposits, currently up to \$100,000 per deposit.

FEDERAL HOME LOAN BANKS (FHLB): The institutions that regulated and lend to savings and loan associations. The Federal Home Loan Banks play a role analogous to that played by the Federal Reserve Banks vis-a-vis member commercial banks.

FEDERAL NATIONAL MORTGAGE ASSOCIATION (FNMA): FNMA, like GNMA (see below) was chartered under the Federal National Mortgage Association Act in 1938. FNMA is a federal corporation working under the auspices of the Department of Housing and Urban Development (HUD). It is the largest single provider of residential mortgage funds in the United States. Fannie Mae, as the corporation is called, is a private stockholder-owned corporation. The corporation's purchases include a variety of adjustable mortgages and second loans, in addition to fixed-rate mortgages. FNMA's securities are also highly liquid and are widely accepted. FNMA assumes and guarantees that all security holders will receive timely payment of principal and interest.

FEDERAL OPEN MARKET COMMITTEE (FOMC): The FOMC consists of seven members of the Federal Reserve Board and five of the twelve Federal Reserve Bank Presidents. The President of the New York Federal Reserve Bank is a permanent member, while the other Presidents serve on a rotating basis. The Committee periodically meets to set Federal Reserve guidelines regarding purchases and sales of Government Securities in the open market as a means of influencing the volume of bank credit and money.

FEDERAL RESERVE SYSTEM: The central bank of the United States created by Congress and consisting of a seven member Board of Governors in Washington D.C., 12 regional banks and about 5,700 commercial banks that are members of the system.

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION (GNMA or Ginnie Mae): Securities influencing the volume of bank credit guaranteed by GNMA and issued by mortgage bankers, commercial banks, savings and loan associations, and other institutions. The security holder is protected by the full faith and credit of the U.S. Government. Ginnie Mae securities are backed by the FHA, VA, or FMHM mortgages. The term "pass throughs" is often used to describe Ginnie Mae. **LIQUIDITY:** A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value. In the money market, a security is said to be liquid if the spread between bid and asked prices is narrow and reasonable size can be done at those quotes.

LOCAL GOVERNMENT INVESTMENT POOL (LGIP): The aggregate of all funds from political subdivisions that are placed in the custody of the State Treasurer for investment and reinvestment.

MARKET VALUE: The price at which a security is trading and could presumably be purchased or sold.

MASTER REPURCHASE AGREEMENT: A written contract covering all future transactions between the parties to repurchase – reverse repurchase agreements that establish each party's rights in the transactions. A master agreement will often specify, among other things, the right of the buyer-lender to liquidate the underlying securities in the event of default by the seller-borrower.

MATURITY: The date upon which the principal or stated value of an investment becomes due and payable.

MONEY MARKET: the market in which short-term debt instruments (bills, commercial paper, bankers' acceptances, etc.) are issued and traded.

OFFER: the price asked by a seller of securities. (When you are buying securities, you ask for an offer.) See Asked and Bid.

OPEN MARKET OPERATIONS: Purchases and sales of government and certain other securities in the open market by the New York Federal Reserve Bank as directed by the FOMC in order to influence the volume of money and credit in the economy. Purchases inject reserves into the bank system and stimulate growth of money and credit; sales have the opposite effect. Open market operations are the Federal Reserve's most important and most flexible monetary policy tool.

PORTFOLIO: Collection of securities held by an investor.

PRIMARY DEALER: A group of government securities dealers who submit daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight. Primary dealers include Securities and Exchange Commission (SEC) registered securities broker-dealers, banks, and a few unregulated firms.

PRUDENT PERSON RULE: An investment standard. In some states, the law requires that a fiduciary, such as a trustee, may invest money only in a list of securities selected by the custody state — the so-called legal list. In other states, the trustee may invest in a security if it

is one which would be bought by a prudent person of discretion and intelligence who is seeking a reasonable income and preservation of capital.

QUALIFIED PUBLIC DEPOSITORIES: A financial institution which does not claim exemption from the payment of any sales or compensating use or ad valorem taxes under the laws of this state, which has segregated for the benefit of the commission eligible collateral having a value of not less than its maximum liability and which has been approved by the Public Deposit Protection Commission to hold public deposits.

RATE OF RETURN: The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond, the current income return.

REPURCHASE AGREEMENT (RP or REPO): A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date. The security "buyer" in effect lends the "seller" money for the period of the agreement, and the terms of the agreement are structured to compensate him for this. Dealers use RP extensively to finance their positions. Exception: When the Fed is said to be doing RP, it is lending money, that is, increasing bank reserves.

SAFEKEEPING: A service to customers rendered by banks for a fee whereby securities and valuables of all types and descriptions are held in the bank's vaults for protection.

SECONDARY MARKET: A market made for the purchase and sale of outstanding issues following the initial distribution.

SECURITIES AND EXCHANGE COMMISSION (SEC): Agency created by Congress to protect investors in securities transactions by administering securities legislation.

SEC RULE 1503-1: See Uniform Net Capital Rule.

TREASURY BILLS: A non-interest bearing discount security issued by the U.S. Treasury to finance the national debt. Most bills are issued to mature in three months, six months, or one year.

TREASURY BOND: Long-term U.S. Treasury securities having initial maturities of more than 10 years.

TREASURY NOTES: A non-interest bearing discount security issued by the U.S. Treasury to finance the national debt. Most bills are issued to mature in three months, six months or one year.

UNIFORM NET CAPITAL RULE: Securities and Exchange Commission requirement that member firms as well as nonmember broker-dealers in securities maintain a maximum ratio of indebtedness to liquid capital of 15 to 1; also called net capital rule and net capital ratio. Indebtedness covers all money owed to a firm, including margin loans and commitments to purchase securities, one reason new public issues are spread among members of underwriting syndicates. Liquid capital includes cash and assets easily converted into cash.

YIELD: The rate of annual income return on an investment, expressed as a percentage. (a) **INCOME YIELD** is obtained by dividing the current dollar income by the current market price for the security. (b) **NET YIELD** or **YIELD TO MATURITY** is the current income yield minus any premium above par or plus any discount from par in purchase price, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond.

GLOSSARY OF TERMS

Accounting System: The total set of records and procedures which are used to record, classify, and report information on the financial status and operations of an entity.

Accrual: Accounts on a balance sheet that represents liabilities, a non cash-based asset used in accrual based accounting.

Activity: A specific unit of work or service.

Appropriation: An authorization adopted by the City Council which allows staff to incur obligations and make expenditures of governmental resources. An appropriation is typically granted for periods of one year and specified for fixed amounts.

Assessed Valuation: An estimated value placed upon real and personal property by the appraisal district as the basis for levying property taxes.

Assets: An economic resource. Tangible or intangible property owned by the City for which a monetary value has been set either through the purchase of the item, the assets have a set monetary value, such as cash, can be converted into cash or through a market assessment study.

Audit: A systematic examination of resource utilization. The audit is a test of management's internal accounting controls and is intended to verify financial positions and the legality of transactions; to identify improvements in accounting systems and accuracy and consistency of transactions; and to certify the stewardship of officials responsible for governmental funds.

Authorized Positions: All positions authorized by City Council for each office and department. This includes full time, part time and seasonal positions. The numbers shown under authorized positions represent the full time equivalents (FTE) except seasonal positions. Seasonal positions are counted as 1 FTE regardless of hours worked.

Balance Sheet: A statement purporting to present the financial position of an entity by disclosing its assets, liabilities, and fund balance as of a specified date.

Balanced Budget: A budget in which planned expenditures on personnel, goods, services and debt are met by income from taxation and other governmental receipts.

Base Budget: Ongoing expenses for personnel, contractual services, supplies, and equipment required to maintain the same level of service as previously authorized by the City Council.

Bond: Bonds are used as long-term debt instruments to pay for capital expenditures. A bond is a written promise to pay a specified sum of money (principal) at a specified future date (maturity date), as well as periodic interest paid at a specified percentage of the principal (interest rate).

Bond Rating: The credit-worthiness of a government's debt as evaluated by independent agencies.

Budget (Operating): A financial and operating plan approved by the City Council to authorize levels of taxing and spending. The plan consists of an estimate of proposed expenditures or expenses for a fiscal year and an estimate of proposed revenues for the same period needed to provide City services. The term is also used to identify the officially approved expenditure levels under which the City and its departments operate.

Budget Calendar: The schedule of key target dates which the City follows in the preparation and adoption of the budget.

Budget Document: An instrument or document presented by the City Manager to the City Council to describe the level of taxing, spending and the level of services to be provided during a certain fiscal year to the citizens of the community. The document is a comprehensive financial program.

Budget Message: It is a message from the City Manager to the City Council and the citizens of the municipality regarding his recommendations relating to those issues that they believe will affect the community. The general discussion of the proposed budget presented in writing as a part of the budget document. .

Capital Assets (Fixed Assets): Assets of significant value (\$5,000 or greater individually) which have a useful life of more than one year.

Capital Improvements Budget: A plan of proposed capital expenditures including expenditures of buildings roads, drainage, park improvements, airport improvements, sidewalks or other structures necessary to run the community and the means of financing the proposed projects.

Capital Expenses: The expenditure group used to fund capital purchases such as furniture, computers, vehicles and heavy equipment like solid waste collection trucks where the individual item costs more than \$5,000. Purchases made from the capital expenditures group become fixed assets of the City.

Capital Improvement Program - CIP: A multi-year plan for capital project expenditures which sets forth each proposed capital project identifies the expected cost for each project and the amount to be expended each year.

Capital Improvements Project Activity: A Capital Improvements Project Activity is one of the following groups of actions usually undertaken in a capital improvements project: planning, design and engineering; right-of-way acquisition; construction; and equipment.

Carry Forward Balance: The difference of revenues and expenditures within the same fund transferred to fund balance from one fiscal year to the next.

Cash Management: The management of cash necessary to fund government services while investing available cash to earn interest revenue. Cash management refers to the activities of forecasting the inflows and the outflows of cash, mobilizing cash to improve its availability for investment, establishing and maintaining banking relationships, and investing funds to achieve the highest interest and return available for temporary cash balances.

CDBG: Community Development Block Grant.

Certificate of Deposit: A negotiable or non-negotiable receipt for monies deposited in a bank or financial institution for a specified period for a specified rate of interest. It is a promissory note issued by a bank

Certificates of Obligation – C of O's: An obligation to pay a debt. Debt issued by a governmental entity to support capital improvement programs and projects, equipment purchases, and other assets that have a useful life at least equal to the term of the debt. Public notices are required prior to the sale of this debt.

Commodities: Items of expenditure which, after use, are consumed or show a material change in their physical condition. Commodities are generally of limited value and are characterized by rapid consumption (i.e.: office supplies, motor fuel, etc.).

Contingencies: The expenditure group that includes all funding such as undesignated funds and monies set aside for salary increases

Contingency: A budgetary reserve set aside for emergencies or unforeseen expenditures.

Contractual Services: Items of expenditure from services the City receives from an outside company through a contractual agreement.

Current Taxes: Taxes that are levied and due within one year.

Debt Service: The obligation to pay the principal and interest of all bonds and other debt instruments according to a pre-determined payment schedule.

Delinquent Taxes: Taxes which are unpaid after the due date, in which a penalty is assessed for non-payment.

Department: A major administrative division of the City that reports to the City Manager and that indicates overall management responsibility for the operation of a group of related functions.

Depreciation: Expiration in the service life of capital assets attributable to wear and tear, deterioration, physical elements, inadequacy, or obsolescence. Depreciation is also the portion of the cost of a capital asset which is charged as an expense during a particular accounting period. Depreciation is applied to assets in enterprise funds and internal service funds.

Effective Tax Rate: That tax rate which will generate the same amount of tax revenue on the same tax base in the next fiscal year as in the current fiscal year.

Employee Expenses: The expenditure group that includes all personnel related costs such as salaries, social security and Medicare, retirement, group health insurance, group life insurance and workers compensation premiums.

Encumbrances: Obligations in the form of purchase orders, contracts, or salary commitments which are reserved in specified appropriations. Encumbrances cease to exist when an invoice is paid or when an actual liability is established.

Enterprise Fund: A fund used 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 to recover the cost of providing goods or services through fees. Rate schedules for these services are established so that revenues are adequate to meet all necessary expenses including debt service for capital costs.

Estimate: The estimated actual expenditures and revenues for the fiscal year prior to the end of the budget fiscal year. Used to determine the Carry Forward Balance.

Estimated Revenue: The amount of projected revenue to be collected during the budget fiscal year.

Expenditure Group: A grouping of like expenditures used to exercise budgetary control. For example, the Employee Expenses expenditure group includes salaries, social security and Medicare, retirement, group health insurance, group life insurance and workers compensation premiums. A department can over run an individual line item as long as the expenditure group remains within budget.

Expenditures: The cost of goods and services rendered. This is terminology used under the “financial resources measurement focus” used by the governmental funds type of accounts,

Fiscal Year: The time period designated by the City signifying the beginning and ending periods for recording financial transactions. New Braunfels has designated October 1 to September 30 as its fiscal year.

Full Faith and Credit: A pledge of the City's taxing power to repay debt obligations.

Full Time Equivalent – FTE: Equates to one full time authorized position working the equivalent of 40 hours per week for 52 weeks. Part time positions are measured as fractions of one FTE.

Fund: An independent fiscal and accounting entity with a self-balancing set of accounts, identifiable revenue sources and expenditures. Funds are segregated for the purpose of completing specific activities or attaining certain objectives.

Fund Balance: is the excess of an entity's revenues over expenditures and encumbrances since the inception of the fund. This number should equal the difference between the revenues and the expenditures reported in a governmental fund. This fund balance is available for emergencies or unforeseen expenditures when appropriated by the City Council.

Governmental Accounting Standards Board – GASB: The current source of generally accepted accounting principles used by state and local governments in the United States. GASB is a private, non-governmental organization.

General Fund: The largest fund within the City, the General Fund accounts for most of the financial resources of the government which may be used for any lawful purpose. General Fund revenues include property taxes, sales tax, franchise fees, court costs and fines, licenses and permits, charges for services, parks and recreation fees and other types of revenue. The General Fund usually includes most of the basic operating services, such as Police, Fire, Parks and Recreation, Library, Public Works, Planning and Community Development, Municipal Court and internal service functions.

General Obligation Bond: General Obligation Bonds must be authorized by public referendum. Bonds become General Obligation Bonds when the City pledges its full faith and credit to the repayment of the issued bonds.

Governmental Fund: Funds used to account for all or most of the City of New Braunfels general activities and services.

Interfund Transfers: The expenditure group used to account for transfers between funds.

Intergovernmental Revenue: Revenue received from another government for a specified purpose.

Internal Service Fund: Funds utilized to account for the financing of goods or services provided by one department or office to other departments or offices within a government. The Self Insurance Fund is the City of New Braunfels only internal service fund.

Investment: Securities and real estate purchased and held for the production of income in the form of interest, dividends, rentals, or base payments received.

Liability: Debt or other legal obligations arising out of transactions for goods and services received in the past which must be liquidated, renewed, or refunded at some future date. A liability does not include encumbrances.

Long-Term Debt: Debt amount with maturity of more than one year.

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

Major Fund: Any fund that the governmental unit believes to be of particular importance to the users of the statements either because of the nature of the fund or because it meets the “size” criteria set by GASB. The General Fund, by definition, is reported as and/or considered a major fund. If any fund meets the “size” criteria it should be designated as a major fund. It states:

- 1) Ten percent criterion: An individual fund that reports at least 10 percent of **any** of the following
 - a. Total government fund assets
 - b. Total government fund liabilities
 - c. Total government fund revenues
 - d. Total government fund expenditures

- 2) Five percent criterion: An individual governmental fund reports at least 5 percent of the aggregate total for both governmental funds and enterprise funds of any one of the items for which it met the 10 percent criteria

OPEB: Other Post Employment Benefits which are accounting and financial reporting provisions requiring government employers (under GASB) to measure and report the liabilities associated with other (than pension) post employment benefits. A major category of OPEB is retiree medical insurance benefits.

Operating Funds: Resources derived from recurring revenue sources used to finance ongoing operating expenditures and "pay-as-you-go" capital projects.

Operations Expenses: The expenditure group that includes all payments for services. Examples of expenses included in this group are: postage, utilities, professional services, supplies, parts, vehicle and radio repair and maintenance and contributions to other agencies.

Performance Measures: Specific quantitative measures of work performed within an activity or program (i.e. total number of EMS responses by the Fire Department). Types of performance indicators include workload, efficiency (output), effectiveness (outcome) and productivity indicators.

Program Change: Requests submitted by departments during the budget preparation process to change the level of service or method of operation. Generally, these requests are for additional resources including personnel, but may take the form of program reductions or elimination.

Reconciliation: A detailed summary of increases and decreases in departmental expenditures from one budget year to another.

Reserve: An account used to indicate that part of a fund's assets is legally reserved for a specific purpose.

Resources: Total dollars available for appropriations including estimated revenues, fund transfers, and beginning fund balances.

Revenue: The funds collected by a government.

Revenue Bonds: Government-issued bonds which do not pledge the full faith and credit of the jurisdiction, and must therefore rely on operating revenues other than property taxes to repay the bonded indebtedness. These bonds are used by enterprise funds. For example, the golf course operation could issue revenue bonds backed by greens fees and other charges.

Revenue Estimate: A formal estimate of how much revenue will be earned from a specific revenue source for the upcoming budget period.

Risk Management: An organized attempt to protect a government's assets against accidental loss.

Shortfall: The excess of expenditures over revenues during a single accounting period.

Sales Tax: Revenue generated to the City from a percent tax levied on certain retail goods and services purchases. The current tax is 1.5 percent. This amount is split with 1.125 percent going to the City's General Fund and .375 percent going to the New Braunfels Industrial Development Corporation to fund economic development activities.

Tax Levy (Property): The total amount to be raised by general property taxes for operating and debt service purposes.

Tax Rate (Property): The amount of tax levied for each \$100 of assessed valuation.

Tax Rate Limit: The maximum legal property tax rate at which a City may levy a tax. The limit may apply to taxes raised for a particular purpose or for a general purpose.

Tax Increment Reinvestment Zone – TIRZ: Economic development tool used by the City to foster development. Developer pays for and constructs public infrastructure and is then reimbursed for the expenditure once the commercial activity within the designated zone generates sufficient revenue to support repayment either through current revenues or debt issuances.

Yield: The rate earned on an investment based on the price paid for the investment.

ACRONYMS

CDBG – Community Development Block Grant

CIP – Capital Improvement Program

EMS – Emergency Medical Services

HOME – Home Investment Partnership Act

FTE – Full Time Equivalent

GASB – Governmental Accounting Standards Board

OPEB – Other Post Employment Benefit

TIRZ – Tax Increment Reinvestment Zone

GAAP – Generally Accepted Accounting Principles

GFOA – Government Finance Officers Association