This Budget will raise more total property taxes than last year's budget by $5,488,561 or 25.2%, and of that amount $959,727 is tax revenue to be raised from new property added to the roll this year.

Of the $5,488,561 additional property taxes generated, $3,712,431 is due to the proposed tax rate increase of 8.37 cents approved by voters during the May 2017 Bond Election.

Tax Rate	Adopted FY 2018	Adopted FY 2017
Property Tax Rate	.6139	.5302
Effective Tax Rate	.5252	.5143
Effective M&O Rate	.5532	.5504
Rollback Rate	.6228	.5743
Debt Rate	.2539	.2117

Council Member	9-15-17 Vote
John Thomaides	Yes
Lisa Prewitt	Yes
Saul Gonzales	Yes
Ed Mihalkanin	Yes
Jane Hughson	Yes
Scott Gregson	Yes
Melissa Derrick	Yes

THE CITY OF
SAN MARCOS

City of San Marcos

2017-18 Annual Budget

City Council

JOHN THOMAIDES..... MAYOR

LISA PREWITT……..... PLACE 1

SAUL GONZALES..... PLACE 2

ED MIHALKANIN..... PLACE 3

JANE HUGHSON..... PLACE 4

SCOTT GREGSON..... PLACE 5

MELISSA DERRICK……..... PLACE 6

Appointed Officials

BERT LUMBRERAS.....CITY MANAGER

MICHAEL COSENTINO.....CITY ATTORNEY

JAMIE CASE……..…..…….....CITY CLERK

JOHN P. BURKE, JR..... MUNICIPAL COURT JUDGE

City Manager's Office

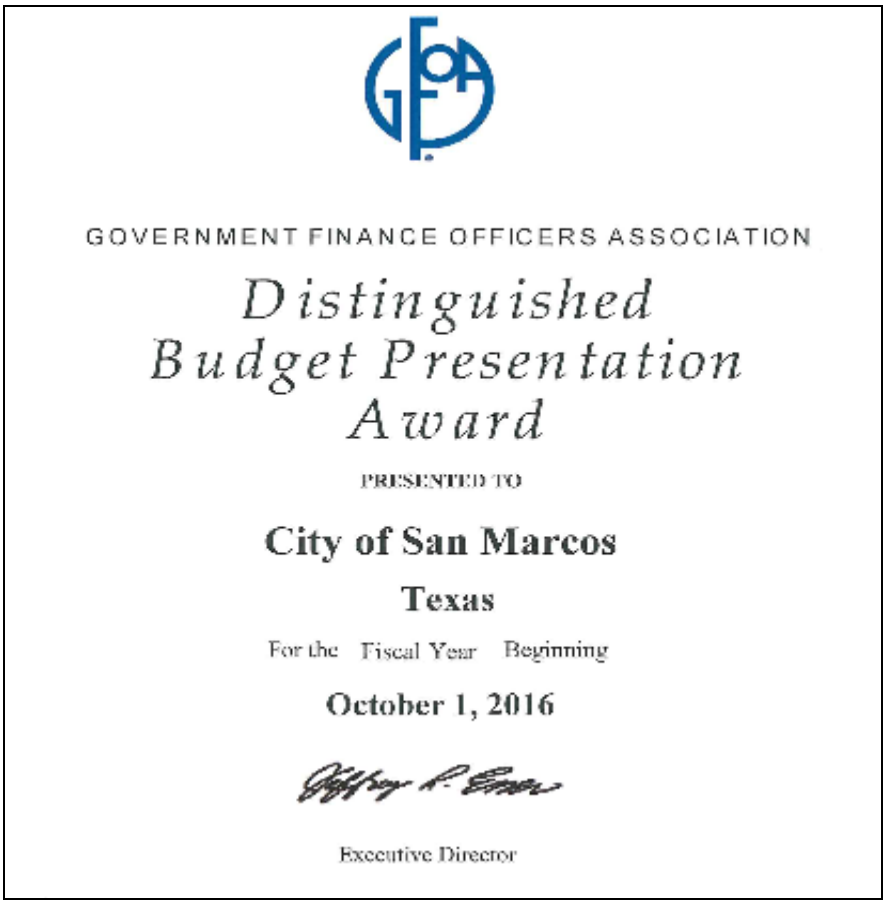
COLLETTE JAMISON.....ASSISTANT CITY MANAGER

Budget Document Preparation

STEVE PARKER.....ASST CITY MANAGER/CHIEF FINANCIAL OFFICER

HEATHER HURLBERT, CPA, CGFO.....DIRECTOR OF FINANCE

THE CITY OF
SAN MARCOS



GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

City of San Marcos

Texas

For the Fiscal Year Beginning

October 1, 2016

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented an award for Distinguished Budget Presentation to the City of San Marcos, Texas for its annual budget for the fiscal year beginning October 1, 2016.

In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan and as a communications device.

The 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 its eligibility for another award.

THE CITY OF
SAN MARCOS

City of San Marcos

2017-18 Annual Budget

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The Mission of the City of San Marcos

The goals of the City Government are to safeguard the health, safety and welfare of the City's residents, provide for a high quality of life, foster intergovernmental liaison and communication, encourage responsible citizenship, promote sound community and economic development, conserve and protect the City's natural resources and environment.

– *San Marcos City Charter*

THE CITY OF
SAN MARCOS
1877

TO: Honorable John Thomaides & Members of the City Council

FROM: Bert Lumbreras, City Manager

SUBJECT: 2017-2018 Adopted Budget

DATE: September 19, 2017

I am honored to present the adopted Fiscal Year 2017-2018 City of San Marcos Operating Budget and Capital Improvements Plan. This budget is structurally balanced, with operating revenues meeting operating expenditures. The annual budget is the outline of the programs and services to be provided to our citizens during the upcoming year and will stand as the foundation for enhancing the City's vision as adopted by the City Council in September 2017. It also lays the groundwork for future growth and development through the planning of capital improvements and new service levels expansions. A structurally balanced budget will set the foundation for prudent fiscal management of City operations in the coming years and ensure the City will have the tools to achieve the City Council goals.

The Fiscal Year 2018 Adopted Budget uses the goals set by City Council in 2016 as a framework. These goals will make the City of San Marcos fully sustainable long into the future:

- ✓ Assess, present a plan for, and begin the update of City facilities
- ✓ Beautify and Enhance the Quality of Place for San Marcos
- ✓ Continue Downtown redevelopment
- ✓ Economic Development
- ✓ Maintain and improve the City's infrastructure
- ✓ Continue to build on positive working relationships between Council and staff to enhance communication, decision making, and execution
- ✓ Maintain Fiscal Responsibility
- ✓ Provide for the efficient and effective delivery of services

The development of the adopted budget focused on the capitalization of the local and regional economic projections which have continued to remain extremely strong over the past several years. San Marcos and the surrounding areas have been recognized as one of the fastest growing areas in the Unites States. Property tax appraisals have increased by 11 percent for Fiscal Year 2018 and the City is seeing indications of continued new growth for the future with the addition of new residential developments and new businesses moving to the area.

General Fund revenue increased $1.9 million from the fiscal year 2017 budget. This is primarily due to the sales taxes anticipated to be generated by the new Best Buy Call

Center which began operation in late 2016 and the voter approved tax increase of 8.37 cents per $100 valuation for the construction of and operations for public safety and library projects. As a result of the strong residential growth, the average home value has increased from $153,696 in 2017 to $167,188 in 2018, an 8.8% increase.

Many of the additions to the San Marcos budget over the past several years will help transform it into one of the most beautiful, clean and well-maintained cities in the central Texas corridor. One of the additions adopted by City Council in fiscal year 2016 is the Community Enhancement Fee, which provides a funding source for enhancements to existing beautification programs and new neighborhood, downtown, and citywide projects.

The Water/Wastewater Utility is continuing to move forward to secure the future water supply for the next 50 years. Rates have been increased steadily, in small annual increments, over the past 5 years in preparation for this project. The first phase of the project of building a water line between Kyle, Buda and San Marcos is under construction and the second phase will begin in fiscal year 2019.

San Marcos has experienced repeated flooding over the last several years. Flood mitigation projects have been identified but the City lacked funding under the current rate structure in the Drainage Utility. The City was awarded $32.2 million in Community Development Block Grant-Disaster Recovery (CDBG-DR) funding to fund selected projects and for use in community and housing needs. Six infrastructure projects have been identified and approved for funding by City Council. These projects will be completed over the next five years. In addition to the CDBG-DR funding, City Council increased the Drainage Utility rate 15% to provide funding for additional drainage/storm water projects across the City.

We believe the adopted budget reflects a fiscally responsible approach that allows the City to improve the current infrastructure and meets growth demands while maintaining the City's strong financial position. This budget ensures the quality services our citizens expect and focus the resources necessary to meet the demands of future growth and development while maintaining an affordable cost of services. This budget was created with guidance and input from the City Council on behalf of the Citizens of San Marcos. We feel this budget and the policies that guide it will make San Marcos sustainable for many years into the future.

Respectfully submitted,

Bert Lumbreras
City Manager

Executive Summary

The fiscal year 2018 proposed budget totals $214,149,795 and meets the highest standards in budgeting as expected by the community and City Council. The budget represents a partnership between City Council and staff responding to the Council's vision for the community. The budget contains financial summaries, missions, objectives, accomplishments, plans for achievement, and program outlines that invoke our commitment to using best business practices in providing quality services to our citizenry.

Staff used the City Council's Budget Policy Statement and Goals as a guide for developing the Adopted budget. The Executive Summary explains the key choices and decisions made during the budget process to meet the priorities and guidelines established by City Council for the major City funds.

Budget Overview

The adopted budget of $214,149,795 is an increase of $22.7 million or 11.9% from the adopted fiscal year 2017 budget. Increases in recurring expenses are attributable to numerous issues related to contract obligations in water and electric supply agreements, CPI adjustments to existing contracts, commitments to adopted merit increases increased health insurance costs, economic development agreements, and additional adopted personnel as well as debt service increases. The decrease in one-time expenses is primarily related to the reduction in the transfer in capital reserves in the utility funds.

2017/2018 Annual Budget Expense Summary

	FY 2017 Original Budget	FY 2018 Adopted Budget	Dollar Change	Percent Change
General Fund	65,905,990	73,277,859	7,371,869	11.19%
Debt Service Fund	13,285,457	17,393,311	4,107,855	30.92%
Special Revenue Funds	10,005,249	10,574,294	569,045	5.69%
Permanent Funds	-	-	-	0.00%
Enterprise Funds	104,614,952	112,808,152	8,193,200	7.83%
Total	193,811,647	214,053,615	20,241,968	10.44%

2017/2018 Annual Budget Revenue Summary

	FY 2017 Original Budget	FY 2018 Adopted Budget	Dollar Change	Percent Change
General Fund	63,244,026	71,380,286	8,136,261	12.86%
Debt Service Fund	13,804,890	18,903,349	5,098,459	36.93%
Special Revenue Funds	8,707,984	9,550,409	842,424	9.67%
Permanent Funds	6,000	4,000	(2,000)	-33.33%
Proprietary Funds	105,668,625	114,311,751	8,643,126	8.18%
Total	191,431,525	214,149,795	22,718,270	11.87%

Fund Balances

A healthy fund balance represents sound fiscal management and measures our capacity to sustain current and future operations. Overall, the budget will bring our fund balances to a total of $50.3 million, or 23.5% of total expenses. The percentage in 2017 was 24.8%. The change in Fund Balance is primarily due to increased budgeted expenses. The budget continues our commitment of maintaining appropriate fund balances while meeting City Council priorities. These fund balances can be used toward:

- One-time emergency expenses
- Counter-cyclical reserves to minimize the effects of an economic downturn
- Ensuring financial security in the event of a disaster
- Bond rating and creditworthy assessments
- Other one-time expenses such as economic development incentives

2017/2018 Annual Budget Fund Balance Summary

	Actual FY 2015-16	Approved FY 2016-17	Revised FY 2016-17	Adopted FY 2017-18
Beginning Fund Balance	46,779,857	49,805,526	49,805,526	50,170,667
Total Revenues	180,711,745	191,431,525	187,670,912	214,149,795
Total Funds Available	227,491,602	241,237,051	237,476,438	264,320,463
Total Expenses	177,686,076	193,811,647	187,305,770	214,053,615
Ending Fund Balance	49,805,526	47,425,404	50,170,667	50,266,848
Percentage	28.03%	24.47%	26.79%	23.48%

General Fund

Revenues

Property Tax-The property tax rate is proposed to increase from 53.02 cents per $100 valuation to 61.39 cents per $100 valuation. This increase of 8.37 cents per $100 valuation was approved by voters in the May 2017 bond election for debt service of and operational expenses for public safety and library expansion projects. The taxable property base increased by $506.6M and new improvements were $156.3M of that total. This budget will raise $5.5M more in total property tax revenue than last year's budget, and of that $960K is due to new construction.

Sales Tax-The sales tax revenue of $32.0M includes a 2% increase to the base sales taxes ($356K), 1% increase to the sales taxes attributed to the Tanger and Prime Outlet Malls ($90K), and 75% of the anticipated revenues generated by the new Best Buy Call Center located in San Marcos ($4.7M).

Franchise Fees-Franchise fee revenue includes revenue produced by the increase from 7% to 8% in the franchise fees collected from the City owned electric and water/wastewater utilities.

All Other Revenues-All fees will be increased by the annual CPI calculated at 1% for FY19. Cost of service studies are in progress for fees charged by Marshal's Office, Code Compliance, Animal Services, and Police. These results will be brought back after budget adoption and any fee changes will be adopted separately.

Expenses

Expenses were increased by $7.8M for required operating expenses including:

- Year 3 of Meet and Confer contract
- 5% increase for Health Insurance
- 4% FY18 Merit/COLA increase and full year of FY17 increase
- Software Maintenance increases
- Facility Maintenance increase
- EMS annual funding increase
- Annual contracted services increases
- Police Public Outreach funding
- Economic development incentive increases including $4.6M for Best Buy sales tax rebate and $876 for the Amazon 380 agreement

New expenses included:

- Fire GIS Data Analyst (partially funded through existing budget)
- Reclass of HR intern position to a full time position
- Body Cameras for Animal Control officer, Bailiffs, Code Compliance officer, and Park Rangers
- Increase to budgeted personnel costs for Park Rangers

All other expenses remained flat.

Electric Fund

Revenues

The current year rate modeling does not indicate a need for any rate adjustment so no rate adjustment is recommended by the Citizens Utility Advisory Board (CUAB) for the electric rates. Revenues are budgeted based on system and customer anticipated growth and historical trends.

Expenses

The current rate supports the addition of $753,800 in operating expenses and $419,000 in capital expenses including:

- Engineering Tech I
- Inventory Technician
- Additional tree trimming services
- Pole attachment and health assessment survey
- Professional services to augment Engineering staff
- Integration services of OMS, SCADA, Milsoft, and CAD
- Professional Services for Electric Utility construction standard update
- Line locating services
- Professional Services for transformer testing for CT metered accounts
- Strava Metro data services
- Lineman's College Metering Course
- 45 foot material handling bucket truck
- 12 foot dump trailer
- URD Cable pulling machine
- Lecia Viva GS16

Expenses also include an increase from 7% to 8% in the franchise fee paid to the General Fund.

Water/Wastewater Fund

Revenues

The current year rate modeling indicates a need for a 5% rate adjustment for Water and a 2% rate adjustment for Wastewater. This rate adjustment is recommended by the Citizens Utility Advisory Board (CUAB) and is consistent with the anticipated small steady increase in rate to support efforts to secure future water supplies through the year 2060 as a member of Alliance Regional Water Authority (ARWA), formally Hays Caldwell Public Utility Authority. Revenues are budgeted based on system and customer anticipated growth and historical trends.

Expenses

The current rate supports the addition of $376,000 in operating expenses and $310,000 in capital expenses including:

- Cross Connection Control BFP Tech
- Water Quality Technician
- EPA Mandated water sampling
- AMI Supplies, Meter Supplies
- Contracted services for capping two wells at the Oakridge Tank Site
- Backhoe
- Rubber Track Excavator
- Vac-Hunter hydro excavator replacement skid
- ISCO flow meter replacement

Expenses also include an increase from 7% to 8% in the franchise fee paid to the General Fund.

Drainage Fund

Revenues

The current year rate modeling indicates a need for a 15% rate adjustment to support needed capital improvement projects. Projects totaling $66.1M have been identified as needed over the next 5 years to properly handle the storm water drainage in the City. A 15% rate adjustment each year for the next 5 years is needed to properly fund these projects. Revenues are budgeted based on system and customer anticipated growth and historical trends.

Expenses

The proposed rate supports the addition of $317,200 in operating expenses and $49,000 in capital expenses including:

- Drainage maintenance Operator I
- Drainage Engineer to support the CIP program
- Citywide chemical waste collection and disposal
- Citywide SPCC plan
- Increase in several line items including herbicide, supplies, and vehicle maintenance
- Replacement vehicle to support the herbicide program
- Dump trailer
- High velocity nozzles

Hotel Motel Fund

Revenues

Revenues are budgeted to increase $59,200 from the FY17 budget. The City has added a total of 655 hotel rooms over the last 5 years and anticipates the addition of another 262 in fiscal year 2018. Of the total $4.1M in revenue collected, $1.7M is dedicated to the debt service for the debt issued for the construction of the City of San Marcos Conference Center.

Expenses

Expenses totaling $4.2M are relatively flat with a reduction of $430K. This reduction is primarily due to the one time fund budgeted for replacement of the lighting at the Ramon Lucio Baseball fields in FY17.

Budget Discussion

Employee Medical Plan
The City's Employee Medical Plan benefits are provided through a self-funded arrangement that utilizes a plan administrator and obtains insurance for excess claims. The plan is funded by the contributions of the City and City employees. For many years the medical plan operated with minimal rate increases. During fiscal years 2012 and 2013 the plan experienced significant cost increases. As a result of these increases, a large portion of the funds reserves were used and the City directly contributed $400,000 to the fund. As a result of these, steps have been taken to address the long term viability of the plan including:

- Contracting with an employee benefits consultant to assist in managing the plan and responding to the impact of National Healthcare.
- Completed a market analysis to compare benefit levels and identify changes in benefit and contribution levels within the plan which will continue to be competitive and support attracting and retaining a quality workforce. The City engaged employees during the process through a survey and focus groups.
- Implemented benefit changes, employee contributions and a revised rate structure to provide an incentive for participation in a new "Well Life Program". The goal of the well life program is to educate and engage employees in their health for the long term viability of providing a cost effective medical plan.

As a result of these initiatives along with the continued education of employees about their benefits, the health plan reserves are being rebuilt and the premium increases for fiscal years 2015 and 2016 were limited to 5% and fiscal year 2017 was increased to 7%. For fiscal year 2018, analysis showed a 5% premium increase was sufficient to continue building the reserves and properly fund the continuing expenses of the fund.

Police and Fire Meet and Confer
The Meet and Confer process is established through the Texas Local Government Code, Chapter 142, Subchapters B & C, which establish the manner by which a municipality with a population of 50,000 or more and its Police and Fire Associations can discuss wages, hours of employment and other working conditions. This process provides an opportunity to pre-empt state statutes. On February 7, 2006 the City Council approved the San Marcos Police Officers' Association and the San Marco Professional Fire Fighters' Association petitions to become the sole and exclusive bargaining agent for the City of San Marcos Police Officers and Fire Fighters.

The first negotiation between the City and Associations was in 2009 and resulted in three year agreements with each Association effective October 1, 2009 through September 30, 2012. The City completed negotiations in fiscal year 2015 to develop the third agreement with each Association effective October 1, 2015 through September 30, 2018. The budget includes an amount of $532,570 to fund the third year of the agreement.

Compensation Program
During Fiscal Year 2012, the City of San Marcos contracted with an independent human resource consulting firm to conduct an extensive compensation and classification study. The analysis was layered with various levels of criteria including job descriptions, market variance, job classifications/grades as well as pay for performance, which is traditionally a goal of City Council. The results of that study showed that overall the City of San Marcos non-civil service employees were paid close to market averages with approximately fifty percent of City staff falling below market and fifty percent above market, thus making us competitive overall. The compensation program for fiscal years 2013 thru 2016 made adjustments to those employees falling below market while still rewarding outstanding employees through an evaluation based merit program. In fiscal year 2017, the City will conduct another compensation and classification study to evaluate the current market environment and make sure that the City continues to attract and retain quality employees.

The following chart shows the cost of the compensation program by fund.

COMPENSATION PROGRAM INCREASE BY FUND					
	2014**	2015**	2016**	2017**	2018**
General Fund Non-Civil Service	$302,500	$406,800	$413,734	$443,850	$465,830
General Fund Civil Service	140,000	107,500	1,000,000	397,000	532,570
Water/ Wastewater	44,300	62,400	60,183	71,490	79,650
Electric Utility	58,000	86,200	83,145	89,542	96,950
Drainage	3,000	3,100	9,992	7,920	10,950
Resource Recovery		2,432	2,160	2,973	5,390
WIC	26,000	26,400	22,829	23,538	25,200
Main Street/CVB	2,300	2,870	2,554	3,293	13,850
Transit	295	1,436	1,942	2,040	2,200
TOTAL	$576,395	$699,138	$1,596,539	$1,041,646	$1,232,590
**Non-civil service increases given in April-6 months of expense					

New Personnel

IT Support Analysis

As the City grows, so does the technology needs. The addition of this position will add a third Business Analyst to help with the advancement of the IT Department's technology and project management of the active and pending projects across the City. This position is partially funded through existing contracted services budget.

Human Resources Assistant

With the addition of new positions over the last several fiscal years, the demand on HR has increased. This reclass of an intern position to a full time position will help increase the efficiency of the new hire process including maintain job descriptions, posting vacant positions, and onboarding of new employees.

Fire GIS Analyst

As GIS services and technology in the fire service continue to expand, there is an ever-expanding need for data, maps, and analysis. Firefighters are relying more heavily on technology today than ever before. From the time the 9-1-1 call is placed, there is technology available to help protect not only our citizens, but our first responders as well. This position will be dedicated to keeping these systems up and running, while also performing the data analytics necessary to ensure the department meet best practices. This position is primarily funded by reclassifying an existing fire fighter position to this new function.

Fire Battalion Chief Aid

This will convert three Driver/Engineer positions that serve as Battalion Chief Aids to Captain. This reclassification will greatly improve firefighter safety by always having the same Captain who drives for the Battalion Chief act as the Battalion Chief when they are off. It will also reduce overtime expenses associated with hiring back a Battalion Chief to fill that position when the regular Battalion Chief is off. This change is funded through existing overtime budget.

Public Services Inventory Tech

Currently there is only one inventory control technician assigned to each division of Public Services (W/WW, Electric, & Transportation). If one of these three employees is out for any reason (vacation, sick leave, training, etc.) there is no one to cover the position leaving a storeroom unattended. This additional position would act as a floater between the three storerooms providing additional support to the department, improving control of the inventory and insuring consistent assistance in the storerooms.

Water Quality Tech

This position will help maintain compliance with new and revised EPA and TCEQ regulatory requirements that went into effect in March 2017. The Water Quality Section is currently responsible for annually collecting approximately 6,000 public drinking water and wastewater samples required by the EPA and TCEQ. Due to the expanding economic and population growth in the City, the EPA and TCEQ is requiring additional sampling for regulatory compliance. The Water Quality Division will be responsible for complying with a TCEQ mandated workload increase (>20% more drinking water samples collected and reviewed for regulatory compliance) that is not currently sustainable at the present staffing level).

Cross Connection Control BFP Tech
BFP devices in the City have increased by 37% in the last two years primarily due to growth in commercial businesses and irrigation systems requirements. This tech position will have knowledge of State Plumbing Codes, State Fire Codes, and TCEQ 290 Rules. The potential contamination hazards controlled by BFP are up to 7780, an increase of 33% from 2015. Device test notifications and site surveys have increased to 1,500 since 2016. These job duties are currently being conducted by the W/WW Utility Coordinator and there is no backup to this position.

Electric Engineering Tech
The existing Electrical Engineering Department technicians will be eligible to retire in the near future and there is no existing program to provide for future technicians. This position will provide an entry level engineering technician to work with senior electrical engineering technicians to learn about SMEU, how to design and estimate cost of installations, the limits of the SMEU service areas, and how to use GIS mapping Systems. The demands placed on the engineering technicians has steadily increased as they support distribution construction and other departments. The requirements of GIS mapping, Maximo work orders, material management, and other programs require more highly technical inputs from the engineering technicians.

Senior Engineer-Drainage
The City has experienced several flooding events over the past several years and as a result, the number of drainage CIP projects to mitigate flooding has increased. The current staffing levels in Engineering is unable to support and manage these additional projects. This position will be dedicated to supporting and managing these drainage projects.

Drainage Equipment Operator I
As additional storm water infrastructure is installed in San Marcos additional maintenance staff are required to maintain and keep system functioning. Maintenance of storm drain system includes gray infrastructure such as underground storm sewer pipe and related inlets, detention ponds, concrete channels. Maintenance also includes green infrastructure such as rain gardens, bio-retention ponds, sand filters, and in-ground water quality devices.

Resource Recovery Specialist
Resource Recovery programs have increased within the past 3 years. Staff is conducting a city-wide cart audit, attending more events, and has identified the need for more outreach to multifamily apartments for education to lessen contamination. The position will assist the Community Enhancement Initiatives Manager with programs and educational outreach for the Resource Recovery division

Communication Enhancement Specialist
As the Community Enhancement and Beautification activities have increased, so has the need for assistance with these activities. This position is reclassed from a part time to a full time position to assist the Community Enhancement Initiatives Manager in research and development of programs for the Community Enhancement Fee, and assist with the Keep San Marcos Beautiful program, Adopt a Spot, and events.

City Beatification
In recent years the City conducted several a citizen satisfaction surveys that compared the City of San Marcos to regional and national standards across America. The results of several of the studies indicated that the citizens of community are concerned with the overall beautification of the City. Over the past few budget cycles, the City has appropriated funds to ensure that this concern is addressed. This includes: funding to increase the frequency of mowing within city parks and rights of way; additional street sweeping; graffiti removal; business sign and façade enhancement programs; art mural programs. Capital Improvement enhancement projects such as: IH35 underpass lighting; entryway beautification; park improvements. Sidewalks and streets are receiving attention with an increase in the street maintenance budget of over $1.2 million over the last 4 years and the addition of two dedicated sidewalk crews to maintain and enhance the walkability of the City.

In fiscal year 2016 the City Council approved the Clean Enhancement fee that provides a source of additional funding for continuing and one-time projects, programs, education and enhanced services. This monthly fee is set at $1.00 per household and $5.00 per business that receive any of the City's utilities and is expected to generate $410,000 in revenue for fiscal year 2018.

Economic Development and Small Business Development
This year's budget allocates $375,000 for economic and small business development along with $214,000 for legislative representation with the expense being shared equally between the General Fund, Water/Wastewater Fund, and Electric Fund since development benefits all funds. The City also has budgeted $200,000 each fiscal year since 2015 to establish an economic war chest that could be used to replicate 4A/4B funding in order to potentially attract a prospective new employer in future years. City staff has created an incentive policy which outlines how these funds can potentially be used.

Social Services
City Council budgeted social service program funding from the general fund for fiscal year 2018 at $450,000. The Human Services Advisory Board (HSAB) is tasked with developing a recommendation for distributing the social service program allotment to the various social service agencies operating within San Marcos. The HSAB implemented an appeals process in Fiscal Year 2007.

Hotel Occupancy Tax Fund
In Fiscal Year 2008, voters adopted a 2% venue tax to be implemented in the Hotel/Motel Fund to help offset debt payments associated with the City of San Marcos Conference Center. Revenues collected from the Embassy Suites Hotel along with the 2% venue tax are restricted for the debt service related to the City's Conference Center which opened November 2009. The Conference Center has performed well and has exceeded revenue projections. In fiscal year 2014 a portion of the bonds issued for the conference center were refunded and the City was able to apply $3.5 million of the excess hotel occupancy tax and venue tax collections against the debt principal lowering the debt service payments. If collections continue at the current pace, the City will be able to pay off the bonds several years early.

In fiscal year 2017, the Convention and Visitors Bureau (CVB) was brought into the City as a city

department. The CVB has been part of the Chamber of Commerce's organization, but the City has provided the majority of the funding for the operations through the Hotel Motel Tax Fund. During City Council Visioning for fiscal year 2017, Council directed staff to begin negotiations to bring the CVB organization into the City as a city department. The integration of the CVB into the City as a City department was effective October 1, 2016.

Capital Outlay

In fiscal year 2016 the City began a program of leasing light duty fleet vehicles for the General Fund using a five year replacement cycle. This program was expanded to all funds in fiscal year 2017. The City expects to realize savings though reduced maintenance cost and improved fuel efficiency as a result of replacing older vehicles in the fleet.

The funding for capital outlay in the General Fund has increased incrementally over the last few fiscal year in an effort to build funding to an appropriate level with $1,900,000 budgeted in fiscal year 2017 for existing positions and facilities. Incremental increases to the current funding has allowed the City to continue catching up on a backlog of equipment and vehicle replacements, technology infrastructure and other one-time expenses and to maintain a timely replacement schedule going forward. In fiscal year 2018 the funding level was temporarily reduced to $1,600,000 to create more capacity in the General Fund operating budget. Prior years' savings in the capital outlay budget will be used to fund the gap created by the reduction.

In the Water/Wastewater Utility, $597,700 is allocated for replacement of equipment, software and vehicles, including existing equipment financing, $276,000 for recurring expenses related to meters, and $50,000 for technology related projects. In the Electric Utility, $609,300 is allocated for replacement of equipment and vehicles, $650,000 for recurring expenses related to transformers, meters, and customer extensions, and $50,000 for technology related projects.

Cash Funded Capital Maintenance

The fiscal year 2018 budget continues to allocate amounts into the Cash-Financed Capital Funds for Information Technology, Parks Improvements, and Facility Improvements. These funds are budgeted annually as one-time expenses and are funded if revenues allow. These funds will be used to finance capital projects in these areas through cash funds instead of bond funding.

The Cash-Financed Capital Funds provide a funding source for capital projects such as:

- Non-routine infrastructure improvements
- Continuing Technology infrastructure upgrades and improvements
- Street rehabilitation and maintenance projects
- Park improvements, rehabilitation, and acquisition

The capital funds along with other one-time expenses are listed below:

• Routine Capital Outlay-Parks	$ 50,000
• Routine Capital Outlay-Police	$ 50,000
• Routine Capital Outlay-Fire	$ 50,000
• Capital Outlay	$1,600,000
• Library Books	$ 142,725

- Building Capital Maintenance $ 200,000
- Parks Capital Maintenance $ 200,000
- Technology Capital Maintenance $ 200,000

Capital Improvements Program – Certificate of Obligation Projects
For the 2018 budget, projects were submitted by all departments and prioritized. Staff vetted all projects and totals were constrained to maintain the City's 50/50 debt to operations ratio. The compiled projects were then presented to Planning and Zoning Committee. Planning and Zoning made their recommendations and the recommended projects were taken to the City Council for approval. The total planned total CIP by fund is as follows:

Capital Improvements Program

	FY 2018	FY 2019	FY 2020	Total
General Fund	16,270,000	25,639,000	28,570,000	$70,479,000
Water/Wastewater Fund	14,954,500	46,835,000	21,965,000	$83,754,500
Drainage Fund	10,075,000	11,225,000	19,450,000	$40,750,000
Electric Fund	9,995,000	8,401,179	12,503,247	$30,899,426
Total Projects	51,294,500	92,100,179	82,488,247	225,882,926

May 2017 Bond Election
In May 2017 voters approved a $32M bond package for public safety and library expansion. The projects include the Police Facility renovation, construction of a Fire Training Field, relocation of Fire Station #2, construction of a new Fire Station #8, and expansion of the Library. The total tax rate impact for construction of and operational expense for the projects was 8.37 cents. City Council chose to increase the full amount for fiscal year 2018. The initial debt issuance will occur in spring of 2018. Revenues generated by the debt service portion of 4.60 cents will be used to pay future bond debt. The revenues generated by the operations portion of 3.77 cents will be held in reserve as a contingency for the projects. The projects are expected to be completed within 5 years.

Fund Balances
In the Budget Policy Statement, the City Council directed that the Water/ Wastewater Utility and General Fund meet a fund balance level of at least 25%. The Electric Utility is building fund balance to be the equivalent of 60 days of operating expenses including the cost of purchase power. Previously, the Electric Utility maintained funds equivalent to 25% of operating expenses excluding purchase power. During a ratings review with Standard and Poor's, the agency felt the inclusion of purchase power in the calculation was more appropriate and the City has changed the methodology. These percentages indicate what percentage of annual recurring operation expenses are maintained in the fund balance, or reserve, of each fund. This goal was established to provide a minimum of three months operating capital for each of the major funds.

Individual Fund Discussion

The General Fund

The General Fund is the primary operating fund for the City. It is viewed as the general government fund and accounts for most of the City's financial resources, except for resources required to be accounted for in other funds.

Revenues

Revenue forecasting is a complex and difficult task that involves collecting historical data, researching economic data, and formulating forecasting assumptions. At a minimum, ten years of historical data are compiled and analyzed as part of the forecasting procedure. Qualitative and quantitative forecasting techniques such as consensus forecasting, expert forecasting and trend analysis are utilized when preparing revenue estimates. In some cases, more than one technique is used to predict revenues for the next fiscal year. Expert forecasting is perhaps the most useful technique because it relies on extensive technical knowledge of the economic activity that generates the revenue and is sensitive to changes in the national, regional, and local economies.
This method is quite useful for the City because a significant amount of our sales tax base is generated through retail sales from the Prime and Tanger Outlet Malls. The General Fund receives revenues from a variety of sources, including taxes, licenses and permits, fines and penalties, interest income, other agencies, service fees, and transfers for indirect costs. Revenue projections are based on a variety of factors such as the economy, historical collections, known changes that will occur, and growth factors. In all events, conservative estimates are used.

2017/2018 Annual Budget General Fund Revenue Summary

	Actual FY 2015-2016	Revised FY 2016-17	Adopted FY 2017-18	Percent of Total
Ad Valorem Tax	11,892,702	13,334,509	15,918,827	22.30%
Sales Tax	28,429,649	27,250,186	32,002,025	44.83%
Franchise Fees - City	5,897,290	6,244,977	7,763,206	10.88%
Franchise Fees - Other	1,388,041	1,422,335	1,449,869	2.03%
Other Taxes	679,699	754,716	783,999	1.10%
Licenses and Permits	2,100,716	2,900,427	2,856,423	4.00%
Fines and Penalties	1,419,472	1,651,195	1,742,457	2.44%
Interest Income	142,388	114,000	134,000	0.19%
Cultural and Recreational	727,269	762,454	815,242	1.14%
Other Agencies	473,363	483,169	457,764	0.64%
Current Services	603,191	778,635	764,093	1.07%
Other Revenue	1,016,700	962,982	903,267	1.27%
Reimbursements from Other Funds	4,712,476	5,165,441	5,789,115	8.11%
Total	59,482,956	61,825,026	71,380,286	100.00%

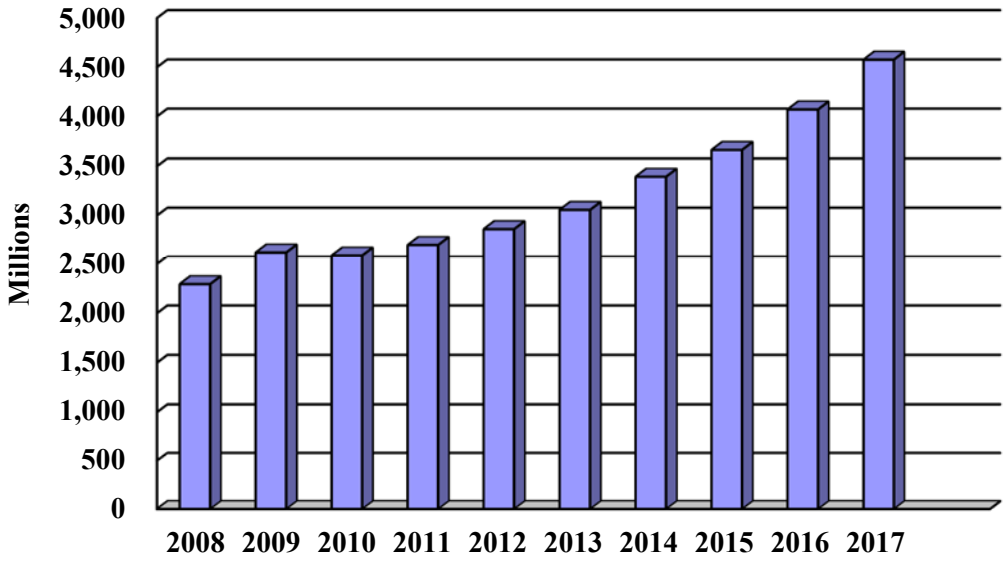
Ad Valorem Tax

In the budget, property taxes represent 22.3% of total General Fund revenue. Property taxes are based on the assessed value of land, buildings and structures in the City as appraised by the Hays, Guadalupe, and Caldwell County Appraisal Districts. Certified assessed values in San Marcos are estimated at $4.6 billion an increase of 11% above the previous tax year assessed values. The City has experienced rapid growth over the last few years and expects this trend to continue. As a result of this growth, the City was named as the Fastest Growing City three years running but was unseated by several surrounding cities in 2016. A 98.0% current tax collection rate and a 2.0% delinquent tax collection rate are assumed for the budget. Revenue forecasting techniques are not used with the ad valorem tax, as the revenue is relatively simple to calculate. The calculation for ad valorem tax revenue is based on the certified assessed value using the tax rate.

The adopted property tax rate for 2018 is 61.39 cents per $100 valuation. This is an increase of 8.37 cents from the prior fiscal year tax rate of 53.02 This increase was approved by voters in May 2017 for the construction of and operating expense for public safety and library facilities. The operations and maintenance tax rate will pay operations and maintenance (O&M) costs in the General Fund, producing revenues of $15.9 million. The debt service rate is allocated to repay tax supported debt in the Debt Service Fund. The debt service revenue of $11.5 million will be used to pay long-term debt. One-cent of the property tax rate will generate $457,734 in revenue.

Historically, property taxes represent a relatively stable source of revenue for the City. In general, property tax revenues tend to increase and are not subject to dramatic shifts in the economy. There was a slight decline in tax year 2010 of 1.2%. The City's property tax base has grown consistently since the decline in 2010 and due to the current economic climate this trend should continue.

10-Year Appraisal Roll History (Property Tax Year)



Sales Taxes

Sales taxes represent 44.8% of total General Fund revenue projected for fiscal year 2018. Sales tax receipts are the largest single revenue source supporting general governmental services in San Marcos. Consistent retail sales have kept this revenue stream steady for the past several years. When comparing historical sales tax collections by segment, the percentage represented by retail collections has decreased while other segments have increased, indicating a small diversification in the sales taxes produced in the City. It is important to note that sales tax revenues are a volatile funding source and are subject to shifts in local, state and national economies. Our reliance on this revenue source is approached with caution.

The City's adopted Financial Policy utilizes conservative forecast guidelines for projecting budgetary sales tax estimates. The following illustration shows the actual percentage increase for the most recently completed fiscal year (2016).

FY 2015 Actual	FY 2016 Actual	Percentage Increase
$25,876,300	$28,429,630	9.9%

The current financial policy states that the estimated percentage increase in sales tax revenue may not exceed the actual percentage increase of the most recently completed fiscal year that resulted in a positive increase. The previous financial policy was revised in 2011 to account for those years when a decrease in sales tax occurs within the City, as was the case in 2009 when sales taxes decreased by 1.95%. Per the budget policy statement that was adopted by City Council, an estimate of 3% increase in base sales tax, 1% increase in sales taxes from the outlet malls, and 75% of the sales taxes expected to be generated by the new Best Buy call center was used along with the adjustments for known one time collections to estimate the $32.0 million in 2018. The fiscal year 2017 collections are below the fiscal year 2016 collections due to significant one-time revenue generated by the construction and purchase of construction materials and robotics for the Amazon Distribution Center in fiscal year 2016.

As sales taxes represent 44.8% of the total General Fund revenues, they represent the greatest single source of revenue for the General Fund. Any excess collection above the fiscal year 2018 estimate goes directly into General Fund balance or the budget can be amended to allocate these amounts. The City Council has entered into a performance based 380 economic development agreements which include sales tax and/or property tax rebates with several businesses including HEB for construction of additional warehouse space and job creation, CTMC for facility expansion and related job creation, Humpty Dumpty LTD for the Springtown Shopping Center redevelopment, Tanger Properties for improvements at the Tanger Outlet Mall, Amazon.com for the construction and operations of a distribution center, and anticipate more as the City continues to grow and attract quality businesses.

A new 380 agreement in effect this year with Best Buy for sales tax revenues generated by the call center located in San Marcos. The City agrees to rebate 75% of sales tax revenues generated by the call center. The budget contains the revenue and related rebate expense for 75% of the forecasted revenues, but it does not contain budget for the 25% of the revenue the City will retain. As these revenues are recognized, budget amendments will be taken to City Council to fund

priority items discussed during budget workshops.

The City of San Marcos collects one and one-half cents on every dollar spent on taxable goods and services within the City limits. The State of Texas allows home rule cities like San Marcos to adopt a one-cent sales tax to support general governmental services. Local voters authorized another half-cent in 1987 dedicated solely to the reduction of property taxes. The one and one half cents collected by the City represents the maximum we may adopt.

10-Year Sales Tax Collection History

Fiscal Year	Annual Collection	Percentage Increase
2007	17,405,977	7.2 %
2008	18,347,135	5.4 %
2009	17,989,392	-1.9 %
2010	18,398,707	2.3 %
2011	19,854,399	7.9 %
2012	21,079,582	4.2 %
2013	22,852,364	8.4 %
2014	24,020,618	5.1 %
2015	25,876,302	8.3 %
2016	28,429,630	9.9 %
*2017	27,364,449	(5.2) %

*Estimated

The half-cent sales tax alone is expected to generate $10,667,350 in the next fiscal year, a sum that is equivalent to 23.62 cents on the property tax rate. Without the half-cent sales tax dedicated to property tax reduction, the City's ad valorem tax rate would have to be 23.30 cents more, or 84.69 cents per $100 of assessed value, to support the programs and services provided to San Marcos residents. Sales tax revenue, much of it generated by tourists and non-residents, represent significant savings to property taxpayers in San Marcos. Sales taxes are a primary source of funds for many vital services ranging from police and fire protection, to parks and recreation, library, environmental services, planning, and much more. The reliance on sales tax revenues requires vigilant monitoring of our revenue sources to assure they will keep pace with the demands and the rising costs of operating a complex municipal government.

Franchise Fees

The General Fund receives revenues from franchise fees paid by public and private utilities which use City streets, alleys and rights-of-way for their utility lines and mains. Franchise revenues are budgeted at $9.2 million, or 12.9% of total General Fund revenues. The majority of this revenue source, $7.8 million, is generated through electric, water and wastewater utility franchise fees paid from City-owned utilities. Historically, the City of San Marcos has assessed a 9% franchise fee on gross water, wastewater and electric utility revenue. In fiscal year 2012 as part of the Sound Finances initiative, City Council moved to lower the franchise fees collected from city utilities from 9% to 7% over a four year period. The 7% for Water/Wastewater was achieved in fiscal year 2013, two years ahead of schedule and the 7% for Electric as achieved in fiscal year 2015. The move to lower franchise fees helps reduce some pressure on the utility rates in future years. City Council temporarily raised the franchise fees to 9% for fiscal year 2018.

The remaining portion of franchise fees, $1.5 million, is collected from telephone, cable and gas utility companies operating within the jurisdictional limits of the City. These smaller franchise fees are estimated through the conservative forecasting technique. This conventional technique assumes that historic collections will remain constant and that the revenue source is stable. Several outside entity franchise agreements were renegotiated in 2010 and several more agreements expire in future years. City staff will be examining other providers to ensure that all agreements are consistent and in the best interest of the City.

Licenses and Permits

Licenses and permits represent the various fees collected for such activities as construction, plumbing, electrical, development and food service operation. Various permits such as building, mechanical, plumbing, zoning, site development, food handler, moving and alarm permits are required for business operation. These monies are used to fund the operating costs of functions associated with enforcing codes and building regulations.

The following table depicts building permit growth over the last ten years.

10-Year Building Permit History

Fiscal Year	Building Permit Market Value	Percentage Increase/Decrease
2007	153,000,000	2.0 %
2008	138,000,000	-.9.8 %
2009	98,000,000	-29.0 %
2010	172,000,000	75.5 %
2011	67,000,000	-61.0 %
2012	191,000,000	185.1 %
2013	255,000,000	33.5 %
2014	152,000,000	-40.4 %
2015	208,000,000	36.8 %
2016	161,000,000	-22.6 %

In fiscal year 2013, new fee structures were adopted by City Council that increased the fees associated with issuing development permits in San Marcos. A fee study is underway and revised fees will be brought to City Council for approval with the adoption of the budget. The City has experience steady growth in the past few years and have seen tremendous grow in all areas of construction including single family, commercial and especially multi-family structures. Approximately 60% of all multi-family structures constructed since 2007 have been student oriented. The fiscal year 2018 budgeted revenue from licenses and permits is $2.9 million or 4.0% of total General Fund revenues. This amount is consistent with the previous budget growth and reflects a conservative estimate of the future commercial and residential development occurring within the City. Projections are based on an assessment of development trends in the area.

Fines and Penalties

Revenues from fines and penalties for fiscal year 2018 are budgeted at $1.7 million, or 2.4% of

total General Fund revenues. The City once again participated in the regional warrant round-up in March 2017. Eighteen regional courts participate in the warrant round-up which gains tremendous media coverage leading to the actual round-up. In 2006, a Deputy Marshal position was added to improve the professionalism of the court operations and to further increase our collection rate and in 2010, an additional part-time Deputy Marshal position was added to further improve the City's collection efforts.

Interest Income

Total revenues from interest for fiscal year 2018 are budgeted at $134,000 or .2% of total General Fund revenues. Anticipated interest earnings are based on market projections of interest rates, which have been at historic low rates since 2010. The current rate of return is approximately 1.2%. Some funds are invested over longer periods for a higher return and in the current fiscal year, the Investment Policy was modified to allow for 5-year investments for Reserve Funds.

Cultural and Recreational

Total revenues from cultural and recreational services for fiscal year 2018 are budgeted at $815,200 or 1.1% of total General Fund revenues. Cultural and recreational revenue sources include library fees, and other various fees and service charges from Parks and Recreation programs and Activity Center usage fees. The program fees and service charges are dependent upon usage of City facilities and program attendance. The City operates a wide variety of recreational programs throughout the year. The City has entered into revenue participation contracts with fitness service providers that give the City 30% of gross revenues from various fitness courses taught at the Activity Center. Included in these fees is the Hays County contribution of $80,000 per year that helps in the funding of the City Library. In fiscal year 2013 new fees were adopted by City Council that increased some of the fees charged in the library, activity center, and for the parks and recreation programs. A fee study is scheduled to be updated in fiscal year 2018 with adjusted fees adopted in fiscal year 2019.

Charges for Current Services

Total revenue from current services is estimated at $764,000 or 1.1% of General Fund revenues. Revenues within this category include animal shelter charges, birth and death certificate fees, passport fees, various fees assessed through the Police Department such as accident report fees, and the new Clean Community Fee. The Fire Revenue rescue that began in fiscal year 2016 has been discontinued as the cost of billing and collections exceeded the amounts collected. Revenue projections are based on historical collection data. A fee study is underway and new fees will be adopted after the first of the calendar year.

Other Revenues

Other revenues includes reimbursements from other governmental agencies for various services performed by the City and from a variety of other sources that do not meet the classification requirement of other categories. The total other revenues for fiscal year 2017 is estimated at $903,000, or 1.3% of total General Fund revenues.

The City and SMCISD are parties to a contract that calls for the school district to reimburse the City for 50% of the annual salaries and benefit costs for providing four uniformed officers within the school system. Another significant portion of this revenue source is a reimbursement received

from Texas State University-San Marcos. The University reimburses the City 50% of the cost of salary and benefits for our Habitat Conservation position. Also, the City of Kyle and Hays County participate in the City's Animal Shelter funding each year. That contribution commitment is set at $236,309 in 2016.

The other revenues include ordinance copies, insufficient funds service charges, rebates generated from the purchase card program and sales tax discounts. Revenue assumptions for this category are based on historical collection data.

Reimbursements from Other Funds and Operating Transfers
The General Fund bears the costs for administrative services such as legal, human resources, purchasing, finance, administration, information technology, and building and equipment usage. These costs are reviewed and calculated annually by an independent firm, which then recommends the reimbursements assigned to each fund. Reimbursements from other funds represent $5.8 million, or 8.1% of total general fund revenues.

Expenditures

The General Fund is the primary operating fund for city government. Several internal service departments, including City Manager's Office, Legal, City Clerk, City Council, Finance, Human Resources, and Technology Services, have costs allocated among the General Fund, Enterprise Funds and Special Revenue Funds, reflecting the cost of providing these services. Total General Fund expenditures for fiscal year 2018 are budgeted at $73,277,900 a 11.2% increase from the adopted FY 2017 budget. General Fund departments include:

- **General Government** (City Manager, City Clerk, Communications, and Legal)
- **Human Resources**
- **Finance**
- **Technology Services (**Information Technology, GIS)
- **Municipal Court**
- **Development Services** (DS Admin, Planning, Permit Center, Inspections)
- **Marshal's Office** (Marshal's Office, Animal Services, Animal Shelter, Park Rangers, and Code Enforcement)
- **Fire Services**
- **Police Services**
- **Capital Improvement Department/Engineering**
- **Library**
- **Community Services** (CS Admin, Parks and Recreation, Activity Center, Grounds and Maintenance, Fleet, PARD Contracts,)
- **Public Services** (Transportation Admin, Traffic Control, and Streets)
- **General Services** (Social Services and Special Services)

2017/2018 Annual Budget
General Fund Expenditure Summary by Department

	Actual FY 2015-2016	Revised FY 2016-17	Adopted FY 2017-18	Percent of Total
General Government	2,997,016	3,153,272	3,287,976	4.49%
Human Resources	1,047,879	1,154,626	1,238,382	1.69%
Finance	1,646,070	1,717,007	1,901,227	2.59%
Municipal Court	675,163	715,163	809,564	1.10%
Technology Services	1,896,336	2,021,593	2,141,814	2.92%
Development Services	1,947,999	2,233,034	2,404,603	3.28%
Engineering	1,644,813	1,917,389	2,180,421	2.98%
Fire Services	8,452,764	8,340,611	8,916,676	12.17%
Police Services	15,176,052	14,818,301	15,925,054	21.73%
Public Services	4,659,990	4,991,560	5,251,691	7.17%
Community Services	10,367,437	11,220,243	12,068,556	16.47%
General Services	8,665,028	9,521,165	17,151,894	23.41%
Total	59,176,549	61,803,964	73,277,859	100.00%

Fund Balance

Each fund maintains a fund balance that is available to cover operating expenses in the event of revenue shortfalls or other unforeseen events. The anticipated General Fund balance at the end of fiscal year 2018 is $15.7 million or 25.11% of expenditures. This large fund balance represents our commitment to using best business practices and conservative revenue estimates.

The Debt Service Fund

The Debt Service Fund is used to account for the debt service portion of property tax revenues received. Debt service taxes are specifically assessed for the payment of general long-term debt principal and interest. The use of a separate fund ensures that debt service tax revenues are not commingled with other revenues and not used for any purpose other than debt repayment. Debt limits regarding general obligation debt can be found within the City's Financial Policy in this document.

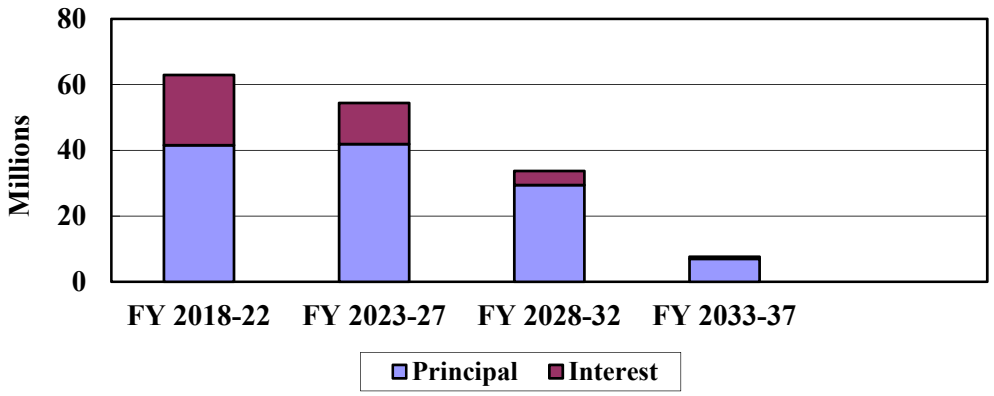
Revenues and Expenditures

Ad valorem (property) taxes provide the main revenue source for the Debt Service Fund. Of the total anticipated property tax collections, 41.57% of the revenue is allocated to debt service, while the remaining portion of 58.43% pays for operations and maintenance (O&M). This accumulated fund balance is a function of a combination of annual interest earnings, final appraisals higher than budgeted, and savings on budgeted debt service due to refunding prior debt issuances at lower interest rates. This fiscal year budget maintains a debt service percentage below 50% which was a goal of City Council as a part of the Sound Finances initiative. This percentage reached a high

of 60% in 2011 and the City has achieved and maintained this lower percentage through the deferment of debt issues in 2011 and 2012, constraining the 2013 debt issuance to $4 million and constraining debt issuances to maintain the 50/50 ratio.

In the new fiscal year, $0.2552 of the $0.6139 property tax rate is dedicated to debt repayment. Principal and interest payments along with TIZ payments are budgeted at $17.4 million but tax supported payments are budgeted at $9.1M. The City's total General Obligation outstanding principal debt is $77.0 million as of September 30, 2017, including voter-authorized bond programs in elections held in 1998 and 2005, and bond refinancing every year since 2009 to take advantage of the lower interest rates. Maturity dates for individual bond issues are scheduled annually through 2037.

20-Year Principal and Interest Payment Schedule



The types of projects financed through long-term general obligation debt include major street projects, public safety facilities and equipment, library, parks and recreational facilities. Debt payments for revenue bonds which finance water, wastewater, electric and drainage projects are repaid separately through those respective enterprise funds.

Special Revenue Funds

Special revenue funds are used to account for the proceeds of certain specific revenue sources that are legally restricted to expenditures for specified purposes. The City utilizes this type of fund to account for revenues such as hotel occupancy tax, grants, special fines authorized by the State, and forfeiture revenue from seized assets.

Hotel Occupancy Tax Fund

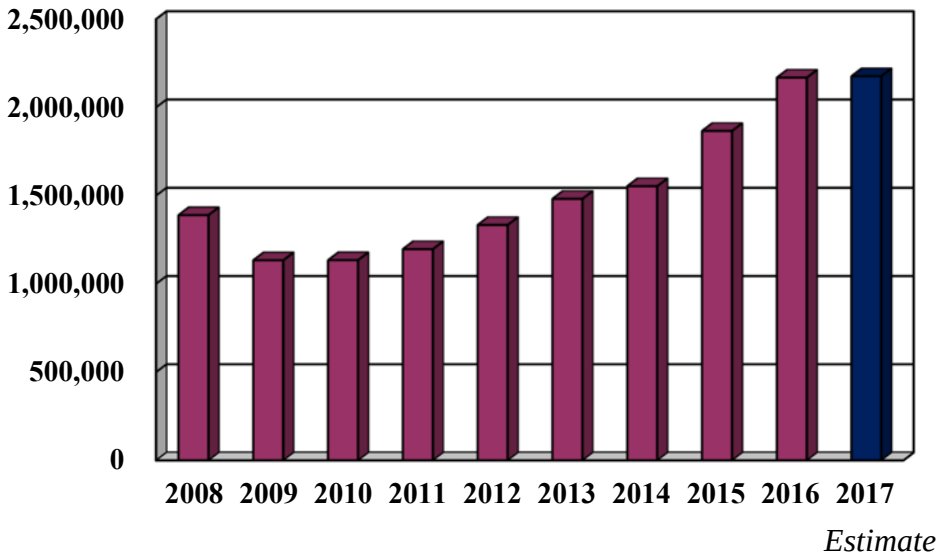
The Hotel Occupancy Tax Fund is used to account for a local bed tax of 7%. During fiscal year 2008, San Marcos residents approved an additional Venue Tax of 2% to pay for the debt related to the City's Conference Center. Tax monies collected are used for tourist development activities in accordance with State law.

Revenues

The 9% occupancy tax is charged to occupants of rooms rented from hotels, motels and inns

located in the City. The tax is collected by owners of each facility and is remitted to the City monthly. Hotel Tax receipts received from the Embassy Suites Hotel are restricted solely for the repayment of conference center debt. Unrestricted occupancy tax revenues are budgeted at $2.4 million which is an increase of $175,000 from the anticipated 2017 revenue. Revenue generated by the Embassy Suites is projected to stay level. Since fiscal year 2012, 655 rooms have been added with the majority of these being branded hotels. The City expects to add an additional 262 rooms during fiscal year 2018. Even with the addition of this large number of rooms, occupancy rates have remained high and average room rates have increased.

10-Year Hotel Occupancy Tax Collection History (Fiscal Year)



Expenditures

The Hotel Occupancy Tax Fund supports tourist development activities, downtown revitalization and the arts. In fiscal year 2017, the Convention and Visitors Bureau (CVB) was brought into the City as a city department. The CVB has been part of the Chamber of Commerce's organization, but City has provided the majority of the funding for the operations through HOT funding. During City Council fiscal year 2017 Visioning, Council directed staff to bring the CVB organizations into the City as a city department. Effective October 1, 2016 the CVB is part of the City organization.

The following table depicts the revenue distribution made from hotel occupancy taxes.

Program	FY 2017 Adopted	FY 2018 Adopted
Convention & Visitors Bureau	1,531,000	1,563,000
Arts Commission	275,000	250,000
Main Street Program	320,000	366,000
Tanger Marketing Program	150,000	150,000
Conference Building Repairs	30,000	10,000
CAF Repairs	50,000	0
Tourist Account	5,000	5,000
Downtown Marketing Coop	50,000	30,000
Eco Tourism	40,000	40,000
Sports Tourism	*510,000	60,000
Mural Funding	35,000	35,000
Transportation	10,000	5,000
TOTAL	**3,006,700**	**2,514,000**

*Included $450K in one time funding for lighting at the baseball fields

Community Development Block Grant Program Fund

In fiscal year 1994, the United States Department of Housing and Urban Development designated the City of San Marcos as an Entitlement City for the Community Development Block Grant (CDBG). The program is designed to eliminate slum and blight conditions and to serve the needs of low to moderate-income residents. New funding totals $562,800, an increase of $37,640 from the prior fiscal year. In fiscal year 2014 the amount awarded was less than originally estimated and awarded so a difference of $60,000 was funded from the general fund budget. The 2014 budget was amended to award an additional $40,000 from the general fund for programs that did not receive sufficient funding through the 2015 allocation. In this fiscal year, there is no supplemental funding appropriated in the general fund.

Women, Infants and Children (WIC) Program Fund

The Women, Infants and Children Program provides nutritional food supplements, nutritional counseling, clinical assessments, and education to pregnant women, breast-feeding mothers, infants and children up to five years of age. The City of San Marcos operates a five-county regional WIC program that is funded through the Texas Department of Health and Human Services and the United States Department of Agriculture. The budget of $2.0 million will provide nutritional food supplements, nutritional counseling, clinical assessments, and education to pregnant women, breast-feeding mothers, infants and children up to five years of age who live in Hays, Caldwell, Comal and Guadalupe Counties. San Marcos is unique in being a municipality in Texas that

administers a multi-county regional WIC program. The entire program is reimbursed with state and federal funds.

Seized Assets Fund

This fund, established in 2001, provides budgeting and accountability for revenues collected from the sale of forfeited and seized assets belonging to various criminals engaged in certain illegal activities. Revenues from these seized assets are used to fund various technology improvements in our Police Department. These revenues are projected at $5,000 for the fiscal year. Projections are based on historical collection assumptions. Expenditures for this fund include the annual audit of this fund and specific police projects and enhancements.

Other Special Revenue Funds

The Cemetery Operations Fund provides for maintenance and upkeep of the historic San Marcos City Cemetery. The Cemetery Operations Fund, with a budget of $236,275 provides for maintenance of the historic San Marcos City Cemetery. The General Fund transfer is the largest source of Cemetery Operations Fund revenue. Revenues such as burial permits, monument permits, and cemetery lot sales are calculated based on the current fees and the annual estimated number of sales. The transfer from the General Fund is $150,500 for operations and includes an additional appropriation for $50,000 to make improvements to the cemetery and perform needed repairs.

In its 1999 legislative session, the Texas Legislature established the Municipal Court Technology Fund through Senate Bill 601 to provide a funding source to local municipal courts for future technological enhancements to their respective court systems. In response, the City of San Marcos established the Municipal Court Technology Fund to provide budgeting and accountability for the funds received through the collection of the technology fee. The revenues collected are legally restricted for making technological enhancements to the Municipal Court, which may include computer systems, networks, hardware, software, imaging systems, electronic kiosks, electronic ticket writers or docket management systems. Revenue is projected at $30,000. Revenue estimates are based on historical trend information and follow the same assumptions as Fines & Penalties revenues within the General Fund. Expenditures for technology improvements are estimated at $30,000.

The Municipal Court Juvenile Fee was established in 2009. This sole use of this fund is to establish a funding source for a Juvenile Case Manager position, which is now being budgeted as a full-time position and funded equally by the General Fund and the Juvenile Fee. The revenue for this fund is estimated at $40,000.

The Municipal Court Security Fee was established to help enhance security within municipal courts. This sole use of this fund is to enhance security within the court operations. Revenue from the fund is used to wholly fund one of the Municipal Court Marshal's. The revenue for this fund is estimated at $22,000.

The Tax Increment Reinvestment Zone #2 Blanco Vista Development Fund was established in

2010. This fund tracks property tax revenues from the City and Hays County which are specifically restricted for the repayment of debt to the developers of the Yarrington Road Overpass. The restricted property tax revenues are estimated to be $1,298,500.

The Tax Increment Reinvestment Zone #3 Conference Center Fund was established in 2010. This fund tracks property tax revenues from the City and Hays County which are specifically restricted for the repayment of debt related to the building of the City of San Marcos Conference Center. The restricted property tax revenues are estimated to be $219,850.
The Tax Increment Reinvestment Zone #4 Kissing Tree Development Fund was established in 2011. This fund tracks property tax revenues from the City and Hays County which are specifically restricted for the repayment of improvements to the developers. The restricted property tax revenues are estimated to be $60,000.

The Tax Increment Reinvestment Zone #5 Downtown Fund was established in 2012. This fund tracks property tax revenues from the City and Hays County which are dedicated source of sustainable funding for downtown improvements in support of the adopted Downtown Master Plan. The restricted property tax revenues are estimated to be $431,900.

The Transportation Reinvestment Zone #1 Loop 110 Fund was established in 2013. This fund tracks property tax revenues which are specifically restricted for the repayment of debt related to the construction of Loop 110. The restricted property tax revenues are estimated to be $443,700.

The Transportation Investment Zone #1 Lone Star Rail Fund was established in 2013. This fund tracks property tax and sales tax revenues which are specifically restricted for the future operating expense for the Lone Star Rail. The restricted property tax revenues are estimated to be $4,000.

Capital Improvements

The City adopts a 10 year Capital Improvements Program plan annually with the first year of the 10 year plan constrained. The CIP plan is a budgetary tool for community decision-makers and suggests a variety of possible projects and particular years in which projects might be authorized. Each year the CIP plan reflects the priorities established by the City Council in their budget policy statement. The project list for the General Fund is shown below:

Capital Improvements Program

Project List	FY 2017	FY 2018	FY 2019	Total
Parks and Public Buildings				
Animal Shelter-Phase II	275,000			275,000
City Facility HVAC Replacement	150,000		150,000	300,000
City Facility Parking Lots	200,000		150,000	350,000
City Facility Renovations	400,000	400,000		800,000
City Hall Reconstruction		1,000,000	14,000,000	15,000,000
City Park ADA Playground			100,000	100,000

Gary Softball Complex Renovation	1,250,000		1,250,000	2,500,000
Library Expansion & Renovation	1,000,000	13,500,000		14,500,000
Park Development of Undeveloped Park Land			500,000	500,000
Public Services and Community Services Complex	4,000,000			4,000,000
Purgatory/Willow Creek Trail Corridor	250,000	1,000,000		1,250,000
San Marcos Youth Baseball Complex	150,000	1,000,000		1,150,000
Sheltered Bus Stops		80,000		80,000
Spray Pads Eastside/Westside		100,000	400,000	500,000
Public Safety				
Fire Department Command Vehicle Replacement for Battalion Chiefs	150,000			150,000
FD Relocation Station #2		5,200,000		5,200,000
Fire Department Replacement Brush Truck #2 (52-319)			250,000	250,000
FD Replacement Ladder Truck (52-300)	1,320,000			1,320,000
Fire Department Replacement Engine (52-614)			785,000	785,000
Fire Department New Station District #8			350,000	350,000
Fire Department Training Airport Facility			2,000,000	2,000,000
700 mhz Radio's replacements for Public Safety	1,200,000			1,200,000
Airport				
Airport - CAF Hanger Rehabilitation	25,000			25,000
Airport - City Facilities	50,000	100,000		150,000
Airport - FM 110 Connection Drive	100,000		1,000,000	1,100,000
Airport - Ramp and Taxiway Repairs		124,000		124,000
Airport Routine Maintenance Grant Match	50,000			50,000
Airport - Taxiway System, Ramp Rehab Design and Stormwater Master Plan	50,000			50,000
Development Services				
Comprehensive Plan	100,000			100,000
Streets				
Belvin Street Improvements		60,000		60,000

Chestnut Street Improvements			375,000	375,000
Coers Drive Improvements	600,000			600,000
Hopkins Sidewalk Widening CM Allen to Thorpe	100,000			100,000
Hwy 123 12" Water AC Line Replacement		25,000		25,000
Leah Drive	200,000			200,000
Linda Drive Improvements			150,000	150,000
Pat Garrison Improvements from Comanche to Guadalupe			75,000	75,000
Roadway Flood Access Gates		50,000		50,000
Technology Services (3 Funds)				
Network Cabling Infrastructure for City Facilities	225,000			225,000
Fiber Optic Infrastructure Expansions/Maintenance	80,000	80,000	80,000	240,000
Storage Area Network (SAN) replacement - IT			200,000	200,000
Technology Infrastructure for Public Svs/Comm Svs Complex		150,000		150,000
CIP General Funds				
Bishop Street Improvements	200,000		800,000	1,000,000
Cemetery Land Acquisition	500,000			500,000
Downtown Master Plan	100,000			100,000
Downtown Reconstruction Ph II			500,000	500,000
E. Aquarena Springs Drive Reconstruction		100,000		100,000
Guadalupe/LBJ Improvements	200,000		4,175,000	4,375,000
Hopkins Street Improvements Project (Bishop to Moore)		1,800,000		1,800,000
Kingwood and Sherwood Improvements		70,000		70,000
Mill Street Reconstruction	400,000			400,000
Mockingbird Hills Subdivision Imps			750,000	750,000
Putgatory Creek Improvements	500,000			500,000
Ramsay St. Reconstruction			150,000	150,000
Reconstruction of Downtown Alleys			80,000	80,000
Sessom Creek Bank Stabilization & WWW Replacement-N.LBJ to Canyon Rd	20,000	50,000		70,000

Sessom/Academy Intersection Improvements		600,000		600,000
SH 21 San Marcos River Bridge Prel Eng. Rpt			200,000	200,000
Sunset Acres Subdivision Study	25,000			25,000
Surface Water Treatment Plant Access		50,000		50,000
Transportation Oversize	100,000	100,000	100,000	300,000
Travis St/Heritage Imps	500,000			500,000
Whisper Roadway Participation	1,800,000			1,800,000
Total Projects	16,270,000	25,639,000	28,570,000	70,479,000

The Capital Improvements Operating Fund was established during the realignment of the organization in October of 2009. The primary objective of this department was to streamline the capital improvement process in order to ensure that projects were completed in a timely manner thus reducing unnecessary expenses related to delayed projects. Salaries related to CIP staff were charged directly to CIP Bond Funds or Capital Improvement Projects in relation to the completion of streets and drainage projects, water/wastewater projects, and electric projects. Many of the project management duties were outsourced to outside firms. In 2012, the City changed this policy and began moving the CIP project management back to City employees and moving operating expenses from bond funding to directly charging the expenses to the City's General Fund. Fiscal year 2016 was the last year of the multi-year planned transition from bond to general fund operating funding and there are no operating expenses included in the fiscal year 2018 budget.

Enterprise Funds

Enterprise funds are used to account for governmental activities that are similar to those found in private businesses. The major revenue source for these funds is the revenue generated from customers who receive the services provided. Revenues generated through the rates pay the operating costs and debt retirement for these funds.

In 2012, a Citizens Utility Advisory Board (CUAB) was formed at the direction of the City Council. This board is made up of 5 citizens and the Mayor who is a non-voting member. The charge of the board is to bring recommendations for budget and rates for both the Water/Wastewater and Electric utilities to the City Council. The Board met with staff to gain an understanding of how the utilities operate, the composition of the rates and the issues facing the utilities in the upcoming years.

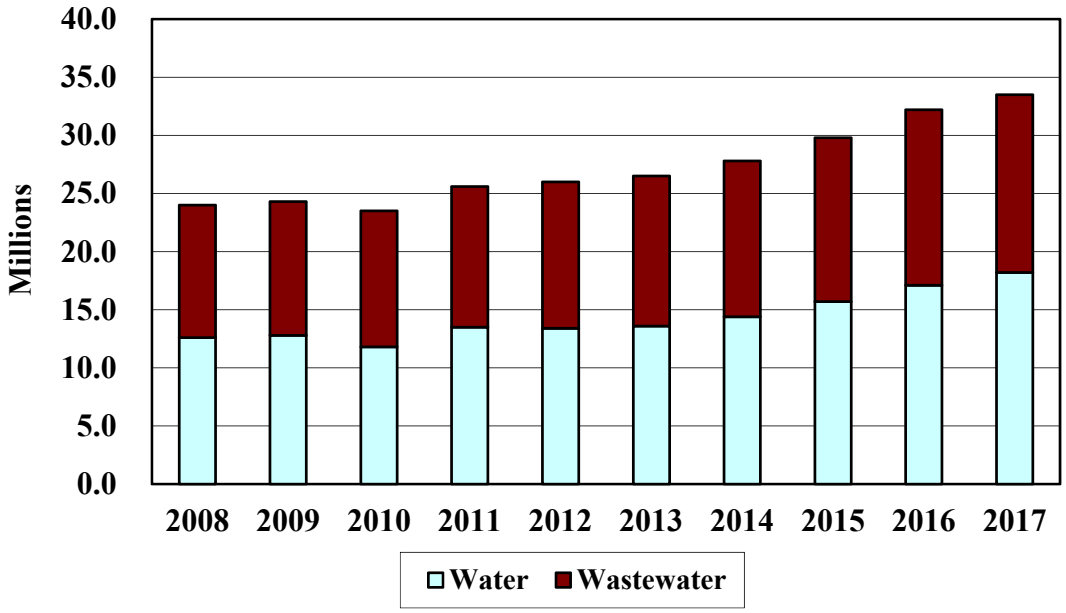
Water and Wastewater Utility Fund

The City of San Marcos operates a superior water production, distribution and wastewater collection and treatment system for the community. This fund is used to account for the revenues and expenses of this utility system.

Revenues

The Water/Wastewater Utility Fund receives revenue from residential, multi-family and commercial customers based on their monthly water consumption. San Marcos water and wastewater rates are provided in detail within the Miscellaneous and Statistical section of the budget.

10-Year Water/Wastewater Service Revenue History (Fiscal Year)



Revenue projections for water and wastewater revenues are based on factors such as historical collections, known changes that will occur, system growth factors and weather predictions. Projected revenues from all sources are budgeted at $40.4 million. Revenues from water service are estimated at $19.4 million and wastewater revenues are estimated at $17.6 million. Other revenue sources include sales of effluent, pretreatment charges, wheeling sales, service and connection charges, and interest income.

Prior to fiscal year 2012, there had not been consistent rate adjustments to support the utility but since there have been small, consistent rate increase to support the growing utility. In fiscal year 2014, the CUAB chose to implement a new tiered structure for rates instead of recommending a rate adjustment. The resulting rate structure emphasizes conservation with charges beginning at the first gallon used and modifications to the tiers to more closely resemble non irrigation usage in the lower levels. The City implemented winter averaging in early 2008.

A Water/Wastewater Rate Study has been conducted every year for the last several years including 2017. For the 2018 budget, the CUAB recommends a 5% rate adjustment in water and a 2% rate adjustment in wastewater. The CUAB spent several months looking at the updated rate study modeling, the impacts of the newly implemented rate structure, and the long range plans on the water/wastewater utility including the effect of the Alliance Regional Water Authority (ARWA), formally Hays Caldwell Public Utility Authority (HCPUA).

2017/2018 Annual Budget
Water/ Wastewater Utility Fund Revenue Summary

	Actual FY 2015-2016	Revised FY 2016-17	Adopted FY 2017-18	Percent of Total
Water Service	17,040,995	18,242,026	19,379,216	47.96%
Wastewater Service	15,027,152	15,336,472	17,590,204	43.54%
Effluent Sales	363,189	424,343	373,843	0.93%
Pretreatment Charges	442,508	514,561	514,561	1.27%
Interest Income	105,767	108,000	108,000	0.27%
Penalties	322,336	310,671	325,000	0.80%
Service Charges	158,198	174,282	179,510	0.44%
Connection Charges	145,369	200,673	201,327	0.50%
Debt Service Reimbursement	777,026	338,866	500,000	1.24%
Other Revenue	831,373	914,653	1,232,129	3.05%
Total	35,213,913	36,564,547	40,403,790	100.00%

Expenses

The Water and Wastewater Fund supports several divisions, including:

- Wastewater Collection
- Water Quality Services
- Water Distribution Maintenance
- Water Conservation
- Water/ Wastewater Administration

The fiscal year 2018 appropriations for the Water/ Wastewater Utility Fund operating and capital expenditures are $39.5 million, which is a $2.6 million or 7.1% increase from fiscal year 2017. The increase is primarily due to contractual agreements with OMI and GBRA to operate the processing plants, personnel, increased debt service, and capital expenditures. The adopted rates support the addition of several positions including an Water Quality Technician and Cross Connection Control BFP Tech.

Historically, the Water/Wastewater fund has reimbursed the Electric Utility Fund related to the proportional use of the Meter Operations, Public Services Administration and Utility Business Office which are expensed within the Electric Utility Fund. In fiscal year 2018, the cost of these shared departments is $3.4 million. Reimbursement from the Water/Wastewater fund is $1.5 million.

The Alliance Regional Water Authority (ARWA), formally Hays Caldwell Public Utility Authority, is a joint venture between San Marcos, Kyle, Buda, and some regional water corporations to firm up future water supplies through the year 2060. The City of San Marcos' share of the total construction cost related to Phase 1 of the project is approximately $70.0 million and the majority of the construction is anticipated to begin in 2019. A small project related to Phase I was begun in 2016 and will construct a pipeline between San Marcos, Kyle and Buda. The City is still exploring water supply alternatives in hopes that this future expense can be reduced as much as possible. The City has set aside cash reserves along with steady rate increases to make sure there is capacity to fund the future infrastructure costs related to this project without large rate increases.

2017/2018 Annual Budget

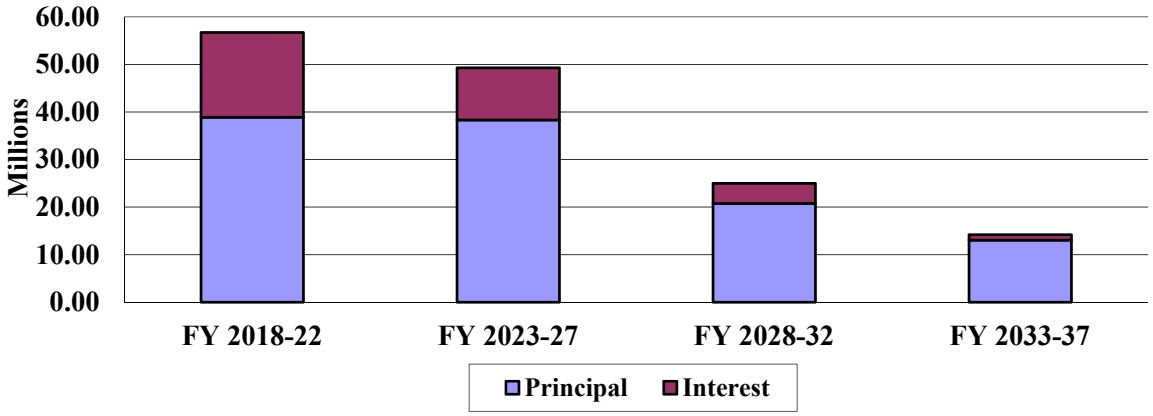
Water/ Wastewater Utility Fund Expense Summary by Category

	Actual FY 2015-2016	Revised FY 2016-17	Adopted FY 2017-18	Percent of Total
Personnel	3,886,500	4,327,849	4,969,044	12.59%
Contracted Services	8,094,736	9,854,983	10,579,994	26.80%
Materials and Supplies	1,023,166	1,207,799	1,395,330	3.53%
Other Charges	7,336,055	8,036,855	9,048,055	22.92%
Operating Transfers	61,274	63,137	69,856	0.18%
Capital Outlay	351,948	880,000	400,000	1.01%
Transfer to Capital Reserves	2,325,000	775,000	400,000	1.01%
Rate Stabilization Fund	-	-	-	0.00%
Debt Service	10,528,892	11,503,817	12,613,639	31.95%
Total	33,607,571	36,649,439	39,475,918	100.00%

Debt Service

Debt service in the Water/Wastewater Fund is budgeted at $12.6 million. The total outstanding debt of the utility system is $111.0 million as of September 30, 2017. It is important to note that the significant investments in water and wastewater infrastructure projects undertaken by the City of San Marcos were required to respond to regional, state or federal mandates. Significant investments in upgrading the wastewater treatment plant and collection system were made to meet high level treatment standards mandated by the U.S. Environmental Protection Agency and the Texas Commission on Environmental Quality, and to add plant capacity for future growth. Debt payments on these significant projects are scheduled through fiscal year 2037.

20-Year Principal and Interest Payment Schedule



Fund Balance

We anticipate an ending fund balance of $9.7 million or 25.1% of operating expenses. Fund balance transfers are incorporated into this budget to reduce the fund balance down to 25%. The transfers will be used to fund or offset future debt issuances related to capital improvement projects.

Rate Stabilization

This budget establishes a rate stabilization fund which is funded at 10% of water revenues and 5% of wastewater revenues. This will help the City alleviate future rate increases that are needed due to fluctuations in seasonal weather patterns. This is a component in achieving our sound finance initiative.

Drainage Utility Fund

The City of San Marcos began assessing a drainage utility rate in fiscal year 2000 on all residential and commercial property located in the City. The drainage charge was established to provide funding for the planning, engineering, construction, maintenance, improvement and reconstruction of drainage projects throughout the City.

Revenues and Expenses

The San Marcos Drainage Utility Fund is an enterprise fund supported by assessment of drainage utility fees. The Drainage Utility was created in July 1999 by Council to address the need for drainage improvements throughout the City. Revenues from the fees are used to maintain drainage areas and right of ways and providing debt service in future years to pay for future bond issuances related to drainage improvements. Over the past four years the rate has been adjusted as follows: 2014-5%, 2015-5%, 2016-12%, and 2017-10%. In fiscal year 2018 a 15% rate adjustment was adopted to fund the large amount of CIP projects needed to improve storm water and drainage improvement projects. Projected revenues from fees are budgeted at $5.0 million.

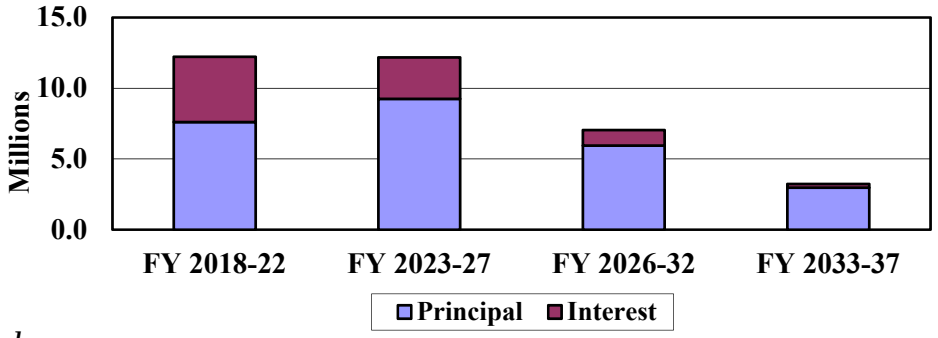
Operating expenses are budgeted at $4.7 million, which includes the addition of a Senior Engineer to support CIP projects, Drainage Equipment Operator I to maintain the expanded stormwater infrastructure, and capital expenses are budgeted at $55,000. Historically, the Water/Wastewater

Utility paid a 9% franchise fee on Gross Revenue to the General Fund. A reduction from 9% to 7% over 4 years began in fiscal year 2012 and the reduction was achieved in two years instead of the planned 4 year period. City Council approved a temporary increase to 8% for fiscal year 2018.

Debt Service

Debt service in the Drainage Utility Fund is budgeted at $2.5 million. As of September 30, 2017 the Drainage Utility has outstanding debt of $25.8 million for improvements to the drainage utility system. The current debt will be repaid annually until fiscal year 2037.

20-Year Principal and Interest Payment Schedule



Fund Balance

We anticipate an ending fund balance reserves of $1.2 million in the Drainage Utility Fund at September 30, 2017.

Electric Utility Fund

The City of San Marcos purchases and distributes electric power to the San Marcos community. San Marcos has some of the lowest electric rates in Texas. The utility operates at a 99.9997% reliability rate and has a system capacity of 145 megawatts.

Revenues

The Electric Utility Fund is an enterprise fund established to purchase and distribute electric power to the San Marcos community. The utility receives revenues through rates charged to customers for electric service, from other operating revenues and interest income. The projected revenues from all sources are budgeted at $63.4 million with $59.2 million generated by electric services. This is an increase of $5.0 million primarily due to the PCRF charge, the pass-through of the cost of power to the customer. The increase in PCRF revenue is a result of the higher projected cost of power for fiscal year 2018 and customer growth. In 2012, the City of San Marcos opted to purchase 10% of its load from a provider other than LCRA. The City chose Nextera to act as an alternative power suppler with lower cost options. In 2015, the contract expired with Nextera and the City signed a contract with Calpine for 15% of its load. The cost of power is passed through to the customer at the LCRA rate.

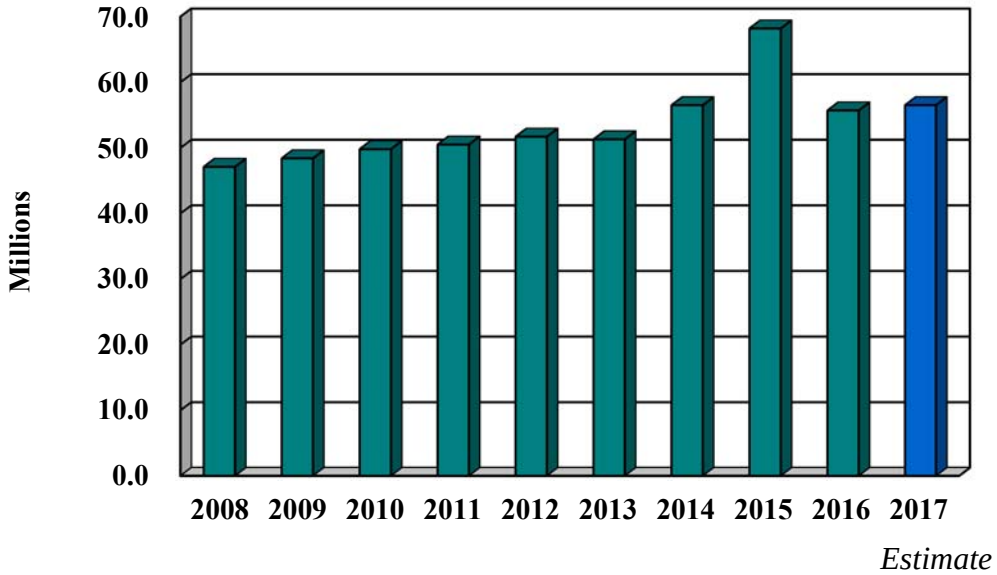
2017/2018 Annual Budget
Electric Utility Fund Revenue Summary

	Actual FY 2015-2016	Revised FY 2016-17	Adopted FY 2017-18	Percent of Total
Electric Service	51,651,894	52,319,400	59,195,959	93.08%
Interest Income	95,043	142,554	143,420	0.23%
Penalties	533,131	539,086	550,000	0.86%
Service Charges	115,065	107,410	108,797	0.17%
Connection Charges	709,502	706,358	720,000	1.13%
Other Revenue	783,904	661,000	799,163	1.26%
Indirect Costs	1,758,302	1,975,278	2,054,289	3.23%
Operating Transfers	22,919	22,918	21,977	0.03%
Total	55,669,760	56,474,004	63,593,605	100.00%

The City and LCRA executed an amended and restated Wholesale Power Agreement in March of 2011 and in the agreement was a provision that granted the City a right and option to participate in ownership of any future generation capacity constructed by LCRA on a load proportional basis. LCRA has started construction on the Thomas C. Ferguson replacement plant project, creating the opportunity for the City to exercise this right and option. Staff researched the financial requirements and forecast financial net revenue associated with the plant over the life cycle of the facility and presented information to the Council on the risk/benefit issues related to the option. Participation in ownership of the facility is forecasted to enhance revenue to the City Electric Utility and benefit the ratepayers. The City of San Marcos issued Electric Utility System Revenue Bonds in July 2013 totaling $18.5 Million to finance this project. The project came in on-time and within the construction budget. The plant began producing power during the summer of 2014 and the electric utility has benefited from the participation not only from the operations of the plant, but also the opportunity to receive power at a reduced cost to the city.

For the 2018 budget, the CUAB recommends no rate adjustment. The CUAB spent several months looking at the updated rate study modeling and the results indicated that no rate adjustment is necessary in fiscal year 2018 and possibly in fiscal year 2019.

10-Year Electric Service Revenue History



Expenses

The Electric Utility Department provides efficient electric service to the San Marcos community. The expenditures for fiscal year 2018 are budgeted at $63.3 million. At $40.0 million, the cost of wholesale power from LCRA represents the largest expense in this fund. Departmental divisions include:

- Public Services Admin
- Conservation
- Meter Operations
- Administration
- Maintenance
- Customer Billing and Collections

The current rate supports the addition of a Engineering Tech I and $809,300 in capital outlay for equipment, technology, and vehicles needed by the utility. Historically, the Electric Utility paid a 9% franchise fee on Gross Electric Revenue to the General Fund. A reduction from 9% to 7% over 4 years began in fiscal year 2012. City Council approved a temporary increase to 8% for fiscal year 2018.

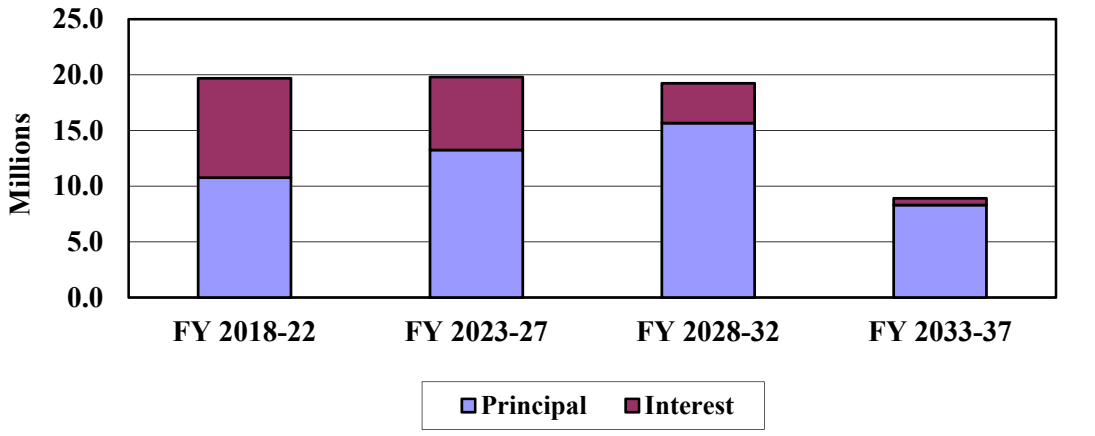
2017/2018 Annual Budget
Electric Utility Fund Expense Summary by Category

	Actual FY 2015-2016	Revised FY 2016-17	Adopted FY 2017-18	Percent of Total
Personnel	4,516,786	5,597,973	6,072,152	9.59%
Purchase of Power	31,606,026	32,308,955	40,016,327	63.22%
Contracted Services	1,653,322	2,450,248	2,937,169	4.64%
Materials and Supplies	1,314,944	1,061,853	1,069,953	1.69%
Other Charges	6,350,114	6,882,467	8,356,752	13.20%
Capital Outlay	638,272	665,000	809,310	1.28%
Transfer to Capital Reserves	6,400,000	3,750,000	-	0.00%
Rate Stabilization Fund	-	-	-	0.00%
Debt Service	2,890,961	3,421,309	4,031,194	6.37%
Operating Transfers	-	-	-	0.00%
Total	55,370,426	56,137,805	63,292,857	100.00%

Debt Service

Debt service in the Electric Utility fund during fiscal year 2018 is budgeted at $4.0 million. As of September 30, 2017, the City of San Marcos has outstanding debt of $48.0 million which includes $18.5 million for the Ferguson Power Plant project. The current debt will be repaid annually until fiscal year 2037. Revenue bond covenants and the City's Financial Policy require the City maintain a 1.20 Times Coverage Ratio. The Times Coverage Ratio calculations for enterprise funds can be found in the Miscellaneous and Statistical Section of this document.

20-Year Principal and Interest Payment Schedule



Fund Balance

Fund balance at the end of fiscal year 2018 in the Electric Utility Fund is budgeted at $9.7 million or a reserve totaling 60 days of expenses. The Electric Utility, with millions of dollars worth of valuable substations and aboveground distribution facilities, is particularly vulnerable to weather-related disasters.

Rate Stabilization

This budget also establishes a rate stabilization fund which is funded at 5% of electric revenues. This will help the City alleviate future rate increases that are needed due to fluctuations in seasonal weather patterns. This is an initiative in achieving sound finances.

Municipal Airport Fund

The Municipal Airport has three runways and is situated on 1,356 acres. Additionally, there are 60 acres of maintained parking ramps and 38 City-owned hangars and shelters. Revenue sources such as storage rentals, hangar rentals, storage rentals, gross receipts fees and land leases partially support the daily operational costs. There are more than 300 based aircraft at the airport and more than 100,000 annual takeoffs, landings and approaches.

Revenues and Expenses

The San Marcos Municipal Airport Fund is an enterprise fund supported by revenues from hangar and shelter rentals, commercial and agricultural leases, and if required, a transfer from the General Fund for airport management. For the first time in many years the Airport will not require a general fund transfer to support operations in fiscal year 2018 and operating revenue will exceed operating expenses. The Airport serves the general aviation needs of our residents and citizens in the surrounding region. Other revenues are relatively minor and are simple to forecast. Revenues such as T-hangar rentals, storage area rentals, facility rentals and shelter rentals are calculated based on the rental charge and the number of rental units rented. Other revenues such as gross receipt revenues are forecasted based on historical data.

The operational budget for the Airport Fund is $609,000. The Airport is managed by Texas Aviation Partners who oversees the daily operations and ongoing development. The Airport works closely with the Texas Department of Transportation and the Federal Aviation. Due to City Council and lobbying efforts, the City continues to receive federal appropriations funding. The City of San Marcos opened a new Air Traffic Control tower at the end of Fiscal Year 2011. Incentive payments to Texas Aviation Partners based on performance of the airport are estimated to be $79,200 in 2018.

Resource Recovery Utility Fund

The City of San Marcos outsources its residential solid waste collection through the use of a competitive bidding process. The solid waste collection company charges its monthly fee to the City on a per customer basis. This fee along with expenses for administration, education, household hazardous waste disposal and brush collection is used to set the rates charged to each resident within the City.

Revenues and Expenses

The Resource Recovery Utility Fund is an enterprise fund supported by assessment of residential waste collection, recycling service, and administrative and education charges. Projected revenues from service charges are budgeted at $4.2 million. Expenditures are $4.1 million for solid waste hauling, recycling and household hazardous waste collection and disposal. Also included is $40,000 for one-time improvements to the system. In fiscal year 2009 the City Council added single stream recycling to the services provided, Green Waste Collection was added for all residental customers fiscal year 2016. Hazardous Household Waste expenses are now budgeted within this fund.

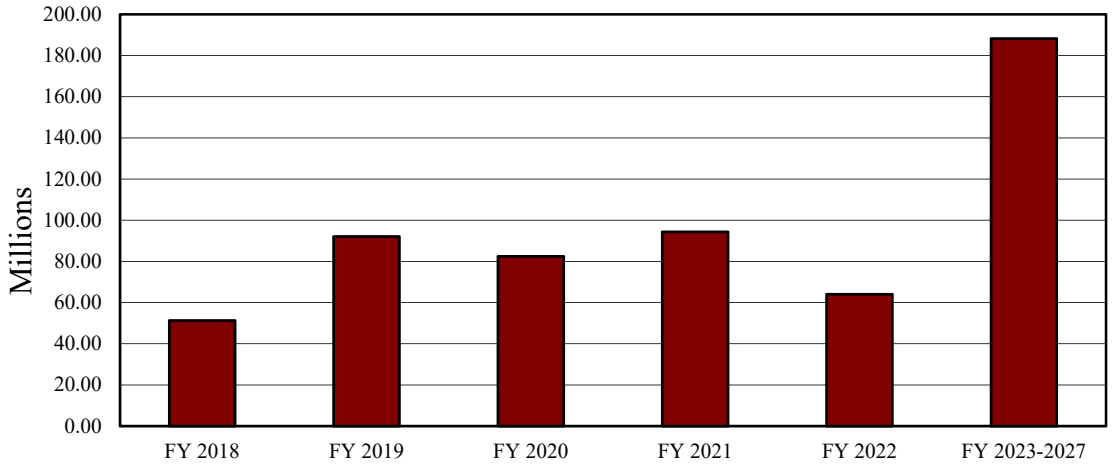
Permanent Funds

The City serves as trustee for funds collected through its cemetery perpetual care fee. This fee is assessed on all municipal cemetery plots sold. Interest earned from the Cemetery Perpetual Care Fund is used to support the maintenance costs at the municipal cemetery. The principal amount of the fund cannot be used for any purpose. A true-up is done at the end of each year to ensure that estimated interest income budgeted is aligned properly with actual revenues received after a fiscal year has been closed. Interest earnings were not sufficient to make a transfer out of the Perpetual Care Fund and into the Cemetery Operations Fund since fiscal 2012.

Capital Improvements Program

The City of San Marcos has established an on-going ten-year Capital Improvements Program (CIP) to plan for major capital expenditures and identify funding sources for these projects. The CIP provides a ten-year strategic plan for important infrastructure investments for fiscal year 2018 to fiscal year 2027. The CIP is a budgetary tool for community decision-makers and suggests a variety of possible funding sources, ranging from operating budgets, state and federal grants, to future voter-approved bond programs. The CIP also suggests the particular year in which projects might be authorized. Only the first year of each CIP cycle is as part of the fiscal year's expenditures; the nine subsequent years are considered to be planning years.

Ten-Year Capital Improvements Program Outlay Schedule



Summary

The budget provides San Marcos with a balanced budget of $214.1 million to support essential public services and programs. We enter the new fiscal year with the most diversified property tax base in our history at $4.6 billion and healthy fund balances. We continue to direct our resources to fulfilling the City Council's priorities in providing for our community development, infrastructure and excellent public service for our residents.

City staff feels that the FY2017-2018 Adopted Budget takes great strides toward achieving the City Council's #1 Strategic Initiative of Sound Finances. Several issues have been addressed:

- Limiting future general debt issuances to maintain at least a 50/50 ratio.
- Addressing non-civil service and civil service compensation issues which will allow the City to retain our valued employees.
- Additional staffing in critical customer service areas and areas highlighted during the citizen's survey.
- Addition of beautification programs in response to citizen surveys.
- Moving forward with the bond projects approved by voters in May 2017.

City of San Marcos
2018 Proposed Budget Policy Statement

I. Fund Balance Goals

- General Fund: Minimum of 25% (of recurring operating expenses)
- Water/ Wastewater Fund: Minimum of 25% (of recurring operating expenses)
- Electric Utility Fund: Minimum of the equivalent of 60 days of operating expenses including purchased power
- Drainage Utility Fund: Minimum of 25% (of recurring operating expenses)

II. Capital Improvements Program

- In-depth review of Capital Improvements Projects underway. Will evaluate funding needs on existing projects, staff capacity to complete current and future projects. Initial Recommendations will be presented to Council
- Total general fund project cost, not including any voter approved bond projects, will be limited to approximately $10 million annually
- Issue only up to an appropriate amount of debt in the general fund to maintain at least a 50/50 debt to operations ratio
- Utility CIP capacity calculated through the rate model

III. Revenue Goals

GENERAL FUND

- Property tax rate increase will be limited to voter approved amounts
- Property Values increase based on a conservative trend estimated at 8%
- Maintain utility fund franchise fee transfers to the General Fund at 7%
- Sales tax will be projected based on current trends with a maximum 3% increase to recurring revenues over prior year
- Adjust Community Services fees based on the results of the cost of service study
- All other revenues will be adjusted based on historical trends
- Fees for services will be adjusted 1% based on the average CPI index for the calendar year 2016

WATER FUND

- Rate study to determine possible rate increases and structure changes
- Recommendations related to rate structure and future rate increases will be made by Citizens Utility Advisory Board
- Preliminary rate study results available in June

ELECTRIC FUND

- Rate study to determine possible rate increases and structure changes. No rate adjustment anticipated.
- Recommendations related to rate structure and future rate increases will be made by Citizens Utility Advisory Board
- Preliminary rate study results available in June

DRAINAGE FUND

- Explore needed rate increase to support operations and needed capital improvement projects
- Drainage Master Plan anticipated completion by end of summer. Will provide recommendations for additional funding that may include drainage impact fees, fee-in-lieu of fees, and/or traditional rate increases.

DEBT SERVICE FUND

- Maintain at least a 50/50 property tax debt to operation ratio between the general fund and the debt service fund

IV. Fund Expenditures

The FY2017-18 Operating Budget and CIP Plan will strive to support the goals and objectives as outlined in the Vision San Marcos: A River Runs Through Us Comprehensive Master Plan.

GENERAL FUND

- Additional personnel based on need and capacity with emphasis on code enforcement, inspectors and park rangers
- Funding year 3 of the Meet and Confer agreement with Police and Fire
- Estimated 5% increase in health insurance premium beginning January 1, 2018
- Continued required contribution of an estimated 17.66% for TMRS
- Base operations budgets flat. Additions to the department budgets must be requested, justified, and ranked by priority.
- Fuel/Contractual Obligations/Consumer Price Index increases allowed
- Capital Outlay funding of $1.95M to include utilizing the planned replacement of vehicles scheduled through the Enterprise Fleet Management agreement, replacement of a minimum of 1/7 of the police pursuit and essential vehicles fleet, the third year of financing 18 police pursuit vehicles purchased in FY2016 and financed over 3 years, and other capital related requests based on need and capacity
- Continue to budget recurring expenses less than recurring revenues to continue building capacity for future expenses such as:
    - Fire Based EMS
    - Facility expansion
    - Potential debt service related to a future bond election

WATER/WASTEWATER FUND

- Additional personnel based on need and capacity
- Estimated 5% increase in health insurance premium beginning January 1, 2018
- Continued required contribution of an estimated 17.66% for TMRS
- Base operations budgets flat. Additions to the department budgets must be requested, justified, and ranked by priority.
- Fuel/Contractual Obligations/Consumer Price Index increases allowed
- Utility fund transfers to the General Fund budgeted at 7%
- Capital Outlay amounts determined through the rate model based on the planned replacement of vehicles scheduled through the Enterprise Fleet Management agreement, needed new and replacement large equipment, and other requests based on need

ELECTRIC UTILITY FUND

- Additional personnel based on need and capacity
- Estimated 5% increase in health insurance premium beginning January 1, 2018
- Continued required contribution of an estimated 17.66% for TMRS
- Base operations budgets flat. Additions to the department budgets must be requested, justified, and ranked by priority.
- Fuel/Contractual Obligations/Consumer Price Index increases allowed
- Utility fund transfers to the General Fund budgeted at 7%
- Capital Outlay amounts determined through the rate model based on the planned replacement of vehicles scheduled through the Enterprise Fleet Management agreement, needed new and replacement large equipment, and other requests based on need

V. Other Initiatives

★ **Continue funding Capital Maintenance Funds and additional one-time funds related to:**

- Maintain Building Maintenance, Parks Maintenance, and IT Maintenance-same level as FY2017
- Maintain Police, Fire, and Activity Center Routine Capital-same level as FY2017

★ **Endeavor to determine and budget for sufficient funding levels for routine maintenance and capital replacement**

★ **Education and Youth Initiatives**

- Continue allocation of $150,000 to fund the existing Youth Services Manager position and youth focused programs identified in the youth master plan

★ **Social Services**

- Maintain funding levels at $450,000

★ **Hotel Motel Fund**

- Revenue based on conservative trends reflecting new hotel rooms
- Funding for special programs remains flat. Organizations can request increases during the budget process for specific programs
- Evaluate funding for potential events and projects

★ **Economic Development Funding**

- Continued funding by the three major funds of a total of $200K annually to provide a funding source for potential economic incentives in the absence of 4A/4B funding. Fiscal year 201 will be the 4rd year of annual funding.
- Use of existing funds from fiscal years 2015 and 2016 to fund the BIG (Business Improvement and Growth) program. Funding may be added in future fiscal years based on need.

★ **Potential Bond Election**

- Two bond propositions will be decided by voters in May 2017
- Budget will be adjusted appropriately based on the results of the election

City of San Marcos Financial Policy

I. Purpose

The broad purpose of this policy is to enable the City to achieve and maintain a long-term stable and positive financial condition through the use of sound financial management practices. The watchwords used to epitomize the City's financial management include integrity, prudent stewardship, planning, accountability, full disclosure and communication.

The more specific purpose of this policy is to provide guidelines to the Director of Finance in planning and managing the City's daily financial affairs and in developing recommendations to the City Manager and City Council.

The City Council will annually review and approve this policy as part of the budget process.

The scope of this policy covers the operating budget, revenues, expenditures, capital improvements program, financial planning, accounting, auditing, financial reporting, treasury management, debt management, and financial condition and reserves, in order to:

A. Present fairly and with full disclosure the financial position and results of the financial operations of the City in conformity to generally accepted accounting principles (GAAP).

B. Determine and demonstrate compliance with finance-related legal and contractual issues in accordance with provisions of the City's Charter, the City's Code of Ordinances, the Texas Local Government Code and other pertinent legal documents and mandates.

II. Operating Budget

A. Preparation – Budgeting is an essential element of the financial planning, control, and evaluation process of municipal government. The "budget" is the City's annual financial operating plan. The budget includes all of the operating departments of the governmental funds, special revenue funds, enterprise funds, and permanent funds of the City. The budget includes expenditures for personnel, contracted services, materials and supplies, other charges, operating transfers, social services, indirect costs, capital outlay and debt service. The budget is prepared by the City Manager and Director of Finance with the participation of all the City's Department Directors within the provisions of the City Charter, on a basis that is consistent with GAAP.

B. Multi-Year Planning – The Director of Finance will prepare a multi-year financial forecast of the General Fund. This forecast is an integral part of developing the adopted budget.

1. Adopted Budget – The City Manager presents a budget to the City Council. The budget provides a complete financial plan for the ensuing fiscal year, and shall contain a budget message explaining the budget, containing an outline of the adopted financial policies of the City for the ensuing fiscal year, setting forth the reasons for salient changes from the previous fiscal year in expenditure and revenue items, and explaining any major changes in financial policy.

a) The budget should include four basic segments for review and evaluation. These segments are: (1) actual revenue and expenditure amounts for the last completed fiscal year, (2) original revenue and expenditure amounts budgeted for the current fiscal year, (3) revenue and expenditure amounts estimated for the current fiscal year, and (4) revenue and expenditure amounts for the ensuing fiscal year.

b) The City Manager, not less than 30 days prior to the time the City Council makes its tax levy for the current fiscal year, shall file with the City Clerk the adopted budget.

2. Adoption – The City Council shall call and publicize a public hearing to allow for citizen participation. The City Council will subsequently adopt by Ordinance such budget, as it may have been amended, as the City's annual budget effective for the fiscal year beginning October 1st. The budget should be adopted by the City Council no later than the expiration of the fiscal year.

C. Balanced Budget – The operating budget will be balanced with current revenues, which may include beginning fund balances less required reserves as established by City Council, greater than or equal to current expenditures.

D. Planning – The budget process will be coordinated so as to identify major policy and financial issues for City Council consideration several months prior to the budget adoption date. This will allow adequate time for appropriate decisions and analysis of financial impacts.

E. Reporting – Financial reports will be made available to Department Directors to manage their budgets and to enable the Director of Finance to monitor the overall budget. The Director of Finance will present summary financial and budgetary reports to the City Council to disclose the overall budget and financial condition of the City. The financial and budgetary reports will include comparisons of actual to budget, actual to prior year, appropriate ratios, and graphs to ensure full disclosure and present meaningful information.

F. Control and Accountability – Department Directors will be responsible to ensure that their department budgets will not exceed budgeted amounts. Department Directors will be responsible to ensure revenues generated by activities of their departments meet budgeted amounts.

G. Contingent Appropriation – A provision shall be made in the budget for a contingent appropriation of no more than three percent of total expenditures to be used in

case of emergencies or unforeseen circumstances. The contingent appropriation shall be under the control of and distributed by the City Manager after approval of the City Council. A detailed account of contingent appropriation expenditures shall be recorded and reported.

All expenditures of the contingent appropriation will be evaluated using the following criteria:

- Is the request of such an emergency nature that it must be made immediately?
- Why was the item not budgeted in the normal budget process?
- Why the transfer cannot be made within the division or department?

III. Revenue Policies

A. Characteristics – The City Finance Department will strive for the following optimum characteristics in its revenue system:

1. Simplicity – Where possible and without sacrificing accuracy, the revenue system will be kept in simple order to reduce compliance costs for the taxpayer or service recipient.

2. Certainty – There will be a thorough knowledge and understanding of revenue sources to increase the reliability of the revenue system. Consistent collection policies will be enacted to provide assurances that the revenue base will materialize according to budgets and plans.

3. Equity – Equity will be maintained in the revenue system structure; i.e., subsidization between entities, funds, services, utilities, and customer classes will be minimized or eliminated.

4. Revenue Adequacy – There will be a balance in the revenue system; i.e., the revenue base will have the characteristics of fairness and neutrality as it applies to cost of service, willingness to pay, and ability to pay.

5. Administration – The benefits of a revenue source should exceed the cost of levying and collecting that revenue. The cost of collection should be reviewed annually for cost effectiveness as a part of the indirect cost of service analysis. Where appropriate, the administrative processes of state, federal or local governmental collection agencies will be used in order to reduce administrative cost.

6. Diversification and Stability – A diversified revenue system with a stable source of income should be maintained. This will help avoid instabilities in similar revenue sources due to factors such as fluctuations in the economy and variations in the weather.

B. Issues – The following considerations and issues will guide the City Finance Department in its revenue policies concerning specific sources of funds:

1. Cost/Benefit and Financial Impact Analysis for Tax and Fee Abatements – A cost/benefit and financial impact analysis should be performed to assess tax or fee abatement economic development incentives.

2. Accounts Receivable – Accounts receivable procedures will target collection for a maximum of 30 days from service. Accounts past due more than 120 days may be sent to a collection agency. The Director of Finance is authorized to write-off non-collectible accounts that are delinquent for more than 180 days.

3. Non-Recurring Revenues – One-time or non-recurring revenues should not be used to finance current ongoing operations. Non-recurring revenues should be used only for non-recurring expenditures and not be used for budget balancing purposes.

4. Deferrals or Short-Term Loans – Deferrals or short-term loans will not be used for budget balancing purposes.

5. Property Tax Revenues – All real and business personal property located within the City is valued at 100% of the fair market value for any given year based on the current appraisal supplied to the City by the Hays County Tax Appraisal District (HCTAD). A visual reappraisal and reassessment of all real and business personal property will be done every third year. The HCTAD reappraises real and business personal property every year as a standard practice.

Conservatism will be used to estimate property tax revenues. The Hays County Tax Assessor Collector will furnish an estimated property tax collection rate to the Director of Finance. The Finance Department will endeavor with the Tax Assessor Collector to collect one hundred percent (100%) of property taxes levied in each fiscal year.

6. Interest Income – Interest earned from investment of available monies, whether pooled or not, will be distributed to the funds in accordance with the equity balance of the fund from which monies were provided to be invested.

7. User Fees and Service Charges – For services associated with a user fee or service charge, the direct and indirect costs of that service will be offset by a user fee where possible. Department Directors will annually review user fees and service charges to ensure that the costs of services are recouped through user fees and service charges. The City Council will determine how much of the cost of a service should be recovered by fees and service charges.

8. Indirect Cost Allocation – All City funds will include transfers to and receive credits from other funds for general and administrative costs incurred. The most predominant fund that receives credits from other funds is the General Fund. The General Fund receives credits for bearing such costs as administration, legal counsel, finance, personnel, data processing, engineering and other costs. An independent third party will conduct an indirect cost allocation study annually to determine the credits received.

9. Enterprise Fund Rates – The Director of Finance and the Department Directors of each Enterprise Fund will review rates annually to ensure sufficient coverage of operating expenses, meet the legal restrictions of all applicable bond covenants, and provide for an adequate level of working capital.

10. Franchise Fees – The Electric Fund and Water and Wastewater Utility Fund will include franchise fees as a component of utility rates. A 7% Water and Wastewater Utility and a 7.5% moving to 7% Electric Utility Fund franchise fee is levied on gross sales. The City will aim to keep these franchise fees similar to those charged to investor-owned utility franchises operating within the City.

11. Intergovernmental Revenues (Federal/State/Local) – All potential grants will be examined for matching requirements and the source of the matching requirements. These revenue sources will be expended only for intended purpose of grant aid. It must be clearly understood that operational requirements set up as a result of a grant or aid could be discontinued once the term and conditions of the project have terminated.

12. Revenue Monitoring – Revenues actually received will be compared to budgeted revenues by the Director of Finance and variances will be investigated. This process will be summarized in the appropriate financial report and reported to the City Manager and City Council on a quarterly basis.

IV. Budgetary Sales Tax Estimation

A. The estimated percentage increase in sales tax revenue for the ensuing fiscal year budget will not exceed the actual percentage increase of the most recently completed fiscal year in which a sales tax increase was realized.

B. The following example illustrates the limitation set by this policy.

Fiscal Year 1 Actual	Fiscal Year 2 Actual	Percentage Increase
$10,000,000	$10,500,000	5.0 %

Fiscal Year 3 Estimated	Fiscal Year 4 Budget	Percentage Increase
$11,550,000	$12,127,500	5.0 %

In the example above, the Fiscal Year 4 Adopted Budget is limited to a 5.0% increase, which is the actual percentage increase of the most recently completed fiscal year (Fiscal Year 2).

C. This policy ensures that the ensuing fiscal year budget contains a sales tax revenue estimate based on actual completed fiscal years only.

V. Budgetary Sales Tax Revenue Shortfall Contingency Plan

A. The City will establish a plan to address economic situations that cause sales tax revenue to be significantly less than the adopted budget sales tax revenue. The plan is comprised of the following components:

Indicators – Serve as warnings that potential budgetary sales tax revenue shortfalls are increasing in probability. Staff will monitor state and national economic indicators to identify recessionary or inflationary trends that could negatively impact consumer spending. Staff will develop a monthly report that compares the current month's sales tax revenue to the same month of the previous year. The report will show sales tax revenue by month for the last ten fiscal years.

Phases – Serve to classify and communicate the severity of the estimated budgetary sales tax revenue shortfall. Identify the actions to be taken at the given phase.

Actions – Preplanned steps to be taken in order to prudently address and counteract the estimated budgetary sales tax revenue shortfall.

B. The actions listed in phases 1 through 3 are short-term in nature. In the event the underlying economic situation is expected to last for consecutive years, more permanent actions, such as phases 4 and 5, will be taken.

C. Staff will apprise City Council at the regular City Council meeting immediately following any action taken through this plan. Information such as underlying economic condition, economic indicators, estimated budgetary sales tax revenue shortfall, actions taken and expected duration will be presented to City Council.

D. The City Council may appropriate fund balance as needed to cover any estimated budgetary sales tax revenue shortfall. Appropriation of fund balance must be carefully weighted and long-term budgetary impacts must be considered in conjunction with the projected length of the economic downturn.

E. Actions taken through this plan must always consider the impact on revenue generation. Actions taken should reduce expenses well in excess of resulting revenue losses.

F. These are only guidelines of possible actions that may be taken in the event of sales tax revenue decreases. In the event of a catastrophic event, necessary measures will be taken by the City Manager that are in the best interest of the City.

G. The following is a summary of phase classifications and the corresponding actions to be taken. Revenue will be monitored on a quarterly basis, with action being taken in the

month following the completed quarter that experiences the shortfall. Actions are cumulative, so each level will include all actions set forth in prior levels.

1. ALERT: The estimated annual sales tax revenue is 1.5% less than the adopted sales tax revenue budget.
    a. Freeze newly created positions.
    b. Implement a time delay for hiring vacant positions.

2. MINOR: The estimated annual sales tax revenue is 2.5% less than the sales tax revenue adopted budget.
    a. Suspend funding of Capital Maintenance accounts.
    b. Suspend capital outlay purchases.
    c. Reduce the number of temporary workers.

3. MODERATE: The estimated annual sales tax revenue is 3.5% less than the sales tax revenue adopted budget.
    a. Implement a managed hiring program for vacant positions.
    b. Reduce travel and training budgets.
    c. Reduce office supply budgets.
    d. Scrutinize professional services expenses.
    e. Implement a salary freeze and suspend mid-year merit increases if possible.

4. MAJOR: The estimated annual sales tax revenue is 4.5% less than the adopted sales tax revenue budget.
    a. Scrutinize repairs and maintenance expense. Perform only critical maintenance and make only critical repairs.
    b. Freeze all external printing and publication expenses, except for legally required notices.
    c. Reduce overtime budgets.
    d. Prepare a Reduction in Force Plan.
    e. Defer payments to City-owned utilities for electricity, street lighting, water and wastewater services.

5. CRISIS: The estimated annual sales tax revenue is 5% less than the adopted sales tax revenue budget.
    a. Service level reductions, elimination of specific programs, reduction-in-force and other cost reduction strategies will be considered.
    b. Reduce departmental budgets by a fixed percentage or dollar amount.
    c. Departments will prioritize service levels and programs according to City Council goals and objectives.
    d. Consider four-day work weeks to reduce personnel costs.
    e. Reduce external program funding – social service agencies.

VI. Expenditure Policies

A. Appropriations – The point of budgetary control is at the department level budget for all funds. Following formal adoption, the budget is amended or adjusted as necessary.

1. Amendment-. An amendment involves increasing the total expenditures of the funds over the original adopted budget or changes to the total approved FTE count. The budget is amended through a submission made by a Department Director to the City Manager. The Department Director prepares a budget amendment detailing the reason, line items and amounts to be effected which is approved by the City Finance Department after verification of available dollars. The amendment is given to the City Manager or their designee for review for overall appropriate objectives and purposes. The amendment request is submitted to the City Council for formal adoption by ordinance.
2. Adjustment-An adjustment involves moving expenses between line items, departments or funds, but does not increase total expenditures over the adopted budget. The budget is adjusted through a submission made by the Department Director. If the budget adjustment requires a transfer between funds, or involves the use of contingent appropriations, the adjustment is submitted to City Council for approval by a motion. If the budget adjustment requires a transfer between departments, it must be approved by the City Manager or their designee. All other adjustments may be approved by the City Finance Director.

B. Encumbrance Accounting System – An encumbrance accounting system will be used to alert Department Directors when their maximum budget limits have been reached. Encumbrances are expenditure estimates and will reduce budgeted appropriations in the same manner as an actual expenditure. Once the actual expenditure amount is paid or the encumbrance lapses, the encumbrance will be deleted. Department Directors should use the encumbrance accounting system for all purchases.

C. Personnel Savings – No recognized or significant personnel savings in any Department will be spent by the Department Director without the prior authorization of the City Manager. This control is used to realize personnel savings each year that will be recognized in the adopted budget as a reduction in the current fiscal year's personnel appropriations.

D. Capital Outlay-Any previously budgeted capital outlay funds not expended at year end may be moved to a cash funded Capital Improvements Projects account for expenditure in a subsequent fiscal year. These funds may be used for a capital outlay item or for other designated purpose.

E. Impact Fees Reserves-Funds may be used to support projects identified in the impact fee study, as adopted by City Council, for new growth projects. Authorization for use of impact fee funds will be provided by the City Manager or their designee.

F. Purchasing – All Department Directors will ensure their respective departments comply with the City's Purchasing Manual when purchasing goods or services.

G. Prompt Payment – All invoices approved for payment will be paid by the City Finance Department within thirty (30) calendar days of receipt in accordance with the provisions of State law.

The Director of Finance will establish and maintain payment procedures that will make use of advance payment discounts. Advanced payment discounts will be used in all instances except when the City will earn more interest income than the advance payment discount through investing the idle cash.

VII. Capital Improvements Program – Major Projects

A. Purpose – The Capital Improvements Program (CIP) is a multi-year financial planning tool used to identify and plan for major capital projects which address growth, transportation, public safety, and utility infrastructure issues in conjunction with goals and priorities as determined by City Council. A major capital project generally involves a significant expenditure of funds, beyond operation and maintenance costs, for the acquisition or construction of a needed facility or infrastructure. A major capital project should exceed $50,000 in cost. The CIP coincides with the adoption of the budget and uses a ten-year projection.

B. Preparation – The CIP will be prepared annually and on a project basis categorized by specific program; i.e., streets, drainage, public safety, public buildings, parks and recreation, water, wastewater and electric. The CIP should contain a comprehensive description of the project, funding sources, the timing of capital projects, and the impact on operations. The CIP will be prepared by the Planning Department and reviewed by the City Manager with the involvement of responsible departments. The CIP will be submitted to the Planning and Zoning (P&Z) Commission for their review. After considerable deliberation including public workshops and hearings to gather citizen participation, the P&Z will approve a recommended CIP for City Council's approval. The City Council reviews the CIP for adherence to goals and priorities and approves the CIP for inclusion in the ensuing fiscal year budget. Capital projects within the first year of the CIP are approved for funding. Maintenance and operational costs related to capital projects are included in the ensuing fiscal year budget.

C. Funding Sources – Where applicable, assessments, impact fees, pro rata charges, or other fees should be used to fund capital projects which have a primary benefit to specific, identifiable property owners.
Recognizing that long-term debt is usually a more expensive financing method, alternative-financing sources will be explored before debt is issued. When debt is issued, it will be used to acquire major assets with expected lives that equal or exceed the average life of the debt issue. The exceptions to this requirement are the traditional costs of issuing the debt, capitalized labor for design and construction of capital projects, and small component parts which are attached to major equipment purchases such as fire trucks. The types of debt issued are listed in Section VIII of this policy.

D. Timing and Expenditure Control – The Director of Finance will work with Department Directors during the fiscal year to schedule the timing of capital projects to insure funds availability. All capital projects must be funded and appropriated. The Finance Department must certify the availability of resources before any capital project contract is presented to the City Council for approval.

E. Reporting – Financial reports will be made available to Department Directors to manage their capital projects budgets and to enable the Director of Finance to monitor the overall capital projects budget.

IX. Financial Planning, Accounting, Auditing and Reporting

A. Financial Planning – The Director of Finance provides recommendations for short-term and long-term strategic financial planning to efficiently and effectively use the City's financial resources. This financial planning is achieved in accordance with the goals and priorities of the City Council, the City Manager, and in compliance with applicable laws and Generally Accepted Accounting Principles (GAAP).

B. Accounting System – The Director of Finance is responsible for the development, maintenance and administration of the City's accounting system. Compliance with GAAP and applicable federal, state and local laws and regulations will be maintained. This responsibility also includes the implementation and maintenance of internal accounting controls for the City's financial resources. Functions of the accounting system include payroll, accounts payable, general ledger, grants, capital projects, fixed assets, accounts receivable, self-insurance, utility billing and collections.

C. Financial Auditing –

1. Qualifications of the Auditor – In conformance with the City's Charter and according to the provisions of Texas Local Government Code, the City will be financially audited annually by an outside independent auditing firm. The auditing firm must demonstrate that it has the breadth and depth of staff to conduct the City's financial audit in accordance with generally accepted auditing standards and contractual requirements. The auditing firm must hold a license under the Civil Statutes of Texas and be capable of demonstrating that it has sufficient staff which will enable it to conduct the City's financial audit. The auditing firm will complete its financial audit within 120 days of the City's fiscal year end. The auditing firm will submit its Management Letter to the City Council within 30 days of the completion of its financial audit. The Management Letter will state the auditing firm's findings of non-compliance and recommendations for compliance.

The Director of Finance shall respond within 60 days in writing to the City Manager and City Council regarding the auditing firm's Management Letter, addressing the findings of non-compliance contained therein.

2. Responsibility of Auditing Firm to City Council – The auditing firm is retained by and is accountable directly to the City Council and will have access to direct communication with the City Council if the City staff is unresponsive to the auditing firm's recommendations or if the auditing firm considers such communication necessary to fulfill its legal and professional responsibilities.

D. Financial Reporting –

1. External Reporting – The City Finance Department will prepare the necessary transmittal letter, financial summaries and tables, notes and miscellaneous financial information contained within the comprehensive annual financial report (CAFR). The auditing firm will audit this financial information for compliance with GAAP. The audited CAFR will be submitted to the City Council for their review and will be made available to the public for inspection.

2. Internal Reporting – The City Finance Department will prepare internal financial reports, sufficient to plan, monitor, and control the City's financial affairs. The City Finance Department will strive for excellence in its financial reporting. The following qualitative characteristics of accounting information will be incorporated in all reports that are prepared:

Definitions of Qualitative Characteristics of Accounting Information:

- Bias - Bias in measurement is the tendency of a measure to fall more often on one side than the other of what it represents instead of being equally likely to fall on either side. Bias in accounting measures means a tendency to be consistently too high or too low. Financial reporting will strive to eliminate bias in accounting measures.
- Comparability – The quality of information that enables users to identify similarities in and differences between two sets of economic phenomena.
- Completeness – The inclusion in reported information of everything material that is necessary for faithful representation.
- Conservatism – A prudent reaction to uncertainty to try to insure that uncertainty and risks inherent in financial situations are adequately considered.
- Consistency – Conformity from period to period with unchanging policies and procedures.
- Feedback Value – The quality of information that enables users to confirm or correct prior expectations.
- Materiality – The magnitude of an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would have been changed or influenced by the omission or misstatement.
- Neutrality – Absence in reported information of bias intended to attain a predetermined result or to induce a particular mode of behavior.
- Predictive Value – The quality of information that helps users to increase the likelihood of correctly forecasting the outcome of past or present events.
- Relevance – The capacity of information to make a difference in a decision by helping users to form predictions about the outcomes of past, present, and future events or to confirm or correct prior expectations.
- Reliability – The quality of information that assures that information is reasonably free from error and bias and faithfully represents what it purports to present.
- Representational Faithfulness – Correspondence or agreement between a measure

or description and the phenomenon that it purports to represent (sometimes called validity).

- Timeliness – Having information available to a decision-maker before it loses its capacity to influence decisions.
- Understandability – The quality of information that enables users to perceive its significance.
- Verifiability – The ability through consensus among measurers to insure that information represents what it purports to represent or that the chosen method of measurement has been used without error or bias.

X. Treasury Management

A. Investments – The Director of Finance, or designee shall promptly deposit all City funds with the City's depository bank in accordance with the provisions of the current depository bank agreement. The Director of Finance, or designee will then promptly invest all funds in any negotiable instrument that the City Council has authorized under the provisions of the State of Texas Public Funds Investment Act and in accordance with the City Council approved Investment Policy.

B. Cash – The City's cash flow will be managed to maximize the cash available to invest. Such cash management will entail the centralization of cash collection centers such as utility bills, building and related permits and licenses, parks and recreation, and other collection offices where appropriate and feasible.

Idle cash position will be determined daily to maximize interest income. The underlying theme will be that idle cash will be invested with the intent to 1) safeguard assets, 2) maintain liquidity, and 3) maximize return.

The City Finance Department will use appropriate check-signing technology tosign all checks with the signatures of the City Manager and Director of Finance. Internal controls will be established to secure the technology and to prevent its misuse.

The City Manager, Assistant City Manager, and Director of Finance are authorized signatories on all City depository bank accounts. Any withdrawal, transfer or payment of City funds requires a minimum of two signatures.

XI. Debt Management

A. Policy Statement – The City Council recognizes the primary purpose of major capital projects is to support provision of services to its residents. Using debt financing to meet the major capital project needs of the community must be evaluated according to two tests - efficiency and equity. The test of efficiency equates to the highest rate of return for a given investment of resources. The test of equity requires a determination of who should pay for the cost of major capital projects. In meeting the demand for major capital projects, the City will strive to balance the load between debt financing and "pay as you go"

financing methods. The City Council realizes failure to meet the demands of growth may inhibit its continued economic viability, but also realizes that the amount of debt incurred may have a negative financial impact. The City will achieve an appropriate balance between service demands and the amount of debt incurred. The aforementioned tests and methods of financing will assist the City Council, City Manager and Director of Finance in achieving this appropriate balance.

B. Types of Debt –

1. General Obligation Bonds (GO's) – General obligation bonds will be issued to fund major capital projects of the general government, are not to be used to fund operating needs of the City and are backed by the full faith and credit of the City as well as the ad valorem taxing authority of the City as prescribed by law. The term of a bond issue will not exceed the useful life of the major capital projects funded by the bond issue and will generally be limited to no more than twenty years. GO's must be authorized by a vote of the citizens of the City.

2. Revenue Bonds (RB's) – Revenue bonds may be issued to fund major capital projects necessary for the continuation or expansion of a service which produces a revenue sufficient enough to obtain investment grade ratings and credit enhancement and for which the major capital project may reasonably be expected to provide for a revenue stream to fund the annual debt service requirements. The term of a bond issue will not exceed the useful life of the major capital projects funded by the bond issue and will generally be limited to no more than twenty years. RB's do not need a vote of the citizens of the City.

3. Certificates of Obligation (CO's) and Limited Tax Notes (Notes) – Certificates of obligations may be issued to fund major capital projects, which are not otherwise covered under either General Obligation Bonds or Revenue Bonds. Notes will be used in order to fund capital requirements which the useful life does not exceed seven (7) years as authorized by State law. Debt service for CO's or Notes may be either from general revenues or backed by a specific revenue stream or streams or by a combination of both. The term of the CO's will not exceed the useful life of the major capital projects funded by the certificate issuances and will generally be limited to no more than twenty years. Neither CO's nor Notes require a vote of the citizens of the City.

4. Method of Sale – The Director of Finance will use a competitive bidding process in the sale of bonds unless the nature of the issue or market conditions warrant a negotiated sale. In situations where a competitive bidding process is not elected, the Director of Finance will publicly present the reasons why and will participate with the City's Financial Advisor in the selection of the underwriter or direct purchaser.

C. Analysis of Financing Alternatives – The Director of Finance will explore alternatives to the issuance of debt for major capital projects. These alternatives will

include, but are limited to: 1) grants-in-aid, 2) use of fund balance or working capital, 3) use of current revenues, 4) contributions from developers and others, 5) leases, and 6) impact fees.

D. Conditions for Using Debt – Debt financing of major capital projects will be done only when the following conditions exist:

- When non-continuous projects (those not requiring continuous annual appropriations) are desired;
- When it can be determined that future users will receive a benefit from the major capital project;
- When it is necessary to provide basic services to residents and taxpayers (for example, purchase of water rights);
- When total debt, including that issued by overlapping governmental entities, does not constitute an unreasonable burden to the residents and taxpayers.

E. Costs and Fees – All costs and fees related to debt issuance will be paid out of debt proceeds.

F. Debt Limitations – The City maintains the following limitations in relation to debt issuance:

- An Ad Valorem tax rate of $1.20 per $100 of assessed value is the maximum municipal tax rate that may be levied for all General Fund tax supported expenditures and debt service.
- Debt payments made solely from ad valorem tax revenue should not exceed 20% of combined General Fund and Debt Service Fund expenditures.
- Total outstanding debt should not exceed 5% of the current year's taxable assessed valuation.

G. Arbitrage Rebate Compliance – The City Finance Department will maintain a system of record keeping and reporting to comply with arbitrage rebate compliance requirements of the Federal tax code.

H. Sound Financing of Debt – When the City utilizes debt financing, it will ensure that the debt is soundly financed by:

- Conservatively projecting the revenue sources that will be used to pay the debt;
- Financing the major capital project over a period not greater than the useful life of the major capital project;
- Maintaining a debt service coverage ratio which ensures that combined debt service requirements will not exceed revenues pledged for the payment of debt; and
- To the extent possible, the City will aim to repay at least 25% of the principal amount of its general obligation debt within five years and at least 50% within 10 years. The City may choose to structure debt repayment so as to wraparound existing debt obligations or to achieve other financial planning goals.

I. Credit Enhancement – The City should seek credit enhancement (letters of credit, bond insurance, surety bonds, etc.) when such credit enhancement proves cost effective. Credit enhancement may be used to improve or establish a credit rating on a debt obligation even if such credit enhancement is not cost effective if the use of such credit enhancement meets the financial planning goals.

J. Financing Methods – The City maintains the following guidelines in relation to methods of financing used to issue debt:

- Where it is efficient and cost effective, the City will use revenue or other self-supporting bonds in lieu of tax supported/pledged debt instruments.
- When appropriate, the City will issue non-obligation debt, for example, Industrial Development Revenue bonds, to promote community stability and economic growth.

K. Refunding – Periodic reviews of all outstanding debt will be undertaken to determine refunding opportunities. Refunding will be considered if and when there is a net economic benefit of the refunding or the refunding is essential in order to modernize covenants, which impinge on prudent and sound financial management.

L. Full and Complete Disclosure – The City of San Marcos is committed to full and complete financial disclosure, and to cooperating with credit rating agencies, institutional and individual investors, City departments, other levels of government, and the general public to share clear, comprehensible and accurate financial information. Official statements accompanying debt issues, comprehensive annual financial reports, and continuous disclosure statements will meet, at a minimum, the standards articulated by the Municipal Standards Rulemaking Board, the National Federation of Municipal Analysts, the Government Accounting Standards Board (GASB), and the Securities Exchange Commission (SEC). The City Finance Department will be responsible for ongoing disclosure to nationally recognized municipal securities information repositories (NRMSIRs). Updates of budget, debt and financial information will be provided to credit rating agencies and investors when new debt is issued.

M. Credit Rating – The City of San Marcos seeks to maintain the highest possible credit ratings for all categories of debt that can be achieved without compromising the delivery of basic City services.

N. Elections – State law regulates which securities may be issued only after a vote of the electors of the City and approved by a majority of those voting on the issue.

1. Election Required – Securities payable in whole or in part from ad valorem taxes of the City except issues such as tax increment securities, certificates of obligation, and limited tax notes.

2. Election Not Required –

- Short-term notes (12 months or less) issued in anticipation of the collection of taxes and other revenues.
- Securities issued for the acquisition of water rights or capital improvements for water and wastewater treatment.
- Securities payable solely from revenue other than ad valorem taxes of the City.
- Refunding securities issued to refund and pay outstanding securities.
- Tax increment securities payable from ad valorem tax revenue derived from increased valuation for assessment of taxable property within a plan of development or other similar area as defined by applicable State Statutes.
- Certificates of obligation.
- Limited Tax Notes.
- Securities for the construction or improvement of public streets and/or rights-of-way in order to relieve congestion or for public safety matters.

XII. Financial Conditions, Reserves, and Stability Ratios

A. Operational Coverage – The City's Enterprise Funds will comply with all bond covenants and maintain an operational coverage of at least 120%, such that current operating revenues will exceed current operating expenses.

B. Fund Balances/ Working Capital –

1. The General Fund's fund balance should be at least 25% of the General Fund's annual operating expenditures. This percentage is the equivalent of three months operational expenditures. As a goal, the City will strive to achieve 30% fund balance.
2. The Water and Wastewater Utility Fund working capital should be maintained at 25% of total recurring operating expenses or the equivalent of three months operating expenses Ending fund balances above 25% will be moved to cash fund future Capital Improvement projects
3. The Electric Utility Fund working capital should be maintained at the equivalent of 60 days of recurring operating expenses. Ending fund balances above the 60 days of recurring operating expenses will be moved to cash fund future Capital Improvement projects.
4. Reserves will be used for emergencies or unforeseen expenditures, except when balances can be reduced because their levels exceed guideline minimums as stated below.

C. Capital and Debt Service Funds –

1. Monies in the Capital Improvement Program Funds should be used within twenty-four months of receipt or within a reasonable time according to construction schedules. Interest income and unspent monies from bond issuances can be used to fund similar projects as outlined by bond covenants. Any remaining monies will be used to pay the bond issuance.
2. Revenues in the Debt Service Fund are based on property tax revenues and

interest income. Reserves in the Debt Service Fund are designed to provide funding between the date of issuance of new debt and the time that property tax levies are adjusted to reflect the additional debt. Article 10, Section 10.02 of the City Charter requires that the City maintain a reserve balance of two percent of all outstanding general obligation debt.

D. Ratios/Trend Analysis –

Ratios and significant balances will be incorporated into financial reports. This information will provide users with meaningful data to identify major trends of the City's finances through analytical procedures. We have selected the following ratios/balances as key indicators:

- Fund Balance: FB	Assets Less Liabilities AL (Acceptable level)>25.0% of Expenditures
- Working Capital: CA - CL	Current Assets Less Current Liabilities AL > 25.0% of Expenses
- Current Ratio: CA/CL	Current Assets Divided By Current Liabilities AL> 1.00
- Quick Ratio: CA/CL	"Liquid" Current Assets Divided By Current Liquid Liabilities AL > 1.00
- Debt Ratio (%): CL+LTL/TA	Current Liabilities Plus Long Term Liabilities Divided By Total Assets AL< 1.00
- Enterprise Operational Coverage: OR/OE	Operating Revenue Divided By Operating Expense AL > 1.20

Our goal is to develop minimum/maximum levels for the ratios/balances above through analyzing the City's historical trends and anticipated future trends. We will also analyze and compare the City to other municipalities to develop these acceptable levels.

XIII. Internal Controls

A. Written Procedures – Wherever possible, the Director of Finance will establish and maintain written procedures for all functions involving cash handling and/or accounting throughout the City. These procedures will embrace the general concepts of fiscal responsibility set forth in this policy statement.

B. Department Directors' Responsibilities – Each Department Director is responsible

to ensure that good internal controls are followed throughout their Department, that all City Finance Department directives or internal control recommendations are implemented, and that all independent auditor recommendations are addressed.

XIV. Personnel and Training

A. Adequate Personnel – Personnel levels will be adequate for the City Finance Department to operate effectively. Overtime will be used only to address temporary or seasonal demands that require excessive hours. Workload allocation alternatives will be explored before increasing personnel.

B. Training – The City Finance Department will support the continuing education efforts of all personnel. Personnel will be held accountable for communicating, teaching, and sharing with other personnel members all information and training materials acquired from seminars, conferences, and related education efforts.

C. Awards, Credentials, Recognition – The City Finance Department will support efforts and involvement which result in meeting standards and receiving exemplary recitations on behalf of any of the City's fiscal policies, practices, processes, products, or personnel. Certifications may include Certified Government Finance Officer, Certified Public Accountant, Management Accountant, Certified - Internal Auditor, and Certified Cash Manager.

The City Finance Department will strive to maintain a high level of excellence in its policies and procedures. The CAFR and budget will be presented annually to the Governmental Finance Officers Association for evaluation and consideration for the Certificate of Achievement for Excellence in Financial Reporting and the Distinguished Budget Presentation Award.

Reader's Guide

This section is meant to assist the lay reader in understanding the budget document and components. A summary of the major sections is included in this guide to make reading this document much easier.

Introduction

The Introduction is an opportunity for management to introduce the budget to the City Council and citizenry. There are two sections of the Introduction—the Transmittal Letter and the Executive Summary.

The Transmittal Letter
The Transmittal Letter formally conveys the budget document to the City Council, the governing body for the citizens of San Marcos. A summary of key initiatives is contained within this section.

Executive Summary
This section provides a detailed explanation of revenues, expenses and fund balances within each of the major budgeted funds.

Budget Policy Statement
The City Council formally adopts the Budget Policy Statement through a resolution. Staff uses the statement as a guideline for developing the budget.

City of San Marcos Financial Policy
The Financial Policy was last revised in January 2008. The financial policy provides long-term, organization-wide guidance from which budgetary and financial decisions are made. The policy is broad in scope and purpose and covers major financial areas such as budgeting, revenues, expenditures, capital improvements program, financial condition and reserves, and internal controls.

Reader's Guide
The Reader's Guide provides a brief summary of the information contained in the various sections of the budget. Supplemental data such as form of government, geographic location, population, demographics is contained within this section. This background information serves to familiarize the reader with the community's demographic and economic profile.

Budget Summary

The Budget Summary is a compilation and summary of all financial information contained in the operating detail section of the budget. All summaries are gross budget presentations—meaning that interfund transfers are included.

Consolidated Fund Balance Statement
The Consolidated Fund Balance Statement is a detailed table that analyzes fund balances for all funds and includes revenue and expense totals for the previous fiscal year and adopted budget.

Consolidated Summary of Major Revenues and Expenses
This summary is a detailed table that lists the major sources of revenue and the major categories of expenses for all funds.

Consolidated Summary of Operating Transfers
This table shows the various operating and indirect transfers made between the various funds within the adopted budget.
Consolidated Revenue, Expense and Fund Balance Comparison
This summary compares three years of revenue, expense and fund balance history (prior year's actual, current year's estimate, and adopted for next year).
Property Tax Valuation and Revenue
This detailed worksheet illustrates the method for calculating property tax revenue by providing information about the tax roll, collection rates and the division of the property tax rate between debt service and operations and maintenance.
Personnel Roster
The Personnel Roster serves as a summary of the staffing level for all departments. Information is presented in two forms, positions and full-time equivalents (FTE's). An FTE is a unit of measure that converts the hours worked by part-time and seasonal employees into equivalent hours worked by full-time employees. Full-time employees work 2,080 hours annually. An example of an FTE calculation would be a part-time employee that works 1,040 hours annually. The FTE calculation would be 0.5 (1,040 ÷ 2,080).

Budget Structure

The budget document is divided into the following fund groups. Not all funds reported in the audited financial statements are budgeted. Smaller, less significant, and rarely used funds such as grant and trust and agency funds are not budgeted.

General Fund

The General Fund is the primary operating fund for the City. It is viewed as the general government fund and accounts for a vast number of financial resources, except for resources required to be accounted for in other funds.

Debt Service Fund

The Debt Service Fund is used to account for the debt service portion of property tax revenues received. Debt service taxes are specifically assessed for the payment of general long-term debt principal and interest. The use of a separate fund ensures that debt service tax revenues are not commingled with other revenues and not used for any purpose other than debt repayment.

Special Revenue Funds

Special revenue funds are used to account for the proceeds of certain specific revenue sources that are legally restricted to expenditures for specified purposes. The City utilizes this type of fund to account for revenues such as hotel occupancy tax, grants, special fines authorized by the State, and forfeiture revenue from seized assets.

Hotel Occupancy Tax
The Hotel Occupancy Tax Fund is used to account for a local bed tax of 7%. Tax monies collected are used for tourist development activities in accordance with State law.
Municipal Court Technology
This fund was established in fiscal year 2000 to provide budgeting and accountability for revenues collected from of a technology fee assessed through the municipal court system.

The Texas Legislature established the fee in its 1999 legislative session to provide a funding source to local municipal courts for future technological enhancements to their respective court systems. The enhancements may include computer systems, network systems, software, imaging systems, electronic kiosks, electronic ticket writers or docket management systems.

Municipal Security Fee

This fund was established in 2006 to provide budgeting and accountability for revenues collected from a security fee assessed through the municipal court system. The fee can only be used to finance security personnel or items used for the purpose of providing security services for the building that houses the Municipal Court.

Seized Assets

This fund provides budgeting and accountability for revenues collected from the sale of forfeited and seized assets belonging to various criminals engaged in certain illegal activities. Revenues from these seized assets are used to fund various technology improvements in our Police Department.

Community Development Block Grant

In fiscal year 1994, the United States Department of Housing and Urban Development designated the City of San Marcos as an Entitlement City for the Community Development Block Grant (CDBG). The program is designed to eliminate slum and blight conditions and to serve the needs of low to moderate-income residents.

Women, Infants and Children Program Fund

The Women, Infants and Children Program provides nutritional food supplements, nutritional counseling, clinical assessments, and education to pregnant women, breast-feeding mothers, infants and children up to five years of age. The City of San Marcos operates a five-county regional WIC program that is funded through the Texas Department of Health and Human Services and the United States Department of Agriculture.

Tax Reinvestment Zones

The City has several Tax Increment Reinvestment Zones across the City which have been used to stimulate development in key demographic areas.

Other Special Revenue Funds

The Cemetery Operations Fund provides for maintenance and upkeep of the historic San Marcos City Cemetery.

Enterprise Funds

Enterprise funds are used to account for governmental activities that are similar to those found in private businesses. The major revenue source for these enterprise funds is the rate revenue generated from the customers who receive the services provided. Expenses for these services are paid for through revenue generated from services provided.

Water/Wastewater Utility

The City of San Marcos operates a superior water production and wastewater collection and treatment system for the community. This fund is used to account for the revenues and expenses of this utility system.

Drainage Utility

The City of San Marcos began assessing a drainage utility rate in fiscal year 2000 to all residential and commercial property located in the City. The drainage charge was established to provide funding for the planning, engineering, construction, maintenance, improvement and reconstruction of drainage projects throughout the City.

Electric Utility

The City of San Marcos purchases and distributes electric power to the San Marcos community. The utility operates at a 99.9997% reliability rate and has a system capacity of 145 megawatts.

Municipal Airport

The Municipal Airport has four runways and is situated on 1,356 acres. Additionally, there are 60 acres of maintained parking ramps and 38 City-owned hangars and shelters. Revenue sources such as storage rentals, hangar rentals, storage rentals, gross receipts fees and land leases partially support the daily operational costs. There are more than 300 based aircraft at the airport and more than 100,000 annual takeoffs, landings and approaches.

Resource Recovery Utility Fund

The City of San Marcos outsources its residential solid waste collection through the use of a competitive bidding process. The solid waste collection company charges its monthly fee to the City on a per customer basis. This fee is passed on to each resident within the City. The waste collection revenue and expense were previously shown within the General Fund.

Permanent Funds

The City serves as trustee for funds collected through its cemetery perpetual care fee. This fee is assessed on all municipal cemetery plots sold. Interest earned from the Cemetery Perpetual Care Fund is used to support the maintenance costs at the municipal cemetery. The principal amount of the fund cannot be used for any purpose.

Miscellaneous and Statistical

Statistical and supplemental financial data is contained within this section. This background information serves to familiarize the reader with the community's economic profile.

Glossary

The glossary contains definitions of words used throughout the budget document. Most of the terminology is specific to local government budgeting and accounting and is not readily understood by a reasonably informed lay reader.

Basis of Budgeting

Fund budgets are on a basis consistent with modified and full accrual accounting basis, with exceptions, including that depreciation, amortization and bad debt expenses are not included in the budget, capital purchases are budgeted in the year of purchase, and debt principal is budgeted in the year it is to be paid. The emphasis is on cash transactions in lieu of non-cash transactions, such as depreciation and amortization. The focus is on the net change in working capital.

The General, Debt Service, Special Revenue, and Permanent funds are budgeted on a modified accrual basis, with exceptions as noted above. Revenues are recognized when susceptible to accrual (i.e., when they are "measurable and available"). Substantially all revenues are considered to be susceptible to accrual. Ad valorem, sales, hotel, and franchise tax revenues are

susceptible to accrual. Licenses and permits, charges for services, fines and forfeitures, and miscellaneous revenues (except earnings on investments) are recorded as revenues when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned since they are measurable and available. Expenditures are recognized when the related fund liability is incurred, if measurable and the liability will be liquidated with resources included in the budget, except for (1) inventories of materials and supplies which may be considered expenditures either when purchased or used; (2) prepaid insurance and similar items which need not be reported; (3) accumulated unpaid vacation, sick pay, and other employee benefit amounts which need not be recognized in the current period; (4) un-matured interest on long-term debt is recognized when due, and (5) those exceptions noted above.

The Enterprise funds are budgeted on a full accrual basis with exceptions as noted above. Revenues are budgeted in the year they are expected to be earned and expenses are budgeted in the year the liability is expected to be incurred.

Basis of Accounting

Basis of accounting refers to the time at which revenues, expenses and the related assets and liabilities are recognized in the accounts and reported in the financial statements.

Governmental funds and agency funds are accounted for using the modified accrual basis of accounting, revenues are recorded when susceptible to accrual (i.e., both measurable and available). Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenses, if measurable, are generally recognized when the related fund liability is incurred. Exceptions to this general rule include the un-matured principal and interest on general obligation long-term debt which is recognized when due and accrued vacation and sick leave, which is included in the General Long-Term Debt Account Group. These exceptions are in conformity with generally accepted accounting principles.

Property tax revenues are recognized when they become available. In this case, available means when due, or past due and receivable within the current period and collected within the current period or soon enough thereafter to be used to pay liabilities of the current period. Such time thereafter shall not exceed 60 days. Tax collections expected to be received subsequent to the 60-day availability period are reported as deferred revenue.

Sales taxes are recorded when susceptible to accrual (i.e., both measurable and available). Sales taxes are considered measurable when in the custody of the State Comptroller and are recognized as revenue at that time. Other major revenues that are considered susceptible to accrual include utility franchise taxes, grants-in-aid earned and other intergovernmental revenues. In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual grant programs are used for guidance. There are essentially two types of intergovernmental revenues. In one, monies must be expended for the specific purpose or project before any amounts will be paid to the City; therefore, revenues are recognized based upon the expenses recorded. In the other, monies are virtually unrestricted as to purpose of expense and are revocable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenues at the time of receipt, or earlier, if the susceptible to accrual criteria are met.

The accrual basis of accounting is utilized by the proprietary fund. Under the accrual basis of accounting, revenues are recognized in the accounting period in which they are earned and become measurable (i.e., water billings and accrued interest). Expenses are records in the accounting period incurred, if measurable.

Organizational Relationships

A department is a major administrative segment of the City which indicates overall management responsibility for an operation or a group of related operations within a functional area (e.g., Police Department, Parks and Recreation Department, Public Department). The smallest organizational unit budgeted is the division. The division indicates responsibility for one functional area, and in many cases these functional areas are put together to demonstrate a broader responsibility. When this is done, the divisions are combined to make up one department. For example, the Public Works Department is comprised of Public Works Administration, Streets, Traffic, and Vehicle Maintenance.

Budget Amendment

Following formal adoption, the budget is amended as necessary through a submission made by a Department Director to the City Manager. A budget amendment form detailing the reason, line items and amounts to be effected is prepared. The Finance Department reviews the amendment for available dollars and the City Manager reviews the amendment for overall appropriate objectives and purposes. Should appropriations transfer between Departments, Funds, or involve fund balance or Contingency Funds, the amendment is submitted to City Council for approval; otherwise, the City Manager has authority to approve or disapprove. Budget amendments that require City Council approval are formally as an ordinance of the City.

Budget Process

(a) **Strategic Planning and Visioning** – Early in the budget process, the City Council and administrative staff retreat to discuss community needs and challenges. City Council develops short and long-term priorities as well as a policy statement to use for the current budget and future years.

(b) **Revenue Projection** – The Finance Department staff develops revenue projections based upon trend analysis, anticipated changes in the local, state and national economies, and discussions with other departments. The revenue projection is used to determine the financial limitations for the development of the budget.

(c) **Budget Development** – Departments develop a budget that incorporates the goals outlined within the policy statement and the financial limitations as determined through revenue projections.

(d) **Budget Analysis** – Once department budgets are submitted, a preliminary budget estimate is constructed. Administrative and Finance staff review the preliminary budget and hold department reviews. Funding requests and target levels are discussed in an attempt to

reconcile department requests with financial limitations and policy statement goals.

(e) **Budget** – The City Manager submits a budget that seeks to meet City Council's goals as outlined in the policy statement. Council then reviews the budget for conformity to their overall direction and guidance. Workshops are held to review and discuss the budget. City Council may take action to make changes to the budget.

(f) **Public Hearings / Budget Adoption** – Public hearings on the budget and tax rate are held to give citizens an opportunity to speak for or against the budget. Citizens also have an opportunity to attend budget workshops that occur prior to the budget adoption. The budget and tax rate take effect on October 1st.

FY 2018 Budget Calendar

March 27		Budget Policy Workshop
April 12		Departmental Budget Kickoff
April 15		Estimate of taxable value due
April 18		Public hearing and adoption of Budget Policy
May 12		Completed Departmental Budgets Due to Finance
May 15 – May 31		Department Budget Review Meetings with Finance
June		Budget Reviewed by City Manager
July 24		1st Budget review workshop
July 26		2nd Budget review workshop
July 18		Set Public Hearing Dates for the budget and tax rate
July 25		Tax Rolls Certified
July 31		Proposed Budget Filed with City Clerk and Council
August 1		Budget Discussion Agenda Item
August 6th		Publish notice for the Budget Public Hearing (no less than 30 days before the hearing)
August 15		Record vote to set the proposed maximum tax rate above effective rate; Potential agenda items to discuss any outstanding budget items from workshops.
August 20		Publish notice of effective tax rate to include the dates of two public hearings and explanation of how the increase will be used no sooner than 30 days before the hearing and later than 10 days. This notice must remain on the City website and be included on the City's television channel until the tax rate is adopted.
September 5		First public hearing on the tax rate; Budget public hearing; 1st reading of utility rates, budget and tax rate ordinances.
September 15		Second public hearing on tax rate (Packet Meeting)
September 19		2nd Reading of Utility Rates ordinance; record vote to adopt budget on second reading; ratification of the tax rate reflected in the budget; Tax Rate adoption on second reading (requires an affirmative vote of five if tax rate is increasing).

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET

DEPARTMENT/RESPONSIBILITY CENTER MATRIX

This matrix shows the correlation between departments and their respective responsibility center. Listed across the top of the matrix are the responsibility centers. The departments are shown along the side. Areas containing a check mark indicate the responsibility of the department.

	Responsibility Center			
Department	General Service	Community Service	Community Development	Public Safety
City Manager	✓			
City Clerk	✓			
Legal	✓			
Human Resources	✓			
Finance	✓			
Technology Services	✓			
Neighborhood Services			✓	
Environmental Health		✓		
Library		✓		
Parks and Recreation		✓		
Capital Improvements			✓	
Planning and Development			✓	
WIC		✓		
Fire				✓
Police				✓
Public Services			✓	
Water & Wastewater Utility			✓	
Electric Utility			✓	
Municipal Airport			✓	

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET

DEPARTMENT/DIVISION ASSIGNMENT BY FUND

The annual budget is presented by fund. This matrix shows the assignment of departments and divisions by fund within the budget. Listed across the top of the matrix are the major funds. The departments and divisions within each fund are shown below the respective fund.

General Fund	**Hotel Occupancy Tax Fund**	**WIC Program Fund**	**Water /WW Utility Fund**	**Electric Utility Fund**	**CIP Fund**	**Municipal Airport Fund**
City Manager	Main Street	Administration	Wastewater Collection	Conservation	CIP	Airport
City Clerk		Nutrition		Meter Operations		
Legal		Breastfeeding	Wastewater Treatment Facility Operations	Administration		
Finance		Peer Councilor		Maintenance		
Muncipal Court				Billing & Collections		
Human Resources			Water Quality Services	Public Services Administration		
Technology Services						
			Water Production/ Wastewater Treatment Facility Maintenance			
Marshal's Office						
Code Enforcement						
Animal Services						
Library						
Parks & Recreation			Water Distribution Maintenance			
Activity Center						
Facilities & Grounds			Conservation			
			Administration			
Park Rangers						
Development Services Admin						
Planning/Permit						
Inspections						
Police Admin/ Operations						
Fire						
Transportation Administration						
Streets						
Traffic Control						
Fleet						

City of San Marcos

2017-18 Annual Budget

Community Information

The City of San Marcos is a Home-Rule municipality operating under the Council-Manager form of government and is approximately 32 square miles in size with a residential population of 54,076. The city was incorporated on July 11, 1877. San Marcos is the county seat and principal commercial, educational and recreational center of Hays County. San Marcos is located on Interstate Highway 35 and U.S. Highway 81, and at the intersection of State Highways 80, 142, 21 and 123, midway between the metropolitan areas of San Antonio and Austin. San Marcos attracts millions of visitors annually that shop at the Premium Outlet Mall, Tanger Outlet Mall, and visit the Aquarena Springs Park and Wonder World Park. Beef cattle, sorghums and cotton are the principal sources of agricultural income. Retail sales are the principal source of economic income.

The climate of San Marcos is humid sub-tropical with hot summers. The annual total precipitation is 42.41 inches. Rainfall occurs in late spring and early fall. The mean length of the growing season (without freeze) is 254 days. San Marcos receives about 63% of total possible sunshine annually. San Marcos sits between 650 and 805 feet above sea level.

There are 310 lane miles of streets and roads in the city, with approximately 99.9% of these paved. Transportation methods include two bus services, an airport, and two railways. There are four fire stations and one police station in the city.

There are six public elementary schools, four private elementary schools, two public junior high schools, 3 private junior high schools, one public high school, two private high schools, and one public alternative education school located in San Marcos.

There are currently over 30,000 registered voters within the city limits.

The City's 27,000 square-foot public library houses a collection of over 145,000 volumes. The library collection includes books, videos, audiotapes, computer software, and audiovisual equipment. All residents of San Marcos and Hays County are eligible to borrow materials and use other library services. The library offers a wide array of programs and services including GED and English as a Second Language tutoring for adults, story time and film programs for children, inter-library loan, and reference assistance. The library is open seven days per week and makes its two meeting rooms and thirty internet-accessible computers available for public use.

Recreational Facilities:

Activity Center. 62,000 square-foot facility offering programs to youth, adults and seniors.

Bicentennial Park. 4 acres – jogging trail, picnic tables.

Castle Forest. 2.6 acres – undeveloped.

Children's Park. 5.77 acres – picnic facilities jogging trails, playscape, and restroom facilities.

City Park. 18 acres – one multi-purpose football/soccer field, recreation hall, picnic facilities, two basketball courts, and playground apparatus.

Dunbar Park. 7.3 acres – recreation center, basketball court, playground apparatus, multi-purpose field, and picnic facilities.

Gary Parkland. 42 acres – 4 lighted softball fields, concession stand, restroom facilities, and 7 multi-size soccer/football fields and concession.

H-E-B Park. 3 acre – picnic facilities and playground apparatus.

Hills of Hays. 2.91 acres – playground, basketball court, and picnic facilities.

Lancaster. 2.315 acres – playground apparatus and basketball court.

Memorial Park. 12.56 acres – public library and new activity center.

Old Wastewater Treatment Plant. 12 acres – undeveloped.

Prospect Park. 9 acres – greenspace, undeveloped.

Ramon Lucio Park. 22.10 acres – 5 lighted little league fields, one lighted pony league field, jogging trails, picnic facilities, and one covered pavilion.

Rio Vista Park. 13.54 acres – swimming pool, 2 covered pavilions, 6 lighted tennis courts, picnic facilities, basketball court, jogging trails, Park Rangers and Fire Marshall.

River Ridge. 7.4 acres – 2 tennis courts, basketball courts and jogging trail.

San Marcos Riverwalk Park and Fish Hatchery. 3.4 acres with bike and hiking trails.

San Marcos Park and Wildlife Habitat. 8.8 acres – picnic facilities and jogging trails.

Schulle Canyon. 20.9 acres – greenspace, undeveloped.

Sessions Drive. 5 acres – greenspace, undeveloped.

Swift Memorial Park. 0.25 acres – playground apparatus, basketball court and greenhouse.

Verimendi Plaza. 1.25 acres – Charles S. Cock House Museum, Memorial Grove, riverwalk, gazebo, fountain, gardens, foundation and picnic facilities.

Veteran's Memorial Park. 1.25 acres – picnic facilities, one covered pavilion, playground apparatus and basketball court.

Victory Gardens. 0.25 acres – playground apparatus and basketball court.

5 mile Dam Soccer complex- 47 acres- playground, 10 soccer fields, concession, jogging trail and one covered pavilion.

Spring Lake Preserve 250 acres, natural undeveloped

Purgatory Creek 427 acres, trails, natural areas

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET

DEMOGRAPHIC STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year	Population (A)	Hays County Median Family Income	Hays County Median Age	SMCISD School Enrollment (C)	Unemployment Rate for City of San Marcos
2007	50,049 (A)	65,280 (A)	28.25 (A)	7,350	3.4% (H)
2008	50,317 (A)	72,670 (A)	28.4 (A)	7,400	3.4% (H)
2009	50,913 (A)	74,850 (A)	28.2 (A)	7,434	4.7% (H)
2010	53,913 (A)	75,200 (A)	28.2 (A)	7,500	5.4% (H)
2011	47,505 (A)	70,100 (A)	28.2 (A)	7,550	6.0% (H)
2012	46,750 (A)	70,100 (A)	28.2 (A)	7,550	4.7% (H)
2013	48,100 (A)	71,000 (A)	28.2 (A)	7,600	4.7% (H)
2014	54,100 (A)	72,500 (A)	28.2 (A)	7,800	4.9% (H)
2015	54,500 (A)	72,600 (A)	28.2 (A)	7,820	4.9% (H)
2016	55,200 (A)	72,700 (A)	30.9 (A)	7,858	3.6% (H)

Sources:

A City of San Marcos Planning Department.
B U.S. Department of Commerce; information for Hays County.
C Superintendent's Average Attendance Report (years reported are September through June).
D Texas Statement Employment Commission, Economic Research and Analysis Department, January 1991 - Civilian Labor Force Annual Average Data Report.
E Not Used.
F Chamber of Commerce, San Marcos, Texas.
G Fiscal year 1996 changed from Per Capita Income to Median Income.
H Texas Workforce Commission labor market information.
I US Census Bureau

City of San Marcos

2017-18 Annual Budget

Ten Largest Taxpayers

Business Name	Business Category	Assessed Valuation	Percent of Total Assessed Valuation
Hays Energy LP	Energy	$198,332,108	7.55%
H.E.B. Warehouse	Grocery Warehouse	113,520,708	4.45%
San Marcos Factory Shops	Retail Center	59,519,446	1.77%
Tanger Properties	Retail Center	57,693,771	1.68%
CFAN	Manufacturing	42,880,361	1.47%
Prime Outlets at SM	Retail Center	41,409,255	1.39%
ACC OP (Retreat SM)	Apartment Property	38,240,538	1.13%
San Marcos Properties III	Property Development	38,045,240	.88%
Copper Beech Townhomes	Apartment Property	34,731,013	.83%
CD/Park 7 SM Owner LP	Property Development	33,650,894	.79%
Total		$658,023,334	21.94%

City of San Marcos

2017-18 Annual Budget

Ten Largest Employers

Business Name	Business Category	Number of Employees
Texas State University	University	3,606
Amazon	Warehouse	3,000
San Marcos Premium Outlets	Retail Outlet	1,600
Tanger Factory Outlets	Retail Outlet	1,540
SMCISD	School	1,209
Hays County	County Government	832
CFAN	Manufacturing	700
Central Texas Medical Center	Hospital	700
HEB Distribution Center	Warehouse	680
City of San Marcos	City Government	679

Ten Largest Electric Customers

Business Name	Amount Billed
Texas State University, Cogen	$7,434,150
H.E.B. Grocery	2,122,130
Texas State University	1,053,993
City of San Marcos	848,112
Central Texas Medical Center	810,293
SMCISD	796,499
Hays County Government Center	623,243
Embassy Suites San Marcos	551,172
Thermon Manf	502,303
Walmart Super Store	472,872

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET

CONSOLIDATED FUND BALANCE STATEMENT

	Fund Balance 10-01-2016	Estimated Revenues FY 2016-17	Estimated Expenses FY 2016-17	Fund Balance 10-01-2017	Adopted Revenues FY 2017-18	Adopted Expenses FY 2017-18	Fund Balance 09-30-2018
Governmental Funds							
General Fund	17,572,252	61,825,026	61,803,964	17,593,313	71,380,286	73,277,859	15,695,741
Debt Service Fund	9,114,886	15,133,533	14,854,233	9,394,187	18,903,349	17,393,311	10,904,225
Special Revenue Funds							
Hotel Occupancy Tax Fund	654,015	3,899,464	4,452,390	101,089	4,103,267	4,168,921	35,435
Municipal Court Technology Fund	210,252	25,025	80,000	155,277	30,025	80,000	105,302
Municipal Court Security Fee Fund	146,660	22,012	23,637	145,035	22,012	74,962	92,085
Municipal Court Juvenile Fee Fund	16,708	35,500	29,914	22,294	40,000	31,379	30,916
Municipal Court Efficiency Fee Fund	32,559	27,000	24,000	35,559	27,000	24,000	38,559
Seized Assets Fund	120,077	19,682	3,082	136,676	5,100	5,000	136,776
TIRZ #2, #3, #5, TRZ #1, TIZ #1	608,209	1,727,801	1,415,116	920,894	2,457,852	3,368,606	10,140
CDBG Program Fund	-	525,164	525,164	-	562,798	562,798	-
WIC Program Fund	-	2,048,531	2,048,531	-	1,997,355	1,997,355	-
Cemetery Operations Fund	36,358	215,000	214,672	36,686	205,000	236,273	5,413
PEG Funds	421,338	96,600	2,000	515,938	100,000	25,000	590,938
Permanent Funds							
Cemetery Perpetual Care Fund	1,066,634	2,500	-	1,069,134	4,000	-	1,073,134
Enterprise Funds							
Water & Wastewater Utility Fund	8,819,793	36,564,547	36,649,439	8,734,901	40,403,790	39,475,918	9,662,773
Drainage Utility Fund	792,805	4,209,791	4,126,765	875,832	4,993,581	4,715,520	1,153,893
Electric Utility Fund	9,072,511	56,474,004	56,137,805	9,408,711	63,593,605	63,292,857	9,709,459
Municipal Airport Fund	2,528	498,822	468,546	32,804	538,340	563,046	8,098
Resource Recovery Fund	972,038	3,820,910	3,840,509	952,439	4,172,435	4,133,188	991,687
Transit	145,904	500,000	606,004	39,900	610,000	627,623	22,277
All Funds	49,805,526	187,670,912	187,305,770	50,170,668	214,149,795	214,053,615	50,266,851

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET

CONSOLIDATED SUMMARY OF MAJOR REVENUES AND EXPENSES

	General Fund	Debt Service Fund	Hotel Occupancy Tax Fund	CDBG Program Fund	WIC Program Fund	Other Special Revenue Funds	Water & Wastewater Utility Fund	Drainage Utility Fund
Beginning Fund Balance October 1 2017	17,593,313	9,394,187	101,089	-	-	1,931,672	8,734,901	875,832
Major Revenues								
Taxes	57,917,925	11,681,485	3,958,786	-	-	-	-	-
Licenses and Permits	2,856,423	-	-	-	-	-	-	-
Fines and Penalties	1,742,457	-	-	-	-	100,000	-	37,698
Interest Income	134,000	90,000	1,000	-	-	137	108,000	3,000
Cultural and Recreational	815,242	-	-	-	-	-	-	-
Current Services	764,093	-	-	-	-	-	-	-
Grants	-	-	-	562,798	1,997,355	-	-	-
Water Service Revenue	-	-	-	-	-	-	19,379,216	-
Wastewater Service Revenue	-	-	-	-	-	-	17,590,204	-
Drainage Service Revenue	-	-	-	-	-	-	-	4,909,302
Electric Service Revenue	-	-	-	-	-	-	-	-
Resource Recovery Revenue	-	-	-	-	-	-	-	-
Operating Transfers	5,789,115	-	143,481	-	-	-	-	-
Other Revenues	1,361,031	7,131,864	-	-	-	2,581,852	3,326,370	43,581
One-Time Revenues	-	-	-	-	-	-	-	-
Total Revenues	71,380,286	18,903,349	4,103,267	562,798	1,997,355	2,681,989	40,403,790	4,993,581
Major Expenses								
Personnel Services	46,812,674	-	69,707	112,561	1,538,846	51,341	4,969,044	663,190
Contracted Services	7,037,556	-	2,383,032	450,237	322,961	79,000	10,579,994	1,055,642
Materials and Supplies	4,308,972	-	61,551	-	102,901	10,000	1,395,330	134,842
Other Charges	3,889,010	-	-	-	32,647	3,148,756	9,048,055	293,827
Capital Outlay and Maintenance	115,000	-	-	-	-	100,000	400,000	55,000
System Improvements	-	-	-	-	-	-	-	-
Social Services	450,000	-	-	-	-	-	-	-
Debt Service	-	17,393,311	-	-	-	-	12,613,639	2,513,019
Operating Transfers	1,451,405	-	1,654,631	-	-	219,850	69,856	-
Transfer to Capital Reserves	-	-	-	-	-	-	400,000	-
One-Time Expenses	9,213,241	-	-	-	-	-	-	0
Total Expenses	73,277,859	17,393,311	4,168,921	562,798	1,997,355	3,608,947	39,475,918	4,715,520
Ending Fund Balance on 09/30/2017	15,695,741	10,904,225	35,434	-	-	1,004,714	9,662,773	1,153,893

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET

CONSOLIDATED SUMMARY OF MAJOR REVENUES AND EXPENSES

	Electric Utility Fund	Municipal Airport Fund	Resource Recovery Fund	Cemetery Fund	Transit Fund	Permanent Funds	Total from All Funds
Beginning Fund Balance October 1 2017	9,408,711	32,804	952,439	36,686	39,900	1,069,134	50,170,668
Major Revenues							
Taxes	-	-	-	-	-	-	73,558,196
Licenses and Permits	-	-	-	-	-	-	2,856,423
Fines and Penalties	-	-	-	-	-	-	1,880,155
Interest Income	143,420	-	-	-	-	1,000	480,557
Cultural and Recreational	-	-	-	-	-	-	815,242
Current Services	-	584,340	-	55,000	-	-	1,403,433
Grants	-	-	-	-	-	-	2,560,153
Water Service Revenue	-	-	-	-	-	-	19,379,216
Wastewater Service Revenue	-	-	-	-	-	-	17,590,204
Drainage Service Revenue	-	-	-	-	-	-	4,909,302
Electric Service Revenue	59,195,959	-	-	-	-	-	59,195,959
Resource Recovery Revenue	-	-	4,117,435	-	-	-	4,117,435
Operating Transfers	-	-	-	150,000	610,000	-	6,692,596
Other Revenues	4,254,226	(46,000)	55,000	-	-	3,000	18,710,924
One-Time Revenues	-	-	-	-	-	-	-
Total Revenues	63,593,605	538,340	4,172,435	205,000	610,000	4,000	214,149,795
Major Expenses							
Personnel Services	6,072,152	-	252,491	-	125,123	-	60,667,129
Contracted Services	42,953,496	476,605	3,551,669	234,273	496,000	-	69,620,465
Materials and Supplies	1,069,953	5,000	27,000	2,000	3,000	-	7,120,549
Other Charges	8,356,752	81,441	262,028	-	3,500	-	25,116,016
Capital Outlay and Maintenance	809,310	-	40,000	-	-	-	1,519,310
System Improvements	-	-	-	-	-	-	-
Social Services	-	-	-	-	-	-	450,000
Debt Service	4,031,194	-	-	-	-	-	36,551,163
Operating Transfers	-	-	-	-	-	-	3,395,742
Transfer to Capital Reserves	-	-	-	-	-	-	400,000
One-Time Expenses	-	-	-	-	-	-	9,213,241
Total Expenses	63,292,857	563,046	4,133,188	236,273	627,623	-	214,053,615
Ending Fund Balance on 09/30/2017	9,709,459	8,098	991,687	5,413	22,277	1,073,134	50,266,848

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET

CONSOLIDATED REVENUE COMPARISON

	Actual Fiscal Year 2015/2016	Approved Fiscal Year 2016/2017	Estimated Fiscal Year 2016/2017	Adopted Fiscal Year 2017/2018
Governmental Funds				
General Fund	59,482,956	63,244,026	61,825,026	71,380,286
Debt Service Fund	14,399,362	13,804,890	15,133,533	18,903,349
Special Revenue Funds				
Hotel Occupancy Tax Fund	3,834,391	4,044,036	3,899,464	4,103,267
Municipal Court Technology Fund	24,967	30,025	25,025	30,025
Municipal Court Security Fee Fund	21,024	24,012	22,012	22,012
Municipal Court Juvenile Fee Fund	39,182	40,000	35,500	40,000
Municipal Court Efficiency Fee Fund	3,560	27,000	27,000	27,000
Seized Assets Fund	49,405	5,100	19,682	5,100
TIRZ #2, #3, #5, TRZ #1, TIZ #1	1,166,644	1,642,516	1,727,801	2,457,852
CDBG Program Fund	374,268	525,164	525,164	562,798
WIC Program Fund	1,685,816	2,048,531	2,048,531	1,997,355
Cemetery Operations Fund	157,630	221,600	215,000	205,000
PEG Funds	101,675	100,000	96,600	100,000
Permanent Funds				
Cemetery Perpetual Care Fund	3,406	6,000	2,500	4,000
Enterprise Funds				
Water/Wastewater Utility Fund	35,213,913	37,692,653	36,564,547	40,403,790
Drainage Utility Fund	3,710,038	4,243,339	4,209,791	4,993,581
Electric Utility Fund	55,669,760	58,724,490	56,474,004	63,593,605
Municipal Airport Fund	543,603	528,645	498,822	538,340
Resource Recovery Fund	3,640,146	3,944,498	3,820,910	4,172,435
Transit Fund	590,000	535,000	500,000	610,000
Total	180,711,745	191,431,525	187,670,912	214,149,795

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET

CONSOLIDATED EXPENSE COMPARISON

	Actual Fiscal Year 2015/2016	Approved Fiscal Year 2016/2017	Estimated Fiscal Year 2016/2017	Adopted Fiscal Year 2017/2018
Governmental Funds				
General Fund	59,176,549	65,905,990	61,803,964	73,277,859
Debt Service Fund	13,369,534	13,285,457	14,854,233	17,393,311
Special Revenue Funds				
Hotel Occupancy Tax Fund	3,564,146	4,652,731	4,452,390	4,168,921
Municipal Court Technology Fund	10,481	30,000	80,000	80,000
Municipal Court Security Fee Fund	8,527	23,637	23,637	74,962
Municipal Court Juvenile Fee Fund	18,640	29,914	29,914	31,379
Municipal Court Efficiency Fee Fund	4,232	24,000	24,000	24,000
Seized Assets Fund	34,880	1,500	3,082	5,000
TIRZ #2, #3, #5, TRZ #1, TIZ #1	1,044,450	2,251,283	1,415,116	3,368,606
CDBG Program Fund	374,268	525,164	525,164	562,798
WIC Program Fund	1,685,816	2,048,531	2,048,531	1,997,355
Cemetery Operations Fund	205,237	218,489	214,672	236,273
PEG Funds	187,334	200,000	2,000	25,000
Permanent Funds				
Cemetery Perpetual Care Fund	-	-	-	-
Enterprise Funds				
Water/Wastewater Utility Fund	33,607,571	36,872,243	36,649,439	39,475,918
Drainage Utility Fund	4,087,509	4,322,372	4,126,765	4,715,520
Electric Utility Fund	55,370,426	57,993,152	56,137,805	63,292,857
Municipal Airport Fund	436,805	526,002	468,546	563,046
Resource Recovery Fund	3,917,148	4,281,380	3,840,509	4,133,188
Transit Fund	582,523	619,804	606,004	627,623
Total	177,686,076	193,811,647	187,305,770	214,053,615

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET

CONSOLIDATED FUND BALANCE COMPARISON

	Actual Fiscal Year 2015/2016	Approved Fiscal Year 2016/2017	Estimated Fiscal Year 2016/2017	Adopted Fiscal Year 2017/2018
Governmental Funds				
General Fund	17,572,252	14,910,288	17,593,313	15,695,741
Debt Service Fund	9,114,886	9,634,320	9,394,187	10,904,225
Special Revenue Funds				
Hotel Occupancy Tax Fund	654,015	45,320	101,089	35,434
Municipal Court Technology Fund	210,252	210,277	155,277	105,302
Municipal Court Security Fee Fund	146,660	147,035	145,035	92,085
Municipal Court Juvenile Fee Fund	16,708	26,794	22,294	30,915
Municipal Court Efficiency Fee Fund	32,559	35,559	35,559	38,559
Seized Assets Fund	120,077	123,677	136,676	136,776
TIRZ #2, #3, #5, TRZ #1, TIZ #1	608,209	(558)	920,894	10,140
CDBG Program Fund	-	-	-	-
WIC Program Fund	-	-	-	-
Cemetery Operations Fund	36,358	39,469	36,686	5,413
PEG Funds	421,338	321,338	515,938	590,938
Permanent Funds				
Cemetery Perpetual Care Fund	1,066,634	1,072,634	1,069,134	1,073,134
Enterprise Funds				
Water/Wastewater Utility Fund	8,819,793	9,640,203	8,734,901	9,662,773
Drainage Utility Fund	792,805	713,773	875,832	1,153,893
Electric Utility Fund	9,072,511	9,803,849	9,408,711	9,709,459
Municipal Airport Fund	2,528	5,171	32,804	8,098
Resource Recovery Fund	972,038	635,156	952,439	991,687
Transit Fund	145,904	61,100	39,900	22,277
Total	49,805,526	47,425,404	50,170,667	50,266,848

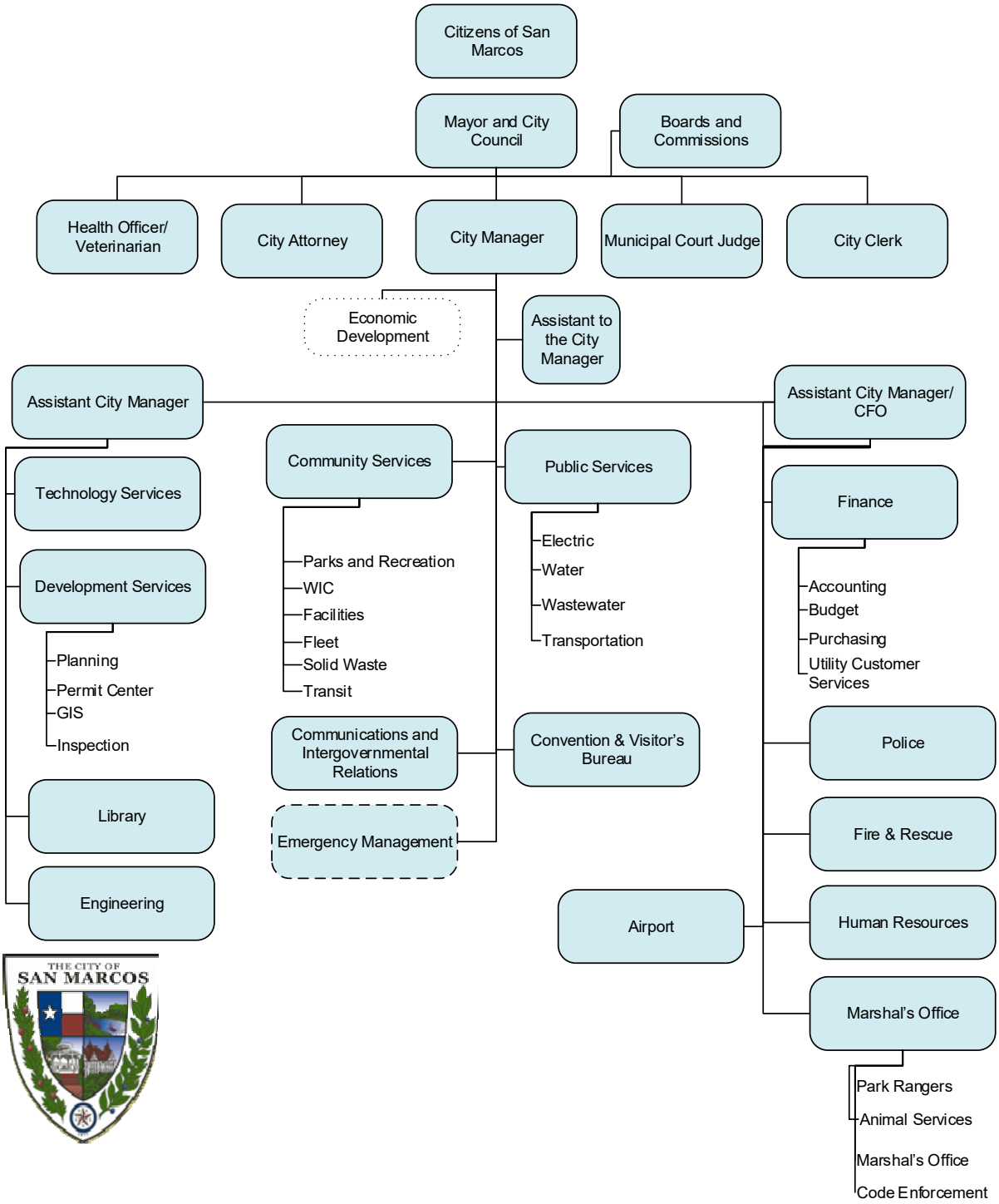
City of San Marcos
Property Tax Valuation and Revenue
2017-18 Annual Budget

Total Market Value			$ 4,577,343,557
Less: Exemptions & Exempt Properties			-
Net Taxable Assessed Valuations			$ 4,577,343,557
Assessed Value X $0.6139 Tax Rate			$ 28,100,312
98.00% Collection Rate			$ 27,538,306
2.00% Delinquent Rate			$ 562,006
Total Taxes To Be Collected:			
Current Collections			$ 27,538,306
Delinquent Collections	65.00%		365,304
Penalties and Interest	35.00%		196,702
			$ 28,100,312
Division of Tax Rate:			
Debt Service	41.5707%	$ 0.2552	$ 11,681,485
O & M	58.4293%	0.3587	16,418,827
	100.0000%	$ 0.6139	$ 28,100,312

General Fund Detail:		**Debt Service Fund Detail:**	
Current Ad Valorem	$ 16,090,450	Current Ad Valorem	$ 9,608,283
		TIZ	1,839,572
Delinquent	213,445	Delinquent	151,859
Penalties	114,932	Penalties	81,770
	$ 16,418,827		$ 11,681,485
One-cent equals:	$ 457,734		

City of San Marcos

2017-18 Annual Budget
Organizational Chart



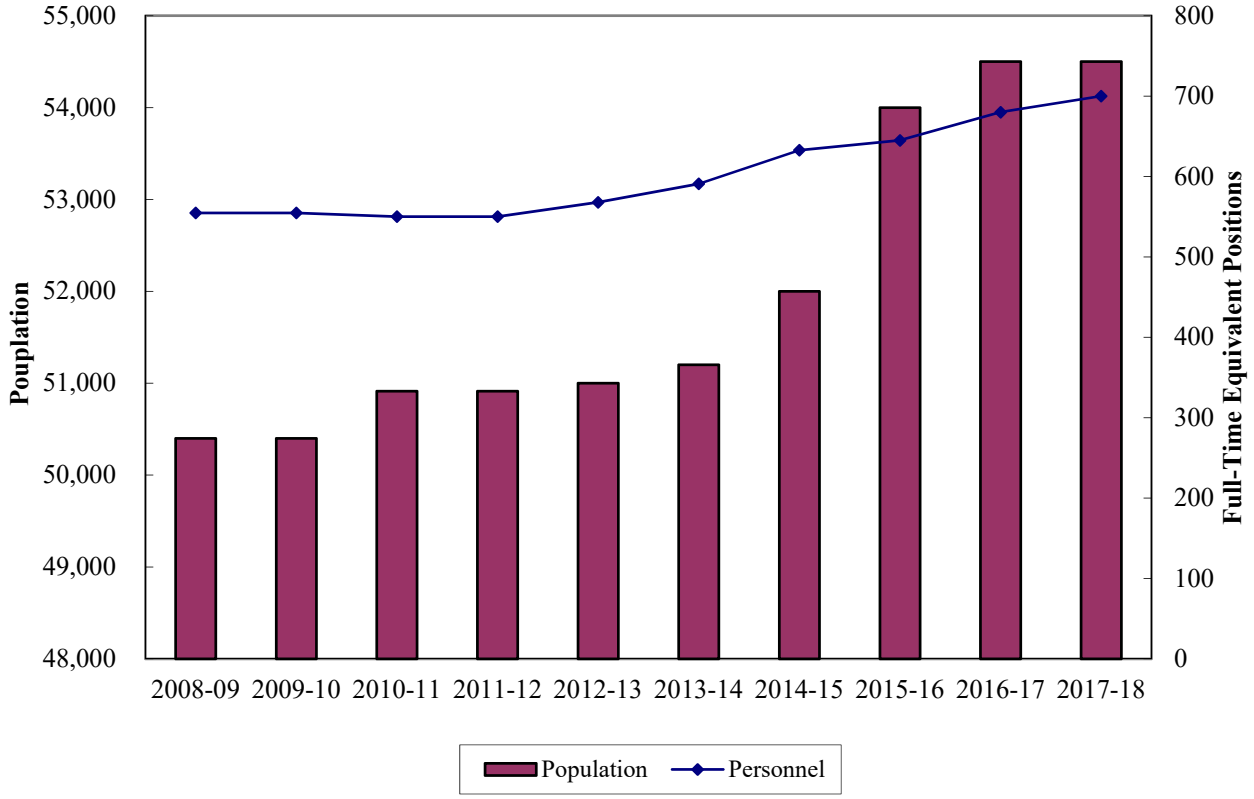
CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET

PERSONNEL ROSTER
TOTAL OF ALL FUNDS

	Positions				Full Time Equivalent			
	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18
General Fund	573	589	591	592	496.05	511.37	513.87	515.77
Hotel Occupancy Tax Fund	2	11	11	11	2.00	10.00	10.00	10.00
Water/Wastewater Utility Fund	58	61	61	63	58.00	61.33	61.33	63.33
Drainage Utility Fund	7	8	8	9	7.00	8.00	8.00	9.00
Electric Utility Fund	61	64	64	66	61.00	64.33	64.33	66.33
Resourse Recovery	2	3	3	4	2.33	2.83	2.83	4.33
Transit	1	1	1	1	1.33	1.33	1.33	1.33
CDBG	2	2	3	3	1.50	1.50	3.00	3.00
WIC State Program	25	26	26	26	25.00	26.00	26.00	26.00
Capital Improvements Fund	2	0	0	0	2.00	0.00	0.00	0.00
Total	733	765	768	775	656.21	686.69	690.69	699.09

POPULATION GROWTH VERSUS PERSONNEL GROWTH



CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET

GENERAL FUND
FINANCIAL FORECAST

	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Operating Revenues					
Sales Taxes	27,250,186	32,002,025	32,782,086	33,583,748	34,407,643
Ad Valorem Taxes	13,334,509	15,918,827	18,209,002	19,665,722	21,238,980
Other Taxes	8,422,028	9,997,074	9,462,948	9,845,267	10,121,377
Licenses and Permits	2,900,427	2,856,423	3,249,260	3,547,097	3,844,935
Fines and Penalties	1,651,195	1,742,457	1,819,084	1,909,212	2,000,339
Interest Income	114,000	134,000	134,000	134,000	134,000
Cultural and Recreational	762,454	815,242	878,739	928,845	980,066
Charges from Current Services	778,635	764,093	785,197	815,401	844,805
Other Revenue	1,446,151	1,361,031	1,390,948	1,447,400	1,505,852
Reimbursements from Other Funds	5,165,441	5,789,115	4,980,960	5,030,769	5,081,077
Total Operating Revenues	61,825,026	71,380,286	73,692,223	76,907,462	80,159,073
Operating Expenditures					
Personnel Services	43,288,351	46,812,674	49,153,308	50,873,674	52,654,253
Contracted Services	6,098,624	7,037,556	7,178,307	7,321,873	7,468,310
Materials and Supplies	3,883,446	4,308,972	4,395,152	4,483,055	4,572,716
Other Charges	3,606,057	3,889,010	3,966,790	4,046,126	4,127,049
Social Services	450,000	450,000	450,000	450,000	450,000
Operating Transfers	1,340,819	1,451,405	1,465,919	1,480,578	1,495,384
Total Operating Expenditures	58,667,297	63,949,618	66,609,476	68,655,306	70,767,711
Operating Income/ (Loss)	3,157,728	7,430,669	7,082,747	8,252,156	9,391,362
One-Time Revenues					
Prior Period Adjustment	-	-	-	-	-
Other Revenue	-	-	-	-	-
One-Time Expenses					
One-Time Operating Transfers	-	750,000	-	-	-
Other Incentives	115,000	115,000	115,000	115,000	115,000
Economic Development Incentives	316,667	6,058,241	6,270,279	6,489,739	6,716,880
Capital Outlay and Maintenance	2,705,000	2,405,000	2,705,000	2,705,000	2,705,000
Net Change in Fund Balance	21,061	(1,897,572)	(2,007,532)	(1,057,583)	(145,518)
Beginning Unreserved Fund Balance	17,572,253	17,593,314	15,695,742	13,688,210	12,630,627
Ending Unreserved Fund Balance	17,593,314	15,695,742	13,688,210	12,630,627	12,485,109
Percentage of Operating Expenditures	30.7%	25.1%	21.0%	18.8%	18.0%
Days of Operation	112	92	77	69	66

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET

GENERAL FUND

	Actual 2015/2016	Approved 2016/2017	Estimated 2016/2017	Adopted 2017/2018
Beginning Unreserved Fund Balance	**17,915,521**	**17,572,252**	**17,572,252**	**17,593,313**
Operating Revenues				
Property Taxes	11,892,702	13,334,509	13,334,509	15,918,827
Sales Tax	28,429,649	28,850,186	27,250,186	32,002,025
Franchise Taxes and other Fees	7,965,030	8,502,028	8,422,028	9,997,074
Licenses and Permits	2,100,716	3,102,427	2,900,427	2,856,423
Fines and Penalties	1,419,472	1,484,195	1,651,195	1,742,457
Interest Income	142,388	61,000	114,000	134,000
Cultural and Recreational	727,269	872,454	762,454	815,242
Current Services	603,191	725,635	778,635	764,093
Other Revenue	1,490,063	1,396,151	1,446,151	1,361,031
Reimbursement from Other Funds	4,712,476	4,915,441	5,165,441	5,789,115
Total Operating Revenue	**59,482,956**	**63,244,026**	**61,825,026**	**71,380,286**
Operating Expenditures				
Personnel Services	41,817,739	45,220,462	43,288,351	46,812,674
Contracted Services	5,614,239	6,929,624	6,098,624	7,037,556
Materials and Supplies	4,382,287	4,259,446	3,883,446	4,308,972
Other Charges	2,624,427	3,757,057	3,606,057	3,889,010
Social Services	450,000	450,000	450,000	450,000
Operating Transfers	1,444,183	1,395,819	1,340,819	1,451,405
Total Operating Expenditures	**56,332,875**	**62,012,408**	**58,667,297**	**63,949,618**
Non-Recurring Expenses				
One-Time Operating Transfers	-	-	-	750,000
Eco Development/TIZ Incentives	504,798	1,073,582	316,667	6,058,241
Other Incentives	141,438	115,000	115,000	115,000
Capital Outlay and Maintenance	2,197,438	2,705,000	2,705,000	2,405,000
One-Time Expenditures	**2,843,674**	**3,893,582**	**3,136,667**	**9,328,241**
Total Expenditures	**59,176,549**	**65,905,990**	**61,803,964**	**73,277,859**
Ending Unreserved Fund Balance	**17,572,252**	**14,910,288**	**17,593,313**	**15,695,741**
Fund Balance as a Percentage of Operating Expenditures	32.01%	24.60%	30.69%	25.11%
Days of Operation	117	90	112	92

City of San Marcos

2017-18 Annual Budget

General Fund

Division	Personnel Services	Contracted Services	Materials & Supplies	Other Charges	Operating Transfers	Capital Outlay	Social Services	Total
General Government	2,562,484	185,455	90,129	449,908				3,287,976
Human Resources	1,041,468	139,471	12,000	45,443				1,238,382
Finance	1,754,891	49,537	34,119	62,680				1,901,227
Municipal Court	615,285	158,292	19,277	16,710				809,564
Technology Services	1,773,822	211,755	42,413	113,824				2,141,814
Development Services	2,089,642	196,797	29,789	88,375				2,404,603
Engineering	1,902,177	175,129	37,345	65,770				2,180,421
Fire Services	8,374,825	141,572	246,607	153,672				8,916,676
Police Services	14,517,672	684,213	620,379	102,790				15,925,054
Public Services	2,660,616	414,686	1,965,556	210,834				5,251,692
Community Services	8,872,424	1,894,402	1,181,259	120,471				12,068,556
General Services	647,368	2,786,247	30,100	8,631,774	1,451,405	3,155,000	450,000	17,151,894
Total	46,812,674	7,037,556	4,308,973	10,062,251	1,451,405	3,155,000	450,000	73,277,859
Percentage of Operating Expense	68.7%	10.4%	6.5%	7.5%	2.1%	4.1%	.7%	100%

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET

GENERAL FUND PERSONNEL ROSTER

	Positions				Full Time Equivalent			
General Fund	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18
Administration	6	6	6	6	6.00	6.00	6.00	6.00
Communications	4	4	4	4	4.00	4.00	4.00	4.00
City Clerk	5	6	6	6	5.00	5.50	5.75	5.75
Legal	6	6	6	6	6.00	6.00	6.00	6.00
Human Resources	11	11	11	11	10.60	10.60	10.60	11.00
Finance	19	20	20	21	18.55	19.55	19.55	20.55
Municipal Court	13	13	14	14	9.82	9.62	10.62	10.62
Fire Services	73	76	76	76	73.00	76.00	76.00	76.00
Police	149	151	151	151	145.98	147.48	147.48	147.48
Development Services	21	22	22	22	21.00	22.00	22.00	22.00
GIS	4	4	4	4	2.96	2.96	2.96	2.96
Engineering	16	19	19	19	16.00	19.00	19.00	19.00
Public Services	36	38	38	38	37.00	39.00	39.00	39.00
Marshal's Office/Code Compliance	33	34	35	34	29.48	30.98	31.98	30.98
Community Services	162	163	163	163	95.67	96.68	96.93	97.43
Information Technology	15	16	16	17	15.00	16.00	16.00	17.00
Total	573	589	591	592	496.05	511.37	513.87	515.77

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET

GENERAL FUND

	Actual 2015/2016	Approved 2016/2017	Estimated 2016/2017	Adopted 2017/2018
Taxes				
Current Ad Valorem Taxes	11,194,169	12,351,509	12,351,509	15,600,450
TIRZ Allocation	527,985	716,310	716,310	-
Delinquent Ad Valorem Taxes	114,099	173,349	173,349	206,945
Penalty & Int On Delinq Taxes	56,449	93,342	93,342	111,432
Sales Tax	28,429,649	28,850,186	27,250,186	32,002,025
Mixed Beverage Tax	409,330	412,962	472,962	496,610
Other Utility Franchise	1,301,856	1,431,028	1,331,028	1,357,649
Telephone Franchise	86,185	111,307	91,307	92,220
Solid Waste Hauler Permit Fee	270,369	301,754	281,754	287,389
Cosm Elec Utility Franchise	3,615,626	3,796,049	3,796,049	4,735,677
Cosm W/WW Utility Franchise	2,281,664	2,448,929	2,448,929	3,027,529
Total	48,287,381	50,686,723	49,006,723	57,917,925
Licenses & Permits				
Professional & Occupational	60,508	52,517	59,517	64,002
Alcohol Permit	22,148	26,448	26,448	26,218
Pet Licenses	2,174	2,402	2,402	2,527
Building Permits	865,491	1,712,176	1,512,176	1,383,397
Parking Permits	201	-	-	-
Permit Tech Fee	25,325	21,987	24,987	30,458
Mechanical (Htg/Ac) Permit	24,196	41,035	41,035	42,758
Plumbing & Gas Permits	54,223	37,896	67,896	65,767
Sign Permit Fees	31,608	17,522	23,522	25,912
Mobile Home Inspection	4,465	4,202	4,202	4,002
Zoning	47,262	58,648	48,648	50,502
Electrical Permit	28,341	67,560	52,560	44,070
Cert Of Occupancy	4,304	4,011	5,011	5,127
Specific Use Permit	21,635	26,190	26,190	28,249
Site Development Permit	221,892	141,609	201,609	214,113
Plat Review-Subdivisions	76,983	115,166	95,166	107,443
Variances & Appeals	5,481	4,220	4,220	4,610
Construction Plan Review	301,438	488,158	388,158	411,702
Temp Food Srvc Facilities	383	1,145	1,145	1,652
Food Permits/Food Handler	208,587	183,558	193,558	209,144
Food Handler Cert Fee	-	-	-	-
Septic Tank Permits	1,421	2,490	2,490	2,411
Other Permits/Fees	11,520	12,388	13,388	13,989
Street Closure Permits	6,525	5,000	10,000	10,000
Architectural Barrier Review	18,090	10,487	30,487	33,613
Moving	6,921	5,963	5,963	8,095
Security Alarm Permit Fee	27,334	33,569	33,569	37,809
Fire Prev & Prot Permit Fee	22,263	26,080	26,080	28,853
Total	2,100,716	3,102,427	2,900,427	2,856,423

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET

GENERAL FUND

	Actual 2015/2016	Approved 2016/2017	Estimated 2016/2017	Adopted 2017/2018
Fines & Penalties				
Parking Meter Fines	131,295	166,879	146,879	157,372
Traffic Fines	444,921	427,663	627,663	632,827
School Bus Safety Fines	58,129	-	25,000	25,000
Mc Technology Fee	2,263	55,358	5,358	7,573
Other-Expunction	49,765	308,533	108,533	135,960
Complaints	271,443	-	263,913	259,865
Over-Under	109	-	-	51
Failure To Appear Fee	-	33,913	-	24,701
Warrant Fee	29,604	22,370	30,370	38,299
False Alarm Charges	30,139	12,519	27,519	27,517
Defensive Driving Admin Fee	8,813	71,213	21,213	29,637
Arrest Fee	69,677	356,649	56,649	58,199
Mc-Special Exp Fee	299,358	10,470	310,470	318,444
Dismissal Fee	12,354	10,108	15,108	18,908
Traffic Fee	8,450	8,520	8,520	3,605
Child Safety-Sb 460	3,152	-	4,000	4,500
Total	1,419,472	1,484,194	1,651,195	1,742,457
Interest Income				
Interest Income	142,388	61,000	114,000	134,000
Total	142,388	61,000	114,000	134,000
Cultural and Recreational				
Softball/Athletic Programs	8,960	3,205	4,505	4,964
Summer Fun Program Fee	79,072	84,798	84,798	93,716
Library Lost Materials	9,902	9,371	7,371	8,345
Library Fines	25,826	25,949	25,949	32,980
Library Cards	8,965	8,363	8,363	10,510
Library Misc Fee	19,386	19,958	19,708	20,413
Aquatic	48,053	1,908	11,158	12,495
PARD Building User Fee	73,805	123,727	93,727	93,464
Swimming Lessons	6,786	36,627	11,627	11,511
Hays County Library Donations	80,000	80,000	80,000	80,000
Annual Entry Fee-Resident	66,434	116,726	16,726	25,909
Annual Entry Fee-Non Resident	101,047	67,606	167,606	170,768
Daily Entry Fee-Resident	32,087	37,107	37,107	38,339
Daily Entry Fee-Non Resident	5,218	5,390	5,390	6,339

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET

GENERAL FUND

	Actual 2015/2016	Approved 2016/2017	Estimated 2016/2017	Adopted 2017/2018
Basketball Court Rental	1,427	-	1,700	1,233
Racquetball Court Rental	688	1,018	1,018	1,041
Equipment Rental Fee	673	1,299	1,299	1,238
Aerobics Fee	66,191	138,753	68,753	81,724
Instructional Fee	16,830	20,283	20,283	20,586
Lap Swim Fee	3,185	3,730	3,730	3,565
Senior Activities	1,720	1,027	1,027	2,224
Travel Programs Fee	22,983	28,510	23,510	23,876
Activity Center Meeting Room	37,910	52,006	52,006	54,830
PARD-Equipment Rent	3,294	4,068	4,068	4,118
Av Equipment	78	1,026	1,026	1,053
PARD-Other Revenue	6,752	-	10,000	10,000
Total	727,269	872,455	762,454	815,242
Charges for Current Services				
Passports	129,432	115,514	175,514	164,369
Animal Shelter Chrgs (Pound)	50,030	51,729	56,729	60,941
Animal Shelter Adopt Fee	39,215	33,000	43,000	50,054
Animal Shelter Vaccine-Micro	9,803	9,334	11,334	14,500
Parking Space Leases	-	1,150	1,150	953
Births-Vital Stats	44,948	40,272	45,272	46,742
Deaths-Vital Stats	2,247	1,971	2,971	3,681
Police Fees-Various	12,561	12,645	12,645	12,846
Photographs	-	-	-	-
Criminal Record Name Check	5	20	20	7
Fleet Services	-	-	-	-
Fire Dept Rescue	61,951	60,000	20,000	-
Community Enhancement Fee	253,000	400,000	410,000	410,000
Total	603,191	725,634	778,635	764,093
Other Revenues				
Txdot Signal Reimbursement	10,374	50,000	50,000	-
Land Sales	8,811	-	-	4,215
TX State Reimbursement	59,579	-	-	-
SMCISD Reimbursement	158,295	165,395	165,395	171,258
Animal Shelter Svs Expansion	236,303	267,774	267,774	282,291
Auction Sales	1,655	62,644	122,644	22,993
Rebates	171,095	200,000	170,000	202,150
Misc Sales	2,230	340	340	729
Other Revenue	244,695	50,000	50,000	50,000
Other Revenue - Property Tax	48,782	48,713	68,713	79,166
Loan Repayment - JQH	548,088	550,849	550,849	547,924
MUD Fees	-	-	-	-
NSF Service Charge	155	436	436	305
Total	1,490,063	1,396,152	1,446,151	1,361,031

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET

GENERAL FUND

	Actual 2015/2016	Approved 2016/2017	Estimated 2016/2017	Adopted 2017/2018
Reimbursement from Other Funds				
Water/Wastewater Utility Fund	2,722,917	2,849,869	2,999,868	3,324,955
Electric Utility Fund	1,684,972	1,735,521	1,835,521	2,130,807
Drainage Utility Fund	90,385	72,497	72,497	73,222
WIC Program Fund	214,202	257,555	257,555	260,131
Total	4,712,476	4,915,442	5,165,441	5,789,115
Total Operating Revenues	**59,482,956**	**63,244,027**	**61,825,026**	**71,380,286**
One-Time Revenues				
Prior Year Adjustments	-	-	-	-
Other Revenue	-	-	-	-
Total	-	-	-	-
Total Revenues	**59,482,956**	**63,244,027**	**61,825,026**	**71,380,286**
Recap of Revenues:				
Taxes	48,287,381	50,686,723	49,006,723	57,917,925
Licenses & Permits	2,100,716	3,102,427	2,900,427	2,856,423
Fines & Penalties	1,419,472	1,484,194	1,651,195	1,742,457
Interest Income	142,388	61,000	114,000	134,000
Cultural and Recreational	727,269	872,455	762,454	815,242
Charges for Current Services	603,191	725,634	778,635	764,093
Other Revenue	1,490,063	1,396,152	1,446,151	1,361,031
Reimbursements from Other Funds	4,712,476	4,915,442	5,165,441	5,789,115
One-Time Revenues	-	-	-	-
Total Revenues	**59,482,956**	**63,244,026**	**61,825,026**	**71,380,286**

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET

GENERAL FUND

	Actual 2015/2016	Approved 2016/2017	Estimated 2016/2017	Adopted 2017/2018
General Government				
City Manager				
Personnel Services	923,274	932,870	932,870	941,739
Contracted Services	16,649	15,457	15,457	15,457
Materials and Supplies	9,430	9,180	9,180	9,180
Other Charges	44,096	46,666	46,666	46,666
Total	993,449	1,004,173	1,004,173	1,013,042
Communications				
Personnel Services	344,798	353,874	353,874	375,049
Contracted Services	14,836	5,500	5,500	5,500
Materials and Supplies	3,478	6,120	6,120	6,120
Other Charges	19,557	29,385	29,385	29,385
Total	382,669	394,879	394,879	416,054
City Clerk				
Personnel Services	382,242	424,508	424,508	439,379
Contracted Services	47,905	76,179	76,179	71,179
Materials and Supplies	58,600	61,529	61,529	61,529
Other Charges	19,523	34,613	21,613	39,613
Total	508,271	596,829	583,829	611,700
City Council				
Personnel Services	9,449	13,046	13,046	13,031
Contracted Services	6,869	8,280	8,280	8,280
Materials and Supplies	6,271	6,000	6,000	6,000
Other Charges	241,924	323,050	265,050	323,050
Total	264,513	350,376	292,376	350,361
Legal				
Personnel Services	765,370	774,481	774,481	793,286
Contracted Services	72,857	85,039	85,039	85,039
Materials and Supplies	3,195	7,300	7,300	7,300
Other Charges	6,693	11,194	11,194	11,194
Total	848,115	878,014	878,014	896,819
Total General Government	**2,997,016**	**3,224,272**	**3,153,272**	**3,287,976**

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET

GENERAL FUND

	Actual 2015/2016	Approved 2016/2017	Estimated 2016/2017	Adopted 2017/2018
Human Resources				
Personnel Services	953,495	965,467	965,467	1,041,468
Contracted Services	46,698	141,716	131,716	139,471
Materials and Supplies	25,749	12,000	12,000	12,000
Other Charges	21,937	45,443	45,443	45,443
Total	1,047,879	1,164,626	1,154,626	1,238,382
Total Human Resources	**1,047,879**	**1,164,626**	**1,154,626**	**1,238,382**
Finance				
Personnel Services	1,513,789	1,593,641	1,593,641	1,754,891
Contracted Services	63,679	53,237	43,237	49,537
Materials and Supplies	32,973	32,169	31,169	34,119
Other Charges	35,629	48,960	48,960	62,680
Total	1,646,070	1,728,007	1,717,007	1,901,227
Total Finance Department	**1,646,070**	**1,728,007**	**1,717,007**	**1,901,227**
Municipal Court				
Personnel Services	607,899	620,584	620,584	615,285
Contracted Services	41,510	58,592	58,592	158,292
Materials and Supplies	17,895	19,277	19,277	19,277
Other Charges	7,859	16,710	16,710	16,710
Total	675,163	715,163	715,163	809,564
Total Municipal Court	**675,163**	**715,163**	**715,163**	**809,564**

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET

GENERAL FUND

	Actual 2015/2016	Approved 2016/2017	Estimated 2016/2017	Adopted 2017/2018
Technology Services				
Technology Services				
Personnel Services	1,384,092	1,547,119	1,447,119	1,559,871
Contracted Services	197,118	245,425	225,425	195,855
Materials and Supplies	33,299	33,263	33,263	33,263
Other Charges	67,882	83,274	73,274	101,274
Total	1,682,391	1,909,081	1,779,081	1,890,263
GIS Division				
Personnel Services	185,417	204,912	204,912	213,951
Contracted Services	12,194	15,900	15,900	15,900
Materials and Supplies	8,073	9,150	9,150	9,150
Other Charges	8,262	12,550	12,550	12,550
Total	213,945	242,512	242,512	251,551
Total Technology Services	**1,896,336**	**2,151,593**	**2,021,593**	**2,141,814**
Development Services Department				
Development Services Admin				
Personnel Services	412,442	457,803	457,803	578,824
Contracted Services	28,366	49,748	49,748	50,446
Materials and Supplies	24,730	29,751	29,751	27,751
Other Charges	69,503	78,540	78,540	80,740
Total	535,041	615,841	615,841	737,761
Planning-Permit Division				
Personnel Services	916,156	1,041,928	1,041,928	1,075,302
Contracted Services	128,181	135,791	115,791	135,791
Materials and Supplies	12	-	-	-
Other Charges	3,324	5,635	5,635	5,635
Total	1,047,672	1,183,354	1,163,354	1,216,728
Inspections Division				
Personnel Services	344,082	439,241	439,241	435,516
Contracted Services	8,415	10,560	10,560	10,560
Materials and Supplies	10,832	2,038	2,038	2,038
Other Charges	1,958	2,000	2,000	2,000
Total	365,286	453,839	453,839	450,114
Total Development Services Dept	**1,947,999**	**2,253,034**	**2,233,034**	**2,404,603**

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET

GENERAL FUND

	Actual 2015/2016	Approved 2016/2017	Estimated 2016/2017	Adopted 2017/2018
Engineering Department				
Personnel Services	1,411,960	1,799,623	1,649,623	1,902,177
Contracted Services	144,697	171,651	161,651	175,129
Materials and Supplies	39,803	40,845	40,845	37,345
Other Charges	48,353	65,270	65,270	65,770
Total	1,644,813	2,077,389	1,917,389	2,180,421
Total Engineering Department	**1,644,813**	**2,077,389**	**1,917,389**	**2,180,421**
Fire Operations				
Personnel Services	7,843,857	8,151,476	7,831,476	8,374,825
Contracted Services	100,654	143,411	143,411	141,572
Materials and Supplies	385,640	260,441	240,441	246,607
Other Charges	122,612	145,283	125,283	153,672
Total	8,452,764	8,700,611	8,340,611	8,916,676
Total Fire Services Department	**8,452,764**	**8,700,611**	**8,340,611**	**8,916,676**
Police Operations				
Personnel Services	14,020,087	14,119,035	13,649,035	14,517,672
Contracted Services	432,208	518,997	518,997	684,213
Materials and Supplies	623,972	587,479	547,479	620,379
Other Charges	99,785	102,790	102,790	102,790
Total	15,176,052	15,328,301	14,818,301	15,925,054
Total Police Services Department	**15,176,052**	**15,328,301**	**14,818,301**	**15,925,054**

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET

GENERAL FUND

	Actual 2015/2016	Approved 2016/2017	Estimated 2016/2017	Adopted 2017/2018
Public Services Department				
Transportation Administration				
Personnel Services	503,308	540,958	540,958	570,438
Contracted Services	24,368	48,877	48,877	63,534
Materials and Supplies	16,507	20,966	20,966	20,569
Other Charges	213,832	258,306	258,306	186,575
Total	758,016	869,106	869,106	841,116
Traffic Control				
Personnel Services	601,417	693,609	693,609	733,330
Contracted Services	97,650	148,436	148,436	148,436
Materials and Supplies	291,555	199,527	199,527	199,527
Other Charges	5,051	13,269	13,269	15,734
Total	995,673	1,054,841	1,054,841	1,097,027
Streets				
Personnel Services	1,124,150	1,410,403	1,310,403	1,356,848
Contracted Services	191,444	203,225	203,225	202,716
Materials and Supplies	1,583,666	1,745,460	1,545,460	1,745,460
Other Charges	7,042	8,525	8,525	8,525
Total	2,906,302	3,367,612	3,067,612	3,313,549
Total Public Services Department	**4,659,990**	**5,291,560**	**4,991,560**	**5,251,691**

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET

GENERAL FUND

	Actual 2015/2016	Approved 2016/2017	Estimated 2016/2017	Adopted 2017/2018
Community Services				
Community Services Admin				
Personnel Services	621,128	727,647	727,647	771,229
Contracted Services	-	-	-	-
Materials and Supplies	1,982	6,200	6,200	6,200
Other Charges	427	3,325	3,325	3,325
Total	623,538	737,172	737,172	780,754
Code Compliance				
Personnel Services	297,553	893,024	893,024	615,375
Contracted Services	21,623	28,485	28,485	31,950
Materials and Supplies	17,919	17,191	17,191	29,641
Other Charges	2,817	4,685	4,685	4,685
Total	339,913	943,385	943,385	681,651
Animal Services-Control				
Personnel Services	318,243	321,173	321,173	339,132
Contracted Services	28,572	45,550	45,550	47,530
Materials and Supplies	31,881	25,793	25,793	25,793
Other Charges	4,702	10,600	10,600	10,600
Total	383,399	403,116	403,116	423,055
Animal Services- Shelter				
Personnel Services	565,510	619,786	619,786	677,565
Contracted Services	71,325	63,956	63,956	67,956
Materials and Supplies	111,324	93,744	93,744	93,744
Other Charges	8,778	10,015	10,015	10,015
Total	756,938	787,501	787,501	849,280
Library				
Personnel Services	1,359,941	1,400,355	1,400,355	1,462,135
Contracted Services	53,242	58,912	58,912	58,912
Materials and Supplies	162,194	167,141	147,141	171,298
Other Charges	19,318	21,244	21,244	21,244
Total	1,594,695	1,647,652	1,627,652	1,713,589
Marshal				
Personnel Services	622,387	314,414	314,414	617,715
Contracted Services	88,474	76,280	76,280	81,665
Materials and Supplies	53,164	52,172	52,172	62,172
Other Charges	13,689	12,850	12,850	16,730
Total	777,714	455,716	455,716	778,282

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET

GENERAL FUND

	Actual 2015/2016	Approved 2016/2017	Estimated 2016/2017	Adopted 2017/2018
Parks & Recreation				
Personnel Services	2,331,543	2,467,232	2,467,232	2,556,711
Contracted Services	374,402	500,905	450,905	596,905
Materials and Supplies	299,647	192,209	192,209	192,209
Other Charges	27,320	28,735	28,735	28,735
Total	3,032,912	3,189,081	3,139,081	3,374,560
Activity Center				
Personnel Services	607,508	706,869	656,869	768,789
Contracted Services	36,027	83,200	63,200	23,200
Materials and Supplies	94,613	60,540	40,540	60,540
Other Charges	-	3,500	3,500	3,500
Total	738,148	854,109	764,109	856,029
Outdoor Pool				
Personnel Services	54,979	104,321	104,321	104,228
Materials and Supplies	31,746	39,000	39,000	39,000
Total	86,725	143,321	143,321	143,228
Facilities & Grounds				
Personnel Services	-	-	-	-
Contracted Services	754,205	844,570	844,570	844,570
Materials and Supplies	314,220	50,024	50,024	50,024
Other Charges	-	-	-	-
Total	1,068,425	894,594	894,594	894,594
Park Rangers				
Personnel Services	306,517	268,283	268,283	390,467
Contracted Services	5,082	5,155	5,155	20,419
Materials and Supplies	26,990	22,046	22,046	29,846
Other Charges	7,960	8,150	8,150	13,350
Total	346,549	303,634	303,634	454,082
Fleet Services				
Personnel Services	474,877	540,588	540,588	569,078
Contracted Services	7,867	11,295	11,295	11,295
Materials and Supplies	51,469	420,792	370,792	420,792
Other Charges	3,189	8,287	8,287	8,287
Total	537,402	980,962	930,962	1,009,452
PARD Contract Programs				
Contracted Services	81,081	110,000	90,000	110,000
Total	81,081	110,000	90,000	110,000
Total Community Services	**10,367,437**	**11,450,243**	**11,220,243**	**12,068,556**

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET

GENERAL FUND

	Actual 2015/2016	Approved 2016/2017	Estimated 2016/2017	Adopted 2017/2018
General Services				
Social Services				
Social Services	450,000	450,000	450,000	450,000
Total	450,000	450,000	450,000	450,000
Special Services				
Personnel Services	10,268	772,192	30,081	647,368
Contracted Services	2,416,042	2,965,295	2,294,295	2,786,247
Materials and Supplies	9,456	30,100	5,100	30,100
Other Charges	1,491,406	2,314,203	2,264,203	2,458,533
Operating Transfers	1,444,183	1,395,819	1,340,819	1,451,405
Eco Development/TIZ Incentives	504,798	1,073,582	316,667	6,058,241
Other Incentives	141,438	115,000	115,000	115,000
Capital Outlay & Maintenance	2,197,438	2,705,000	2,705,000	3,155,000
Total	8,215,028	11,371,191	9,071,165	16,701,894
Total General Services	**8,665,028**	**11,821,191**	**9,521,165**	**17,151,894**
Total General Fund Expenditures	**59,176,549**	**65,905,990**	**61,803,964**	**73,277,859**

Summary of Expenditures by Services				
General Government	2,997,016	3,224,272	3,153,272	3,287,976
Human Resources	1,047,879	1,164,626	1,154,626	1,238,382
Finance	1,646,070	1,728,007	1,717,007	1,901,227
Municpal Court	675,163	715,163	715,163	809,564
Technology Services	1,896,336	2,151,593	2,021,593	2,141,814
Development Services	1,947,999	2,253,034	2,233,034	2,404,603
Engineering	1,644,813	2,077,389	1,917,389	2,180,421
Fire Services	8,452,764	8,700,611	8,340,611	8,916,676
Police Services	15,176,052	15,328,301	14,818,301	15,925,054
Public Services	4,659,990	5,291,560	4,991,560	5,251,691
Community Services	10,367,437	11,450,243	11,220,243	12,068,556
General Services	8,665,028	11,821,191	9,521,165	17,151,894
Total General Fund Expenditures	**59,176,549**	**65,905,990**	**61,803,964**	**73,277,859**

City Manager Office

City Manager	Positions				Full Time Equivalent			
	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18
City Manager	1	1	1	1	1.00	1.00	1.00	1.00
Assistant City Manager	1	1	1	1	1.00	1.00	1.00	1.00
Assistant City Manager/CFO	1	1	1	1	1.00	1.00	1.00	1.00
Economic Development Projects Coordinator	1	1	1	1	1.00	1.00	1.00	1.00
CMO Executive Assistant, Sr.	1	1	1	1	1.00	1.00	1.00	1.00
CMO Executive Assistant	1	1	1	1	1.00	1.00	1.00	1.00
Total	6	6	6	6	6.00	6.00	6.00	6.00

Mission Statement

The Administration office is responsible for the administration of the City of San Marcos organization including implementing the budget, policies and programs of the City Council. The Administrative staff provides assistance to the Mayor and City Council and other departments, liaison to citizens, businesses and other agencies, economic development coordination, and public information.

Expenditures by Category

	Actual 2015-16	Original Approved 2016-17	Revised 2016-17	Adopted 2017-18
Personnel Services	923,274	932,870	932,870	941,739
Contracted Services	16,649	15,457	15,457	15,457
Materials and Supplies	9,430	9,180	9,180	9,180
Other Charges	44,096	46,666	46,666	46,666
Capital Outlay	0	0	0	0
Total	993,449	1,004,173	1,004,173	1,013,042

Goals and Objectives

- To provide leadership and oversight to ensure the City Council's priorities, policies, and programs are successfully implemented and effectively managed. Staff will accomplish this by implementation of the City's Comprehensive Plan and focusing on the City Council's goals as established during City Council Visioning and adopted on August 2, 2016.
- To continue to expand communications between city government and its citizens.
- To respond with excellent customer service in a timely fashion to City Council, citizen's inquiries and requests.
- To enhance and engage city employees in order to create a high performing organization

What We Accomplished in 2016-17

- Formulation and implementation of City Budget and Financial Policies to encourage sound fiscal management.
- Update and implement Capital Improvements Program.
- Budget Policy Statement.
- Transition of HCPUA to Alliance Regional Water Authority.
- Design and Funding for Phase 1 of the Alliance Regional Water Project.
- Completion of Facilities Master Plan and creation of a Community Improvement Task Force.
- Successful approval of a Public Safety and Library Bond Election.
- Design and Start of Construction for Fire Station #4.
- CODE SMTX Rewrite in approval process.
- Successful hiring of a Neighborhood Services Director.
- Development of the HUD CDBG-DR Action Plan.
- Design of CDBG-DR Infrastructure Plans and approval to fund 6 Major Drainage Projects using Federal Funds.
- Successful 2017 Bond Sale and S&P rating report.
- LBJ Reconstruction Project.
- Best Buy Economic Development Incentive.
- Urban Mining Economic Development Incentive.
- Coast Flight Economic Development Incentive.
- Amazon Construction Completion.
- Purchase and Design of Site Plan for New Public Services Facility.
- CM Allen Redesign.
- Hurricane Harvey Emergency Operations Center.
- Whisper Public Improvement District Creation.
- Update of City website.

What We Plan to Accomplish in 2017-18

- Oversight of City organization including operations, maintenance and planning for future needs.
- Major Projects:
    - La Cima
    - LaSalle
    - Cotton Center
    - Highpointe
    - Paso Robles
    - Whisper
- Implementation of City Council's 7 Goals.
- Comprehensive Plan update.
- Implement Budget, Financial Policies & CIP.
- Adopt CodeSMTX.
- Continuing implementation of ARWA and explore long-term water supplies.
- Completion of Fire Station #4.
- Continue HCP River Projects.
- Loop 82 Overpass.
- Design of Library Expansion and Police Department Remodel.
- Design and Start of construction for Fire Training Facility.

Performance Measures

	Unit of Measure	Actual 2015-16	Estimated 2016-17	Projected 2017-18
Maintenance of High Bond Rating	Standard & Poor & Moody's	AA, A+, A1, A1	AA, A+ A1, A1	AA,A+ A1, A1
Communications:				
Videos Produced	#/ year	103	134	150
Press Releases	#/ year	367	373	350
Social Media Followers (FB/Twitter)	#/ year	17,186/14,538	19,198/16,200	19,000/14,000
Website Visits	#/year	1.15 Mil	1.15 Mil	1.2 Mil
Citizen Concerns Public Stuff App/Admin PC	#/month	1,766	1,888	2,000

Communications

Communications	Positions				Full Time Equivalent			
	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18
Director of Communications	1	1	1	1	1.00	1.00	1.00	1.00
Communications Specialist II	1	1	1	1	1.00	1.00	1.00	1.00
Communications Specialist	1	1	1	1	1.00	1.00	1.00	1.00
Video Technician	1	1	1	1	1.00	1.00	1.00	1.00
Total	4	4	4	4	4.00	4.00	4.00	4.00

Mission Statement

The mission of the San Marcos Communication & Intergovernmental Relations Department is to be the driving force in openly and effectively communicating information about the City of San Marcos, providing dynamic, creative, and comprehensive communications services to our internal and external customers and engaging the citizens of San Marcos in the government process. We also strive to be ambassadors who facilitate strategic relationships on behalf of the City of San Marcos with local, regional, state and federal partners and agencies to ensure the City's interests are protected and enhanced through the legislative process and effective intergovernmental relations.

Expenditures by Category

	Actual 2015-16	Original Approved 2016-17	Revised 2016-17	Adopted 2017-18
Personnel Services	344,798	353,874	353,874	375,049
Contracted Services	14,836	5,500	5,500	5,500
Materials and Supplies	3,478	6,120	6,120	6,120
Other Charges	19,557	29,385	29,385	29,385
Capital Outlay	0	0	0	0
Total	382,669	394,879	394,879	416,054

Goals and Objectives

- To be the driving force in openly and effectively communicating information about the City of San Marcos, providing dynamic, creative, and comprehensive communications services to our internal and external customers
- To continue to use both traditional and innovative tools to engage the citizens of the City in the government process.
- To continue to expand communications between city government and its citizens.
- To develop a dynamic marketing plan to utilize resources and expand the strong communication foundation within the City.

What We Accomplished in 2016-17

- Completed Redesign of City website.
- Created programming schedule for City Cable Channel.

- CARTS Marketing Campaign.
- Awards:
    - TAMIO Award – 1st place, Marketing | Plan or Campaign – "SMTXTHEBUS"
    - TAMIO Award – 2nd place, Social Media for Facebook
    - TAMIO Award – 3rd place, 72 degrees video
    - SWTA Awards – Events, Electronic, Social Media for SMTXTHEBUS.
- Continued assisting with HUD-DR Citizen Engagements.
- Revamped Broadcast Office for new equipment and employee space.
- Continued internal media training.
- Implemented internal social media training.
- Implemented mass notifications for non-emergency events/announcements.
- Implemented Facebook at work for City staff.
- HUD-DR:
    - Updated and Maintained HUD-DR website www.smtxfloodrecovery.com
    - Assisted with Advertising and Organizing Community Meetings
    - Assisted with Action Plan Activities

What We Plan to Accomplish in 2017-18

- Complete Redesign of City Intranet Site.
- Develop Marketing and Work Plan.
- Purchase Video & Design Equipment.
- Provide City Branded Apparel for Staff Field Work.
- Create long-form recurring video content for broadcast and web.
- Increase the number of short-form PSAs and promos for City events and initiatives.

Performance Measures

	Unit of Measure	Actual 2015-16	Estimated 2016-17	Projected 2017-18
Communications:				
• Videos Produced	#/ year	367	373	350
• Press Releases	#/ year	103	134	150
• News releases that generate coverage	#/ year	17,186/14,538	19,198/16,200	19,000/14,000
• Website Visits	#/year	1.15 Mil	1.15 Mil	1.2 Mil
Citizen Concerns • Public Stuff App	#/month	1,766	1,888	2,000

City Clerk

City Clerk	Positions				Full Time Equivalent			
	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18
City Clerk	1	1	1	1	1.00	1.00	1.00	1.00
Deputy City Clerk	1	1	1	1	1.00	1.00	1.00	1.00
Records Management Program Manager	0	1	1	1	0.00	1.00	1.00	1.00
Deputy Local Registrar	1	1	1	1	1.00	1.00	1.00	1.00
Records Specialist	1	1	1	1	1.00	0.50	0.75	0.75
Passport Administrator	1	1	1	1	1.00	1.00	1.00	1.00
Total	5	6	6	6	5.00	5.50	5.75	5.75

Mission Statement

The City Clerk's office is primarily responsible for giving notice and recording City Council meetings, is designated responsible for certain official records and documents of the City, including minutes of the City Council, ordinances and resolutions, deeds and easements, contracts, birth and death certificate records, the computerized indexing of Council actions and Board appointments, computerized code, keeps abreast of legislative changes in elections, administers all City elections, and the City's Records Management program, provides support services to the City Council, and responds to requests made by the City Manager affecting the daily business operation of the City.

Expenditures by Category

	Actual 2015-16	Original Approved 2016-17	Revised 2016-17	Adopted 2017-18
Personnel Services	382,242	424,508	424,508	439,379
Contracted Services	47,905	76,179	76,179	71,179
Materials and Supplies	58,600	61,529	61,529	61,529
Other Charges	19,523	34,613	21,613	39,613
Capital Outlay	0	0	0	0
Total	508,270	596,829	583,829	611,700

Goals and Objectives

- Provide exceptional external customer service with concern, respect, friendly/courteous behavior and patience.
- Provide exceptional internal customer service by fostering a team-oriented environment.
- Promote transparency by improved public access to municipal records and other information.
- Maintain timely and accurate communications with the Council and assist Council in fulfilling its duties and responsibilities.
- Administer successful City wide Elections.

What We Accomplished in 2016-17

- Continued with the Gov QA Open Records Software and continued user training throughout the organization
- Added a Part-Time Records Specialist to the City Clerk Staff
- Vitals Department received the 5-Star Exemplary rating from Texas Department of Health and Vital Statistics
- Completed Minute Indexing and is currently up to date.
- Planned and organized the 2016 Women's Hall of Fame Event.
- Received an exemplary audit report from U.S. Department of State for Passport Processing.

What We Plan to Accomplish in 2017-18

- Receive another successful audit by the U.S. Department of State for Passports.
- Attainment of a 5 Star rating from the Texas Department of Health and Vital Statistics.
- Continued training for recertification of City Clerk and Deputy City Clerk.
- Organize a City wide voter education media campaign with the assistance of the Communications Department..
- Organize City wide Election.
- Plan and organize Annual Women's Hall of Fame Event.
- Plan and organize Annual Board and Commission Members reception.
- Facilitate annual Board and Commission member orientation.
- Facilitate annual Board and Commission Liaison Training.

Performance Measures

	Unit of Measure	Actual 2015-16	Estimated 2016-17	Projected 2017-18
Support City Council Meetings:				
Prepare agendas, order meals		65	65	65
Transcribe minutes		35	35	35
Execution of Agreements/Contracts		205	205	225
Execution of Ordinances		45	45	45
Execution of Resolutions	Count	120	120	120
Prepare proclamations, certificates, awards		200	200	200
Travel arrangements		30	30	30
Financial reconciliations		30	30	30
Correspondence, RSVP, Calendar entry		1,000	1,000+	1,000+
Maintain Official Records:				
# of code supplements submitted	Volumes	3	3	10
# of code supplements updated on website	Count	65	73	85
Public and Legal Notices, advertisements				
City Boards & Commissions:				
Active Board Members	Count	210	210	210
Active Board/Committees		28	28	28
Records Management For Departments:				
Active Records Stored	Boxes	3,125	3,175	3,175
Destruction Of Records	Boxes	175	250	265
Map Records Stores	Boxes	414	0	0
Telephone, In-Person Requests, Search Records	Count	1,025	1,300	1,350
Copies Provided		1,500	2,000	2,000
Passport Services: Process Applications	Count	4,524	5,250	6,000
Preparations for Special Events, gifts, flowers, etc	Count	210	210	210
Vital Statistics Records:				
Record of submitted birth/death records				
Birth certificates printed	Count	3,276	4,500	3,000
Death certificates printed		189	300	450
Laserfiche electronic conversion of Council records (To date, 201 volumes are in Laserfiche)	Volumes	7	10	10

City Council

Mission Statement

The goals of the City Government are to safeguard the health, safety and welfare of the City's residents, provide for a high quality of life, foster intergovernmental liaison and communication, encourage responsible citizenship, promote sound community and economic development, conserve and protect the City's natural resources and environment.

Expenditures by Category

	Actual 2015-16	Original Approved 2016-17	Revised 2016-17	Adopted 2017-18
Personnel Services	9,449	13,046	13,046	13,031
Contracted Services	6,869	8,280	8,280	8,280
Materials and Supplies	6,271	6,000	6,000	6,000
Other Charges	241,924	323,050	265,050	323,050
Capital Outlay	0	0	0	0
Total	264,513	350,376	292,376	350,361

Legal

Legal	Positions				Full Time Equivalent			
	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18
City Attorney	1	1	1	1	1.00	1.00	1.00	1.00
Assistant City Attorney	2	2	2	2	2.00	2.00	2.00	2.00
Contracts Manager	1	1	1	1	1.00	1.00	1.00	1.00
Administrative Coordinator	1	1	1	1	1.00	1.00	1.00	1.00
Administrative Assistant	1	1	1	1	1.00	1.00	1.00	1.00
Total	6	6	6	6	6.00	6.00	6.00	6.00

Mission Statement

The mission of the Legal Department is to provide high quality legal services to facilitate policy making by the City Council and City Manager, to ensure the legality of the City's actions, to promote compliance with City regulations, to manage the City's real property interests, to represent the City's interests in litigation and legislative matters, and to provide staffing for the Ethics Review and Charter Review Commissions.

Expenditures by Category

	Actual 2015-16	Original Approved 2016-17	Revised 2016-17	Adopted 2017-18
Personnel Services	765,370	774,481	774,481	793,286
Contracted Services	72,857	85,039	85,039	85,039
Materials and Supplies	3,195	7,300	7,300	7,300
Other Charges	6,693	11,194	11,194	11,194
Capital Outlay	0	0	0	0
Total	848,115	878,014	878,014	896,819

Goals and Objectives

- To assist the City Council and City Administration in achieving their lawful objectives.
- To provide all city departments with needed legal services and advice on a timely basis.
- To support the City Council by preparing and reviewing materials for council meetings; assist the City Clerk in the timely completion of agendas in accordance with council's expectations; and support other boards and commissions with legal services and legal advice.
- To assist city council and staff in the negotiation and preparation of economic development incentive agreements.
- To provide legal services pertaining to the purchase and sale of real property.
- To recommend and prepare amendments to update/improve the city's codes and ordinances.

What We Accomplished in 2016-17

- Provide legal support and assistance to city staff working on interim amendments to the land development code.
- Provide legal support and assistance to city staff, the technical committee, and city council in preparation of the Code SMTX replacement for the land development code.
- Assisted the City Council in formulating the city's legislative agenda in the 2017 regular session of the Texas Legislature.
- Provided legal support to city council subcommittees dealing with issues pertaining to conditional use permits, development agreements, public improvement districts, municipal utility districts, and tax increment reinvestment zones.
- Support the Council's economic development objectives through negotiation and drafting of incentive agreements.
- Assisted the Charter Review Commission and the City Council with formulating recommended charter amendments for consideration by the voters at the November 2017 special election.
- Assisted the Ethics Review Commission with its recommendations for amendments to the San Marcos Code of Ethics.

What We Plan to Accomplish in 2017-18

- Provide legal advice and assistance to the city council and staff for adoption of Code SMTX.
- Provide legal advice to the city council and staff to implement changes in state law adopted in the 85th Regular and Special Sessions of the Texas Legislature.
- Assist staff and council with negotiation and preparation of economic development incentive agreements
- Assist city manager and city council with development of strategies to increase the supply of affordable housing and "missing middle" housing in San Marcos.

Performance Measures	Unit of Measure	Actual 2015-16	Estimated 2016-17	Projected 2017-18
Ordinances/Resolutions prepared	#	200	225	250
Written Or Email Communications/Legal Opinions/Interpretation	#	5,500	5,800	6,000
Real Property Documents Prepared or Reviewed	#	225	235	235
Major Contracts Prepared Or Reviewed	#	90	100	100
Minor Contracts Prepared Or Reviewed	#	260	275	275
Staff resources for non-trial Mun Crt matters	Hours	1,650	1,650	1,675
Board and Commission Meetings Attended	#	30	50	35
Bid/RFP/RFQ Prepared	#	20	25	27
Public Information Req.-Assisted & Opinions sought	#	100	120	250

Human Resources

Human Resources	Positions				Full Time Equivalent			
	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18
Director of Human Resources	1	1	1	1	1.00	1.00	1.00	1.00
Assistant Director of Human Resources	1	1	1	1	1.00	1.00	1.00	1.00
Risk Manager/ADA Coordinator	1	1	1	1	1.00	1.00	1.00	1.00
Human Resources Manager	1	1	1	1	1.00	1.00	1.00	1.00
Benefits Manager	1	1	1	1	1.00	1.00	1.00	1.00
Organizational Development Trainer	1	1	1	1	1.00	1.00	1.00	1.00
Benefits/HR Specialist	1	1	1	1	1.00	1.00	1.00	1.00
Human Resources Specialist	1	1	1	1	1.00	1.00	1.00	1.00
Human Resources Risk/Leave Coordinator	1	1	1	1	1.00	1.00	1.00	1.00
Customer Services Specialist	1	1	1	1	1.00	1.00	1.00	1.00
ADA Intern	1	1	1	1	0.60	0.60	0.60	1.00
Total	11	11	11	11	10.60	10.60	10.60	11.00

Mission Statement

Through delivering exceptional customer service, our mission is to enhance the overall employment experience and respond to the needs of our community.

Expenditures by Category

	Actual 2015-16	Original Approved 2016-17	Revised 2016-17	Adopted 2017-18
Personnel Services	953,495	965,467	965,467	1,041,468
Contracted Services	46,698	141,716	131,716	139,471
Materials and Supplies	25,749	12,000	12,000	12,000
Other Charges	21,937	45,443	45,443	45,443
Capital Outlay	0	0	0	0
Total	1,047,879	1,164,626	1,154,626	1,238,382

Goals and Objectives

Through delivering exceptional customer service, our mission is to enhance the overall employment experience and respond to the needs of our community.

The Human Resources Department is responsible for providing leadership and direction in areas of responsibility to support the City's success. Major areas of responsibility include:

- Recruitment, staffing, employee relations and compensation management programs.
- Provide sustainable employee benefits designed to meet the needs of the City and our employees including wellness programs
- Administer Civil Service and Meet and Confer.

- The Risk Management Program manages casualty losses and workplace injuries to support our workforce, minimize financial loss and foster a safe work environment.
- Provide centralized citywide organizational development programs.
- To coordinate citywide compliance with the American's with Disabilities Act.

What We Accomplished in 2016-17

- Employee benefits program:
  - Continuation of collaboration with our employee benefits consultant to assist in managing the city's healthcare program.
  - Conducted dependent eligibility audit to ensure only eligible dependents are enrolled in the City's medical plan.
  - Implemented mandatory employee and spouse health risk assessments.
  - Transitioned new third party administrator for medical, dental, COBRA, Flexible Spending Accounts, and retirees.
  - Transitioned to new stop loss carrier.
- Staff Development: Workplace Harassment Training, TML Supervisory Training, Safety Coach Leadership Program and Employee selection and hiring.
- Completed Compensation Study for all employees.
- Employee performance evaluations and pay for performance plan.
- Implemented of NeoGov online applicant tracking system.
- Administered entrance and promotional examinations for the Police and Fire department applicants in accordance with Texas Local Government Code Chapter 143 and Chapter 142 (Meet and Confer)
- Transitioned CVB staff from a contractor to a City Department.
- Completed the update of the ADA transition plan citywide for compliance with the American's with Disabilities Act (ADA).
- Coordinated Identity Theft efforts related to release of over 800 employees' W-2 information.
- Facilitated recruitment and selection process for City Manager, Assistant Director of Community Services-Parks and Recreation, Director of Neighborhood Services, and Emergency Management Coordinator
- Continued flood claim Coordination.
- Enhanced onboarding process to include bi-weekly New Employee Orientation.
- Implemented Employee ID Badge policy and issuance of ID Badges for all employees.
- Implemented Tyler Munis upgrade and testing.
- Issued Temporary Services RFP.

What We Plan to Accomplish in 2017-18

- Phase II of Compensation Study and Update of Sworn Fire and Police Pay Plans.
- Meet and Confer-San Marcos Police Officers Association (SMPOA) and San Marcos Professional Firefighters Association (SMPFFA).
- Implement new employee online onboarding software.
- Continue work on assessment of programs and facilities to update the City's Transition Plan.
- Update of policies to reflect evolving workplace needs.
- Harassment Training for all employees.
- Implement organizational wellness program.
- Recruitment and selection for Assistant Director of Public Services-Electric and Director of Communications/IGR.
- Employee Handbook update.
- NeoGov End User Training.
- Employee Leadership Training.

- Employee Engagement Survey.
- Re-issue Temporary Services RFP.
- Issue RFP for ancillary products (Basic Life and AD&D; Supplemental Employee & Dependent Life; Long Term Disability; Vision).
- OPEB study to look at options for retiree medical coverage.
- Transition to new billing processes and data submission to carriers.
- Create City of San Marcos Employee Benefits Guide for employees.
- Successful Open Enrollment with on-line enrollment and 1095C information gathering tool.

Performance Measures

	Unit of Measure	Actual 2015-16	Estimated 2016-17	Projected 2017-18
Total Number of employees	#	571	655	667
Total Number of employment applications received	#	6,019	8,611	9,000
Voluntary Turnover:				
• Civil Service	%	5.5%	14%	18%
• Non-Civil Service	%	21%	25%	25%
Training & Development	Hours per Employee	1,700	5,926	6,000
ADA Coordination-Site Visits	#	43	42	45
Retirements	#		16	15
Claims Managed:				
• Workers' Comp Incidents Reported	Claims	124	114	120
• Lost time injuries	Claims	5	8	5
• Liability Claims Filed	Claims	88	166	150
• Subrogation Recoveries	Dollars	$117,915	$199,105	$100,000
Family Medical Leave Act Certifications	#	114	81	100
Medical plan-total lives covers	#	1,256	1,223	1,250

Finance

Finance	Positions				Full Time Equivalent			
	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18
Director of Finance	1	1	1	1	1.00	1.00	1.00	1.00
Assistant Director-Budget	0	0	0	1	0.00	0.00	0.00	1.00
Accounting Manager	1	1	1	1	1.00	1.00	1.00	1.00
Purchasing Manager	1	1	1	1	1.00	1.00	1.00	1.00
Accountant	3	3	3	3	3.00	3.00	3.00	3.00
Accounting Associate	1	1	1	1	1.00	1.00	1.00	1.00
Payroll-AR Specialist	2	2	2	2	2.00	2.00	2.00	2.00
Accounting Technician	2	2	2	2	2.00	2.00	2.00	2.00
Financial Program Coordinator	0	1	1	1	0.00	1.00	1.00	1.00
Contracts Administrator/Supervisor	1	1	1	1	1.00	1.00	1.00	1.00
Administrative Coordinator	1	1	1	1	1.00	1.00	1.00	1.00
Mail Services Coordinator	1	1	1	1	1.00	1.00	1.00	1.00
Purchasing Specialist, Senior	2	2	2	2	2.00	2.00	2.00	2.00
Contracts Coordinator	1	1	1	1	1.00	1.00	1.00	1.00
Purchasing Specialist	1	1	1	1	1.00	1.00	1.00	1.00
Mail Services Clerk	1	1	1	1	0.55	0.55	0.55	0.55
Total	19	20	20	21	18.55	19.55	19.55	20.55

Mission Statement

The Finance Department is responsible for the sound fiscal management of all City assets. The department supervises all revenue collections, property tax administration, purchasing, investments, fixed asset management and financial reporting. The need to keep current in staff training and to retain qualified professionals becomes increasingly more important as the City expands its role in economic development through actively participating in various grant programs, analyzing the feasibility of various economic incentive programs and maintaining an up-to-date status on the various laws that affect finance (fiscal impact fee laws, arbitrage, investments, etc.). The purchasing function of the Finance Department continues to produce greater cost savings and services to other City departments.

Expenditures by Category

	Actual 2015-16	Original Approved 2016-17	Revised 2016-17	Adopted 2017-18
Personnel Services	1,513,789	1,593,641	1,593,641	1,754,891
Contracted Services	63,679	53,237	43,237	49,537
Materials and Supplies	32,973	32,169	31,169	34,119
Other Charges	35,629	48,960	48,960	62,680
Capital Outlay	0	0	0	0
Total	1,646,070	1,728,007	1,717,007	1,901,227

Goals and Objectives

- To assure the public protection and an accounting of its assets by way of collaboration effort with the departments and staff.
- To provide accurate and compliant budgeting, accounting and payroll services to City departments in order to manage the City's resources and meet federal, state and GASB requirements.
- To provide operating departments with the goods/services they need in the right quality and quantity, on a timely basis, as efficiently as possible, at the lowest overall cost, and in compliance with City Charter and applicable State Statutes.
- To achieve this objective, the purchasing function seeks to foster as much competition as possible. In doing so, it adopts the goal of fairness by ensuring that all who wish to compete for the opportunity to sell to the City can do so.
- The goal of integrity is woven through the procurement cycle, so as to maintain public's trust and reduce the City's exposure to criticism and suit. This goal is achieved through the requirement of complying with all applicable legal provisions.

What We Accomplished in 2016-17

- Awarded the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting.
- Awarded the Government Finance Officers Association (GFOA) Distinguished Budget Presentation.
- Continued to provide staff support to the Human Services Advisory Board.
- Completed the annual San Marcos Hays County EMS audit.
- Participated in continuing education opportunities in order to maintain certification through NIGP.
- Provided exceptional customer service so that interaction between City staff and the public is timely and professional.
- Enabled vendors on-line access to vendor registration, download bid documents, blueprints and other ensuing documents.
- Provided additional bidding information (deposit logs, etc) available on the City of San Marcos Internet.
- Continued Implementation of Contract Management Software – a tracking software that allows all departments to combine all information on contracts.
- Provided In-house training sessions for purchasing procedures.
- Continued to provide in-house Oracle Financials training.
- Maintained credit rating upgrade from Standard and Poor's on General Obligation Debt from "A+" to "AA-".
- Received credit rating upgrades from Standard and Poor's on Revenue Debt from "A+" to "AA-" and maintained Moody's upgrade of "A2" to "A".
- Completed annual audit in an efficient and timely manner with minimal recommendations and no reportable findings from City's auditors.
- Completed the required Single Audit of all Federal disbursements with no reportable findings or questioned costs.
- Completed the Meet & Confer contracts with Civil-Service Police and Fire Associations.
- Implementation of a successful payroll upgrade to process the updated Meet & Confer contracts
- Implementation of the ACH direct deposit payment option to City's vendors/suppliers.
- Continue to implement process improvements for a paperless environment to increase cost savings and efficiency on all manual processes.
- Completed a depository RFA and awarded a new contract to Wells Fargo. The merchant services RFP will be completed before the end of the year.
- Implemented the new depository changes/updates to the financial, utility and payroll systems.
- Centralized distribution of Request for Quotes and are now available on the Internet.

What We Plan to Accomplish in 2017-18

- Continue to obtain the Distinguished Budget Presentation Award.
- Continue to obtain the Certificate of Achievement for Excellence in Financial Reporting.
- Continue to provide the timely acquisition of all supplies, materials, and services necessary to support the activities of the City in compliance with City Charter and applicable State Statutes.
- Continue to meet the increased demand of purchasing services that are required for projects and initiatives to be undertaken throughout the City organization.
- Maintain proper administrative structures, policies, procedures and reporting to ensure due diligence in the stewardship of public funds, assets, and service delivery.
- Maintain professionalism with ongoing staff educational upgrades, through courses, seminars, workshops and obtaining certifications.
- To consolidate whenever possible to develop more and better competitive bid specifications.
- Maintain and improve all customer service levels in responding to user departments in a timely manner on all procurement matters.
- Add other user departments to the Contract Management Software Program.
- Provide department level training of Oracle Financials, on screen inquiries, printing reports and account tracking.
- Enabled vendors on-line access to vendor registration, download bid documents, blueprints and other ensuing documents.
- Provided additional bidding information (deposit logs, etc) available on the City of San Marcos Internet.

Performance Measures	Unit of Measure	Actual 2015-16	Estimated 2016-17	Projected 2017-18
Work Days/Audit	Number	3	3	3
Accounts Payable Transactions Per Accounts Payable Employee/Monthly	Number	890	925	975
Accounts Receivable Transactions Per Accounts Receivable Employee/Monthly	Number	151	160	160
Number Of Checks Disbursed Per Employee Involved In Process	Number	3,700	4,000	4,500
Number Of Procurement Card Transactions	Number	16,176	15,500	17,000
Pays Processed Per Payroll Employee/Month	Number	599	617	617
GFOA Distinguished Presentation		Yes	Yes	Yes
GFOA Certificate Of Achievement For Excellence In Financial Reporting		Yes	Yes	Yes
Purchase Orders Processed	Number	1,409	2,000	2,000
Invitation For Bid/Request For Proposals Processed	Number	46	59	55
Cooperative Contract Purchases	Number	958	1,453	1,600
Minor Construction Contracts Created	Number	55	95	100
Contracts maintained	Number	259	486	525
% of annual contracts renewed on time	Percent	100%	93.3%	95%
Mail Cost	Number	$53,622	$47,023	$45,000
# of Packages Received by Mail Services	Number	6,641	6,500	6,500
Dollar Amount on P-Card	Amount	$7,552,453	$8,000,000	$8,500,000
Surplus/revenue	Amount	$6,580	$300	$2,000
P-Card Rebate/Cooperative Rebates	Amount	$146,853	$150,000	$150,000
Request for Quotes	Number	86	95	104
Agenda Request Forms	Number	40	52	55

Municipal Court

Municipal Court	Positions				Full Time Equivalent			
	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18
Municipal Court Judge	1	1	1	1	0.48	0.48	0.48	0.48
Alternate Municipal Court Judge	1	1	1	1	0.01	0.02	0.02	0.02
Municipal Court Administrator	1	1	1	1	1.00	1.00	1.00	1.00
Chief Deputy Court Clerk	1	1	1	1	1.00	1.00	1.00	1.00
Deputy Marshal	3	3	3	3	1.33	1.12	1.12	1.12
Deputy Court Clerk	5	5	6	6	5.00	5.00	6.00	6.00
Juvenile Case Coordinator	1	1	1	1	1.00	1.00	1.00	1.00
Total	13	13	14	14	9.82	9.62	10.62	10.62

Mission Statement

The mission of the Municipal Court is to serve the community through the promotion of justice by providing an impartial forum for the resolution of all cases brought before the court in a manner such that legal rights of individuals are safeguarded and public interest is protected.

Expenditures by Category

	Actual 2015-16	Original Approved 2016-17	Revised 2016-17	Adopted 2017-18
Personnel Services	607,899	620,584	620,584	615,285
Contracted Services	41,510	58,592	58,592	158,292
Materials and Supplies	17,895	19,277	19,277	19,277
Other Charges	7,859	16,710	16,710	16,710
Capital Outlay	0	0	0	0
Total	675,163	715,163	715,163	809,564

Goals and Objectives

- Access to Justice
  - Integrate court software with new parking enforcement software.
  - Provide internet access to court software to parties with cases in court, to include defendants, attorney's and law enforcement.
- Expedition and Timeliness
  - Complete ticket writer implementation to improve data entry process.
  - Continue review of older cases for status updates.
  - Continue collections efforts thru court marshals and collections company.
- Equity, Fairness & Integrity
  - Integrate all legislative changes into court operations
  - Ensure alternate resolutions are available for indigent defendants.
- Independence and accountability
  - Ensure all state and local court reports are filed in a timely manner.
  - Maintain staff development programs to retain a professional, well-trained, customer service oriented workforce to better serve the needs of the public.

What We Accomplished in 2016-17

- Conducted outreach programs with local schools to include a mock trial at the San Marcos High School.
- Provided assistance with the SMPD ticket writer project.
- Troubleshot new court software enhancing workflow and court processes.
- Partnered with local Municipalities to make contact with defendants in other cities with San Marcos warrants.
- Court continues its case audit of older cases older than 1997 thru 2005 to ensure compliance with the law regarding filing requirements and retention.

What We Plan to Accomplish in 2017-18

- Contract for services to include additional technological advances for improved service and access.
- Expand court outreach programs.
- Develop partnership programs to address community service opportunities for defendants to include opportunities with other City departments.
- Expand options for classes/programs to assist with redirecting juvenile behavior.
- Continue working with the collections company to address non compliant defendants.
- Continue partnering with other cities for warrant service.
- Continue with audit of older cases.

Performance Measures

	Unit of Measure	Actual 2015-16	Estimated 2016-17	Projected 2017-18
Total Number of cases filed	ea	17,835	16,500	17,500
Revenue (includes state and city revenue)	$	1,917,910	1,800,500	1,880,500
Total Number of cases disposed	ea	12,806	12,200	12,600
Community service	ea	173	190	250
Cases disposed prior to trial	ea	7,902	7,600	7,800

Technology Services

Technology Services	Positions				Full Time Equivalent			
	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18
Director of Information Technology	1	1	1	1	1.00	1.00	1.00	1.00
Business Services Manager	1	1	1	1	1.00	1.00	1.00	1.00
Infrastructure Manager	1	1	1	1	1.00	1.00	1.00	1.00
Technology Project Manager	1	1	1	1	1.00	1.00	1.00	1.00
Delivery Manager	1	1	1	1	1.00	1.00	1.00	1.00
System Administrator	2	3	3	3	2.00	3.00	3.00	3.00
Network Administrator	3	2	2	2	3.00	2.00	2.00	2.00
Support Analyst	2	3	3	4	2.00	3.00	3.00	4.00
Business Systems Analyst	2	2	2	2	2.00	2.00	2.00	2.00
Administrative Assistant	1	1	1	1	1.00	1.00	1.00	1.00
Total	15	16	16	17	15.00	16.00	16.00	17.00

Mission Statement

The mission of the Technology Services Department is to oversee and coordinate new and existing technological resources for the City of San Marcos by providing recommendations, implementation and technical support of voice and data information systems.

Expenditures by Category

	Actual 2015-16	Original Approved 2016-17	Revised 2016-17	Adopted 2017-18
Personnel Services	1,384,092	1,547,119	1,447,119	1,541,381
Contracted Services	197,118	245,425	225,425	214,345
Materials and Supplies	33,299	33,263	33,263	33,263
Other Charges	67,882	83,274	73,274	101,274
Capital Outlay	0	0	0	0
Total	1,682,391	1,909,081	1,779,081	1,890,263

Goals and Objectives

- To provide quality IT Support Services to all Departments.
- To provide quality network and data services to all Departments.
- To provide quality application support to all Departments.
- To provide quality telecommunications to the Departments.
- To empower users to be more efficient and effective through technology.
- To build and maintain the necessary infrastructure to ensure reliability and quality of service.
- To assist all Departments in meeting goals set forth by the City Council.

What We Accomplished in 2016-17

BUSINESS SERVICES TEAM

- Tyler Munis HR/Payroll
- City Website Redesign
- Wyse Device/Appsense Rollout
- Taser Police Dept
- W/WW SCADA
- Fire MDTs
- Higherground for PD
- Office 365 –
- Brazos Ticket Writers, PD
- NEOGOV
- City Wide Security
- Maximo and Tyler Munis Integration
- PD to access all Video Security Cameras from MDTs
- NeoPost mail tracking software
- Zoll Upgrade
- Shelter Track Upgrade
- WIC transition to City Network
- UB Electronic Signature Pad Project
- WWW SCADA
- eProcurment - CivicPlus Bidding Module
- TLC Upgrade
- Blood Search Warrants
- Traffic Forecasting - TransCAD
- Infoworks ICM – 2D Modeling
- Pontem: Upgraded
- Tyler Upgrade 11.3
- Spanish IVR
- Wavetronix Data Collector(Transportation)
- Ticket writers – PD
- Electric SCADA upgrade
- AriesPro
- Telstrat Upgrade
- NuPark LPR
- Justice Web
- data migration from Coban Video into Evidence.com
- iLobby for PD visitor solution
- City Wide Signatures

NETWORK TEAM

- Upgraded Horizon View Infrastructure
- PD Isolation project
- Wireless for City Park/Harris Building/ Sights and Sounds
- Connected Buda PD to City network for access to CIS CAD system
  Upgraded infrastructure monitoring software
- Increased City internet (doubled connection speed
- Migrated City user profiles to the new DFS share for a more reliable file share solution

- Assisted with fixing an electrical short at San Marcos Substation that brought down SCADA monitoring for Electric Utility.
- Security Posture Assessment with AT&T and Fortinet for our yearly assessment.
- Purchased new Storage Solution
- Conducting dark fiber audit on City backbone fiber
- Installed and configured point-to-point connections to SMEU McCarty Substation replacing degrading radio backhaul equipment
- Updated vital server backup application software enhancing performance and functionality
- Established secured connection to SMCISD's video surveillance system for Police remote access during emergencies
- Updated virtual infrastructure backend server software
- Conducted audit and testing of City backbone fiber infrastructure to identify issues.
- Installed new temperature and humidity monitoring equipment in datacenter to alert and notify of changes and issues.
- Purchased database monitoring tool
- Migrated the Marshalls office to the City network.
- Installed new Watchdogs monitoring devices in our Data Centers to alert Department of temperature changes.
- Purchased a bore and conduit under HWY 80 Blanco River in support of fiber expansion project.
- Present Phishing awareness and training to all departments.
- Setup temporary computers for the Library after water damaged 14 machines
- Expanded City network connectivity to the new street crew building at the 40 Acres yard.
- Updated PD Palo Alto firewalls
- Added point-to-point connectivity to Hilltop substation to provide network access to new communication building
- Firewall new feature implementation – Dynamic External Block lists
- Completed Water SCADA server and network installation
- Installed new Disaster Recovery storage system at Muni and DR datacenters
- Connected new Hilltop electrical communications building to City network through wireless point-to-point system
- Worked with Engineering department on submitting project to replace Franklin Water Tank with monopole tower
- PD vCenter and ESXi upgrade from 6.0 to 6.5
- Brian Henry, Adam Monsen, Felicia Porter and Alex Whiteraft completed ITIL foundations training and certification
- Installed and configured new Blade server chassis and storage array at DR site in lieu of DR upgrade project
- Setup redundant connection with Hays County for CIS CAD access
- Working with Texas State IT Department in setting up redundant connection for CIS CAD access and emergency internet services
- Upgraded network Time Servers at Muni and PD
- Upgraded virtual infrastructure (VMware) at Muni and PD datacenters
- Installed new network equipment to sites for the Network Refresh project
- New horizon infrastructure at PD to allow officers access to virtual machines remotely
- Implemented new secured infrastructure for the Water SCADA system
- Assisted with Electric SCADA upgrade, reconfigured substations to communicate with new SCADA servers.
- Converted Lockhart WIC office to a remote branch office and added it to the City network and will be adding Kyle, New Braunfels, and Seguin in the coming weeks
- Implementation of 40GB internal fiber ring

- Upgrade of VMware Horizon View to 7.2
- IT Department won the 2017 PTI Technology Solutions Award for the Library customer machine solution implemented in 2016.

SERVICE DESK TEAM
Total Tickets Closed: 6,501
Total Tickets Opened: 6,484

- Zoll/MDT Upgrade for fire
- Kaspersky License renewal + rollout of Kaspersky for Virtualization.
- Moved Library Learn Linked clones to Horizon 7
- Citywide signatures.
- Security & Compliance rule to filter/encrypt outgoing confidential information
- Kiosk VMs for Library, Permit, CVB
- ITIL Foundations for Alex and Felicia
- BOSSdesk ticketing and asset management software.
- Pano Replacement Completion
- Zoll Upgrade to 5.0.3
- Pontem Server Upgrade to 4.5.5.101
- Smeu Electric Scada Upgrade
- Report Bridge Application Upgrade for Coplogic
- Wavetronix Traffic Data Collector Installation
- Migrated the remaining City Virtual Machines from Horizon 6 to Horizon 7
- Started Department .pst file migration to cloud.
- Installed Server cluster failover for VHD files
- Turned off RDP from outside of the City as a security measure.

What We Plan to Accomplish in 2017-18

New Technology:

- License Plate Recognition
- City Email Signature
- City Website – Intranet
- AriesPro Utility Analytics
- Electric Substation Connectivity
- TransCad
- Infoworks ICM (2D modeling)
- Security (Door Access & Cameras)
- Fire Station #4 –Fiber connection
- Neo Gov
- Office 365 PST file migration
- City-wide wireless project
- Disaster Recovery Plan and Procedures
- Fiber Network Expansion
- Monopole Tower Build
- Network Infrastructure Refresh
- Fiber Connection to TX State – redundant
- Fiber Connection to Hay County - redundant
- TX State 5G Cell Research Grant
- Voicemail Upgrade

- Tower Expansion
- Library Expansion
- Court Justice Web
- PD Remodeling
- Police Ticket Writers
- PD Visitor Log
- Public Services new facility
- UB Yukon Implementation
- WIC migration on City Network
- WWW SCADA System
- ARCGIS Portal
- ARCGIS upgrade
- GIS Data Reviewer
- GIS WIKI
- Easement Transfer
- Web Mapping and Applications
- Storm Water GIS Schema redesign
- Itron metering reading upgrade
- Customer Connect upgrade
- mCare Maximo interface
- Body Camera expansion
- Office 365 OneDrive
- UB Kiosk – Drive through
- Parking Management - SmartSensing

Performance Measures	Unit of Measure	Actual 2015-16	Estimated 2016-17	Projected 2017-18
Network Uptime				
Period of time measured Oct 1 to Sept 30. As of this date we have experienced various network outages, lasting less than a day.	%	98	98	99
Application Uptime				
Period of time measured Oct 1 to Sept 30. As of this date we have experienced twenty nine server/application outages, lasting less than a day.	%	93	92	95
Telephone Uptime				
Period of time measured Oct 1 to Sept 30. As of this date we have experienced various outages lasting less than a day, due to the telecommunication upgrade.	%	98	98	99
Completion Ratio of Critical calls in the allotted time defined in the Technology Service Level Agreement (1 day).	%	88	90	93
Completion Ratio of all non-critical calls in the allotted time defined in the Technology Service Level Agreement.	%	91	93	93

GIS

GIS	Positions				Full Time Equivalent			
	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18
GIS Enterprise Manager	1	1	1	1	1.00	1.00	1.00	1.00
GIS Analyst	1	1	1	1	1.00	1.00	1.00	1.00
GIS Intern	2	2	2	2	0.96	0.96	0.96	0.96
Total	4	4	4	4	2.96	2.96	2.96	2.96

Expenditures by Category

	Actual 2015-16	Original Approved 2016-17	Revised 2016-17	Adopted 2017-18
Personnel Services	185,417	204,912	204,912	213,951
Contracted Services	12,194	15,900	15,900	15,900
Materials and Supplies	8,073	9,150	9,150	9,150
Other Charges	8,262	12,550	12,550	12,550
Capital Outlay	0	0	0	0
Total	213,946	242,512	242,512	251,551

Mission Statement

The City of San Marcos GIS mission is to practice responsive, collaborative and innovative approaches to GIS. The City GIS staff will provide geospatial information and applications to city employees and the public in order to enhance city operations, improve decision making, and provide excellent customer service.

Strategic Themes and Goals

- Make GIS Data and tools easily accessible to city staff and public.
- Provide GIS/GPS training to City staff on GIS data and applications.
- Develop data collection, creation, submission, and storage standards to ensure accurate and consistent GIS data.
- Create and maintain a data access plan for GIS data.
- Maintain cartographic standards and improve methods for generating maps to increase efficiency and timeliness of customer service.
- Create and maintain Data Standards for consistent data storage and access.
- Maintain a strong web presence for staff and the public.
- Develop customized GIS tools to meet production needs.
- Monitor GIS data distribution to and from other agencies, businesses and customers.
- Stay current with industry standards and trends in software and hardware technology.

What We Accomplished in 2016-17

- Redesign of Water and Wastewater data to Local Government Information Model.
- Maintained and updated information on the Division city website. Increases use of ArcGIS Online for map resources.
- Created Situational Awareness Map for Emergency Operations Center
- Implemented a scheduled maintenance policy for GIS.
- Completed 2nd fire hydrant inventory using Collector Application.
- Presented at Civic Citizens Academy.
- Collector app for Parking Enforcement
- Participated in GIS Day in conjunction with Texas State University.
- Implemented GIS track-it ticket strategy to monitor technical support, map, data, and analysis requests in Boss Desk.
- Implemented Change Management Strategy.
- Database replication.
- Implemented scheduled monthly database and server maintenance.
- Automated tasks for database compression and autoid features for Maximo
- Train newly hired GIS Analyst for Engineering/CIP.
- Continue working with County to build a cooperative Emergency Operation Application.
- GISP recertification for GIS Enterprise Manager.
- Upgrade GIS to 10.4
- Install GIS for Portal.
- GIS Team building

What We Plan to Accomplish in 2017-18

- Redesign CIP Dataset, Storm Water Management dataset, Communication Dataset and Emergency Services Dataset data to Local Government Information Model.
- Draft Change Management Policy.
- Implement Parcel Fabric model for maintaining cadastral (land based features) data.
- GIS integration with other City enterprise application software (CIS).
- Professional GIS Certification for GIS Analyst.
- Refine GIS presence at EOC.
- Complete GIS documentation of GIS Enterprise Manager tasks and responsibilities.
- Configure GIS for Portal and complete testing.
- Take ownership of new LiDAR data, new orthoimagery.
- Generate new contours from LiDAR data.

Performance Measures

	Unit of Measure	Actual 2015-16	Estimated 2016-17	Projected 2017-18
GIS Steering Committee Meetings	#	4	4	4
GIS Workgroup Meetings	#	12	12	12
Data coordination with multiple (7) Regional/County/State agencies – Hays County, Hays Central Appraisal District, Comal Appraisal District, Caldwell County Appraisal District, Guadalupe Appraisal District, Greater San Marcos Partnership, and Capitol Area Council of Governments.	#	7	7	7
Availability and accessibility to GIS System uptime, exclusive of scheduled maintenance.	%	99.9	99.9	99.9
GIS professional certification of not less than two City employees in the use of ArcGIS applications annually.	#	1	2	1
Obtain state and/or national recognition for excellence in Municipal GIS.	#	2	2	2
Participate in Yearly GIS Day	#	1	1	1

Development Services Administration

Development Services Administration	Positions				Full Time Equivalent			
	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18
Director of Development Services	1	1	1	1	1.00	1.00	1.00	1.00
Asst Director of Development Services	1	1	1	1	1.00	1.00	1.00	1.00
Administrative Coordinator	1	1	1	1	1.00	1.00	1.00	1.00
Total	3	3	3	3	3.00	3.00	3.00	3.00

Mission Statement

To serve today's community development needs, while actively planning for the needs of tomorrow.

Expenditures by Category

	Actual 2015-16	Original Approved 2016-17	Revised 2016-17	Adopted 2017-18
Personnel Services	412,442	457,803	457,803	578,824
Contracted Services	28,366	49,748	49,748	50,446
Materials and Supplies	24,730	29,751	29,751	27,751
Other Charges	69,503	78,540	78,540	80,740
Capital Outlay	0	0	0	0
Total	535,041	615,842	615,842	737,761

Goals and Objectives

- To effectively manage change within the community due to growth and development activity by carrying out the adopted Council policies and goals. The division provides professional expertise in the area of real estate development and city planning.
- To provide a high level of professional services to the varied stakeholders served, including builders, developers, land owners, neighborhood groups, business owners, City Commissions, allied governmental jurisdiction and the citizens of the community.
- To enhance the Community's economic competitive advantage and livability by encouraging high quality growth and development practices.
- To protect the health, safety and quality of life of the citizens of San Marcos through the effective administration of adopted building and development codes.
- To provide a single point of contact for pre & post entitlement procedures within the community.
- To be responsive to the needs of our customers by coordinating and performing timely reviews of permit applications for post entitlement permits.
- To comply with local and state laws regarding contractor qualification and licensing requirements.
- To provide floodplain development management and floodplain administration in accordance with the Federal Emergency Management Agency (FEMA).
- To improve the quality of life of low to moderate-income San Marcos residents by using the Community Development Block Grant (CDBG) Program to support public service programs, and housing and public facility/infrastructure/transportation projects.
- To promote fair and equitable housing transactions for all San Marcos residents through Fair Housing Act education and outreach activities.

- Use the proper development tools and regulations to implement the Comprehensive Master Plan vision for the community.

What We Accomplished in 2016-17

Planning-Permitting

- Streamlined the Pre-Development Meeting process by allowing online meeting selection and application.
- Updated the Planning & Development Services Fee schedule based on the actual cost of providing various services.
- Worked with Engineering and Public Services to update the City's Land Use Assumptions Report for the purpose of applying impact fees to developments.
- Drafted Edits to City Code, the Technical Manual and Development Guide to implement CodeSMTX.
- Successfully completed a 9 month negotiation process with approval of a Planned Development District for the 700 acre Whisper Texas Project.
- Reviewed duties of the Comprehensive Plan Oversight Committee
- Continued Code SMTX, the rewrite of the Land Development Code including the development of a code strategy report with the Think Tank
- Completed a Final Draft of CodeSMTX
- Processed and reviewed multiple large development projects including review of development agreements, public improvement districts, municipal utility districts and associated planned development districts
- Continued the Transportation Master Plan update along with Engineering/CIP
- Continued integration of GIS & Addressing within MyPermitNowApproved LDC amendments addressing prominent city issues including Purpose Built Student Housing, Home Share Rentals, and Commercial and Industrial Masonry StandardsContinued the Development Review Committee meetings on Thursday afternoons
- Continued staff support for City boards and commissions including Planning & Zoning Commission (P&Z), Historic Preservation Commission (HPC), Zoning Board of Adjustments (ZBOA). This averages 35 regular meetings a year.
- Facilitated Commission members, board members and staff attending specialized training and workshops.
- Maintained partnerships with local community groups.
- Facilitate presentations and recommendations for City Council which averages to approximately 30 meetings
- Continued to make improvements to streamlining the building permitting and inspection processes
- Permitted $161 Million in residential & commercial construction value in fiscal year 2016
- Generated $1.7 Million in permit fees in FY 2016 and on track to meet or exceed this figure for FY 2017
- Expanded use of MyPermitNow to allow for application for the Home Share Rental program

Community Initiatives

- Led the HUD-DR group in the implementation of the CDBG-DR grant.
- Built internal capacity to achieve the federal register requirements of the CDBG-DR grant including: hiring additional staff, procuring an internal auditor; and procuring a contractor to provide the Case Management and Pre-Construction services for the Housing Program.
- Implemented a second assessment of CDBG-DR housing needs through a door-to-door survey and a mailed survey that was sent to all property owners in the affected areas.
- Conducted nineteen (19) CDBG-DR presentations and workshops.
- Managed the completion of CDBG-DR federal compliance requirements.
- Revised the CDBG-DR Action Plan through the completion of three (3) amendments.
- Completed Amendment No. 1 to the 2015 – 2019 Consolidated Plan.
- Updated the Analysis of Impediments to Fair Housing Choice and received approval from HUD.
- Completed three (3) CDBG-DR Quarterly Performance Reports (QPR).
- Managed the CDBG-DR audit contractor's work.
- Developed the CDBG-DR Housing Program procedures.

- Facilitated three (3) Housing Application Workshops for the CDBG-DR Housing Programs and the first round of housing applications.
- Managed the Case Management and Pre-Construction Services contractor.
- Successfully completed the Consolidated Annual Performance Evaluation Report for PY2015
- Rehabilitated the houses of seven low-income families.
- Monitored 4 non-profit recipients of CDBG funding.
- Achieved federal timeliness requirement of < 1.5 in CDBG line of credit as of 8-2-17.
- Conducted a Subrecipient Workshop, provided technical assistance, and oversaw CDBG Program compliance for six subrecipient-managed programs.
- Reviewed and approved 10 City-funded and 4 First-Time Homebuyer loans
- Completed 26 environmental reviews.
- Completed the Action Plan process for the CDBG-DR program, including an extensive unmet needs analysis and risk assessment process.
- Began to work on a community-driven Affordable Housing Program.

What We Plan to Accomplish in 2017-18

Planning-Permitting

- Complete adoption of Code SMTX and began next phase of Planning and Implementation
- Participate in completion and adoption of Transportation Master Plan
- Begin implementation of CodeSMTX through city initiated rezoning in select small areas
- Propose 6 month and 1 year amendments to CodeSMTX after adoption to correct or modify standards that are not working as intended.
- Continue implementation of annexation strategy
- Continue implementation of Vision San Marcos by working with other departments to track progress toward Five Year Action Items and update as necessary
- Continue to work with Finance and Engineering/CIP to align Capital Improvements Program to Vision San MarcosReview and update all development guides and manuals to support the new standards adopted in CodeSMTX and the Transportation Master PlanExpand use of MyPermitNow to provide additional information to the public and improve internal processespand type of permits that can be applied for through MyPermitNow including Health, rental registrations, OSFF, state facilities and special events.
- Continue customer interface as well as internal process improvements for MyPermitNow
- Utilize MyPermitNow to streamline the electric billing process for commercial projects.
- Monitor and maintain current systems to ensure the process functions efficiently.
- Draft Planning Procedures Manual providing clear information about department functions for new employees and cross-training
- Update the Development Guide and design a Pre-Development packet for distribution and online access
- Develop a plan for increased neighborhood outreach
- Develop and Implement a CUP audit tracking and enforcement program
- Conduct fee analysis
- Improve the stand alone certificate of occupancy application process and integration of the health department.
- Formalize the process for TxState Impact Fees intake.
- Implement Phase II Electric policy and provide education to customers.
- Develop policies for ETJ and Irrigation inspections in coordination with Public Services.
- Bring forward for adoption, by Council, the 2015 Energy Code and provide education to the public in regards to.

Community Initiatives

Continue to provide programs and services to assist low-to-moderate income families through the CDBG-DR, CDBG, and related programs.

- Lead the HUD-DR group consisting of staff representing the City Manager's office, planning and development services, finance, engineering, communications, legal, and purchasing to achieve CDBG-DR grant compliance.
- Manage the CDBG-DR Housing Programs and contractor.
- Implement the construction phase of the Housing Rehabilitation and Reconstruction programs.
- Complete twenty-five (25) CDBG-DR housing rehabilitation or housing reconstruction projects.
- Continue to hold public meetings and present CDBG-DR information to the public through presentations, City Council meetings, and public workshops.
- Rehabilitate twenty-one (21) owner-occupied houses through BR3T and Southside Community Center's summer program utilizing CDBG funds.
- Rehabilitate owner-occupied houses impacted by the 2015 floods.
- Conduct the Davis-Bacon Labor Standards requirements for two (2) CDBG projects and six (6) CDBG-DR projects.
- Complete improvements to Veterans Park.
- Complete improvements to Dunbar Park.
- Provide direct homebuyer assistance with closing cost and down payment programs as funds are available.
- Funding CentTex Dispute Mediation Services to provide services to victims of domestic violence.
- Provide services to abused and neglected children through funding CASA.Provide scholarships to low-to-moderate income San Marcos children through recreation fee scholarships.
- Support children and victims of family violence through the renovation of portions of the Hays County Women's Center
- Develop a community-driven Affordable Housing Program.

Ongoing work with the Community

- Represent to the public the full function of the Development Services Division by increasing transparency and access to information and increasing visibility in the community as a whole.
- Expand efforts for community education and strengthen ties to the professional building community in San Marcos and the region.
- Better use the departmental website to improve public relations and transparency, while providing useful, accessible information to the public.
- Prepare a housing and real estate market analysis profile providing current demographic information, development activity, a community profile (including information from other levels of government) and development information (including average processing times) for use by the public and potential investors in the City.

Performance Measures

	Unit of Measure	Actual 2015-16	Estimated 2016-17	Projected 2017-18
Annexed Land Area (*Increase in area anticipated because of Annexation Strategy)	# Of Acres	1391.03	100	554.74
Conditional use permits	# Of Cases	39	33	45
Support of board and commission meetings and other public meetings	# Of Mtgs Staffed	42	45	48
Review of development permits on historic properties	# Of COA's Reviewed	32	25	36
LDC Amendments Processed (*Major revision anticipated)	Ordinances	4	4	4
Variances processed	# of Cases	11	8	10
Preferred Scenario Amendments	# of Cases	2	4	5
Subdivision plats and concept plans processed	# of plats	53	43	60

Planning-Permit Division

Development Services Planning/Permit Center	Positions				Full Time Equivalent			
	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18
Planning Manager	1	1	1	1	1.00	1.00	1.00	1.00
Permit Manager	1	1	1	1	1.00	1.00	1.00	1.00
Planning Coordinator	1	1	1	1	1.00	1.00	1.00	1.00
Senior Planner	1	1	1	1	1.00	1.00	1.00	1.00
Planner	2	2	2	2	2.00	2.00	2.00	2.00
Planner Tech	2	2	2	2	2.00	2.00	2.00	2.00
GIS Analyst	1	1	1	1	1.00	1.00	1.00	1.00
Building Services Coordinator	1	1	1	1	1.00	1.00	1.00	1.00
Engineering Technician	1	1	1	1	1.00	1.00	1.00	1.00
Permit Technician	1	1	1	1	1.00	1.00	1.00	1.00
Building Permit Specialist, Senior	1	1	1	1	1.00	1.00	1.00	1.00
Building Permit Specialist	1	1	1	1	1.00	1.00	1.00	1.00
Total	14	14	14	14	14.00	14.00	14.00	14.00

CDBG	Positions				Full Time Equivalent			
	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18
Housing/Community Development Manager	0	0	1	1	0.00	0.00	1.00	1.00
Community Initiatives Program Administrator	1	1	1	1	1.00	1.00	1.00	1.00
Community Initiatives Technician	1	1	1	1	0.50	0.50	1.00	1.00
Total	2	2	3	3	1.50	1.50	3.00	3.00

Expenditures by Category

	Actual 2015-16	Original Approved 2016-17	Revised 2016-17	Adopted 2017-18
Personnel Services	916,156	1,041,928	1,041,928	1,075,302
Contracted Services	128,181	135,791	115,791	135,791
Materials and Supplies	12	0	0	0
Other Charges	3,324	5,635	5,635	5,635
Capital Outlay	0	0	0	0
Total	1,047,673	1,183,354	1,163,354	1,216,728

Performance Measures

	Unit of Measure	Actual 2015-16	Estimated 2016-17	Projected 2017-18
MPN Online Applications Processed	#	1,943	2,843	3,412
Total Value of Building Permits	$	161M	228M	274M
Gross Permit Revenue	$	1.7M	1.9M	2.3M
Number of Permits Issued (Fence, Plumbing,etc)	#	3,649	4,021	4,825
Number of Building Permits Issued	#	554	652	782
Number of Site Preparation Permits Issued	#	19	11	13
Public presentations/workshops hosted promoting the CDBG Program/Fair Housing	#	5	11	15
City-funded Homebuyer loan applications Reviewed/Approved	#	8	18/16	8
CDBG First-Time Homebuyer Loans Reviewed/Approved	#	3	11/2	0
Project Environmental Reviews Performed	#	11	26	66
Projects Monitored for Davis Bacon & Related Acts Compliance	Project/ Contract Subs	0	0	8
Number of on-site Sub-recipient monitoring reviews performed	#	4	3	4
Funding applications reviewed for eligibility	#	10	11	11
CDBG-DR – Public presentations and workshops	#	11	19	20
Community Needs Assessment-public meetings/workshops	#	5	10	5
CDBG-DR Housing Applications received	#	0	52	60
Completed CDBG-DR Housing Rehabs of Reconstructions	#	0	0	25
Completed demolition projects	#	1	1	0
Completed CDBG housing rehab projects	#	7	7	21
Complete park improvements	#	0	0	2

Inspections

Development Services Inspections	Positions				Full Time Equivalent			
	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18
Chief Building Official	1	1	1	1	1.00	1.00	1.00	1.00
Senior Inspector and Plans Examiner	2	2	2	2	2.00	2.00	2.00	2.00
Combination Inspector	1	2	2	2	1.00	2.00	2.00	2.00
Total	4	5	5	5	4.00	5.00	5.00	5.00

Expenditures by Category

	Actual 2015-16	Original Approved 2016-17	Revised 2016-17	Adopted 2017-18
Personnel Services	344,082	439,241	439,241	435,516
Contracted Services	8,415	10,560	10,560	10,560
Materials and Supplies	10,832	2,038	2,038	2,038
Other Charges	1,958	2,000	2,000	2,000
Capital Outlay	0	0	0	0
Total	365,287	453,839	453,839	450,114

Engineering

Engineering	Positions				Full Time Equivalent			
	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18
Director of Engineeering/Cap Improv	0	1	1	1	0.00	1.00	1.00	1.00
Senior Engineer	2	6	6	6	2.00	6.00	6.00	6.00
Project Engineer II	2	0	0	0	2.00	0.00	0.00	0.00
Engineering Technician II	0	1	1	1	0.00	1.00	1.00	1.00
Engineering Inspections Manager	1	1	1	1	1.00	1.00	1.00	1.00
Engineering Inspector	4	4	4	4	4.00	4.00	4.00	4.00
Administrative Assistant	1	1	1	1	1.00	1.00	1.00	1.00
Administrative Coordinator	1	1	1	1	1.00	1.00	1.00	1.00
GIS Transit Analyst	1	1	1	1	1.00	1.00	1.00	1.00
Engineering Tech/Graduate Engineer	2	1	1	1	2.00	1.00	1.00	1.00
Engineer in Training	1	1	1	1	1.00	1.00	1.00	1.00
Real Estate Acquisitions Administrator	1	1	1	1	1.00	1.00	1.00	1.00
Total	16	19	19	19	16.00	19.00	19.00	19.00

Mission Statement

To provide comprehensive engineering and inspection services to the citizens of San Marcos and other City departments in order to manage the City's infrastructure, protect the environment and insure public health and safety.

Expenditures by Category

	Actual 2015-16	Original Approved 2016-17	Revised 2016-17	Adopted 2017-18
Personnel Services	1,411,960	1,799,623	1,649,623	1,902,177
Contracted Services	144,697	171,651	161,651	175,129
Materials and Supplies	39,803	40,845	40,845	37,345
Other Charges	48,353	65,270	65,270	65,770
Capital Outlay	0	0	0	0
Total	1,644,813	2,077,389	1,917,389	2,180,421

Goals and Objectives

- Provide comprehensive engineering and development review of projects
  - Tract number of reviews and review times for various plans/permits to track performance
  - Provide additional staff for review of new floodplain modeling requirements and enhanced water quality requirements in Code SMTx
  - Provide Tech Manual and other design information to development community to increase quality of submitted plans.
- Provide outstanding project management on capital improvement projects
  - Implement DR projects and expedited drainage projects per Council direction
  - Coordinate project scope and include plan review with other city departments

    - Maintain project schedules and communicate status with the public
    - Tract Change Orders and construction completion times on projects
- Protect the environment and ensure public health and safety with proper inspection services
    - Provide inspection training
    - Tract workload to insure adequate inspection time to ensure quality construction
- Effectively plan and manage the City's infrastructure
    - Update Master Plans on 5-year interval
    - Continue to review financial and workload constraints during development of annual CIP update

What We Accomplished in 2016-17

- Started construction on 8 projects: Victory Gardens Subdivision Underground Ductbank, Sessom Bike/Ped and Peques Intersection, Reclaimed Water System Transmission Line, Franklin Water Tank Demo, Midway Water Tank Demo, East Side Interceptor 36-in Wastewater, Guadalupe Street Sidewalk Widening and Beautification, N LBJ Wastewater and Oakridge Lift Station.
- Completed a total of 12 projects which included: N. LBJ Reconstruction, Girard/Earle Drainage, Midway Water Tank Demo, GBRA Flood Study, Victory Gardens Subdivision Underground Duct Bank, Airport Water and Wastewater, Airport Control Tower Driveway and Drainage Improvements, IH-35 at Yarrington Utilities, East Side Interceptor 36-in Wastewater, River Road Outfall, Victory Gardens Drainage Willow Springs Creek Imps, Sessom Underground.
- Began the implementation of the HUD-DR Projects.
- Started the Impact Fee Update and continued w/ Stormwater and Transportation/Greenways Master Plans.
- Provided a master project schedule and quarterly department progress report.
- Developed web based CIP Project Dashboard to report on CIP project status.
- Compiled department project workload on a 3 year basis and effectively managed over 90 projects.

What We Plan to Accomplish in 2017-18

- Start Construction on 22 projects, which includes: Victory Gardens Subdivision Improvements, City Park Biofiltration Pond, Airport Master Plan, Reclaimed Water Elevated Storage Tank, Posey Road Bridge Utilities, CM Allen Reconstruction, Cottonwood Creek 24-in Waterline, Mill Street, Main Lift Station Force Main & Reclaimed Water Imps, Cheatham St and Blanco River Waterline Imps, Coers Drive Imps, SSES EARZ Repairs, Downtown Water Quality Pond, Airport – Hangar Development, Reclaimed Water Pump Station Upgrades, Bishop Sidewalk, Travis St Heritage Drainage Outfall, William Pettus Drainage, River Road Pavement and Bank Stabilization, Sunset Acres Subdivision Study, Wonderworld Dr and Hunter Rd. Intersection Imps, Primrose Way Water.
- Complete construction on 17 projects such as: Loop 82 Overpass, N. LBJ Wastewater/Oakridge Lift Station, Sessom Bike/Ped and Peques Imps, USACE TSP Chief's Report, Guadalupe St. Sidewalk Widening and Beautification, Wastewater System Planning, McKie and Lee St Imps, City Park Biofiltration Pond, CM Allen Reconstruction, Cottonwood Creek 24 In Water Line, Mill Street, Cheatham St and Blanco River Waterline Imps, Downtown Water Quality Pond, Airport – Hangar Development, Bishop Sidewalk, William Pettus Drainage, River Road Pavement and Bank Stabilization.
- Continue to improve communications for ongoing construction.
- Continue to effectively manage over 90 projects.
- Complete Update of Transportation, Greenways and Stormwater Master Plans and Impact Fee Update.

Performance Measures

	Unit of Measure	Actual 2015-16	Estimated 2016-17	Projected 2017-18
Percent of design projects on schedule	%	68	56	75
Percent of construction projects on schedule	%	67	63	75
Percent of projects completed on time	%	100	63	83
Avg percent spent over original contract amount	%	17	10	5
Percent of Watershed Protection Plan reviews meeting the 10 day goal	%	23	18	40
Percent of Public Improvement reviews meeting the 10 day goal	%	10	18	40
Percent of Site Development reviews meeting the 10 day goal	%	47	68	75
Number of projects with Acquisition Services	#	21	29	30
Number of Project and ROW Inspections	#	332	313	325

Fire Operations

Fire Services	Positions				Full Time Equivalent			
	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18
Fire Chief	1	1	1	1	1.00	1.00	1.00	1.00
Assistant Fire Chief	2	2	2	2	2.00	2.00	2.00	2.00
Battalion Chief	5	5	5	5	5.00	5.00	5.00	5.00
Fire Captain	15	15	15	15	15.00	15.00	15.00	15.00
Fire Engineer	18	18	18	18	18.00	18.00	18.00	18.00
Fire Fighter	30	33	33	32	30.00	33.00	33.00	32.00
GIS Analyst	0	0	0	1	0.00	0.00	0.00	1.00
Administrative Coordinator	1	1	1	1	1.00	1.00	1.00	1.00
Administrative Assistant	1	1	1	1	1.00	1.00	1.00	1.00
Total	73	76	76	76	73.00	76.00	76.00	76.00

Mission Statement

The Fire Operations Department is committed to the people, property and environment of San Marcos from the harm of fires, life-threatening medical emergencies and sudden dangerous physical conditions that threaten our health and safety. We serve the public with efficiency and effectiveness.

Expenditures by Category

	Actual 2015-16	Original Approved 2016-17	Revised 2016-17	Adopted 2017-18
Personnel Services	7,843,857	8,151,476	7,831,476	8,374,825
Contracted Services	100,654	143,411	143,411	141,572
Materials and Supplies	385,640	260,441	240,441	246,607
Other Charges	122,612	145,283	125,283	153,672
Capital Outlay	0	0	0	0
Total	8,452,763	8,700,611	8,340,611	8,916,676

Goals and Objectives

- Our top six goals for the San Marcos Fire Department for FY 17-18 are: 1) to place the new Engine 4 in service; 2) complete construction and open Fire Station 4; 3) begin design of the new Fire Department training field; 4) begin updating/modifying the plans from Fire Station 4 for the construction of Fire Station #2; 5) purchase and place into service on all front line apparatus LifePak 15 monitor/defibrillators and Lucas chest compression devices purchased with our 2016 AFG award; 6) continue preparation for transition to a fire-based EMS system.
- Our goals and objectives revolve around our Mission Statement which states that the: San Marcos Fire Department is dedicated to providing a well-trained, motivated, and diverse team of professionals who deliver excellence in prevention, educational programs, and emergency response service to our community in a safe, responsible, and efficient manner.
- Additionally, we will continue updating, upgrading, and expanding our current facilities, equipment, apparatus, personnel, training, and services to meet state and national fire service standards and the needs

and expectations of a rapidly growing community.

- We will also assist the City Council and Administration in achieving their stated goals while working within established guidelines and policies.

What We Accomplished in 2016-17

- Responded to 4,393 calls for assistance (CY 16).
- SMFD personnel participated in 9,420 hours of training and continuing education in CY 16, and from January 1, 2016 through December 31, 2016.
- Personnel from Texas State University Administration, Police, and Fire Marshal Office, ALERRT, Hays County SO, DPS, FBI, SMPD, SMFD, SMHCEMS, Hays County OEM, and CERT, San Marcos EM and other public service, utility and facilities agencies participated in several meetings over the spring and summer of 2017 planning a full scale active shooter drill on Texas State campus. Robust discussions of what preparations needed to be made to facilitate an exercise of this nature were held at the University Police headquarters. A scenario was developed and the roles and level of participation of the many involved agencies were shared and a detailed response profile based on the proposed scenario was developed by the primary response agencies. Local law enforcement, fire and emergency medical participation levels, roles and support needs were discussed and a date and location established. Lines of communication between the various agencies that would have a role to play in the event of an actual incident of this type were opened and capabilities were enhanced by the planning. Unfortunately, Texas State University Administration decided that the event should not take place at the time and location planned and the meetings stopped without the drill proceeding. There was great benefit to the discussions that were initiated by the planning process and a definite need for an exercise of this nature and focus in our community was made clear to all who attended. The recent tragedy in Las Vegas provides an emphatic example of the need for public service agencies to establish effective planning practices while discretionary time is available.
- Completed the sixth annual SMFD Citizens Fire Academy, two more RA Fire Academies at Texas State, and hosted the fifth annual Fire Department Open House and Kick-off to Fire Prevention Month with over 1,200 citizens attending
- Paramedic School Program graduates – Jonathan Henderson, Aaron Crick, and Tanner McLean graduated in May 2016; Robert Dallimore, Lucas Sergent, and Ross Garman graduated in May 2017. Jake Sedovic, David Fernandez, and Danny Martinez started PM school in August 2017
- We applied for and were awarded a $332,182 AFG grant for LifePak 15 monitor/defibrillators and Lucas chest compression devices for all front-line apparatus. The LifePak 15's will give our paramedics the ability to run a 12-lead EKG on patients experiencing a cardiac related emergency and transmit that information electronically to the receiving hospital which will greatly reduce the amount of time from the patient waits between arriving at the ER and being wheeled into the operating room where life-saving procedures can begin. The Lucas devices are a mechanical CPR device that delivers high-quality, mechanical CPR to patients in full-arrest. This has proven to greatly improve patient outcomes in witnessed arrest situations.
- Actively participated in several community activities and programs to include: National Night Out, the "Fired Up About Reading" program at the Library, numerous neighborhood school and church festivals and fairs, Shattered Dreams, and our Annual 9-11 Remembrance Ceremony
- Chief Stephens graduated from The Texas Certified Public Manager Program and renewed his Congress on Fire Service International's Chief Fire Officer Designation as an accredited Chief Fire Officer.

What We Plan to Accomplish in 2017-18

- The San Marcos Fire Department, the Hays County Fire Chiefs, and Departments from Round Rock to San Antonio will partner to host the 2017 Texas Engineering Extension Service (TEEX) Leadership Development Symposium here in San Marcos from January 8-10, 2017; over 1,000 participants are expected to attend the 10th Anniversary of this free, State-sponsored training opportunity at the Embassy Suites Conference Center.
- Continue to prepare for the implementation of fire-based EMS.

- Design and begin construction of a Fire Department training facility at the San Marcos Municipal Airport.
- Work with BRW Architects to modify the design of Fire Station 4 as needed to be ready to go out for bids and begin construction of Fire Station 2 to be located on land donated to the city by the LaCima developer near the intersection of Wonder World Drive and Old RR 12.
- Complete the implementation of the Lexipol Policy Management program.
- Begin the design and specification process for a replacement for Battalion 1's vehicle.
- Complete construction and open Fire Station 4 at 1404 Wonder World Drive.
- EMS – continue to improve the level of EMS service offered by SMFD personnel and increasing the number of ALS providers we have on staff.
- Additional/new Fire Station Land Purchase and Construction – based on numerous studies and assessments, we need to immediately purchase land and construct additional stations in the vicinity of Hwy 80 and Hwy 21 and in the vicinity of the Outlet Malls.
- Junior Fire Academy – similar to the tremendously successful Junior Deputies Academy that is hosted by the Sheriff's Offices in Hays and Comal County, this program would target pre-teens and allow them to spend a week, during their summer, learning about fire and EMS.
- We have completely overhauled our Fire Safety Clown program. Several members were sent to specialized training on "Education through Characterization" or "Clown School". They have constructed all new props, written a completely original script, and practiced tirelessly. The new program will be performed at least once for every elementary school in San Marcos beginning in October.

Performance Measures

	Unit of Measure	Actual 2015-16	Estimated 2016-17	Projected 2017-18
Total Incidents	# of incidents	5,224	5,419	5,700
Life and Fire Safety Education	# of people contacted	11,000	11,500	11,500
Total Training Hours Received by Dept Personnel	# of hours	9,420	10,000	10,000
Citizens Fire Academy Graduates	#	10	13	15
Fire Dept Open House Attendees	#	1,000	1,100	1,200
Resident Advisor Fire Academy Graduates	#	160	175	190
Junior Fire Academy Graduates	#	21	44	48

Police

Police Services	Positions				Full Time Equivalent			
	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18
Police Chief	1	1	1	1	1.00	1.00	1.00	1.00
Assistant Chief of Police	2	2	2	2	2.00	2.00	2.00	2.00
Police Commander	4	4	4	4	4.00	4.00	4.00	4.00
Police Sergeant	12	12	12	12	12.00	12.00	12.00	12.00
Police Corporal	17	17	17	17	17.00	17.00	17.00	17.00
Police Officer	68	68	68	68	68.00	68.00	68.00	68.00
Police Detective	0	0	0	0	0.00	0.00	0.00	0.00
Support Services Division Manager	1	1	1	1	1.00	1.00	1.00	1.00
911 Communications Manager	1	1	1	1	1.00	1.00	1.00	1.00
Victim Services Coordinator	1	1	1	1	1.00	1.00	1.00	1.00
Night Support Services Sergeant	0	1	1	1	0.00	1.00	1.00	1.00
VIPS Coordinator PT	0	1	1	1	0.00	0.50	0.50	0.50
911 Shift Supervisor	4	4	4	4	4.00	4.00	4.00	4.00
Crime Scene/Evidence Supervisor	1	1	1	1	1.00	1.00	1.00	1.00
Crime Analyst	1	1	1	1	1.00	1.00	1.00	1.00
Police Records Supervisor	1	1	1	1	1.00	1.00	1.00	1.00
911 Telecommunicator	21	21	21	21	21.00	21.00	21.00	21.00
Administrative Assistant, Senior	1	1	1	1	1.00	1.00	1.00	1.00
Crime Scene/Evidence Technician	1	1	1	1	1.00	1.00	1.00	1.00
Parking Coordinator	1	1	1	1	1.00	1.00	1.00	1.00
Administrative Assistant	2	2	2	2	2.00	2.00	2.00	2.00
Records Compliance Coordinator	1	1	1	1	1.00	1.00	1.00	1.00
Police Records Specialist	3	3	3	3	3.00	3.00	3.00	3.00
Community Liaison	1	1	1	1	0.48	0.48	0.48	0.48
Parking Technician	4	4	4	4	1.50	1.50	1.50	1.50
Total	149	151	151	151	145.98	147.48	147.48	147.48

Mission Statement

The Police Department is responsible for 911 emergency communications, training, school resource, juvenile, crime prevention, accreditation, grant administration, records and administrative supervision and coordination of all activities and operations within the Police Department. Responsible of protection of life and property, identification and apprehension of offenders, and recovery of lost and stolen property. Addresses those responsibilities through pro-active patrol, responding to calls for service, directing traffic, investigating accidents, conducting criminal investigations, providing emergency response, and participating in other community service activities. Conducts narcotic investigations, provides K-9 services and operates the Crime Stoppers Program.

Expenditures by Category

	Actual 2015-16	Original Approved 2016-17	Revised 2016-17	Adopted 2017-18
Personnel Services	14,020,087	14,119,035	13,649,035	14,517,672
Contracted Services	432,208	518,997	518,997	684,213
Materials and Supplies	623,972	587,479	547,479	620,379
Other Charges	99,785	102,790	102,790	102,790
Capital Outlay	0	0	0	0
Total	15,176,052	15,328,301	14,818,301	15,925,054

Goals and Objectives

- The Operations Division consists of two entities: The Patrol function, which responds to immediate calls for service, and the Criminal Investigation Division, which performs follow-up investigations on cases generated by patrol officers. While the Patrol and Criminal Investigation functions serve two different roles, they are similarly joined in their mission. That mission is to maintain the public order, protect life and property, and to serve the community through legal and ethical means.
- Officers in these functions perform their duties by detecting and arresting offenders, utilizing proactive crime prevention methods, recovering lost or stolen property, assisting those in need, and participating in hands-on community involvement through problem-solving.
- Maintain critical communications for all public safety, including 9-1-1 service, for citizens needing police, fire and/or emergency medical services (EMS).
- Provide updates and training for all police department staff for commission, licensing and certification mandates for the State of Texas.
- Delivery of department programs with assistance from local partnerships and citizen involvement, such as:
    - School Resource Officer program with the San Marcos Consolidated Independent School District
    - Hays County Juvenile Probation, Juvenile Detention Center, and Juvenile Courts
    - Citizen's Police Academy and Alumni Association
    - Texas State University ALERRT training center and various internship opportunities
    - Numerous citizen and neighborhood groups
- Maintain police department facilities and grounds for daily and emergency use by staff, city staff, other government agencies, and citizens.
- Conduct events in the community and state-wide promoting the department programs, services, awards and employment opportunities.
- Conduct recruiting and testing of applicants followed by completion of mandated hiring processes to fill openings for licensed staff – Telecommunication Operators and Police Officers.
- Provide public information records and recordings, and conduct investigations of complaints received.

What We Accomplished in 2016-17

- **Outlet Malls** – The Outlet Malls of San Marcos present challenges to the department related to specific events and traffic issues. Three events that require coordination of special response are during Holy Week, Tax Free Weekend (typically the first weekend in August) and the weekend after Thanksgiving, also known as "Black Friday". The weekend after Thanksgiving has developed into a 24 hour a day event with hundreds of stores opening at or before midnight on Thanksgiving night. These events require extensive planning with the Police Department taking the lead in coordinating with TxDOT, Engineering, Streets/Traffic Department, Fire and Rescue, and management from both malls. The two foot/bike officers assigned to the Outlet Malls full time are supplemented with officers on overtime for the special events. We continue to manage vehicle and pedestrian mall traffic through effective incident command, traffic direction, and community liaison. The Department has also participated with mall management on an emergency response drill to help us all protect the visitors and this economic resource.

- **Emotionally Disturbed Persons** – Law enforcement officers continue to handle the burden of finding inpatient and outpatient services for the mentally ill. The Police Department added a second full-time officer assigned as a Mental Health Officer. The MHO performs transports to private and state hospitals in Austin and San Antonio as well as in Kerrville, TX. They work with the Hays County Court at Law serving Orders of Protective Custody (OPC) as well as assisting the Hays County Sherriff's Office, SMPD Patrol, SRO, Narcotics, CID and the DA's Office with individuals suffering from Mental Illness. The MHOs make home visits with consumers to divert crisis mental health incidents and work in collaboration with MCOT/Scheib assisting local residents, TX State students, and consumers from surrounding communities who rely on local outreach and medical services. This past fiscal year the unit fulfilled its grant requirements. The unit also joined a collaborative effort with the Hays County Sheriff's Department, Kyle Police Department, and Buda Police Department to help better serve mental heal consumers as them move between the different jurisdictions in the county.
- **Traffic Control** – Citizen complaints of traffic congestion and violations are consistently ranked as a top concern in the annual citizen survey. Patrol officers routinely make traffic contacts in their districts according to their knowledge of problem areas and citizen based complaints. Three full-time motorcycle officers focus on violations in school zones, passing a loading or unloading school bus, and neighborhoods. These officers work only traffic enforcement activities and target areas of the city from which we receive citizen complaints and where there are higher incidents of traffic collisions. With the assignment of traffic complaints being given to the motorcycle officers, the complaints are addressed in a more efficient and timely manner than a patrol officer can often manage due to various priorities and calls for service. We will be coordinating with Community Services to conduct enforcement of the hand free ordinance by utilizing unmarked units and motors.
- **San Marcos-Hays County Family Justice Center** – The purpose of the center is to create a multi-agency facility where victims of violent crime, including domestic and dating violence, can have numerous needs met at one location, the 29 acre campus of the Village of San Marcos www.villagecampus.org).
- **Downtown District** – The bar closing hours were changed to 2:00 a.m. seven days a week in May 2009 resulting in increased demand of police resources. The foot/bike unit for the Downtown District was expanded from two officers to four this past year, however due to vacancies, these slots have not been filled yet. While the department worked to hire and train the new officers, an agreement was reached with the TX State University Police Department which allowed the department to hire off-duty officers from that agency to supplement our patrol staffing in the downtown area. The area also faces significant increase in patrons during large Texas State football games, Texas State graduation, long weekend holidays, and Halloween.
- **Sex Offender Registration Program** - The Sex Offender Registration Compliance Program works to serve as the core of an aggressive enforcement program related to sex offenders. The Criminal Investigation Division collaborates with the Patrol Division and Records Division in making random compliance checks on local registered sex offenders. The CID division has continued to routinely check on the sex offenders that reside in the City of San Marcos.
- **SWAT** – The San Marcos/Hays County SWAT Team has continued its average of about one call out per month and monthly training cycles where operators attend at least 16 hours of training. The team continues to be an active part of the LESET group that works with regional agencies to allow access to regional assets and aids us in securing additional tactical equipment. The team hosted a regional competition with other SWAT teams to build relationships which are critical during very large, complicated tactical calls. Working under these regional agreements from the Capital Area Council of Governments, the team responded to Blanco County to assist on a barricaded suspect. These kind of efforts save expensive resources through sharing. The majority of the team's members conduct regular training for their respective agencies with officers from SMPD providing an additional 60+ hours of refresher training for the patrol division to include felony stops, firearms, SABA (self aid/buddy aid), active shooter and low light. The team also continues to be an active part of the community by participating in the Citizens Police Academy and other various functions within in the city and county. After a 40 hour training week, the team worked with multiple agencies and emergency services disciplines to practice integrated response concepts. These concepts get EMS and fire into a 'warm' zone faster to help saved injured person's lives. Will be doing another annual training drill with Fire/EMS and the Outlet Mall to work on ASIM and the integrated response.

- **The ACT (Achieving Community Together) Campaign** – ACT is a collaborative effort of the City of San Marcos and Texas State University to work together on common values, mission, and goals. Formed in June 2008, ACT is the result of innovative problem-solving and citizen participation. This historic effort is the first time stakeholders have come together on a large scale to promote positive relations between student and non-student residents through education, community connectedness, and resources. The program continues to thrive and reorganize with active participation with City and University participants leading the way. Members from both entities presented a session on our successes at the International Town and Gown Association which was well received by those in attendance.
- **Criminal Investigations Divisions** – CID admin did case reviews on all personnel to ensure the database was up to date. Throughout the year rookie officers in field training cycled through CID. This provided numerous learning experiences for the trainees and teaching experiences for detectives. New officers are able to accompany detectives to crime scenes, obtain warrants and learn valuable report writing skills during this week of training. This block of instruction has become a standard for the field training program. Operational updates include greater access to Odyssey (Hays County database) for detectives. A case file checklist was converted to pdf by admin assistant to further streamline internal processes. Quetel (web based evidence software) for officers was launched. Quetel has been in use by Evidence personnel for over 2 years. Quetel mobile was rolled out to CID and patrol officers. Communication updates include several meetings with the District Attorney's Office on Morton compliance issues, paperwork and investigation turnaround time. Several compromises were reached in regard to recorded phone calls between victims, witnesses and suspects and turnaround time for paperwork on an incarcerated individual. CID Commander worked to clarify/redefine Juvenile detective workload. For a number of years, juvenile detective has fallen under the Admin command. In the last year, the juvenile detective has been assisting CID greatly by taking on cases in which the victim is a juvenile or in which the offender is a juvenile. He also consistently works runaway cases. This has been a great help to the already taxed CID division. Although 2 positions were awarded to CID in the last budget year, due to patrol shortages, slots are still pending.
- **Bank Robbery Initiative Consortium (BRIC)** - The department continued its participation in this group aimed at addressing prevention of bank robberies and apprehension of bank robbery suspects along the IH-35 corridor. The department is the host of quarterly meetings of the BRIC members that includes federal, state, and local law enforcement and bank officials within the Central Texas area (San Antonio to Austin). Meetings provide an opportunity to network with agencies and bank security managers, share intelligence, gain insight into banking operations, and learn about breakthrough technology and security measures, and make recommendations to the banking leaders about operational issues and investigative requirements.
- Issued the Chief of Police quarterly newsletter – Common Ties – to provide updates on department performance, current trends, and events.
- Completed mandated training hours for all department personnel.
- Completed numerous employment polygraph examinations with in-house licensed examiner. Licensed examiner conducts pre-employment polygraph exams for police and fire candidates; and provides exams for criminal investigation division.
- Continued the Coffee with a Cop program, making positive community contacts during several events including students and staff at San Marcos High School.
- Partnered with the Hays County Sherriff's department, the San Marcos Fire Department, Starflight and Target stores for National Night out and the National Night out kickoff event. The kickoff event drew attendance of 200 to 300 persons.
- Continued the Blue Santa program with an incredible level of volunteerism from the community. Over 300 people volunteered for gift wrapping and toy delivery. The program served 279 families and 811 children in 2015.
- Coordinated meetings for juvenile investigators, School Resource Officers, and probation officers for multi-disciplinary training, case status reviews, and legal updates.
- Utilized detainees from the Hays County Juvenile Detention Center for community service projects on SMPD grounds for clean-up of equipment and landscape.
- Expanded use of social media for Citizen's Police Academy Alumni Association.
- Completed fourth annual training with all San Marcos and Hays County school districts and first responders on Standard Response Protocol for multi-hazard responses including: active shooter, weather events and other potential mass casualty incidents.

- Continued to provide classroom for Finance and Human Resource Departments use during transition and upgrade of new Tyler financial and payroll system software.

What We Plan to Accomplish in 2017-18

- Continued development of local partnerships for an effective regional response through the following projects:
    - Develop further training and working relationships with Federal law enforcement agencies.
- Conduct department policy review and rewrite into new format for the Texas Police Chief's Recognition program certification process.
- Hold a community forum with members of the Hispanic Community, much like we did with members of the black community in 2014 and 2015.
- Build and strengthen the CPA Alumni group, cultivating a labor force to be utilized in times of need and to compliment the work force at SMPD.
- Expand Coffee with a Cop program. Department has received requests from additional businesses asking to partner for future events.
- Our new volunteer program has had a successful start and we are starting to realize the untapped potential of the position to organize our volunteers.

Performance Measures

	Unit of Measure	Actual 2015-16	Estimated 2016-17	Projected 2017-18
Patrol Calls for service	#	56,086	59,411	62,975
Officer initiated contacts	#	27,296	22,699	19,441
Active cases assigned to detectives	#	1,044	897	772
Cases sent to District Attorney for prosecution	#	344	260	224
Cases Referred to Juvenile Court	#	203	268	280
Noise complaints	#	2,160	1,866	1,623
Traffic accidents	#	4,596	4,344	4,127
Traffic stops	#	20,296	21,400	22,470
Physical Evidence items submitted to SMPD evidence section	#	4,956	3,641	2,658
Physical Evidence items destroyed by SMPD Evidence Section	#	2,470	1,560	983
Digital Evidence items submitted to SMPD Evidence Section	#	58,939	103,950	182,952
Peace Officer Training – Department Goal Of 40 Hours Per Officer Per Year	% Completed	99	64	99
Incidents for Police Dept	#	83,382	82,110	80,468
Mean Response Time For Priority 1 Calls	Minutes	5.06	5.00	5.00
Calls Dispatched For San Marcos Fire Department	#	5,594	5,733	5,848
Calls Dispatched For San Marcos/Hays EMS	#	8,013	8,716	9,500
SMPD-Academy class hours	#	12,032	7,536	9,800
SMPD-Academy Students instructed	#	1,373	970	1,000
SMPD-Academy classes	#	166	104	150

Transportation Administration

Public Services Transportation Administration	Positions				Full Time Equivalent			
	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18
Assistant Director of Public Services - Transportation	1	1	1	1	1.00	1.00	1.00	1.00
Transportation Engineering Manager	1	1	1	1	1.00	1.00	1.00	1.00
Engineering Technician	1	1	1	1	1.00	1.00	1.00	1.00
Public Services GIS/Technology Specialist	1	1	1	1	1.00	1.00	1.00	1.00
Administrative Assistant	1	1	1	1	1.00	1.00	1.00	1.00
Inventory Control Technician	1	1	1	1	1.00	1.00	1.00	1.00
Total	6	6	6	6	6.00	6.00	6.00	6.00

Mission Statement

The Transportation Administration Division provides planning, direction and administrative support services for all divisions within the Public Works Department, including streets and drainage, vehicle maintenance, and inspections.

Expenditures by Category

	Actual 2015-16	Original Approved 2016-17	Revised 2016-17	Adopted 2017-18
Personnel Services	503,308	540,958	540,958	570,438
Contracted Services	24,368	48,877	48,877	63,534
Materials and Supplies	16,507	20,966	20,966	20,569
Other Charges	213,832	258,306	258,306	186,575
Capital Outlay	0	0	0	0
Total	758,015	869,107	869,107	841,116

Goals and Objectives

Supports and enhances a high quality of life for the City's residents, businesses and visitors by providing well planned, environmentally sensitive, cost-effective infrastructure and services to promote public health, personal safety, transportation, economic growth, and regional collaboration including:

- Executing City Council vision and goals for street, drainage, and traffic infrastructure.
- Infrastructure management, operation, maintenance inventory, and mapping.
- Improve road quality of City’s street system.
- Increase alternate modes of transportation infrastructure.
- Respond to street, drainage, and traffic citizen concerns in a prompt and customer-friendly manner.
- Implement and manage the City’s regulatory MS4 Permit.

What We Accomplished in 2016-17

- Updated and implemented 5-yr Pavement Management Plan.
- Successfully implemented Sidewalk Maintenance Program.

- Successfully maintained GPS pre-emption for Fire Department.
- Successfully maintained real-time traffic monitoring for emergency management events.
- Submitted MS4 Annual Report to TCEQ.
- Completed approximately 116 traffic counts/studies in response to citizen traffic concerns.
- Completed 2016 Traffic Count Maps.
- Completed cycle counts and yearly inventory of fleet, water/wastewater, Electric, and traffic warehouses.
- Issues $2.5 million of inventory warehouse parts.
- Issued and received $3.2 million of inventory, materials and services.

What We Plan to Accomplish in 2017-18

- Continue to enhance pavement management system.
- Continue implementation of sidewalk maintenance program.
- Continue Complete Streets program to maximize roadway efficiencies through striping.
- Conduct 2016 Traffic Counts throughout the City.
- Continue to audit the drainage utility accounts for proper drainage charges.
- Complete yearly inventory of fleet, water/wastewater, Electric, and traffic warehouses.
- Continue coordination with GIS/IT to update and implement fixes to Maximo.

Performance Measures

	Unit of Measure	Actual 2015-16	Estimated 2016-17	Projected 2017-18
Pavement Resurfacing	Miles	22	25	20
Sidewalk Maintenance Program	Feet	10,640	10,684	10,560
Plan Review Assistance	#	30	213	160
Traffic Counts/Studies	#	119	145	120
Special Events/Traffic Management Plans	#	4	6	5
Right-of-Way Permits reviewed/issued	#	195	172	150

Traffic Control

Public Services Transportation - Traffic	Positions				Full Time Equivalent			
	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18
Traffic Control Crew Leader	2	2	2	2	2.00	2.00	2.00	2.00
Traffic Control Equipment Oper II	2	2	2	2	2.00	2.00	2.00	2.00
Traffic Control Equipment Oper I	4	5	5	5	4.00	5.00	5.00	5.00
Traffic Signal Technician	0	1	1	1	1.00	2.00	2.00	2.00
Total	8	10	10	10	9.00	11.00	11.00	11.00

Mission Statement

To provide the citizens of San Marcos with a safe driving environment.

Expenditures by Category

	Actual 2015-16	Original Approved 2016-17	Revised 2016-17	Adopted 2017-18
Personnel Services	601,417	693,609	693,609	733,330
Contracted Services	97,650	148,436	148,436	148,436
Materials and Supplies	291,555	199,527	199,527	199,527
Other Charges	5,051	13,269	13,269	15,734
Capital Outlay	0	0	0	0
Total	995,673	1,054,841	1,054,841	1,097,027

Goals and Objectives

Execute City Council's vision and goals by providing top quality, professional, effective, and timely traffic signal, pavement striping, signage, school zone, and traffic control operation and maintenance services to residents, businesses and internal customers including:

- Improving livability through clean, well-maintained, and visible cross-walks, pavement markings, and striping.
- Managing and maintaining the City's pavement striping and signage to beautify our community and reduce the City's exposure to liability.
- Supporting economic development and mobility through well-maintained traffic signals.
- Leveraging existing resources by seeking grants and by enhancing inter-agency opportunities.
- Fostering collaborative opportunities with other agencies and individuals to improve service delivery.
- Continuing focus on high-quality service and customer satisfaction.

What We Accomplished in 2016-17

- Maintain GPS Opticom pre-emption system on 51 major signalized intersections
- Successfully implemented special event, traffic control plan for Texas Commencements
- Successfully maintained Tactics Traffic Management System for real-time traffic signal control
- Maintain 62 signalized intersections.

- Maintained a street sign replacement/management program with scheduled intervals based on funding level.
- Installed signs, barricades, and traffic control for 6 city sponsored parades and special events including: Veterans' Day, Texas Trail Riders, Sights and Sounds, tax free weekend, Texas Nature, black Friday etc.)
- Repaired or installed 690 street name and traffic control signs.
- Completed 41 work orders for centerline striping, parking lots, and crosswalks.
- Made and installed 62 signs for other departments.
- Maintained inventory of signage using GPS mapping technology.
- Completed city wide night-time sign retro-reflectivity inspection.
- Implemented 3 Residential Parking Zones.
- Completed 160,000 sqrt tree and vegetation clearing within city ROW.
- Inspected 62 signalized intersections.
- Installed 44 school zone flashers.

What We Plan to Accomplish in 2017-18

- Replace old signage to meet new federal sign reflectivity requirements.
- Continue updating inventory of signage using GPS mapping technology.
- Continue to maintain and upgrade traffic signal system.
- Continue to maintain and upgrade Opticom Emergency Preemption System.
- Continue tree and vegetation clearing program with scheduled intervals based on funding level.
- Establish a pavement marking program with scheduled intervals based on funding level.
- Continue/enhance street sign replacement/management program with scheduled intervals based on funding level.
- Continue to provide a safe driving environment for the citizens of San Marcos.
- Continue to provide help to implement Residential Parking Zones.
- Inspect 62 signalized intersections.
- Keep installing flashing yellow signals at major intersections.
- Install signs, barricades, and traffic control for 6 city sponsored parades and special events including: Veterans' Day, Texas Trail Riders, Sights and Sounds, tax free weekend, Texas Nature, black Friday etc.).

Performance Measures

	Unit of Measure	Actual 2015-16	Estimated 2016-17	Projected 2017-18
Sign Repair	Each	665	550	600
Stripe Roadways	Lane Miles	25	23	25
New Sign Installations	Each	135	139	140
Brush & Tree Removal	Each Sqrt	100,000	160,000	120,000
Set/Remove Barricades	Each	80	30	40
Traffic Signal Repairs and Inspections	Each	75	226	200
School Zone Light Repairs	Each	14	4	10
Pavement Markings Workorders	Each	30	41	40

Streets

Public Services Transportation - Streets	Positions				Full Time Equivalent			
	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18
Street and Drainage Manager	1	1	1	1	1.00	1.00	1.00	1.00
Streets Control Maintenance Crew Leader	4	4	4	4	4.00	4.00	4.00	4.00
Street Equipment Operator II	7	7	7	7	7.00	7.00	7.00	7.00
Street Equipment Operator I	10	10	10	10	10.00	10.00	10.00	10.00
Total	22	22	22	22	22.00	22.00	22.00	22.00

Mission Statement

To support the City Council mandate and insure that 18 lane miles of City streets are overlaid while doing daily maintenance to insure the citizens of San Marcos have safe and drivable streets.

Expenditures by Category

	Actual 2015-16	Original Approved 2016-17	Revised 2016-17	Adopted 2017-18
Personnel Services	1,124,150	1,410,403	1,310,403	1,356,848
Contracted Services	191,444	203,225	203,225	202,716
Materials and Supplies	1,583,666	1,745,460	1,545,460	1,745,460
Other Charges	7,042	8,525	8,525	8,525
Capital Outlay	0	0	0	0
Total	2,906,302	3,367,613	3,067,613	3,313,549

Goals and Objectives

Execute City Council's vision and goals by providing top quality, professional, effective, and timely street and right-of-way operation and maintenance services to residents, businesses and internal customers including:

- Managing and maintaining the City's infrastructure to beautify our community and reduce the City's exposure to liability.
- Continuing focus on high-quality service and customer satisfaction.
- Improving livability through clean, well-maintained, and accessible streets, sidewalks, right-of-way, and roadside vegetation.
- Leveraging existing resources by seeking grants and by enhancing neighborhood volunteer opportunities.
- Supporting economic development through well-maintained roads, right-of-way, and infrastructure.
- Fostering collaborative opportunities with other agencies and individuals to improve service delivery.

What We Accomplished in 2016-17

- Completed 25.45 lane-miles of street overlay and surface treatments including the Southwest Hills Neighborhood, Oak heights, Holland Hills, Broadway St., Millview West, Springtown Way, Robbie Ln. and The Downtown Project.
- Completed a City-wide pavement condition assessment.
- Continued crack sealing program and completed 16.24 lane miles.
- Provided assistance with all parade events.

- Supported other departments as needed.
- Patched 356 potholes.
- Patched 84 utility repairs and street cuts for water and wastewater division.
- Assisted with Neighborhood Cleanup events.
- Installed ADA ramps, sidewalks and curb and gutter in the Southwest Hills Neighborhood.
- Assisted CIP with paving Edward Gary St. in front of the Local and the alley behind it.
- Paved Feltner alley plus the parking area for the Price Center.

What We Plan to Accomplish in 2017-18

- Complete 20 lane-miles of street overlay.
- Continue to develop pavement management system to monitor, assess, evaluate, and repair street system utilizing most cost-effective measure.
- Continue daily street maintenance. (street cut repairs, pot hole repairs, shoulder repairs, etc.)
- Complete 16 lane-miles of crack sealing.
- Complete 10,560 feet of sidewalk in the maintenance program.
- Continue street renovation program.
- Provide support for specials projects as needed.

Performance Measures

	Unit of Measure	Actual 2015-16	Estimated 2016-17	Projected 2017-18
Street Cuts	Each	92	76	150
Pot Holes	Each	298	356	220
Sidewalk Maint/New Construction	Linear Ft	10,640	10,684	10,560
Crack Seal	Lane Miles	13.14	16.24	16
Overlay/Surface Treatment	Lane Miles	22.45	25.45	20

Community Services Administration

Community Services Administration	Positions				Full Time Equivalent			
	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18
Executive Director of Community Services	1	1	1	1	1.00	1.00	1.00	1.00
Asst Director - Fleet, Transit, Resourse Recovery	1	1	1	1	1.00	1.00	1.00	1.00
Community Services Operations Manager	1	1	1	1	0.34	0.34	0.34	0.34
Construction Manager	1	1	1	1	1.00	1.00	1.00	1.00
Grants Administrator	1	1	1	1	1.00	1.00	1.00	1.00
Construction Specalist	0	1	1	1	0.00	1.00	1.00	1.00
Arborist	1	1	1	1	0.34	0.34	0.34	0.34
Administrative Assistant	1	1	1	1	1.00	1.00	1.00	1.00
Total	7.00	8.00	8.00	8.00	5.68	6.68	6.68	6.68

Expenditures by Category

	Actual 2015-16	Original Approved 2016-17	Revised 2016-17	Adopted 2017-18
Personnel Services	621,128	727,647	727,647	771,229
Contracted Services	0	0	0	0
Materials and Supplies	1,982	6,200	6,200	6,200
Other Charges	427	3,325	3,325	3,325
Capital Outlay	0	0	0	0
Total	623,537	737,172	737,172	780,754

Marshal

Community Services Marshal's Office	Positions				Full Time Equivalent			
	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18
Assistant Director of Neighborhood Services	1	1	1	1	1.00	1.00	1.00	1.00
Emergany Operations Coordinator	0	0	1	1	0.00	0.00	1.00	1.00
Emergancy Management-Homeland	1	1	1	1	1.00	1.00	1.00	1.00
Assistant Fire Marshal	1	1	1	1	1.00	1.00	1.00	1.00
Fire Inspector	0	0	1	1	0.00	0.00	1.00	1.00
Administrative Assistant	1	1	1	1	1.00	1.00	1.00	1.00
Total	4	4	6	6	4.00	4.00	6.00	6.00

Mission Statement

The mission of the Marshal Department strives to conduct comprehensive code enforcement that fosters voluntary compliance, effects prompt correction of noted violations, and that is consistent, fair and equitable in its application. Compliance is gained by focusing public education on the City's codes and state laws relevant to nuisance, zoning, environment and consumer health standards.

Expenditures by Category

	Actual 2015-16	Original Approved 2016-17	Revised 2016-17	Adopted 2017-18
Personnel Services	622,387	314,414	314,414	617,715
Contracted Services	88,474	76,280	76,280	81,665
Materials and Supplies	53,164	52,172	52,172	62,172
Other Charges	13,689	12,850	12,850	16,730
Capital Outlay	0	0	0	0
Total	777,714	455,716	455,716	778,282

Goals and Objectives

- The Fire Marshal's Office investigation and inspection divisions strive to develop long term solutions to issues in the community. With a goal of developing a fire safe community, our staff strive to develop processes that include education, engineering and enforcement. Rather than approaching from an enforcement mode, we strive to design programs to prevent code issues through construction. Where that fails, we perform educational programs to change behaviors which may lead to enforcement as a holistic approach to programming.
- The Fire Marshals Department is responsible for the fire safe construction and operation of business facilities in San Marcos. Additionally, The Fire Marshal's Office investigates fires to determine the cause and origin. If found to be a criminal act, investigators complete the investigation to court disposition.

What We Accomplished in 2016-17

- In 2017, the Fire Marshal's Office has undergone (and still is undergoing) major transition in personnel changes and operating procedures. The separation and specialization of departments resulted in effectively

reducing personnel from 5 able bodies to two and this has had a profound impact on our ability to provide services.

- We have had an increase in Arson cases this year, which is an example of the impact of fewer people. With fewer people it has been difficult to provide fire safety education to the schools and we have historically noticed that Arson cases increase when fire education programs decrease.
- The Fire Marshal's office has had to drastically reduce the number programs and projects due to the decrease in personnel. With a two person department we have had to prioritize job assignments and are accomplishing them to the best of our ability. SRP and reunification programs maintenance will be impacted the most.

What We Plan to Accomplish in 2017-18

- This year we hope that the transition phase of the Marshals office will be complete. Having a home, a budget and a single director will help stabilize our work environment.
- The number of inspections will be drastically reduced this year. Re-inspections will be the most impacted. . Plan reviews are steadily increasing and show no signs of slowing down. Investigations and how evidence and reports are now being required to be handled will increase time requirements for those items. The increase in time spent with contractors, owners and solving city management level complaints will consume much more time than historically seen.
- Public education will be a priority this year as it has a significant impact on our community and our time. New construction inspections, complaints, plan reviews, development meetings will consume the majority of our two person staff department's time.

Performance Measures

	Unit of Measure	Actual 2015-16	Estimated 2016-17	Projected 2017-18
Inspections-Fire Alarm, Sprinkler, Hydrant	Total	624	876	1,123
Investigations - Criminal Mischief, Arson, Explosives, other criminal offenses	Total	24	86	100
Prohibited conditions, license inspections, general inspections	Total	1,254	1,937	2,400
Arrests	Total	7	5	4
Public Education Events	Total	60	75	90
Development Meetings	Total	10	30	90
Fire Plan Reviews	Total			1,040
Training, Continuing Education	Hours	400	450	250

Code Compliance

Community Services Code Compliance	Positions				Full Time Equivalent			
	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18
Assistant Director, Health Services	1	1	1	0	1.00	1.00	1.00	0.00
Code Compliance Manager	0	0	1	1	0.00	0.00	1.00	1.00
Sanitarian	2	2	2	2	2.00	2.00	2.00	2.00
Code Compliance Officer	5	6	4	4	4.50	6.00	4.00	4.00
Administrative Assistant	1	1	1	1	1.00	1.00	1.00	1.00
Total	9	10	9	8	8.50	10.00	9.00	8.00

Mission Statement

Our mission is to provide outstanding services in Code Compliance in order to promote an appropriate level of assurance to the citizens of San Marcos that the environment in which they live, work and play is both safe and healthy. We will accomplish this by best management practices of time, talent and treasure.

Expenditures by Category

	Actual 2015-16	Original Approved 2016-17	Revised 2016-17	Adopted 2017-18
Personnel Services	297,553	893,024	893,024	615,375
Contracted Services	21,623	28,485	28,485	31,950
Materials and Supplies	17,919	17,191	17,191	29,641
Other Charges	2,817	4,685	4,685	4,685
Capital Outlay	0	0	0	0
Total	339,912	943,385	943,385	681,651

Goals and Objectives

- Marshal's Office code and inspection divisions strive to develop long term solutions to issues in the community. Not only developing a fire safe community, our staff strive to develop processes that include education, engineering and enforcement. Rather than approaching from an enforcement mode, we strive to design programs to prevent code issues through construction. Where that fails, we perform educational programs to change behaviors which finally leads to enforcement. Combined this provide for a powerful tool to help enhance safety and increase beautification in our city. In 2017, we intend to finalize neighborhood programs that focus on the three main complaints of trash, noise and parking. Already ahead of the programs in the area of Rental Registration, we seek to combine final rules in the areas of refuse removal and enforcement.
- A restructure of the Code Division and separating the Fire Marshal Office will help devote resources for specific functions.
- Emergency Management is a compilation of departments and managers to form emergency responses to disaster. San Marcos has had its share of disasters over the last three years and at one point was the most disaster declared community in Texas. Of course, this was due to the overlapping issues in other parts of Texas, but San Marcos benefited from national resources.

- It is the objective of this group to prepare, respond and assist in recovery of any natural or mana made disaster. As staff and legislators change, training is always a crucial part of the program. Unfortunately, this needed training becomes secondary to daily responses and activity.

What We Accomplished in 2016-17

- 2016 led to the implementation of the Rental Registration program. It was anticipated that this program would have a 16 month enforcement period. After 10 months of programing we instituted court proceedings on 29 properties. After successful prosecution of every violator, and suspension of rentals in several cases, we now have over 100 self-declared registration properties. This last year also included a natural disaster that impacted services. We limited enforcement in certain zones to assist neighbors in recovering from flood conditions, but maintained basic health necessities. In May, we began restructuring the unit into a focused operation with the development of a department manager.
- In May of 2015, one of the largest disasters in memory fell upon our community. The recovery phase is programed in at a 6 month time limitation by the federal government for grant applications. This was well underway and the initial phases complete, when a second major disaster impacted our community. This second disaster occurred on the expiration of the first flood recovery period to the day. Our second application period has just been extended through November. The first flood was well documented, but still has not been completed from FEMA.
- Multiple other grants and applications were pushed in this period. A full flood warning system was completed upstream on the Blanco River along with a new monitoring program initiated out of the National Weather Service.

What We Plan to Accomplish in 2017-18

- We plan to complete the conversion of the code department, or code compliance. This division will be relocated to the city hall complex complete with meeting rooms and necessary infrastructure for operations. Simultaneously, we intend to complete various beautification zones enforcement. Most of these programs are the more long term operations that have given business owners time over the last year to come into compliance on projects that have been unsightly for decades.
- Rental Registration is also expected to have a huge impact in this budget cycle. The inclusion of the Health Inspectors (formerly the code enforcement branch of the city) into “Codes” will help stream line operations and make for a more equitable enforcement process.
- With the recent restructure, we were able to assign a full time manager to the responsibility of Emergency Management. This individual will initially focus on the recovery of the October and May floods ensuring reimbursement potentials where possible. Additionally, we seek to enhance ongoing programs with updated training and certification for city staff.
- We intend to participate in the regional response drill in November. This multi-agency drill will test responders in the area of HAZMAT and man-made disasters.

Performance Measures	Unit of Measure	Actual 2015-16	Estimated 2016-17	Projected 2017-18
Inspections-Fire Alarm, Sprinkler, Hydrant	Total	876	1,123	1,500
Investigations - Criminal Mischief, Arson, Explosives, other criminal offenses	Total	86	100	60
Prohibited conditions, license inspections, general inspections	Total	1,937	2,400	200
Arrests	Total	5	4	10

Animal Services-Animal Control

Community Services Animal Control	Positions				Full Time Equivalent			
	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18
Animal Control Officer	4	4	4	4	4.00	4.00	4.00	4.00
Clerk/Dispatcher	0	1	0	0	0.00	1.00	0.00	0.00
Animal Control Supervisor	1	0	1	1	1.00	0.00	1.00	1.00
Total	5	5	5	5	5.00	5.00	5.00	5.00

Mission Statement

The Animal Control Division's mission is to protect the citizens of San Marcos from zoonosis diseases and to protect tangible property from animal related damage and to offer the public a State licensed quarantine facility for the quarantine of suspected rabies cases. The City of San Marcos Animal Shelter is a full service shelter with 24 dog runs, euthanasia facilities, cat holding facilities, quarantine runs for dogs and an isolation room for quarantine cats. These facilities are coordinated and maintained 365 days per year. The Animal Services Division provides response calls for service involving stray animals, non-domestic or wild animals, dead or injured animals, animal related bite cases, and cruelty and neglect investigations.

Expenditures by Category

	Actual 2015-16	Original Approved 2016-17	Revised 2016-17	Adopted 2017-18
Personnel Services	318,243	321,173	321,173	339,132
Contracted Services	28,572	45,550	45,550	47,530
Materials and Supplies	31,881	25,793	25,793	25,793
Other Charges	4,702	10,600	10,600	10,600
Capital Outlay	0	0	0	0
Total	383,398	403,116	403,116	423,055

Goals and Objectives

- To provide assistance to the citizens of San Marcos in a manner that protects the health and safety of both the citizens and their pets.
- To be positive example for other Animal Services Division in the State.
- To manage all resources placed in our trust at the highest level possible.
- To make awareness and education a priority in order to gain community support and compliance for the benefit of all pets, pet owners and non-pet owners.

What We Accomplished in 2016-17

- Increased presence for education opportunities in schools.
- Increased presence in public parks and venues for public awareness and education.
- Improved visibility with consistent marketing using Facebook and other media outlets and the addition of a

Community Outreach Coordinator.

- Acquired Pet Friendly Grant from DSHS- Zoonosis Control for community spay/neuter efforts.
- Presented in schools throughout SMCISD to students regarding topics of bite prevention, responsible pet Ownership and Animal Services role in community.

What We Plan to Accomplish in 2017-18

- Coordinating combined efforts with Park Rangers and our ATV Parks Patrol.
- Improve compliance with City Pet Licensing and leash laws.
- Obtain Pet First Aid Certification/Training for all ACOs for improved field services.
- Obtain Texas Certified Cruelty Investigator credentials for all ACOs.
- With addition of 5th ACO, implement extended hours for field services.
- Ordinance Revision and implementation pending Council approval, to include Spay/Neuter and microchip requirements.

Performance Measures	Unit of Measure	Actual 2015-16	Estimated 2016-17	Projected 2017-18
Citations Issued	#	44	32	50
Dead Animal Pick-up	#	353	365	400
Calls for Service	#	20,194	21,592	22,500
Bite Cases Investigated	#	282	252	300

Animal Services-Animal Shelter

Community Services Animal Shelter	Positions				Full Time Equivalent			
	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18
Animal Services Manager	1	1	1	1	1.00	1.00	1.00	1.00
Animal Shelter Supervisor	1	1	1	1	1.00	1.00	1.00	1.00
Administrative Assistant	1	1	1	1	1.00	1.00	1.00	1.00
Program Coordinator	1	1	1	1	1.00	1.00	1.00	1.00
Animal Services Clerk / Dispatcher	2	2	2	2	2.00	2.00	2.00	2.00
Veterinary Technician	1	1	1	1	1.00	1.00	1.00	1.00
Animal Shelter Technician, Lead	1	1	1	2	1.00	2.00	1.00	2.00
Animal Shelter Technician	7	7	7	6	3.98	2.98	3.98	2.98
Total	15	15	15	15	11.98	11.98	11.98	11.98

Mission Statement

The Animal Shelter Division's mission is to protect the citizens of San Marcos from zoonosis diseases and to protect tangible property from animal related damage and to offer the public a State licensed quarantine facility for the quarantine of suspected rabies cases. The City of San Marcos Animal Shelter is a full service shelter with 24 dog runs, euthanasia facilities, cat holding facilities, quarantine runs for dogs and an isolation room for quarantine cats. These facilities are coordinated and maintained 365 days per year. The Animal Services Division provides response calls for service involving stray animals, non-domestic or wild animals, dead or injured animals, animal related bite cases, and cruelty and neglect investigations.

Expenditures by Category

	Actual 2015-16	Original Approved 2016-17	Revised 2016-17	Adopted 2017-18
Personnel Services	565,510	619,786	619,786	677,565
Contracted Services	71,325	63,956	63,956	67,956
Materials and Supplies	111,324	93,744	93,744	93,744
Other Charges	8,778	10,015	10,015	10,015
Capital Outlay	0	0	0	0
Total	756,937	787,501	787,501	849,280

Goals and Objectives

- To provide assistance to the citizens of San Marcos in a manner that protects the health and safety of both the citizens and their pets.
- To be a positive example for all Animal Shelters in the State, using best practice standards for operations.
- To manage all resources placed in our trust at the highest level possible.
- To make awareness and education a priority in order to gain community support and compliance for the benefit of all pets, pet owners and non-pet owners.

What We Accomplished in 2016-17

- Increased live out come by 10% by focusing on returns to owner, transfers to rescue and adoptions.
- Continued to minimize/decrease euthanasia rates while intake has increased.
- Participated in emergency response to serve community during Hurricane Harvey Evacuations and storms.
- Improved public visibility with consistent marketing media outlets and the addition of various programs.
- Established partnership with PetSmart Charities to qualify for grant opportunities and adoption promotions.
- Acquired $30k grant from PetSmart Charities for mobile Adoption Unit.
- Increased participation with TX State, SMCISD and civic organizations regarding topics of bite prevention, responsible pet ownership and Animal Services role in community.
- Completed Security Project with installation of 23 new cameras and access control at entrances.
- Provided Spay/Neuter surgery for 132 dogs and 92 cats in our second year of DSHS Zoononis Animal Friendly grant with award of $15,666.
- Completed upgrade of data management application.
- Finalized facility repairs and equipment replacement.

What We Plan to Accomplish in 2017-18

- Continue to increase positive outcomes at the shelter, with a goal of 70% placement.
- Continue to reduce euthanasia through increased adoptions and public outreach and awareness.
- Implement updated sheltering contract with partners for improved partnership and services for the Community.
- Improve and Expand Volunteer program to establish more consistent participation with events.
- Develop Foster program for additional life-saving opportunities for animals in our care.
- Establish Internship Program to accommodate increased demand for various services.
- Continue to Improve and Expand resources for Public Outreach Programs.
- Finalize Animal Ordinance Revision.
- Apply and acquire CDBG funding for new 6 acre dog park.
- Acquire addition of office space/conference area.

Performance Measures	Unit of Measure	Actual 2015-16	Estimated 2016-17	Projected 2017-18
Animal Intake from San Marcos	#	3,083	2,681	2,885
Animal Intake from Hays County	#	1,886	1,911	1,900
Animal Intake from Kyle	#	1,051	1,078	1,065
Animal Intake from Buda	#	235	226	230
Animals Adopted	#	614	764	800
Animals Returned to Owner	#	1,026	918	1,100
Animals Transferred to Rescue	#	424	845	800
Volunteers (New/Total)/Hrs	# Trained Hrs Wkd	103/396 1,566	79/409 1,909	85/500 2,500
Outreach/Educational Events	#	20	75	85
Visitors to the Shelter	#	17,388	19,875	22,500

Park Rangers

Community Services Parks Ranger	Positions				Full Time Equivalent			
	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18
Park Ranger Program Manager	1	1	1	1	1.00	1.00	1.00	1.00
Park Ranger IV	1	1	1	1	1.00	1.00	1.00	1.00
Park Ranger III	4	4	4	4	0.77	0.77	0.77	0.77
Park Ranger II	7	7	7	7	1.01	1.01	1.01	1.01
Park Ranger I	10	10	10	10	1.24	1.24	1.24	1.24
Total	23	23	23	23	5.02	5.02	5.02	5.02

Mission Statement

The Park Ranger program is a valuable tool in addressing the needs of the City's parks and its patrons. Multi-tasked Park Rangers are available during peak days and nights to provide assistance, enforce rules, administer medical aid, oversee park usage, maintain trails, monitor river activity, provide educational background, promote San Marcos, direct traffic and parking, locate lost children, provide rescue service, secure loose animals, and just give a happy greeting to a passerby. The Ranger has only one job requirement and that is to help people recreate. At the same time, the Rangers are required to balance the issues of all visitors, impact to the land/resources, and safety.

Expenditures by Category

	Actual 2015-16	Original Approved 2016-17	Revised 2016-17	Adopted 2017-18
Personnel Services	306,517	268,283	268,283	390,467
Contracted Services	5,082	5,155	5,155	20,419
Materials and Supplies	26,990	22,046	22,046	29,846
Other Charges	7,960	8,150	8,150	13,350
Capital Outlay	0	0	0	0
Total	346,549	303,634	303,634	454,082

Goals and Objectives

- Rangers protect the parks and surrounding areas to ensure the safety of park patrons and wildlife habitats. Rangers serve as ambassadors of the parks, educate and inform park visitors of the resources available to them and help provide a positive experience for park patrons. Rangers also handle medical emergencies, injured persons, rescues and search for lost and/or missing persons. Senior Rangers also help engineer solutions to park issues such as safety, traffic, park rules, crowd control, etc.

What We Accomplished in 2016-17

- We experienced the busiest park season and park year in our history. We were able to replace our oldest vehicle with a pick-up and added an additional pick-up. We were also able to get our ATV's on a replacement plan and will be replacing the older units one a year. A new trail marking system with GPS mapped trail markers was implemented in Spring Lake Preserve. This provides us accurate maps and assists us in locating lost and missing persons in that park.

- Events = 99
- Calls for Service = 1,043
- Arrests = 55
- Parking Citations = 1,074
- Criminal Citations = 601
- EMS Calls = 113
- EMS Transports = 31
- Search = 109

What We Plan to Accomplish in 2017-18

- We expect another record season and park year. We will continue to keep our fleet up to date and will enhance our technology use. The trail marking project will be expanded into several additional natural parks. San Marcos Rangers will host the annual Park Law Enforcement Association conference here in February. We will be working on fully implementing body cameras for law enforcement park rangers.

Performance Measures	Unit of Measure	Actual 2015-16	Estimated 2016-17	Projected 2017-18
Park Patrol – Vehicle and ATV	Miles	24,000	25,000	26,500
Park Patrol – Foot, Bike, Kayak	#	16,200	16,200	17,000
Calls for Service	#	951	1,000	1,500
Arrests	#	49	44	58
EMS Calls	#	119	100	100
EMS Transports	#	48	36	40
Events	#	110	115	90

Library

Community Services Library	Positions				Full Time Equivalent			
	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18
Director of Library	1	1	1	1	1.00	1.00	1.00	1.00
Library - Division Manager	3	3	3	3	3.00	3.00	3.00	3.00
Librarian	4	4	4	4	4.00	4.00	4.00	4.00
Circulation Supervisor	1	1	1	1	1.00	1.00	1.00	1.00
Library Assistant	5	5	5	5	5.00	5.00	5.00	5.00
Library Clerk	7	7	7	7	4.55	4.55	4.55	4.55
Library Page	6	6	6	6	2.25	2.25	2.25	2.25
Total	27	27	27	27	20.80	20.80	20.80	20.80

Mission Statement

Our mission is to help make San Marcos a great place to live by providing our citizens with access to an outstanding collection of library materials; entertaining and educational programs for all ages; fast, free computer, Internet, and information services; and comfortable facilities in which to read, relax, and connect with others. We strive to provide truly outstanding customer service and to promote reading and learning as vital, enjoyable, lifelong activities.

Expenditures by Category

	Actual 2015-16	Original Approved 2016-17	Revised 2016-17	Adopted 2017-18
Personnel Services	1,359,941	1,400,355	1,400,355	1,462,135
Contracted Services	53,242	58,912	58,912	58,912
Materials and Supplies	162,194	167,141	147,141	171,298
Other Charges	19,318	21,244	21,244	21,244
Capital Outlay	0	0	0	0
Total	1,594,695	1,647,652	1,627,652	1,713,589

Goals and Objectives

- INSPIRING YOUNG MINDS: Our goal is to inspire children and teens to explore and expand their interests, help them succeed in school, and develop a love of reading by providing them with an abundance of creative programs and access to books, computers, and other learning resources.
- CREATING OPPORTUNITIES FOR ADULTS: Our goal is to make San Marcos a community of choice for adults by providing them with opportunities to improve their academic, work, and life skills; and to enhance their enjoyment of leisure time through reading and lifelong learning.
- PRESERVING OUR PAST: Our goal is to preserve our rich local heritage for future generations by serving as a center for the collection, preservation and use of archival materials related to the San Marcos and Hays County area.
- SHARING RESOURCES 24/7: Our goal is to meet the informational, educational, and recreational needs of our citizens by providing them with convenient access to well-maintained, up-to-date collections of informative and entertaining library materials in a variety of formats.

- BEING A GREAT PEOPLE PLACE: Our goal is to provide our citizens with an attractive, comfortable place for reading and learning, for meetings, and for accessing technology.
- MANAGING FOR GREAT RETURNS: Our goal is to insure that our citizens receive outstanding service and a great return on their investment in our public library.

What We Accomplished in 2016-17

- **YOUTH SERVICES:** Children's program attendance climbed to over 34,000. The 1,000 Books Before Pre-K reading initiative has been very successful with 800 children enrolled. So far four children have completed the 1,000 books. The library continues to partner with many other programs and agencies in the community: El Centro, Texas State University (STEM, Reading Council, Education Department), SM Fire Department, SMCISD, United Way, HeadStart, SM Housing Authority, Encino Apartment children's programs, Hays Caldwell Women's Center, Youth Service Bureau, and twenty childcare centers. Popular programs presented at the library: Dinosaur George, Austin Reptile show, Birds of Prey, Lego mania, puppet shows, storytime, crafts, and music. The library continues to build up teen programming. Three teen programs were offered each week in the summer including a popular movie-making program using the camcorder purchased by the Friends of the Library. Teens were mentored by community members that were writers, musicians, and teachers and received assistance from the San Marcos Cinema Club. The Teen Advisory Board has been meeting monthly throughout the year. Working families regularly attended the Tuesday family night programming which is offered weekly in the summer and monthly during the school year. In addition, library staff provided library services and books to the children participating in the Parks and Recreation Summer Fun program. Library staff visited 14 times and provided storytimes, crafts, and games to 1,532 children. In partnership with the SMCISD Food Services Department, a total of 4,047 free lunches were provided at picnic tables in back of the library. The library is their busiest summer feeding location and to promote both programs, the library planned many programs to start at 11:00am or 1:00pm.
- **ADULT SERVICES:** Adult program attendance is up 29% with 12,659 adults attending library programs. In the past twenty years, adult attendance at programs is up 629%. Highlights included classical Indian music, monthly Financial Literacy classes, Author's Day, French, Spanish, German, and sign language classes, book clubs, concerts, health education, foreign films, a philosophy dialogue series, gardening series, raising chickens, job training, computer classes, and genealogy. In partnership with Community Action, we provided 937 GED and English language classes. In partnership with Texas State P-16 initiative, we were able to provide 60 resume, college, FAFSA, and job search classes. In partnership with AARP, our income tax service helped 1,030 low-income (average AGI was $30,402) and retired people accurately e-file their tax returns. This resulted in our community receiving almost 1.3 million dollars in tax refunds. Our partnership with the Retired Faculty and Staff Association of Texas State provided access to lifelong learning classes available free to the whole community. We visited and made book distributions for adults at Mariposa, Stone Brook, La Vista, Springtown Villas, Martindale Public Library, and the Hays County Jail.
- **COLLECTION SERVICES:** We cataloged and processed 5,500 new items for the collection and de-accessioned nearly 6,000 items by reviewing the collection for out-of-date and damaged materials. This has become an annual necessity in order to make room for new library materials. We maintained a 250 title periodical collection. Materials from our 163,000 volume collection were checked out over 473,000 times during the year and 23,000 items were placed on reserve.
- **24/7 DIGITAL LIBRARY:** We continued building our e-book service and marketing it under the 24/7 banner. Through joint projects with other central Texas libraries, our patrons now have access to over 9,000 downloadable ebooks and 8,000 downloadable audio books. Our digital services also include access to the New York Times, Cypress Resume, Bookletters, TexShare databases, Heritage Quest, and Learning Express. New this year, is FLIPSTER, online access to popular magazines. We currently have 4,250 patrons registered to download eBooks, newspapers and audiobooks.
- **ACCESS TO COMPUTERS & INFORMATION**: We provided one-on-one reference services to 37,600 customers. Our public access computers were replaced with Wyse terminals midway through the year and have proven to be much easier to use as well as more reliable. Our public access computers were used over 100,000 times and laptop use of our Wi-Fi system was about 25,000.

- **LOCAL HISTORY CENTER**: Our online access to local history materials continues to grow. The San Marcos Daily Record from 1990 to 2016 have been digitized and are searchable by keyword. We have been actively digitizing photos from our local history files and making them accessible on the web. Early San Marcos Telephone Directories from 1899 are now available digitally as are the local cemetery inscriptions. We participated in several community history projects including the common experience, "A Century of Conflict – Dialogues of U.S. War Since 1917." The library also hosted Brantley Hightower, the author of *The Courthouses of Central Texas*.
- **LIBRARY PROMOTIONS:** At the Texas Library conference in April, the library won the Branding Iron award for best new logo which was a collaboration by Diane and Stephen Jablonski in the Communication Department. The Friends of the Library purchased a new button maker and promotional buttons can be seen all over town. The Library's Facebook page continues to be a popular source for information and now has over 1,900 followers. The COSM Communications Department provided two videos to promote the summer reading program and they were widely viewed on Facebook and shared in emails. While the library promotes items on Facebook, Instagram and Twitter, we also maintain a paper calendar of events and received outstanding coverage from the *San Marcos Daily Record* that includes a calendar of events, photos and weekly articles written by the Lifestyle Editor.
- **FACILITIES, GROUNDS, FURNISHINGS, & EQUIPMENT**: The library facility is 23 years old and we continue to aggressively maintain our aging facility. In March, the roof sustained a large leak and damaged furniture, computers, and telephones. The roof has still not been fixed and the walls cannot be insulated or sheetrocked until the roof is repaired. This has caused considerable inconveniences for library staff and customers. The Director and three librarians are not able to use their own desks and other space is limited. The Learning Center has been reconfigured but does not have as many computers as before. One of the biggest problems is that six rows of books cannot be accessed by the public. The Friends of the Library purchased twenty new lightweight tables for the meeting room. We are continuing our work with Keep San Marcos Beautiful and PARD responds to our requests for maintenance and landscaping. The biggest news is that a recent bond election was called by city council and passed with over 77% of the vote. This $14.75 million will allow a large addition and remodeling at the current location.
- **OTHER GOOD NEWS:** The library is open 7 days per week for a total of 70 hours. Volunteers served 7,500 hours at the library this year. Our Friends group raised over $34,800 for our summer reading and GED programs, books, furniture, shelving, and equipment. We met regularly with the technology staff and librarians from SMCISD to promote our collection and services. We also participated at school events to issue library cards and provide eBook instruction. In the recent city survey, customer satisfaction remains high with 94% ranking the library as exceeding expectations. The library received two grants from the Texas State Library in the past year. One was for the Director to attend the Research Institute for Public Libraries in Colorado and attend a week-long boot camp about library statistics. The second was to purchase twenty Google ChromeBooks for use in library programs.

What We Plan to Accomplish in 2017-18

- Maintain or exceed current levels of service in all key performance areas.
- Prepare for the library expansion project by hiring an architect and visiting recently built facilities, assembling a building advisory committee, and perhaps breaking ground by the end of FY2018.
- Attend local and regional library conferences, especially those with programs on architecture and facility expansions.
- Continue building and promoting our downloadable e-Book collection and other 24/7 digital services.
- Continue improvements to library webpages including development of online forms and mobile apps.
- Continue digitizing local history materials and making them available via the Internet.
- Enhance services to teens and continue to develop the Teen Advisory Board.
- Partner with community educational entities to improve the quality of San Marcos' workforce. Provide a series of financial literacy programs.
- Work to improve customer service and efficiency throughout our operation.

Performance Measures

	Unit of Measure	Actual 2015-16	Estimated 2016-17	Projected 2017-18
Citizens enjoy coming to the library to read, learn, and connect with others.	# of visitors	373,334	375,000	380,000
The library is well-used by a large percentage of the San Marcos community.	# of active borrowers	47,827	51,000	53,000
The library collection is well-used because it meets the recreational and educational needs of the community.	# of items borrowed	473,568	474,000	475,000
The library provides citizens and visitors with access to the Internet and other computer resources.	Use Of Computers	114,602	125,000	125,000
The library helps support the educational and recreational needs of children.	Attendance	34,046	36,000	38,000
The library provides adults with GED and literacy tutoring as well as other opportunities for lifelong learning.	Attendance	12,659	15,000	16,500
The library provides citizens with opportunities to give back to their community by doing meaningful volunteer work.	# Hours	7,115	7,250	7,500
The library maintains an up-to-date, well-organized collection of materials to meet the diverse needs of our community.	Volumes	163,728	165,000	165,500
Citizens receive friendly, professional help when they are seeking information or computer instruction.	Reference Assistance	37,545	38,000	38,500

Parks and Recreation

Community Services Parks and Recreation	Positions				Full Time Equivalent			
	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18
Assistant Director of Community Services	1	1	1	1	1.00	1.00	1.00	1.00
Athletics Program Manager	1	1	1	1	1.00	1.00	1.00	1.00
Recreation Programs Manager	1	1	1	1	1.00	1.00	1.00	1.00
Habitat Conservation Plan Manager	1	1	1	1	1.00	1.00	1.00	1.00
Parks Operations Manager	1	1	1	1	1.00	1.00	1.00	1.00
Youth Services Manager	1	1	1	1	1.00	1.00	1.00	1.00
Special Events & Marketing Coordinator	1	1	1	1	1.00	1.00	1.00	1.00
Athletic Program Coordinator	1	1	1	1	1.00	1.00	1.00	1.00
Senior Citizen Programs Coordinator	1	1	1	1	1.00	1.00	1.00	1.00
Youth Services Coordinator	1	1	1	1	1.00	1.00	1.00	1.00
Facilities / Events Coordinator	1	1	1	1	1.00	1.00	1.00	1.00
Parks Maintenance Supervisor	1	1	1	1	1.00	1.00	1.00	1.00
Parks Maintenance Crew Leader	3	3	3	3	3.00	3.00	3.00	3.00
Parks/Facilities Worker	6	6	6	6	6.00	6.00	6.00	6.00
Parks/Facilities Specialist	7	7	7	7	7.00	7.00	7.00	7.00
Parks/Athletic Fields Worker	2	2	2	2	1.50	1.50	1.50	1.50
Habitat Conservation Plan Specialist	1	1	1	1	1.00	1.00	1.00	1.00
Administrative Clerk	1	1	1	1	1.00	1.00	1.00	1.00
Discovery Center Attendant	1	1	1	1	0.50	0.50	0.50	0.50
Summer Program Coordinator	1	1	1	1	0.27	0.27	0.27	0.27
Summer Assistant Program Coordinator	1	1	1	1	0.23	0.23	0.23	0.23
Summer Playground Site Supervisor	2	2	2	2	0.46	0.46	0.46	0.46
Summer Asst. Playground Site Supervisor	4	4	4	4	0.92	0.92	0.92	0.92
Summer Playground Leader	16	16	16	16	3.69	3.69	3.69	3.69
Intern	3	3	3	3	0.52	0.52	0.52	0.52
Total	60	60	60	60	38.09	38.10	38.10	38.10

Mission Statement

To provide the citizens and visitors of San Marcos the highest level of programs, parks, facilities and services that will positively enhance our vision of creating community. Create a unified parks and recreation system that serves the entire Community, supports tourism and remains a good steward to the River and surrounding environment.

The goal is to identify and secure financial resources to support the mission, goals and objectives of the San Marcos City Council, Parks Advisory Board and citizens of San Marcos.

Expenditures by Category

	Actual 2015-16	Original Approved 2016-17	Revised 2016-17	Adopted 2017-18
Personnel Services	2,331,543	2,467,232	2,467,232	2,556,711
Contracted Services	374,402	500,905	450,905	596,905
Materials and Supplies	299,647	192,209	192,209	192,209
Other Charges	27,320	28,735	28,735	28,735
Capital Outlay	0	0	0	0
Total	3,032,912	3,189,081	3,139,081	3,374,560

Goals and Objectives

- Provide excellent customer services.
- Continue to increase the efficiency and effectiveness of processes within each division.
- Ensure that recreation/leisure needs of all sectors of the community are met.
- Develop a benefits-based approach for all programs and services.
- To protect and restore the integrity of San Marcos River through addressing watershed land use and river management.

What We Accomplished in 2016-17

- Provided staff support to the following community groups – San Marcos Area Youth Soccer Association, Sights and Sounds of Christmas and the San Marcos Youth Baseball/Softball Association.
- Provided staff support to the following city boards and commissions – Parks Advisory Board, Arts Commission, Senior Citizen Advisory Board, Cemetery Commission, San Marcos Commission on Youth and Children, San Marcos Youth Commission, and the Veterans Affairs Advisory Commission.
- Successfully raised monetary sponsorships and in-kind donations to support special events and programs for youth, senior citizens, and special populations.
- Attended professional development training at the 2016 TRAPS conference, 2016 Texas Association of Fairs and Events conference, and 2016 Texas Festivals and Events Association conference.
- Provided eight internship opportunities for Texas State University Students (6 paid, 2 unpaid).
- Recruited and utilized more than 700 volunteers totaling more than 3000 volunteer hours.

Recreation Program Division

- Successfully planned and implemented the following special events: Veterans Day Parade, Summerfest, Keep San Marcos Beautiful Live on the Lawn, Miss Beautiful San Marcos Pageant, Golden Sweethearts Ball, and Dances for Adults w/Disabilities (6), Sounds of San Marcos Open Mic Night (4), Memorial Day Remembrance Ceremony, SMarts Advocacy Award Ceremony, Mural Dedication Ceremonies (3), and SMASH Socials.
- Successfully planned and implemented the following programs: Life Long Learning Classes, Pickleball, Trail Tours, Bingo, Luncheons, senior health related classes, and Working Artists Workshops.
- Designed, prepared, and distributed the Spring/Summer and Fall/Winter Activity Guides.
- Prepared and distributed 6,800 print copies of the quarterly 50+ Senior Newsletter in addition to digital versions.
- Planned and Implemented 10 travel group's trips throughout the state and Louisiana.
- Managed the selection and implementation of five mural projects.
- Assisted the Resource Recovery Division with numerous special events and projects.
- Assisted the Community Services Department with various marketing efforts including video production, social media, and print media.

Watershed Protection

- Held two River clean ups events, 12 Hot Spot & active summer program to remove litter from the San Marcos River.
- Continued implementation of Edwards Aquifer HCP and completed work plans for City and University.
- Achieved biological goal for Texas wild-rice in 50% of HCP stream sites; changing the faunal community.
- Developed a strong native plant program for community enhancement and awareness with city partners.

Youth Services

- Successfully planned and implemented the following special events: Movies in Your Park, Daddy Daughter Dance, Fun Fish Day, Party in Your Park (4), Spring and Fall Carnivals, Mother-Son Bowling, Fall Family Tailgate, Cookies and Cocoa at the Courthouse.
- Successfully planned and implemented the following programs: Baby Sign Language and Babysitter's Training Course.
- Partnered with Texas State on Goal:POST at Miller Middle School and Best Friends for Life inclusion program.
- Partnered with local homeschool groups to provide Homeschool Enrichment and PE Classes.
- Successfully planned and implemented the Summer Fun Program, Daytripper Camp, and Discovery Camps.
- Distributed $10,500 in CDBG dollars for scholarships for PARD Youth Programs for over 140 children.
- San Marcos Commission on Children and Youth made plans to distribute over $87,000 in grant money to local youth service providers.

What We Plan to Accomplish in 2017-18

- Increase program numbers through quality programming.
- Find new ways to connect with citizens to make them aware of our programs.
- To continue to improve customer communication process, customers follow up.
- To continue to provide a variety of recreation and leisure programs for all citizens to ensure needs are being met.
- Increase participation in Senior Programs through collaborations with various community groups.
- Continue to improve our online social media presence.
- Improve processes and procedures related to the Arts Commission.
- Create a database of current public art and create an online gallery.
- Install new exhibits at Discovery Center for public awareness of rivers, parks & trails.
- Continue upkeep of city parks/facilities and retrofit with green measures where possible.
- To complete renovation of Veterans and Dunbar Neighborhood Park improvement projects.
- To leverage existing City funds and obtain grants with limited or no matching funds.
- To continue implementation of Arts Master Plan.
- To continue implementation of the EARIP plan.
- To begin implementation of San Marcos Youth Master Plan.
- To update existing Parks, Recreation & Open Space Master Plan.

Performance Measures

	Unit of Measure	Actual 2015-16	Estimated 2016-17	Projected 2017-18
Parkland – Regional	acres	135	135	155
Parkland - Neighborhood	acres	59	59	60
Parkland – Open Space	acres	943	1,050	1,300
Total Park Acres	acres	1,699	2,120	2,400
Total Park Users	#	130,000	160,000	165,000
Travel Group Trip	trips part	12 702	12 702	12 702
Senior Citizen Programs	prog part	88 4,000	88 4,000	76 3,800
Facility Rentals	#	5,437	5,500	5,500
Course Registrations	#	5,429	6,000	6,000
Point of Sale Transactions	#	32,890	33,000	33,000
Community Forestry Education Outreach	Programs/ Hours	N/A	N/A	5 30
Community Forestry Management (number of trees removed/planted/pruned)	#	N/A	50 15 50	75 200 200

Activity Center

Community Services Activity Center	Positions				Full Time Equivalent			
	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18
Aquatics Program Supervisor	1	1	1	1	1.00	1.00	1.00	1.00
Aquatics Fitness Program Supervisor	0	0	0	1	0.00	0.00	0.00	1.00
Athletic Program Specialist	2	2	2	2	1.75	1.75	1.75	2.00
Activity Center Attendant	6	6	6	6	4.63	4.63	4.63	4.88
Lifeguard / Water Safety Instructor	2	2	2	1	1.50	1.50	1.50	0.75
Facilities/Maintenance Worker	2	2	2	2	1.75	1.75	1.75	1.75
Lifeguard	6	6	6	6	3.00	3.00	3.25	3.00
Total	19	19	19	19	13.63	13.63	13.88	14.38

Mission Statement

The mission of the Activity Center is to provide leisure activities in athletics, aquatics and fitness for the citizens of San Marcos. The Activity Center will provide a meeting facility to accommodate a variety of needs for the community. These activities and opportunities will be delivered at the highest level possible with the resources provided.

Expenditures by Category

	Actual 2015-16	Original Approved 2016-17	Revised 2016-17	Adopted 2017-18
Personnel Services	607,508	706,869	656,869	768,789
Contracted Services	36,027	83,200	63,200	23,200
Materials and Supplies	94,613	60,540	40,540	60,540
Other Charges	0	3,500	3,500	3,500
Capital Outlay	0	0	0	0
Total	738,148	854,109	764,109	856,029

Goals and Objectives

- Customer Service: 1) Provide excellent Customer service. 2) Create positive public interactions, 3) customer input. 4) Evaluation of programs and facility.
- Safe, well maintained facilities: 1) Daily, weekly inspections, 2) Equipment upkeep and maintenance, 3) Monthly and yearly reviews, 4) Overall facility maintenance program.
- Marketing: 1) Use of technology, 2) Use of new Active Net system, 3) use of all available Social Media Outlets.
- Offer quality Athletic and Aquatic programs to include extensive Officials training and parent education programs.
- Make sure all recreation/leisure needs of all sectors are met with new and innovative programming.
- Increase Memberships/Facility usage: 1) Renewals, 2) Quality programming3) Use of new Active Registration Software.

- Staff Development: 1) staff training and involvement in decision making processes, 2) staff recognition programs, 3) Productive and informative staff meetings.4) Team atmosphere.

What We Accomplished in 2016-17

- Offered 16 youth Athletic programs for ages 3-12.
- Offered 15 adult Athletic programs.
- Offered 2 Athletic Travel Group Trips
- Hosted Sunshine Kids program – river tubing, and pool party.
- Performed board duties and registration for SMAYSO and SMYBSA youth organizations.
- Expanded Officials training program including background checks and ID's.
- Maintained ASA district duties for Austin area including all youth team registrations.
- Maintained Aerobic Contract. Added additional programming.
- Continued fitness equipment and weight equipment replacement program.
- Offered 9 programs in Aquatics/Natatorium.
- Hosted two (2) Texas Challenge Girls Fastpitch Tournaments and 35 & Over Men's.
- Hosted SMYBSA Girls softball program to Gary Fastpitch Complex.
- 12 sessions of Private Swim Lessons.
- Managed swim team and Adaptive Aquatic programs.
- Replaced Basketball Goals and Gym Curtain.

What We Plan to Accomplish in 2017-18

- Continue to offer diverse, safe and quality programs in Activity Center, Athletics and Aquatics.
- Improve customer services relating to Activity Center.
- Expand contract tennis program for lessons tournaments etc. with combined efforts of USTA.
- Replace carpet in Activity Center.
- Repair Natatorium pool deck.
- Expand on use of electronic and social media to enhance all programs.
- Continued maintenance issues at Activity Center, fitness equipment and aquatic facility.
- Expansion of services, programs and facility needs at Girls Softball Complex through programming.
- Increase revenues – reduce and control expenses.
- Increase program numbers through quality programming.
- Paint Gymnasium and Natatorium.
- Continue to expand and enhance youth programs to include tennis and golf programs.
- Develop long term resource needs and long term future issues.
- Expand Aquatic programs and services.
- Develop and administer Senior Softball program.

Performance Measures	Unit of Measure	Actual 2015-16	Estimated 2016-17	Projected 2017-18
Youth Athletics	Programs Participants	16 27,000	17 28,750	20 30,000
Adult Athletics	Programs Participants	17 38,000	17 39,000	20 40,000
Aquatics Programs – Natatorium	Programs Participants	16 9,000	9 6,000	10 7,000
Memberships	Members	2,200	2,350	2,500
Non-member facility usage	Average per month	11,236	12,056	12,500
Softball Complex Rentals	Rentals	51	48	65
Activity Center Gym Rentals	Rentals	45	50	60
Athletic Travel Group Trips	#	3	2	2

Outdoor Pool

Community Services Outdoor Pool	Positions				Full Time Equivalent			
	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18
Pool Manager	1	1	1	1	0.35	0.35	0.35	0.35
Water Safety Instructor	4	4	4	4	0.98	0.98	0.98	0.98
Head Lifeguard	4	4	4	4	1.08	1.08	1.08	1.08
Lifeguard	7	7	7	7	1.72	1.72	1.72	1.72
Cashier / Pool Attendant	2	2	2	2	0.33	0.33	0.33	0.33
Total	18	18	18	18	4.45	4.45	4.45	4.45

Mission Statement

The mission of the Outdoor Pool is to provide leisure aquatics for the citizens of San Marcos.

Expenditures by Category

	Actual 2015-16	Original Approved 2016-17	Revised 2016-17	Adopted 2017-18
Personnel Services	54,979	104,321	104,321	104,228
Contracted Services	0	0	0	0
Materials and Supplies	31,746	39,000	39,000	39,000
Other Charges	0	0	0	0
Capital Outlay	0	0	0	0
Total	86,725	143,321	143,321	143,228

Goals and Objectives

- Continue to offer quality Aquatic programing to make sure all recreation & leisure needs are met.
- Keep current with all documentation.
- Provide a safe, well maintained facility with daily, weekly inspections and maintenance checks.
- Monthly staff In-service trainings and involvement in the decision making process.
- Increase Memberships & Facility usage by providing quality programming.
- Continue positive public interaction with patrons input and evaluations.
- Provide excellent customer service.

What We Accomplished in 2016-17

- 10 programs in Aquatics
- Youth Swim Lessons (8 sessions).
- Hosted 45 Pool Parties at Rio Vista Pool. (June – August).
- Splash Day Unofficial/Opening & Closing.
- Noon Adult Swim (12pm – 1pm).
- Family Night Swim (Thursdays, 8pm – 10pm: June – August).
- Splash Jams (3).

- Memorial Day Celebration.
- Red/White/Blue Celebration.
- Labor Day Celebration.
- Added Pool Volleyball.

What We Plan to Accomplish in 2017-18

- Expand Aquatic programs and services.
- Continue working on our customer service relations with the community and our patrons
- Increase program numbers through quality programming.
- Increase shade coverage by providing structures in the yard area.
- Pool Volleyball League.

Performance Measures

	Unit of Measure	Actual 2015-16	Estimated 2016-17	Projected 2017-18
Rio Vista Pool Rentals	Programs	45	42	45
	Participants	3,500	3,300	4,000
Rio Vista Pool Programs	Programs	9	10	10
	Participants	6,000	6,000	6,000
Rio Vista Memberships	Members	8	10	10
Daily Entries	Participants	21,000	21,750	22,000

Facilities and Grounds

Mission Statement

The mission of the Facilities and Grounds Division is the administration and implementation of a comprehensive maintenance program of all City owned facilities, public grounds, easements, right of ways, and drainage areas.

Expenditures by Category

	Actual 2015-16	Original Approved 2016-17	Revised 2016-17	Adopted 2017-18
Personnel Services	0	0	0	0
Contracted Services	754,205	844,570	844,570	844,570
Materials and Supplies	314,220	50,024	50,024	50,024
Other Charges	0	0	0	0
Capital Outlay	0	0	0	0
Total	1,068,425	894,594	894,594	894,594

Goals and Objectives

- Maintain high customer satisfaction rates.
- Provide "top-quality" technical craftsmanship, while optimizing costs.
- Monitor and evaluate all city maintenance contracts.
- Optimize operational efficiency through advanced technology and energy efficient systems-Computerize HVAC and Irrigation Controls.
- Continue energy conservation measure retrofits.
- Develop quantifiable operational performance measures.
- Continue ADA improvements.
- Provide timely 24 / 7 service support.
- Provide comprehensive technical training opportunities for staff.

What We Accomplished in 2016-17

- Implement automated Asset Management, Facility Work Order, and Project Management System through Tyler Munis Enterprise System.
- Completed initial roof replacements/repairs at Public Services, SMPD, Water Quality, and Airport facilities.
- Renovate Grant Harris Building offices.
- Completed design and construction of City Park parking lot.
- Finished Public Service, City Park, Fish Hatchery, Ranger Hut, and Rain/Hurricane Renovations.
- SMPD Environmental Dehumidification System—Evidence Vaults.
- Completed repairs to Airport Building HVAC systems.
- Implement Engineer design plan for City Hall and Grant Harris structural problems.
- Replace and caulk windows at Activity Center, Library, Municipal Building.
- Performed routine maintenance repairs to the Animal Shelter prior to annual state inspection.

What We Plan to Accomplish in 2017-18

- Continue to maintain and service City Facilities in the most efficient way possible.
- Complete roof replacements at airport, SMEU, Grant Harris, and Public Services Buildings.
- Continue construction of SMFD Sta#4.
- Renovate Public Services office/crew area.
- Renovate Grant Harris Building offices.
- Replace carpet at Activity Center.
- Renovate Activity Center shower areas and restrooms.
- Replace Freezer Storage Unit at Animal Shelter.
- Repair CAF Fire Suppression System.
- Continue to add facilities to HVAC and irrigation computer control systems.
- Continue to standardize and add facilities to our door access and security system.
- Continue ADA renovations as funds allow.
- Continue to review and update all standing City maintenance contracts.
- Construct new CVB office space.

Performance Measures

	Unit of Measure	Actual 2015-16	Estimated 2016-17	Projected 2017-18
Acres Of Public Grounds Maintained	Acres	170	176	187
Facility Maintenance	Facilities	44	44	44
Janitorial Contract	Sq. Ft.	220,549	220,549	220,549
Lawn Maintenance	Acres	120	140	150
ROW's, Drainage Acres, Alleys	Acres	1,918	1,960	2,000
Litter Control	Acres	129	155	188

PARD Contract Programs

Mission Statement

The Contract Programs division is used to show the various contract amounts for programs such as aerobics and other instructional programs.

Goals and Objectives

- To provide a variety of recreation and leisure programs for all ages.
- Provide both water and land aerobic programs.
- To offer these programs to the public utilizing qualified contract instructors.
- To offer these programs at affordable prices, while generating a profit for the instructors and the city.

What We Accomplished in 2016-17

- Continued to administer Aerobics contract.
- Maintained positive relations with contract instructors.
- Offered a variety of Land and Water Aerobic programs with contractor.
- Increased participation numbers in all aerobic programs.
- Replaced aging fitness equipment.
- Maintained existing fitness and weight equipment.
- Added new contract programs and phased out some old ones.

What We Plan to Accomplish in 2017-18

- Increase revenue from the Aerobic Fitness Programs.
- Offer Aerobic programs geared for all ages and needs.
- Maintain existing weight and fitness equipment.
- Improve marketing efforts through the use of CLASS email lists, flyers, and press releases and other ideas.
- Purchase new bikes and equipment for aerobics program.
- To evaluate the current programs utilizing Texas State Student Staff.
- Continue yearly replacement cycle of aging fitness equipment. Replace portion of Spin Bikes.
- Maintain existing programs at the Activity Center and Cephas House.

Expenditure by Category

	Actual 2015-16	Original Approved 2016-17	Revised 2016-17	Adopted 2017-18
Personnel Services	0	0	0	0
Contracted Services	81,081	110,000	90,000	110,000
Materials and Supplies	0	0	0	0
Other Charges	0	0	0	0
Capital Outlay	0	0	0	0
Total	81,081	110,000	90,000	110,000

Performance Measures

	Unit of Measure	Actual 2015-16	Estimated 2016-17	Projected 2017-18
Fitness Programs/Land & Water	Programs	24	25	25
	Revenue	$70,000	$70,000	$70,000
Contract Leisure Programs	Programs	8	6	6
	Revenue	$15,000	$10,000	$10,000

Fleet Services

Community Services Fleet Services	Positions				Full Time Equivalent			
	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18
Fleet Services Supervisor	1	1	1	1	1.00	1.00	1.00	1.00
Master Fleet Service Technician	5	5	5	5	5.00	5.00	5.00	5.00
Fleet Inventory Technician	1	1	1	1	1.00	1.00	1.00	1.00
Fleet Services Technician	1	1	1	1	1.00	1.00	1.00	1.00
Total	8	8	8	8	8.00	8.00	8.00	8.00

Mission Statement

To provide service to all of City of San Marcos departments and divisions that own equipment and vehicles by repairing and maintaining vehicles and equipment through all phases of repairs to include rebuilding and replacing major assemblies. We cover all repairs from tire repairs to major overhauls to vehicle renovation.

Expenditures by Category

	Actual 2015-16	Original Approved 2016-17	Revised 2016-17	Adopted 2017-18
Personnel Services	474,877	540,588	540,588	569,078
Contracted Services	7,867	11,295	11,295	11,295
Materials and Supplies	51,469	420,792	370,792	420,792
Other Charges	3,189	8,287	8,287	8,287
Capital Outlay	0	0	0	0
Total	537,402	980,962	930,962	1,009,452

Goals and Objectives

Execute City Council's vision and goals by providing top quality, professional, effective, and timely Fleet management and maintenance services to customers including:

- Maintain high customer satisfaction rates.
- Provide "top-quality" technical craftsmanship, while optimizing costs.
- Increase technician's billable hours productivity.
- Determine fleet availability for each vehicle/equipment class.
- Optimize operational efficiency through advanced technological systems.
- Develop quantifiable operational performance measures.
- Provide timely 24 / 7 service support and road call responses.
- Provide comprehensive technical training and certification opportunities for staff.
- Promote usage of alternative fuels and vehicles; emphasize fuel economy and emission reduction initiatives.
- Achieve a perfect safety record—"0" preventable accidents and "0" lost time injuries.

What We Accomplished in 2016-17

- Provided level-one customer service and quality craftsmanship for over 625 vehicles/equipment--
- Proactively scheduled preventive maintenance (PM) program--continues to save money.
- Procured highly versatile PM equipment —reduced repair time by 1/3 for brake work and AC reclamation. Marked improvement in diagnostic triage, engine performance, and reduced outside service costs.
- Rolled out 2017-2018 Enterprise leasing order. Waiting on pricing from Enterprise Holdings.
- Hired full time Service Writer/Admin Tech to support Fleet operations.
- Completed 2882 work orders to include 595 PM A/B work orders, 354 outside and 1933 internal work orders.
- Motor Pool, 120 reservations for a total of 15237 miles.
- Total work order cost $826,540.00
- Outside work order cost $337,526.00
- Internal work order cost $489,014.00

What We Plan to Accomplish in 2017-18

- Provide premier service support for City Council's vision and goals -- partner with other Department customers to successfully achieve their operational fleet goals and objectives.
- Provide "top-quality" technical craftsmanship-- control labor/parts costs; monitor quality service assurance program; increase scheduled preventative maintenance program by 5%; improve vehicle availability rates; track re-works/returns; and streamline operational reports.
- Perform a fleet baseline evaluation and conduct a vehicle usage analysis. Continue fleet right-sizing measures and introduce operational efficiencies garnered by operating motor pools and central fleet management techniques.
- Continue to build on the Enterprise leasing. Add additional 30 vehicles to include enterprise and general funded vehicles.
- Complete the AVL evaluation process. Finalize and select vendor and report to dept. heads.
- Fund technical training for specialized OEM and vehicle service training classes, pursue EVT ratings.
- Achieve a perfect safety record—"0" preventable accidents and "0" lost time injuries.
- Continue to reduce outside work orders.

Performance Measures

	Unit of Measure	Actual 2015-16	Estimated 2016-17	Projected 2017-18
PM Services Light Vehicles/Equipment	Each	530	530	550
PM Services Heavy/Off-Road Vehicles	Each	136	136	150
Unscheduled Maintenance	Each	1,008	1,090	1,150
Work Orders Completed	Each	2,882	3,000	3,100
Return Rate (APWA benchmark is 2 percent)	Percent	1.25	1	1
Total Fleet Size	Each	665	500	551
Technician Billable Hours (Goal 70%)	Percent	80	81	82
Average Equipment On-Line Availability (Goal 95%)	Percent	96	97	97.5
Scheduled Preventative Maintenance Ratio (Goal 35%)	Percent	37	37	41

Social Services

Department Organization

The Social Services Division is used to account for social service program expenditures.

Expenditures by Category

	Actual 2015-16	Original Approved 2016-17	Revised 2016-17	Adopted 2017-18
Social Services	450,000	450,000	450,000	450,000
Total	450,000	450,000	450,000	450,000

Special Services

Department Organization

The Special Services Division is used to account for a variety of non-direct expenditures. Examples of expenditures include utilities, insurance, bank charges and operating transfers.

Expenditures by Category

	Actual 2015-16	Original Approved 2016-17	Revised 2016-17	Adopted 2017-18
Personnel Services	10,268	772,192	30,081	647,368
Contracted Services	2,416,042	2,965,295	2,294,295	2,786,247
Materials and Supplies	9,456	30,100	5,100	30,100
Other Charges	1,491,406	2,314,203	2,264,203	2,458,533
Non-Recurring/Non-Oper Exp	2,843,674	3,893,582	3,136,667	9,328,241
Operating Transfers	1,444,183	1,395,819	1,340,819	1,451,405
Total	8,215,029	11,371,191	9,071,165	16,701,894

City of San Marcos

2017-18 ANNUAL BUDGET

DEBT SERVICE FUND

	Actual 2015/2016	Approved 2016/2017	Revised 2016/2017	Adopted 2017/2018
Beginning Unreserved Fund Balance	**8,085,059**	**9,114,886**	**9,114,886**	**9,394,187**
Operating Revenues				
Current Ad Valorem	8,016,226	8,084,545	8,084,545	11,447,855
Delinquent Ad Valorem	105,530	107,244	107,244	151,859
Penalties and Interest	42,615	57,747	52,850	81,770
Interest Income	60,354	26,000	80,000	90,000
Hammonds Transfer	548,087	555,000	462,500	505,053
BAB Subsidy	104,772	107,526	99,498	102,608
Pass Thru Toll Revenue	3,723,316	3,030,000	3,400,000	3,030,000
TIRZ Transfer	188,298	190,830	1,221,324	1,839,572
Venue Tax Transfer	1,610,164	1,645,998	1,625,572	1,654,631
Total Operating Revenues	**14,399,362**	**13,804,890**	**15,133,533**	**18,903,349**
Operating Expenditures				
Principal Payments	8,230,000	7,870,000	8,670,000	10,825,000
Interest Payments	4,827,355	4,934,159	4,934,159	4,703,739
Fiscal Agent Fees	7,891	28,750	28,750	25,000
TIZ Payments	304,288	452,548	1,221,324	1,839,572
Total Operating Expenditures	**13,369,534**	**13,285,457**	**14,854,233**	**17,393,311**
Ending Fund Balance	**9,114,886**	**9,634,320**	**9,394,187**	**10,904,225**
Fund Balance as a Percentage of Total Expenditures	68.18%	72.52%	63.24%	62.69%
Total Outstanding Tax Supported Debt	81,805,000	71,430,000	71,430,000	76,700,000

Outstanding Tax Supported Debt	**Outstanding Principal**
Series 2008A Combination Tax and Revenue Certificates of Obligation	5,160,000
Series 2009 GO Refunding Bonds	1,385,000
Series 2009 GO Refunding Bonds	485,000
Series 2009 General Obligation Bonds	1,190,000
Series 2010 Taxable Build America Bonds	5,530,000
Series 2010 General Obligation Refunding Bonds	5,225,000
Series 2012 General Obligation Refunding Bonds	4,400,000
Series 2013 General Obligation Refunding Bonds	670,000
Series 2013 Combination Tax & Revenue Bonds	3,075,000
Series 2014 Combination Tax & Revenue Bonds	5,455,000
Series 2014 General Obligation Refunding Bonds	6,420,000
Series 2014A General Obligation Refunding Bonds	8,390,000
Series 2015 Combination Tax & Revenue Bonds	4,525,000
Series 2016 GO Refunding Bonds	7,885,000
Series 2016 Combination Tax & Revenue Bonds	9,705,000
Series 2017 Combination Tax & Revenue Bonds	7,200,000
Total	76,700,000
Fund Balance as a Percentage of Total Original Principal Amount for Outstanding Tax Supported Debt	14.22%

City of San Marcos

2017-18 Annual Budget

Ratio of Net General Bonded Debt to Assessed Value and Net Bonded Debt Per Capita Last Ten Fiscal Years

Fiscal Year	Population	Assessed Value	Gross Bonded Debt	Debt Service Funds	Net Bonded Debt	Percent of Net Debt to Assessed Value	Net Debt Per Capita
2008	50,317	2,276,934,847	77,010,000	6,003,239	71,006,761	3.12%	1,411
2009	50,913	2,623,365,186	77,960,000	7,199,004	70,760,996	3.11%	1,313
2010	53,913	2,504,035,456	81,805,000	6,428,387	75,376,613	2.87%	1,333
2011	47,505	2,452,170,753	76,840,000	7,913,022	68,926,978	2.55%	1,476
2012	46,750	2,456,366,767	71,980,000	10,973,198	61,006,802	2.49%	1,305
2013	50,001	2,861,809,498	72,090,000	10,404,537	61,685,463	2.15%	1,233
2014	54,076	3,057,698,401	71,210,000	7,135,423	64,074,577	2.09%	1,184
2015	58,892	3,394,045,225	71,430,000	7,422,079	58,342,921	1.71%	990
2016	59,338	3,667,359,174	75,110,000	7,681,562	67,428,438	1.84%	1,136
2017	60,684	4,070,768,683	76,700,000	9,394,187	67,305,813	1.65%	1,109

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET

RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR GENERAL BONDED DEBT TO TOTAL GENERAL GOVERNMENT EXPENDITURES LAST TEN FISCAL YEARS

Fiscal Year	Principal	Interest	Total Debt Service	Total General Governmental Expenditures	Ratio of Total Debt Service to General Governmental Expenditures
2008	3,195,000	1,820,060	5,015,060	49,968,402	11%
2009	4,695,000	4,039,047	8,734,047	55,597,726	11%
2010	4,780,000	3,478,882	8,258,882	58,684,164	11%
2011	4,005,000	3,216,402	7,221,402	62,691,847	11%
2012	4,750,000	3,269,200	8,019,200	63,879,206	11%
2013	4,855,000	2,940,719	7,795,719	60,705,849	12%
2014	4,980,000	2,782,545	7,762,545	68,127,194	11%
2015	5,230,000	2,995,767	8,225,767	77,085,000	11%
2016	5,965,000	2,738,748	8,703,748	81,400,000	11%
2017	5,500,000	2,949,536	8,449,536	85,476,703	10%

* Includes expenditures of the General, Special Revenue, Debt Service, Capital Projects, and Permanent Funds.

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET

COMPUTATION OF LEGAL DEBT MARGIN
SEPTEMBER 30, 2017

State Law Limit – 10% of Taxable Assessed Value

Actual taxable assessed value at September 30, 2017		$ 4,070,768,683
Debt limit – 10% of taxable assessed value		407,076,868
Total general obligation debt outstanding	$ 76,700,000	
Less: Debt Service Fund balance	9,394,187	
Debt applicable to debt limit		67,305,813
Legal debt margin		$339,771,055

City of San Marcos Financial Policy Limit – 5% of Taxable Assessed Value

Actual taxable assessed value at September 30, 2017		$ 4,070,768,683
Debt limit – 5% of taxable assessed value		203,538,434
Total general obligation debt outstanding	$ 76,700,000	
Less: Debt Service Fund balance	9,394,187	
Debt applicable to debt limit		67,305,813
Debt margin – Financial Policy		$136,232,621

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET
SUMMARY OF OUTSTANDING DEBT
AS OF SEPTEMBER 30, 2017

Issue	Purpose	Interest Rate	Amount Issued	Issue Date	Maturity Date	Amount Outstanding
2008A Direct Placement-McCarty	McCarty Lane Project	4.61%	7,600,000	09/16/2008	08/15/2028	5,160,000
2009 General Obligation	Constructing, reconstructing and improving streets and other related expenses.	4.60%	23,455,000	06/15/2009	09/30/2029	485,000
2009 General Obligation Refunding Bonds	Constructing, reconstructing and improving streets and other related expenses.	4.46%	4,495,000	06/15/2009	09/30/2029	1,385,000
2009 Certificates of Obligation	Constructing, reconstructing and improving streets and other related expenses	3.38%	9,745,000	06/15/2009	09/30/2029	1,190,000
2010 Combination Tax & Revenue	Build America Bonds	3.49%	8,625,000	03/01/2010	08/15/2030	5,530,000
2010 GO Refunding Bonds	Refunding Bonds	2.69%	17,245,000	11/01/10	08/15/2023	5,225,000
2012 General Obligations Refunding Bonds	General Obligation Refunding Bonds	2.76%	5,520,000	02/29/2012	08/15/2025	4,400,000
2013 General Obligation Refunding Bonds	General Obligation Refunding Bonds	3.64%	670,000	04/12/2013	08/15/2031	670,000
2013 Combinations Tax & Revenue Bonds	Constructing, reconstructing and improving streets and other related expenses	3.12%	3,505,000	04/12/2013	08/15/2033	3,075,000
2014 Combination Tax & Revenue Bonds	Constructing, reconstructing and improving streets and other related expenses.	3.07%	5,940,000	05/20/2014	08/15/2034	5,455,000
20014 General Obligation Refunding Bonds	General Obligation Refunding Bonds	2.85%	6,720,000	06/15/2014	08/15/2026	6,420,000
2014A General Obligation Refunding Bonds	General Obligation Refunding Bonds	2.78%	8,390,000	12/18/2014	09/30/2029	8,390,000

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET
SUMMARY OF OUTSTANDING DEBT (CONT'D)
AS OF SEPTEMBER 30, 2017

Issue	Purpose	Interest Rate	Amount Issued	Issue Date	Maturity Date	Amount Outstanding
2015 Combination Tax & Revenue Bonds	Constructing, reconstructing and improvements	3.43%	5,665,000	09/18/2015	09/30/2035	4,525,000
2016 General Obligation Refunding Bonds	General Obligation Refunding Bonds	2.19%	8,510,000	03/16/2016	09/30/29	7,885,000
2016 Combination Tax & Revenue Bonds	Constructing, reconstructing and improvements	3.14%	9,825,000	06/08/2016	09/30/2036	9,705,000
2017 Combination Tax & Revenue Bonds	Constructing, reconstructing and improvements	2.84%	7,200,000	09/19/2017	08/15/2037	7,200,000
SUBTOTAL TAX SUPPORTED DEBT			133,110,000			76,700,000
2014 General Obligation Refunding Bonds	Hammon Hotel and Conference Center	2.85%	8,500,000	06/15/2014	08/15/2032	8,500,000
2014B General Obligation Refunding	Hammon Hotel and Conference Center	2.78%	6,210,000	12/18/2014	02/15/2032	5,785,000
2013 General Obligation Refunding Bonds	Wonder World Pass Through Portion	3.64%	4,570,000	04/12/2013	08/15/2031	4,570,000
2014 General Obligation Refunding Bonds	Wonder World Pass Through Portion	2.85%	5,350,000	06/15/2014	08/15/2024	5,350,000
2014A General Obligation Refunding Bonds	Wonder World Pass Through Portion	2.78%	17,420,000	12/18/2014	8/15/29	17,420,000
2016 General Obligation Refunding Bonds	Wonder World Pass Through Portion	2.19%	1,585,000	03/16/2016	09/30/2018	1,565,000
TOTAL OUTSTANDING DEBT			$176,745,000			$119,890,000

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET

GENERAL OBLIGATION DEBT SERVICE REQUIREMENTS
SEPTEMBER 30, 2017

Fiscal Year		Principal		Interest		Total
2017		6,080,000		2,943,559		9,023,559
2018		5,905,000		2,778,490		8,683,490
2019		6,110,000		2,574,669		8,684,669
2020		5,450,000		2,333,838		7,783,838
2021		5,665,000		2,119,754		7,784,754
2022		5,760,000		1,900,615		7,660,615
2023		5,435,000		1,652,075		7,087,075
2024		5,480,000		1,397,395		6,877,395
2025		5,195,000		1,154,399		6,349,399
2026		4,550,000		943,939		5,493,939
2027		3,880,000		758,443		4,638,443
2028		3,415,000		609,544		4,024,544
2029		2,690,000		488,201		3,178,201
2030		2,175,000		393,013		2,568,013
2031		1,950,000		313,863		2,263,863
2032		2,020,000		246,400		2,266,400
2033		1,840,000		173,825		2,013,825
2034		1,475,000		107,425		1,582,425
2035		1,140,000		53,525		1,193,525
2036		485,000		16,975		501,975
Total		76,700,000		22,959,945		99,659,945

THE CITY OF
SAN MARCOS

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET

HOTEL OCCUPANCY TAX FUND

	Actual 2015/2016	Approved 2016/2017	Revised 2016/2017	Adopted 2017/2018
Beginning Fund Balance - Reserved and Unreserved	**887,469**	**654,015**	**654,015**	**101,089**
Operating Revenues				
Hotel Occupancy Tax	2,168,255	2,301,219	2,176,073	2,303,155
Penalties	1,305	-	1,000	1,000
Embassy Tax Revenue	990,663	988,507	990,122	995,000
Venue Tax-2%	619,501	657,491	635,450	659,631
Interest Income	-	1,000	1,000	1,000
Other Revenue	72	-	-	-
Operating Transfer for Main Street	54,596	95,819	95,819	143,481
Total Operating Revenues	**3,834,391**	**4,044,036**	**3,899,464**	**4,103,267**
Total Funds Available	**4,721,860**	**4,698,051**	**4,553,479**	**4,204,356**
Operating Expenditures				
Convention & Visitor Bureau (Contribution from City)	1,304,000	-	-	-
Tanger Marketing Program	141,082	150,000	150,000	150,000
Downtown Mrktng Coop	38,535	50,000	50,000	30,000
Eco Tourism	14,840	40,000	40,000	40,000
Sports Tourism	60,000	510,000	510,000	60,000
Tourist Account	-	5,000	5,000	5,000
Transportation	8,132	10,000	5,000	5,000
Airport Improvements	-	50,000	50,000	0
Mural Funding	24,612	35,000	35,000	35,000
Arts Project Funding	75,000	150,000	150,000	125,000
Permanent Art	-	125,000	125,000	125,000
Repairs-Building Materials	-	30,000	5,000	10,000
Wayfinding	2,044	-	-	0
Main Street Program	285,737	320,733	308,818	366,067
Convention & Visitor Bureau (City Department)	-	1,531,000	1,393,000	1,563,223
Total Operating Expenditures	**1,953,982**	**3,006,733**	**2,826,818**	**2,514,290**
Operating Transfers and Adjustments				
Transfer of Venue Tax	1,610,164	1,645,998	1,625,572	1,654,631
Total Transfers and Adjustments	**1,610,164**	**1,645,998**	**1,625,572**	**1,654,631**
Reserved for Unspent Allocations - Arts Funding	193,525			
Reserved for Unspent Allocations - Mural Funding	34,688			
Reserved for Unspent Allocations - Conference Ctr Repairs	79,000			
Reserve for Unspent Allocation-Eco/Sports Tourism	105,039	-	-	-
Reserve for Unspent Allocation-Branding	23,825			
Reserved for Unspent Allocations - Wayfinding	67,623	-	-	-
Total Reserves for Unspent Allocations	503,700	-	-	-
Ending Unreserved Fund Balance	**654,015**	**45,320**	**101,089**	**35,434**
Fund Balance as a Percentage of Total Expenditures	33.47%	1.51%	3.58%	1.41%

City of San Marcos

2017-18 Annual Budget

Hotel Occupancy Tax Fund

Division	Personnel Services	Contracted Services	Materials & Supplies	Other Charges	Operating Transfers	Total
Other Tourism Programs	0	280,000	10,000	295,000	1,654,631	2,239,631
Main Street Program	210,582	69,707	24,227	61,551	0	366,067
CVB	588,627	323,580	604,500	46,516	0	1,563,223
Total	799,209	673,287	638,727	403,067	1,654,631	4,168,921
Percentage of Operating Expenditures	16.2%	24.2%	14%	10.2%	35.4%	100%

Main Street

Main Street	Positions				Full Time Equivalent			
	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18
Main Street Program Manager	1	1	1	1	1.00	1.00	1.00	1.00
Main Street Program Coordinator	1	1	1	1	1.00	1.00	1.00	1.00
Downtown Maintainance Worker	0	1	1	1	0.00	1.00	1.00	1.00
Total	2	3	3	3	2.00	3.00	3.00	3.00

Mission Statement

The mission of the San Marcos Main Street Program is to enhance the cultural identity, historical significance and economic stability of our community through a comprehensive downtown revitalization program of design, economic restructuring, organization and promotion.

Expenditures by Category

	Actual 2015-16	Original Approved 2016-17	Revised 2016-17	Adopted 2017-18
Personnel Services	162,225	195,136	185,721	210,582
Contracted Services	34,897	40,915	38,415	69,707
Materials and Supplies	31,573	24,827	24,827	24,827
Other Charges	57,042	59,855	59,855	61,551
Capital Outlay	0	0	0	0
Total	285,737	320,733	308,818	366,667

Goals and Objectives

To preserve, protect and promote the unique character of downtown through the Main Street Four-Point Approach which is the foundation of revitalization from cultural and architectural heritage to local enterprises and community pride.

To comply with the mandated Four-Point Approach of the National Trust for Historic Preservation's Main Street Program, the San Marcos Main Street Program's objectives are:

Design

- To improve and preserve the downtown environment to include buildings, infill, and new development compatibility, enhancing the visual and historic qualities and economic viability of the commercial district.

Organization

- To build partnerships, consensus, and cooperation among community groups, stakeholders, and individuals in the revitalization process and assemble human and financial resources to implement revitalization efforts.

Promotion

- To promote a positive image of downtown by marketing the district's unique characteristics to residents, investors, business owners and visitors with an effective promotional strategy through advertising, retail promotions, and special events.

Economic Vitality

- To strengthen downtown's existing economic assets while expanding and diversifying its economic base to meet new and existing opportunities and challenges.

What We Accomplished in 2016-17

- Accredited as a 2017 National Main Street City by the for Historic Preservation and the Texas Historical Commission by achieving standards of performance based on the Main Street Four-Point Approach.
- In 2016, the private sector invested over $25M in downtown with 21 new businesses opening. Provided resources and information for new and existing businesses and potential investors.
- Continued marketing strategies targeting tourists and the community.
- Continued architectural assistance and façade grant program for downtown businesses and building owners, targeting historic properties that contribute to the unique character of downtown.
- Provided staff support to the Main Street Advisory Board, Downtown Association, Chamber's Business Development Committee, Heritage Association of San Marcos, Design Review Committee, and Convention and Visitor's Bureau Board.
- Worked with SMPD and KSMB to improve cleanliness and create a cleaner, safer, and more pedestrian-friendly downtown.
- Created and supported 32 downtown events that brought nearly 9,000 visitors to downtown.
- Worked with Texas State University departments and programs including: Family and Alumni Relations, Residential Life, PR Campaigns, Advanced Social Media, MBA Capstone Group, ACT, Recreation Programming.
- Facilitated 4 committees chaired by members of the Main Street Advisory Board that oversee each of the 4 Points of Main Street Program Approach.
- Logged 2989.75 volunteer hours
- Chosen by Main Street America as one of 6 Most Romantic Downtowns in America, the only one in Texas.
- Won "Most Interactive" and "Best In Show" booth at the 2017 Chamber of Commerce Business Expo.

What We Plan to Accomplish in 2017-18

- Meet identified standards of performance in 2018 set by the for Historic Preservation.
- Prioritize and implement goals and objectives of the Vision San Marcos comprehensive master plan and the Downtown Master Plan.
- Bid for conferences and conventions that will bring visitors to our downtown area.
- Develop promotional strategies to meet the changing market. Respond to opportunities that bring visitors to the heart of our city.
- Address issues and recommendations contained in the Main Street Board's work plan.
- Respond to and provide assistance and resources to tourists, new and existing businesses, investors, and the downtown community.
- Maintain the Main Street website as a resource for visitors and the community.
- Develop and distribute a monthly newsletter for downtown and the community.
- Continue providing staff support to local groups and organizations.
- Continue downtown marketing plan for advertising, as funds are available.
- Continue to collaborate with other City departments to improve downtown streetscape, sidewalks, cleanliness and safety.
- Increase volunteerism and advocacy for downtown.

Performance Measures

	Unit of Measure	Actual 2015-16	Estimated 2016-17	Projected 2017-18
Number of Attendees brought to downtown as a result of events	Number	9,800	8,745	9,000
Special Events Supported	Number	28	30	28
New Businesses Opened Downtown	Number	20	21	18
Total Reinvestment by the Private Sector	Dollars	$25,000,000	$25,680,523	$25,000,000
Media Requests	Number	8	10	10
Volunteer Hours	Number	2,500	2,990	3,000

Convention & Visitor Bureau

CVB	Positions				Full Time Equivalent			
	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18
Director of CVB	0	1	1	1	0.00	1.00	1.00	1.00
Destination Service Manager	0	1	1	1	0.00	1.00	1.00	1.00
Innovation Mananger	0	1	1	1	0.00	1.00	1.00	1.00
Social Media Specialist	0	1	1	1	0.00	1.00	1.00	1.00
Destination Event Specialist	0	1	1	1	0.00	1.00	1.00	1.00
Administrative Coordinator	0	1	1	1	0.00	1.00	1.00	1.00
Toursim Specialist	0	1	1	1	0.00	0.50	0.50	0.50
ARTS Coordinator	0	1	1	1	0.00	0.50	0.50	0.50
Total	0	8	8	8	0.00	7.00	7.00	7.00

Mission Statement

The San Marcos Convention and Visitor Bureau is committed to developing and marketing San Marcos as a premier year-round destination for leisure, group, and business travelers that will have a positive economic impact on the community. We serve as the advocate for the traveler and promote that which is unique to San Marcos.

Expenditures by Category

	Actual 2015-16	Original Approved 2016-17	Revised 2016-17	Adopted 2017-18
Personnel Services	0	558,000	483,000	588,627
Contracted Services	0	355,000	322,000	323,580
Materials and Supplies	0	596,700	546,700	604,500
Other Charges	0	41,300	41,300	46,516
Capital Outlay	0	0	0	0
Total	0	1,551,000	1,393,000	1,563,223

Goals and Objectives

To develop a plan to market San Marcos as a premiere year-round destination for leisure, group and business travelers that will have a positive impact on the community. Increase the number of visitors to San Marcos. Stimulate hotel traffic and hotel occupancy tax. Provide visitor and conference services to activities which generate hotel activity.

What We Accomplished in 2016-17

- Hosted 22 Media from Mexico, China and Brazil.
- Hosted 26 Trade representatives from Germany, Australia and Mexico.
- Participated in two consumer, two conference and one domestic trade shows.

- Partnered with the State of Texas in trade and media missions in Mexico – 500+ impressions.
- Partnered with the State of Texas in trade/media events targeting China, Brazil, Germany, UK & Mexico.
- Serviced 127 groups/conferences/sporting events.
- Continued our marketing initiatives with San Antonio and the Texas Hill Country.
- Continued communications with hotel management – quarterly meetings.
- Organized and held the annual Travel and Tourism Week Appreciation Event. Awarded the Rogers Family Lifetime Tourism Award to the Heritage Association of San Marcos. Awarded the Rogers Family Tourism Award to Billy Ray and Beverly Mangham (Eye of the Dog Art Center).
- Marketing efforts contributed to the $43 million (estimated) of hotel gross income generated ($42 million in hotel occupancy income generated and $25 million in sales tax revenue reports for FY17.

What We Plan to Accomplish in 2017-18

- Complete a comprehensive marketing plan.
- Gain better knowledge of our current visitor and target markets via Arrivalist.
- Complete the SMTX Designated photo op art.
- Create a full color visitor guide.
- Continue to improve communications with event planners / organizers.
- Continue to serve as the city's liaison to meeting and event planner.
- Continue to advocate for the traveler and promote that which is unique to San Marcos.
- Continue to effectively manage.
- Continue to work with the Lions Club in gathering visitor and impressions data.
- Solicit vendors for a new visitor website – go live by April 1, 2017.
- Complete office / building renovations – interior and exterior.
- Expand on the Annual Travel and Tourism Week Appreciation Event – include First Responders, PARD outdoor crews and hotel front desk staff.
- Increase hotel occupancy rate 2% - continued increase in hotel room inventory.

Performance Measures

	Unit of Measure	Actual 2015-16	Estimated 2016-17	Projected 2017-18
Percent of design projects on schedule	%	N/A	80	100
Hotel Occupancy Rate	%	N/A	59.9	61.1
Total groups/conferences/sporting events serviced	#	N/A	127	134
Number of media hosted	#	N/A	22	30
Number of trade hosted	#	N/A	26	30
Hotel gross revenue	$	N/A	40.5 Mil	42 Mil

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET

MUNICIPAL COURT TECHNOLOGY FUND

	Actual 2015/2016	Approved 2016/2017	Revised 2016/2017	Adopted 2017/2018
Beginning Unreserved Fund Balance	**195,766**	**210,252**	**210,252**	**155,277**
Operating Revenues				
Technology Fee	24,967	30,000	25,000	30,000
Interest Income	-	25	25	25
Total Operating Revenues	**24,967**	**30,025**	**25,025**	**30,025**
Operating Expenditures				
Materials and Supplies	-	5,000	5,000	5,000
Total Operating Expenditures	**-**	**5,000**	**5,000**	**5,000**
One-Time Expenditures				
Capital Outlay	10,481	25,000	75,000	75,000
Total One-Time Expenditures	**10,481**	**25,000**	**75,000**	**75,000**
Ending Unreserved Fund Balance	**210,252**	**210,277**	**155,277**	**105,302**
Fund Balance as a Percentage of Total Expenditures	100.00%	4205.54%	3105.54%	2106.04%

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET

MUNICIPAL COURT SECURITY FEE FUND

	Actual 2015/2016	Approved 2016/2017	Revised 2016/2017	Adopted 2017/2018
Beginning Unreserved Fund Balance	**134,163**	**146,660**	**146,660**	**145,035**
Operating Revenues				
Security Fee	21,024	24,000	22,000	22,000
Interest Income	-	12	12	12
Total Operating Revenues	**21,024**	**24,012**	**22,012**	**22,012**
Operating Expenditures				
Personnel	8,527	18,637	18,637	19,962
Contracted Services	-	-	-	50,000
Materials & Supplies	-	5,000	5,000	5,000
Total Operating Expenditures	**8,527**	**23,637**	**23,637**	**74,962**
Ending Unreserved Fund Balance	**146,660**	**147,035**	**145,035**	**92,085**
Fund Balance as a Percentage of Total Expenditures	1719.88%	622.05%	613.59%	122.84%

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET

MUNICIPAL COURT JUVENILE FEE FUND

	Actual 2015/2016	Approved 2016/2017	Revised 2016/2017	Adopted 2017/2018
Beginning Unreserved Fund Balance	**(3,834)**	**16,708**	**16,708**	**22,294**
Operating Revenues				
Juvenile Fee	34,038	35,000	30,000	35,000
Truancy Fee	5,144	5,000	5,500	5,000
Interest Income	-	-	-	-
Total Operating Revenues	**39,182**	**40,000**	**35,500**	**40,000**
Operating Expenditures				
Personnel Services	18,640	29,914	29,914	31,379
Total Operating Expenditures	**18,640**	**29,914**	**29,914**	**31,379**
Ending Unreserved Fund Balance	**16,708**	**26,794**	**22,294**	**30,915**
Fund Balance as a Percentage of Total Expenditures	89.63%	89.57%	74.53%	98.52%

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET

MUNICIPAL COURT EFFICIENCY FUND

	Actual 2015/2016	Approved 2016/2017	Revised 2016/2017	Adopted 2017/2018
Beginning Unreserved Fund Balance	**33,231**	**32,559**	**32,559**	**35,559**
Operating Revenues				
Efficiency Fee	3,560	3,000	3,000	3,000
Other Revenue	-	24,000	24,000	24,000
Total Operating Revenues	**3,560**	**27,000**	**27,000**	**27,000**
Operating Expenditures				
Contracted Services	4,232	24,000	24,000	24,000
Total Operating Expenditures	**4,232**	**24,000**	**24,000**	**24,000**
Ending Unreserved Fund Balance	**32,559**	**35,559**	**35,559**	**38,559**
Fund Balance as a Percentage of Total Expenditures	769.26%	148.16%	148.16%	160.66%

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET

SEIZED ASSETS FUND

	Actual 2015/2016	Approved 2016/2017	Revised 2016/2017	Adopted 2017/2018
Beginning Unreserved Fund Balance	**105,552**	**120,077**	**120,077**	**136,676**
Operating Revenues				
Seized Assets	49,405	5,000	19,582	5,000
Interest Income	-	100	100	100
Total Operating Revenues	**49,405**	**5,100**	**19,682**	**5,100**
Operating Expenditures				
Contracted Services	34,880	1,500	-	5,000
Capital Outlay	-	-	3,082	-
Total Operating Expenditures	**34,880**	**1,500**	**3,082**	**5,000**
Ending Unreserved Fund Balance	**120,077**	**123,677**	**136,676**	**136,776**
Fund Balance as a Percentage of Total Expenditures	344.26%	8245.12%	4434.66%	2735.53%

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET

COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM FUND

	Actual 2015/2016	Approved 2016/2017	Revised 2016/2017	Adopted 2017/2018
Beginning Unreserved Fund Balance	-	-	-	-
Operating Revenues				
Grant Revenue	374,268	525,164	525,164	562,798
Total Operating Revenues	**374,268**	**525,164**	**525,164**	**562,798**
One-Time Operating Revenues				
Operating Transfer - General Fund	-	-	-	-
Total One-Time Operating Revenues	-	-	-	-
Total Funds Available	**374,268**	**525,164**	**525,164**	**562,798**
Operating Expenditures				
Personnel Services	92,210	102,313	102,313	112,561
Contracted Services	282,058	422,851	422,851	450,237
Total Operating Expenditures	**374,268**	**525,164**	**525,164**	**562,798**
Ending Unreserved Fund Balance	-	-	-	-
Fund Balance as a Percentage of Total Expenditures	0.00%	0.00%	0.00%	0.00%

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET

WOMEN, INFANTS AND CHILDREN PROGRAM FUND

	Actual 2015/2016	Approved 2016/2017	Revised 2016/2017	Adopted 2017/2018
Beginning Unreserved Fund Balance	-	-	-	-
Operating Revenues				
Grant Revenue	1,685,816	2,048,531	2,048,531	1,997,355
Total Operating Revenues	**1,685,816**	**2,048,531**	**2,048,531**	**1,997,355**
Operating Expenditures				
Personnel Services	1,151,120	1,458,243	1,458,243	1,538,846
Contract Services	243,453	324,058	324,058	322,961
Materials and Supplies	63,848	102,601	102,601	102,901
Other Charges	227,395	163,629	163,629	32,647
	1,685,816	**2,048,531**	**2,048,531**	**1,997,355**
Ending Unreserved Fund Balance	-	-	-	-
Fund Balance as a Percentage of Total Expenditures	0.00%	0.00%	0.00%	0.00%

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET

WOMEN, INFANTS AND CHILDREN PROGRAM FUND

	Actual 2015/2016	Approved 2016/2017	Revised 2016/2017	Adopted 2017/2018
WIC Administration				
Personnel Services	699,054	878,192	878,192	927,448
Contracted Services	204,021	265,138	265,138	263,019
Materials and Supplies	51,453	88,001	88,001	89,001
Other Charges	139,074	150,223	150,223	19,563
Capital Outlay	-	-	-	-
Total	1,093,603	1,381,554	1,381,554	1,299,031
WIC Nutritional Education				
Personnel Services	242,380	381,799	381,799	397,122
Contracted Services	19,515	22,575	22,575	23,575
Materials and Supplies	1,867	7,400	7,400	6,400
Other Charges	47,271	5,133	5,133	5,133
Total	311,033	416,907	416,907	432,230
WIC Lactation				
Personnel Services	81,237	63,714	63,714	63,531
Contracted Services	12,021	19,517	19,517	19,217
Materials and Supplies	10,452	4,400	4,400	4,700
Other Charges	16,986	6,683	6,683	6,683
Total	120,696	94,314	94,314	94,131
WIC Peer Counseling				
Personnel Services	128,449	134,537	134,537	150,745
Contracted Services	7,895	16,828	16,828	17,150
Materials and Supplies	76	2,800	2,800	2,800
Other Charges	24,064	1,590	1,590	1,268
Total	160,483	155,755	155,755	171,963
Total WIC Expenditures	1,685,816	2,048,531	2,048,531	1,997,355

Recap of WIC Expenditures				
WIC Administration	1,093,603	1,381,554	1,381,554	1,299,031
WIC Nutritional Education	311,033	416,907	416,907	432,230
WIC Lactation	120,696	94,314	94,314	94,131
WIC Peer Counseling	160,483	155,755	155,755	171,963
Total WIC Expenditures	1,685,816	2,048,531	2,048,531	1,997,355

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET

WOMEN, INFANTS AND CHILDREN PROGRAM FUND

Division	Personnel Services	Contracted Services	Materials & Supplies	Other Charges	Operating Transfers	Total
Administration	927,448	263,019	89,001	19,563	0	1,299,031
Nutritional Education	397,122	23,575	6,400	5,133	0	432,230
Lactation	63,531	19,217	4,700	6,683	0	94,131
Peer Counselor	150,745	17,150	2,800	1,268	0	171,963
Total	1,538,846	322,961	102,901	32,647	0	1,997,355
Percentage of Operating Expenditures	71.2%	15%	5.8%	8%	0%	100%

	Positions				Full Time Equivalent			
WIC Program Fund	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18
Administration	15	15	15	15	15.00	15.00	15.00	15.00
Nutrition	6	6	6	6	6.00	6.00	6.00	6.00
Lactation	1	1	1	1	1.00	1.00	1.00	1.00
Peer Counselor	3	4	4	4	3.00	4.00	4.00	4.00
Total	25	26	26	26	25.00	26.00	26.00	26.00

WIC Program – Administration

WIC Administration	Positions				Full Time Equivalent			
	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18
Assistant Director	1	1	1	1	1.00	1.00	1.00	1.00
Administrative Assistant, Senior	1	1	1	1	1.00	1.00	1.00	1.00
Health & Nutrition Specialist	5	5	5	5	5.00	5.00	5.00	5.00
WIC Clerk Breastfeeding Peer Counselor	0	0	0	0	0.00	0.00	0.00	0.00
WIC Clerk	8	8	8	8	8.00	8.00	8.00	8.00
Total	15	15	15	15	15.00	15.00	15.00	15.00

Mission Statement

The WIC Program will continue to provide counseling, clinical assessments, supplemental foods and immunizations to all eligible Pregnant Women, Nursing Mothers, Infants and Children up to five years of age who reside in the counties of Hays, Caldwell, Bastrop, Comal and Guadalupe.

Expenditures by Category

	Actual 2015-16	Original Approved 2016-17	Revised 2016-17	Adopted 2017-18
Personnel Services	699,054	878,192	878,192	927,448
Contracted Services	204,021	265,138	265,138	263,019
Materials and Supplies	51,453	88,001	88,001	89,001
Other Charges	139,074	150,223	150,223	19,563
Operating Transfers	0	0	0	0
Capital Outlay	0	0	0	0
Total	1,093,602	1,381,554	1,381,554	1,299,031

Goals and Objectives

Our goal is best defined by our mission statement: To give all eligible families the best start for a life time of well-being by providing nutrition education and breastfeeding support during the critical stages of development.

- To enroll 10,410 participants per month (75% of the estimated potentially eligible population).
- To provide WIC services and food benefits to 80% of enrolled participants per month.
- To provide nutrition education to 95% of families that receive food benefits each month.
- To ensure that 20% of pregnant women enrolled are enrolled during their first trimester of pregnancy.
- To make health care referrals to 98% participants who indicate they have no source of health care.

What We Accomplished in 2016-17

- Enrolled an average of 9,753 participants per month (70% of the estimated potentially eligible population).
- Provided WIC services and food benefits to an average of 8,218 participants per month (84% of enrolled participants).
- Provided nutrition education to 100% of families that received food benefits each month.
- Enrolled 36% of our pregnant participants during their first trimester.
- Made health care referrals to 100% of participants who indicated they had no source of health care.

What We Plan to Accomplish in 2017-18

- To enroll 75% (or 10,410) of the "potential eligible" population per month.
- To provide WIC services and food benefits to 80% of enrolled participants per month.
- To provide nutrition education to over 95% of families that receive food benefits each month.
- To ensure that over 20% of pregnant women enrolled are enrolled during their first trimester of pregnancy.
- To make health care referrals to over 98% of participants who indicate they have no source of health care.

Performance Measures

	Unit of Measure	Actual 2015-16	Estimated 2016-17	Projected 2017-18
Percent of Families receiving Nutrition Education per month	%	100%	100%	95%
Percent of Women Certified in their 1st Trimester	%	35%	36%	20%
Percent of enrolled participants receiving WIC services and food vouchers each month	%	85%	84%	80%
Percent of Clients referred to Health Care	%	100%	100%	98%

WIC Program – Nutritional Education

WIC Nutrition	Positions				Full Time Equivalent			
	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18
WIC Program Administrator	1	1	1	1	1.00	1.00	1.00	1.00
WIC Supervisor/Nutritionist	5	5	5	5	5.00	5.00	5.00	5.00
Total	6	6	6	6	6.00	6.00	6.00	6.00

Mission Statement

The WIC Program positions provide services for all four functions, Administration, Nutritional Education, Lactation and Peer Counseling. Time spent for each function is recorded through the payroll process and allocated to each functional budget expense accordingly.

Expenditures by Category

	Actual 2015-16	Original Approved 2016-17	Revised 2016-17	Adopted 2017-18
Personnel Services	242,380	381,799	381,799	397,122
Contracted Services	19,515	22,575	22,575	23,575
Materials and Supplies	1,867	7,400	7,400	6,400
Other Charges	47,271	5,153	5,153	5,133
Operating Transfers	0	0	0	0
Total	311,033	416,927	416,927	432,230

WIC Program – Lactation

WIC Lactation	Positions				Full Time Equivalent			
	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18
WIC Program Supervisor	1	1	1	1	1.00	1.00	1.00	1.00
Total	1	1	1	1	1.00	1.00	1.00	1.00

Mission Statement

The WIC Program positions provide services for all four functions, Administration, Nutritional Education, Lactation and Peer Counseling. Time spent for each function is recorded through the payroll process and allocated to each functional budget expense accordingly.

Expenditures by Category

	Actual 2015-16	Original Approved 2016-17	Revised 2016-17	Adopted 2017-18
Personnel Services	81,237	63,714	63,714	63,531
Contracted Services	12,021	19,517	19,517	19,217
Materials and Supplies	10,452	4,400	4,400	4,700
Other Charges	16,986	6,683	6,683	6,683
Operating Transfers	0	0	0	0
Total	120,696	94,314	94,314	94,131

WIC Program – Peer Counselor

WIC Peer Counselor	Positions				Full Time Equivalent			
	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18
WIC Clerk/Breastfeeding Peer Counselor	3	4	4	4	3.00	4.00	4.00	4.00
Total	3	4	4	4	3.00	4.00	4.00	4.00

Mission Statement

The WIC Program positions provide services for all four functions, Administration, Nutritional Education, Lactation and Peer Counseling. Time spent for each function is recorded through the payroll process and allocated to each functional budget expense accordingly.

Expenditures by Category

	Actual 2015-16	Original Approved 2016-17	Revised 2016-17	Adopted 2017-18
Personnel Services	128,449	134,537	134,537	150,745
Contracted Services	7,895	16,828	16,828	17,150
Materials and Supplies	76	2,800	2,800	2,800
Other Charges	24,064	1,590	1,590	1,268
Operating Transfers	0	0	0	0
Total	160,484	155,755	155,755	171,963

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET

CEMETERY OPERATIONS FUND

	Actual 2015/2016	Approved 2016/2017	Revised 2016/2017	Adopted 2017/2018
Beginning Unreserved Fund Balance	**83,965**	**36,358**	**36,358**	**36,686**
Operating Revenues				
Burial Permits	-	800	-	-
Monument Permits	-	500	-	-
Other Revenue	-	300	35,000	-
Interest Income	-	-	-	-
Sale of Cemetery Lots	57,130	70,000	50,000	55,000
Sale of Memorial Plaques	-	-	-	-
Total Operating Revenues	**57,130**	**71,600**	**85,000**	**55,000**
One-Time Operating Revenues				
Operating Transfer - General Fund	100,500	150,000	130,000	150,000
Operating Transfer - Cemetery Perpetual Care Fund	-	-	-	-
Total One-Time Operating Revenues	**100,500**	**150,000**	**130,000**	**150,000**
Operating Expenditures				
Contracted Services	202,292	216,489	212,672	234,273
Materials and Supplies	2,945	2,000	2,000	2,000
Total Operating Expenditures	**205,237**	**218,489**	**214,672**	**236,273**
Ending Unreserved Fund Balance	**36,358**	**39,469**	**36,686**	**5,413**
Fund Balance as a Percentage of Total Expenditures	17.72%	18.06%	17.09%	2.29%

City of San Marcos

2017-18 Annual Budget

Cemetery Operations Fund

Division	Personnel Services	Contracted Services	Materials & Supplies	Other Charges	Operating Transfers	Total
Administration	0	234,273	2,000	0	0	236,273
Percentage of Operating Expenditures	0%	99.1%	.9%	0%	0%	100%

Cemetery Operations

Department Organization

There are no specific positions budgeted within the Cemetery Operations Fund. This fund is used to account for maintenance expenses required to keep the City Cemetery in good condition. The actual maintenance is provided by an area contractor.

Mission Statement

The cemetery division is responsible for the maintenance and development of the cemetery. The requested budget will provide resources for the maintenance and general improvements that are needed to maintain the cemetery in an attractive and accessible condition.

Expenditures by Category

	Actual 2015-16	Original Approved 2016-17	Revised 2016-17	Adopted 2017-18
Personnel Services	0	0	0	0
Contracted Services	202,292	216,489	212,672	234,273
Materials and Supplies	2,945	2,000	2,000	2,000
Other Charges	0	0	0	0
Operating Transfers	0	0	0	0
One-Time Operating	0	0	0	0
Total	205,237	218,489	214,672	236,273

Goals and Objectives

- To manage in the cemetery in the highest and most efficient manner possible
- To ensure that the construction and maintenance of grounds and facilities enhance community pride and the visual quality of the cemetery.
- To ensure that the citizens of San Marcos interest are fully represented in the development and care of the cemetery.
- To maintain adequate funds to manage the cemetery in an efficient manner.
- To continue partnership with Friends of the cemetery in raising funds for beautification projects.

What We Accomplished in 2016-17

- Completed annual spring and fall cleanup.
- Revised cemetery lot fees.
- Updated Pontem burial search software.
- Update cemetery ordinance.
- Installed new entry sign with map.
- Completed renovation of cemetery restroom facility.

What We Plan to Accomplish in 2017-18

- To continue to maintain and manage the cemetery in the highest and most efficient manner possible.
- To continue to pursue options on expanding the cemetery.
- To continue annually update the Cemetery Master Plan and rules and regulations.
- To continue to partner with the Friends of the cemetery to promote and beautify the cemetery.

Performance Measures

	Unit of Measure	Actual 2015-16	Estimated 2016-17	Projected 2017-18
Grounds Maintenance	Acres	40	40	40
Lots Sold	# of lots	70	39	70
Burials	# of burials	80	85	80
Lots Surveyed For Public Sale	Surveyed	200	147	250
Cemetery Cleanups	#	2	2	2

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET

TAX INCREMENT FINANCING SUMMARY

	Actual 2015/2016	Approved 2016/2017	Revised 2016/2017	Adopted 2017/2018
Beginning Unreserved Fund Balance	**486,015**	**608,209**	**608,209**	**920,894**
Operating Revenues				
Interest Income	-	-	-	-
TIRZ Revenue City	783,668	1,144,253	1,221,324	1,839,572
TIRZ Revenue County	382,976	498,263	506,477	618,280
Total Operating Revenues	**1,166,644**	**1,642,516**	**1,727,801**	**2,457,852**
Operating Expenditures				
Distribution	856,152	2,060,453	1,216,562	3,148,756
Debt Service Transfer	188,298	190,830	198,554	219,850
Total Operating Expenditures	**1,044,450**	**2,251,283**	**1,415,116**	**3,368,606**
Ending Unreserved Fund Balance	**608,209**	**(558)**	**920,894**	**10,140**

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET

TAX INCREMENT REINVESTMENT ZONE #2
BLANCO VISTA DEVELOPMENT

	Actual 2015/2016	Approved 2016/2017	Revised 2016/2017	Adopted 2017/2018
Beginning Unreserved Fund Balance	**-**	**-**	**-**	**-**
Operating Revenues				
TIRZ Revenue City	427,687	548,333	676,437	935,143
TIRZ Revenue County	195,565	274,163	298,742	363,339
Total Operating Revenues	**623,252**	**822,496**	**975,179**	**1,298,482**
Operating Expenditures				
Distributions	623,252	822,496	975,179	1,298,481
Total Operating Expenditures	**623,252**	**822,496**	**975,179**	**1,298,481**
Ending Unreserved Fund Balance	**-**	**-**	**-**	**1**

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET
TAX INCREMENT REINVESTMENT ZONE #3
CONFERENCE CENTER

	Actual 2015/2016	Approved 2016/2017	Revised 2016/2017	Adopted 2017/2018
Beginning Unreserved Fund Balance	-	-	-	-
Operating Revenues				
TIRZ Revenue City	120,458	121,730	127,019	147,908
TIRZ Revenue County	67,840	69,100	71,535	71,942
Total Operating Revenues	**188,298**	**190,830**	**198,554**	**219,850**
Operating Expenditures				
Operating Transfers To Debt Service Fund	188,298	190,830	198,554	219,850
Total Operating Expenditures	**188,298**	**190,830**	**198,554**	**219,850**
Ending Unreserved Fund Balance	-	-	-	-

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET

TAX INCREMENT REINVESTMENT ZONE #4
KISSING TREE

	Actual 2015/2016	Approved 2016/2017	Revised 2016/2017	Adopted 2017/2018
Beginning Unreserved Fund Balance		-	-	-
Operating Revenues				
Interest Income				-
TIRZ Revenue City				51,265
TIRZ Revenue County				8,689
Total Operating Revenues	-	-	-	**59,954**
Operating Expenditures				
Distributions	-	-	-	59,954
Total Operating Expenditures	-	-	-	**59,954**
Ending Unreserved Fund Balance	-	-	-	-

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET

TAX INCREMENT REINVESTMENT ZONE #5
DOWNTOWN

	Actual 2015/2016	Approved 2016/2017	Revised 2016/2017	Adopted 2017/2018
Beginning Unreserved Fund Balance	**335,728**	**605,070**	**605,070**	**914,755**
Operating Revenues				
Interest Income	-	-	-	-
TIRZ Revenue City	149,771	194,190	173,485	257,574
TIRZ Revenue County	119,571	155,000	136,200	174,310
Total Operating Revenues	**269,342**	**349,190**	**309,685**	**431,884**
Operating Expenditures				
Distributions	-	957,957	-	1,346,639
Total Operating Expenditures	**-**	**957,957**	**-**	**1,346,639**
Ending Unreserved Fund Balance	**605,070**	**(3,697)**	**914,755**	**-**

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET

TRANSPORTATION REINVESTMENT ZONE
LOOP 110

	Actual 2015/2016	Approved 2016/2017	Revised 2016/2017	Adopted 2017/2018
Beginning Unreserved Fund Balance	**150,000**	**-**	**-**	**-**
Operating Revenues				
Interest Income	-	-	-	-
TRZ Revenue City	82,900	230,000	241,383	443,682
Total Operating Revenues	**82,900**	**230,000**	**241,383**	**443,682**
Operating Expenditures				
Distributions	232,900	230,000	241,383	443,682
Total Operating Expenditures	**232,900**	**230,000**	**241,383**	**443,682**
Ending Unreserved Fund Balance	**-**	**-**	**-**	**-**

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET

TRANSPORTATION REINVESTMENT ZONE
LONE STAR RAIL

	Actual 2015/2016	Approved 2016/2017	Revised 2016/2017	Adopted 2017/2018
Beginning Unreserved Fund Balance	**287**	**3,139**	**3,139**	**6,139**
Operating Revenues				
Interest Income	-	-	-	-
TIZ Revenue City	2,852	50,000	3,000	4,000
Total Operating Revenues	**2,852**	**50,000**	**3,000**	**4,000**
Operating Expenditures				
Distributions	-	50,000	-	0
Total Operating Expenditures	**-**	**50,000**	**-**	**0**
Ending Unreserved Fund Balance	**3,139**	**3,139**	**6,139**	**10,139**

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET

PUBLIC EDUCATION GOVERNMENTAL FUND (PEG)

	Actual 2015/2016	Approved 2016/2017	Revised 2016/2017	Adopted 2017/2018
Beginning Unreserved Fund Balance	**506,997**	**421,338**	**421,338**	**515,938**
Operating Revenues				
Public Education Governmental Fee	101,675	100,000	96,600	100,000
Total Operating Revenues	**101,675**	**100,000**	**96,600**	**100,000**
Capital Outlay				
Equipment	187,334	200,000	2,000	25,000
Total One-Time Expenditures	**187,334**	**200,000**	**2,000**	**25,000**
Ending Unreserved Fund Balance	**421,338**	**321,338**	**515,938**	**590,938**

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET

WATER / WASTEWATER UTILITY FUND
FINANCIAL FORECAST

	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Operating Revenues					
Interest Income	108,000	108,000	108,000	108,000	108,000
Water Service Revenue	18,242,026	19,379,216	20,820,842	22,289,402	23,407,073
Wastewater Service Revenue	15,336,472	17,590,204	18,344,787	19,270,553	20,242,235
Charges from Other Services	2,067,893	2,346,364	2,403,001	2,418,813	2,434,888
Other Revenue	810,156	980,007	1,347,038	1,360,792	1,360,756
Total Operating Revenues	36,564,547	40,403,790	43,023,668	45,447,559	47,552,951
Operating Expenses					
Personnel Services	4,327,849	4,969,044	5,167,806	5,374,518	5,589,499
Contracted Services	9,854,983	10,579,994	12,379,682	12,646,436	12,919,958
Materials and Supplies	1,207,799	1,395,330	1,409,283	1,423,376	1,451,844
Other Charges	1,251,813	1,287,933	1,300,812	1,313,820	1,326,958
Franchise Fee	2,407,199	3,027,529	2,741,594	2,909,197	3,055,452
Reimbursement to Other Funds	4,377,843	4,732,593	4,779,919	4,827,718	4,875,995
Debt Service	11,503,817	12,613,639	13,444,152	15,169,428	15,674,820
Total Operating Expenses	34,931,302	38,606,062	41,223,248	43,664,493	44,894,525
Operating Income / (Loss)	1,633,245	1,797,728	1,800,420	1,783,066	2,658,426
One-Time Expenses					
Capital Outlay	880,000	400,000	404,000	408,040	412,120
System Improvements	-	-	-	-	-
Rate Stabilization	-	-	-	-	-
One-Time Operating Transfers	63,137	69,856	-	-	-
Transfer to Capital Reserves	775,000	400,000	1,000,000	300,000	1,000,000
Net Change in Fund Balance	(84,892)	927,872	396,420	1,075,026	1,246,305
Beginning Unreserved Fund Balance	8,819,793	8,734,901	9,662,773	10,059,192	11,134,218
Ending Unreserved Fund Balance	8,734,901	9,662,773	10,059,192	11,134,218	12,380,524
Percentage of Operating Expenses	25.0%	25.0%	24.4%	25.5%	27.6%
Days of Operation	91	91	89	93	101

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET

WATER / WASTEWATER UTILITY FUND SUMMARY

	Actual 2015/2016	Approved 2016/2017	Revised 2016/2017	Adopted 2017/2018
Beginning Unreserved Fund Balance	**9,643,552**	**8,819,793**	**8,819,793**	**8,734,901**
Operating Revenues				
Interest Income	105,767	79,000	108,000	108,000
Water Service Revenue	17,040,995	17,910,440	18,242,026	19,379,216
Wastewater Service Revenue	15,027,152	16,502,605	15,336,472	17,590,204
Pretreatment Program	442,508	463,500	514,561	514,561
Connections-Water	131,756	103,000	188,327	188,327
Connections-Sewer	13,614	5,150	12,346	13,000
Effluent Revenue	363,189	320,330	424,343	373,843
Wholesale Water Sales	527,051	810,000	522,823	772,823
Penalties	322,336	355,057	310,671	325,000
Other Revenue	147,163	25,802	222,322	290,135
Service Charges	158,198	90,177	174,282	179,510
Debt Service Reimbursement (Series 2006 and 2006A)	777,026	858,084	338,866	500,000
Build America Bond Subsidy	157,159	169,508	169,508	169,171
Total Operating Revenues	**35,213,913**	**37,692,653**	**36,564,547**	**40,403,790**
Operating Expenses				
Personnel Services	3,886,500	4,538,481	4,327,849	4,969,044
Contracted Services	8,094,736	9,854,983	9,854,983	10,579,994
Materials and Supplies	1,023,166	1,207,799	1,207,799	1,395,330
Other Charges	5,054,391	5,485,097	5,629,656	6,020,526
Franchise Fee	2,281,664	2,488,929	2,407,199	3,027,529
Debt Service	10,528,892	11,503,817	11,503,817	12,613,639
Total Operating Expenses	**30,869,349**	**35,079,106**	**34,931,302**	**38,606,062**
Non-Recurring Expenses				
Operating/Administrative Transfers	61,274	63,137	63,137	69,856
Capital Outlay	351,948	880,000	880,000	400,000
Transfer to Capital Reserves	2,325,000	850,000	775,000	400,000
Total One-Time Expenses	**2,738,222**	**1,793,137**	**1,718,137**	**869,856**
Total Expenses	**33,607,571**	**36,872,243**	**36,649,439**	**39,475,918**
Ending Fund Balance	**11,249,895**	**9,640,203**	**8,734,901**	**9,662,773**
Fund Balance Reserve-Rate Stabilization	**2,115,586**	**-**	**-**	**-**
Enbcumbrance Reserve	**314,516**			
Ending Unreserved Fund Balance	**8,819,793**	**9,640,203**	**8,734,901**	**9,662,773**
Fund Balance as a Percentage of Total Expenses	28.57%	27.48%	25.01%	25.03%

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET

WATER / WASTEWATER UTILITY FUND SUMMARY

	Actual 2015/2016	Approved 2016/2017	Revised 2016/2017	Adopted 2017/2018
Wastewater Collection				
Personnel Services	979,359	1,226,806	1,226,806	1,309,658
Contracted Services	57,885	96,235	96,235	66,235
Materials and Supplies	339,906	408,564	408,564	437,564
Other Charges	29,508	39,457	39,457	45,457
Capital Outlay	162,244	390,000	390,000	140,000
Total	1,568,901	2,161,062	2,161,062	1,998,914
Water Quality Services				
Personnel Services	470,597	490,974	490,974	560,722
Contracted Services	92,384	211,664	211,664	242,914
Materials and Supplies	34,207	50,811	50,811	57,561
Other Charges	5,820	11,667	11,667	13,667
Capital Outlay	49,563	-	-	40,000
Total	652,571	765,115	765,115	914,863
Water Distribution Maintenance				
Personnel Services	1,918,445	2,037,387	1,955,387	2,084,704
Contracted Services	106,296	156,904	156,904	168,104
Materials and Supplies	612,171	678,294	678,294	830,075
Other Charges	37,071	48,850	48,850	54,170
Capital Outlay	60,157	140,000	140,000	170,000
Total	2,734,140	3,061,435	2,979,435	3,307,053
Water Conservation				
Personnel Services	46,916	97,496	97,496	319,228
Contracted Services	16,409	122,568	122,568	122,566
Materials and Supplies	17,571	21,000	21,000	21,000
Other Charges	1,069	2,307	2,307	2,307
Capital Outlay	-	-	-	-
Total	81,966	243,370	243,370	465,101

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET

WATER / WASTEWATER UTILITY FUND SUMMARY

	Actual 2015/2016	Approved 2016/2017	Revised 2016/2017	Adopted 2017/2018
Water/Wastewater Administration				
Personnel Services	473,100	587,185	557,185	587,941
Contracted Services	121,739	176,717	176,717	144,307
Materials and Supplies	18,236	28,130	28,130	28,130
Other Charges	9,816	20,275	20,275	20,325
Capital Outlay	29,984	300,000	300,000	-
Total	652,874	1,112,307	1,082,307	780,703
Special Services				
Personnel Services	(1,917)	98,633	-	106,791
Contracted Services	7,700,023	9,090,896	9,090,896	9,835,869
Materials and Supplies	1,075	21,000	21,000	21,000
Other Charges	4,971,107	5,362,541	5,507,100	5,884,600
Franchise Fee	2,281,664	2,488,929	2,407,199	3,027,529
Operating / Administrative Transfers	61,274	63,137	63,137	69,856
Capital Outlay	50,000	50,000	50,000	50,000
Transfer to Capital Reserves	2,325,000	850,000	775,000	400,000
Rate Stablization Fund	0	-	-	0
Total	17,388,227	18,025,136	17,914,332	19,395,645
Debt Service				
Principal Payments	6,905,000	7,400,000	7,400,000	8,855,000
Interest Payments	3,616,990	4,080,067	4,080,067	3,734,889
Fiscal Agent Fees	6,902	23,750	23,750	23,750
New Debt Issued				
Total	10,528,892	11,503,817	11,503,817	12,613,639
Total Water/Wastewater Utility Fund Expenses	**33,607,571**	**36,872,243**	**36,649,439**	**39,475,918**

Summary of Expenses by Department				
Wastewater Collection	1,568,901	2,161,062	2,161,062	1,998,914
Water Quality Services	652,571	765,115	765,115	914,863
Water Distribution Maintenance	2,734,140	3,061,435	2,979,435	3,307,053
Water Conservation	81,966	243,370	243,370	465,101
Water/ Wastewater Administration	652,874	1,112,307	1,082,307	780,703
Special Services	17,388,227	18,025,136	17,914,332	19,395,645
Debt Service	10,528,892	11,503,817	11,503,817	12,613,639
Total Water/Wastewater Utility Fund Expenses	**33,607,571**	**36,872,243**	**36,649,439**	**39,475,918**

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET

WATER / WASTEWATER UTILITY FUND

Division	Personnel Services	Contracted Services	Materials & Supplies	Other Charges	Operating Transfers	Capital Outlay	Debt Service	Total
Wastewater Collection	1,309,658	66,235	437,564	45,457	0	140,000	0	1,998,914
Water Quality Services	560,722	242,914	57,561	13,667	0	40,000	0	914,864
Water Distribution & Maintenance	2,084,704	168,104	830,075	54,170	0	170,000	0	3,307,053
Conservation	319,228	122,566	21,000	2,307	0	0	0	465,101
Administration	587,941	144,307	28,130	20,325	0	0	0	780,703
Special Services	106,791	9,835,869	21,000	8,912,129	69,856	450,000	12,613,639	32,009,284
Total	4,969,044	10,579,995	1,395,330	9,048,055	69,856	800,000	12,613,639	39,475,919
Percentage of Operating Expenditures	12.3%	26.7%	3.3%	23.9%	.2%	2.4%	31.2%	100%

WATER / WASTEWATER UTILITY FUND PERSONNEL ROSTER

	Positions				Full Time Equivalent			
Water/Wastewater Utility Fund	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18
Wastewater Collection	18	19	19	19	18.00	19.00	19.00	19.00
Water Quality	7	7	7	8	7.00	7.00	7.00	8.00
Water Distribution	28	29	29	30	28.00	29.00	29.00	30.00
Water/Wastewater Conservation	1	1	1	1	1.00	1.00	1.00	1.00
Water/Wastewater Administration	4	5	5	5	4.00	5.33	5.33	5.33
Total	58	61	61	63	58.00	61.33	61.33	63.33

Wastewater Collection

Water/Wastewater Collection	Positions				Full Time Equivalent			
	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18
WWW Collection Manager	1	1	1	1	1.00	1.00	1.00	1.00
WWW Maintenance Crew Leader	2	3	3	3	2.00	3.00	3.00	3.00
WWW Equipment Operator II	4	4	4	4	4.00	4.00	4.00	4.00
WWW Equipment Operator I	11	11	11	11	11.00	11.00	11.00	11.00
Total	18	19	19	19	18.00	19.00	19.00	19.00

Mission Statement

Provide wastewater collection service for the citizens of the City of San Marcos and operate and maintain the collection system in a safe, efficient and healthy manner.

Expenses by Category

	Actual 2015-16	Original Approved 2016-17	Revised 2016-17	Adopted 2017-18
Personnel Services	979,359	1,226,806	1,226,806	1,309,658
Contracted Services	57,885	96,235	96,235	66,235
Materials and Supplies	339,906	408,564	408,564	437,564
Other Charges	29,508	39,457	39,457	45,457
Capital Outlay	162,244	390,000	390,000	140,000
Total	1,568,902	2,161,062	2,161,062	1,998,914

Goals and Objectives

- Work to further the City Council's goal of expanding economic development, protecting the environment, and improving the image of San Marcos.
- Provide wastewater collections services to the citizens and businesses of San Marcos.
- Operate, maintain and correct failures in the wastewater collection system in a safe, efficient and healthy manner.
- Respond to all emergency and non-emergency calls 24 hours a day.
- Protect the health and safety of the community.
- Continue the video inspection of sewer mains and services throughout the city.
- Continue and improve grease and root control program.
- Increase efficiency of current preventative maintenance program.
- Increase monitoring of system by flow monitoring, smoke testing and testing for corrosive atmospheres.

What We Accomplished in 2016-17

- Continued flow monitoring in on trunk lines leading to main lift station.
- Crew Leaders continued participation of CIP/PCIP final inspection walk thru.
- Utility Line Locator participation in pre-construction meetings to improve good working relations between city and developers/contractors for the purpose of protecting utility infrastructure.
- Completed and increased scheduled bi-annual FOG control maintenance/treatment to meet increased demand on wastewater collection system.
- Reduction of clogging issues in lift stations through cleaning program and pumps replacement or retrofits.
- I/I smoke detection project along Willow Creek from Hunter rd. & Stagecoach. To Corporate dr., Sunset Acres.
- Completed I/I repairs found during the smoke testing.
- Completed CCTV inspections of sewer mains over the EARZ.
- Completed approximately 35% of infrastructure GPS data collection.

What We Plan to Accomplish in 2017-18

- Continue CCTV inspections.
- Continue GPS data acquisition of infrastructure assets.
- Continue mobile pc usage to increase efficiency and decrease response time.
- Continue infrastructure security via MH markers and key secured MH covers.
- Continue to address and correct issues identified during CCTV inspections.
- Comply with all applicable state, Federal and local mandates.
- Continue and increase flow monitoring.
- Continue FOG (fats, oils and grease) programs to reduce and eliminate service disruptions.
- Continue smoke testing to identify and correct I/I issues.
- Implement the use of surcharge alarming system in the wastewater collection infrastructure, 9 alarms.

Performance Measures

	Unit of Measure	Actual 2015-16	Estimated 2016-17	Projected 2017-18
Wastewater Taps Installed	Taps	10	6	8
Sewer Mains/Services Repaired	#	246	199	200
Installed City-wide Sewer Clean-outs	#	17	17	20
Manhole Maintenance	#	199	96	150
FOG Control Chemical-Feed Site Maint	Orders	100	64	75
Video Inspection of Collection System for SSOI Compliance	Linear Ft.	21,034	65,898	150,000
Collection System Cleaned & Maint for SSOI Compliance	Linear Ft.	76,267.35	65,898	150,000

Water Quality Services

Water/Wastewater Quality	Positions				Full Time Equivalent			
	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18
Water Quality Services Manager	1	1	1	1	1.00	1.00	1.00	1.00
Water Quality Crew Leader	1	1	1	1	1.00	1.00	1.00	1.00
Water Quality Technician	4	4	4	5	4.00	4.00	4.00	5.00
Administrative Clerk	1	1	1	1	1.00	1.00	1.00	1.00
Total	7	7	7	8	7.00	7.00	7.00	8.00

Mission Statement

The Water Quality Services division has the responsibility for administration and enforcement of Industrial Waste Discharge Regulations (Ordinance 1991-55) and implementation of Ordinance 1991-53 pertaining to Industrial User Permit Fees, Surcharge Fees, Commercial Waste Hauler Registration and Waste Receiving Fees.

Expenses by Category

	Actual 2015-16	Original Approved 2016-17	Revised 2016-17	Adopted 2017-18
Personnel Services	470,597	490,974	490,974	560,722
Contracted Services	92,384	211,664	211,664	242,914
Materials and Supplies	34,207	50,811	50,811	57,561
Other Charges	5,820	11,667	11,667	13,667
Capital Outlay	49,563	0	0	40,000
Total	652,571	765,116	765,116	914,864

Goals and Objectives

- Work to further the City Council's goal of expanding economic development, protecting the San Marcos River, and improving customer service and relations with the public.
- To support the City of San Marcos' responsibility in enforcing the Clean Water Act and Safe Drinking Water Act.
- To monitor the drinking water and wastewater to ensure the safety of the city's drinking water supply and to protect the wastewater system, personnel, and effluent discharge to the environment as required by the EPA and TCEQ.
- To monitor the wastewater from 15 permitted users and approximately 345 commercial users by inspecting and sampling these industrial and commercial facilities to ensure compliance with regulations.

What We Accomplished in 2016-17

- Collected approximately 1,150 wastewater samples from 15 permitted Industrial Users, collected approximately 1,900 drinking water samples from the city's distribution system and wells, approximately 150 samples from the San Marcos River, and approximately 3,700 samples from commercial customers under our wastewater surcharge and FOG program.

- Evaluated approximately 6,350 drinking water and wastewater analytical results.
- Conducted approximately 30 inspections of industrial and commercial users and educated approximately 25 commercial representatives on current issues.
- Issued 5 Notices of Violation in response to violations of Industrial User discharge permits.
- Completed the sixth year of FOG sampling under the FOG ordinance for our 390 commercial/surcharge customers.

What We Plan to Accomplish in 2017-18

- Continue to enforce the Clean Water Act by monitoring the Industrial Users for permit compliance and the commercial users under the surcharge program.
- Inspect Industrial Users and investigate undesirable changes in wastewater characteristics.
- Continue to educate our domestic users through daily communication.
- Complete EPA Lead and Copper Rule sampling
- Start EPA UCMR4 sampling for drinking water
- Continue to sample for drinking water quality in our wells, distribution system, reclaimed water, and the San Marcos River. Continue to respond to customers questions concerning drinking water quality.
- Continue FOG sampling under the FOG ordinance.
- Issue new industrial waste discharge permits based on EPA streamlining regulations.
- Continue to collect GPS locations for the surcharge and industrial permit wastewater sample ports.

Performance Measures

	Unit of Measure	Actual 2015-16	Estimated 2016-17	Projected 2017-18
Significant Industrial Users Inspections And Reports Prepared	Number	30	30	30
Water/Wastewater Samples Collected And Tested	Tests	6,350	6,400	6,400
Water/WW Sample Tests Perform By City Staff	Number	6,350	6,400	6,400
Significant Industrial Permit Actions(Issuances, Transfers, Renewals, Modifications)	Number	3	5	1
Significant Industrial User and Surcharge Facility Inspections/Reports	Number	389	325	400
Correspondence	Number	18	30	30
Working Meetings	Hours	135	125	145
Provide Educational Information	Number	389	350	400
Purchase Orders, Check Requests, Receiving Reports	Number	152	165	160

Water Distribution and Maintenance

Water/Wastewater Distribution and Maintenance	Positions				Full Time Equivalent			
	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18
Water Distribution Manager	1	1	1	1	1.00	1.00	1.00	1.00
W/WW Field Maintenance	1	1	1	1	1.00	1.00	1.00	1.00
W/WW Utility Project Coordinator	1	1	1	1	1.00	1.00	1.00	1.00
W/WW Maintenance Crew Leader	4	4	4	4	4.00	4.00	4.00	4.00
W/WW Equipment Operator II	4	4	4	4	4.00	4.00	4.00	4.00
W/WW Equipment Operator I	10	11	11	11	10.00	11.00	11.00	11.00
Cross Connection Contron BFP	0	0	0	1	0.00	0.00	0.00	1.00
W/WW Electrical Field Maintenance Tech	1	1	1	1	1.00	1.00	1.00	1.00
Instrumentation/Controls Maintenance Tech	2	2	2	2	2.00	2.00	2.00	2.00
W/WW Field Maintenance Tech	3	3	3	3	3.00	3.00	3.00	3.00
Inventory/Control Technician	1	1	1	1	1.00	1.00	1.00	1.00
Total	28	29	29	30	28.00	29.00	29.00	30.00

Mission Statement

The Water Distribution Maintenance Division operates and maintains a water distribution system that provides the community and customers an ample supply of clean, potable water as mandated by state and federal agencies.

Expenses by Category

	Actual 2015-16	Original Approved 2016-17	Revised 2016-17	Adopted 2017-18
Personnel Services	1,918,445	2,037,387	1,955,387	2,084,704
Contracted Services	106,296	156,904	156,904	168,104
Materials and Supplies	612,171	678,294	678,294	830,075
Other Charges	37,071	48,850	48,850	54,170
Capital Outlay	60,157	140,000	140,000	170,000
Total	2,734,140	3,061,435	2,979,435	3,307,053

Goals and Objectives

- Support the Comprehensive Plan Work and to further the City Council's goal of expanding economic development, protecting the environment, and improving the image of San Marcos.
- To operate and maintain the water distribution system to provide the community and customers with an ample supply of safe drinking water as mandated by State and Federal agencies.
- Protect the health and safety of the community and environment.
- To respond to all emergency and non-emergency calls in a safe and efficient manner.
- To provide education and training to Water Distribution personnel to meet or exceed State and City requirements.
- To maintain and monitor the AMI System to insure functionality and accuracy.

- To continue to GPS our water system to insure accurate mapping.
- To continue to survey, monitor and maintain the distribution system to minimize water loss.
- To continue to repair and replace fire hydrants to ensure adequate fire protection.
- To repair and replace isolation water valves to minimize service interruptions during water main repairs.
- Support of our community continuing to providing excellent customer service.

What We Accomplished in 2016-17

- Installed over 550 new water meter services.
- Changed out over 750 water meters of ten years old or older and non-operational meters to ensure accuracy.
- Maintained, repaired or replaced over 325 fire hydrants to ensure fire protection.
- Surveyed 75 miles of water mains for leak detection to prevent unaccounted water loss.
- Completed over 2,000 work orders on maintenance and repairs on the distribution system.
- Field responses to over 1500 customer inquiries regarding meter maintenance problems or concerns.
- Made over 250 repairs on water mains and service lines.
- Acquired 17 new Water or Wastewater TCEQ Licenses
- Responded to over 700 requests for line locates.
- GPS of over 4,000 points in the water distribution system.

What We Plan to Accomplish in 2017-18

- Maintenance and service of large AMI Smart Meters.
- Continue to GPS existing and new water meters, valves and hydrants in the water distribution system.
- Improve and update Water Systems maps to ensure accuracy.
- Continue to monitor and reduce unaccounted for water.
- Continue the leak detection survey of 75 linear miles of water lines.
- Prompt repair of all water main and water service leaks to reduce water loss.
- Continue to upgrade, resize and test water meters to insure accuracy.
- Explore new ideas and products that will realize savings in costs.
- Continue to train and educate coworkers to encourage confidence.
- Focus on repairs and maintenance of system valves and fire hydrants to ensure functionality.

Performance Measures

	Unit of Measure	Actual 2015-16	Estimated 2016-17	Projected 2017-18
New Residential & Commercial Water Accounts	#	294	550	650
Meter Change Out Program	#	209	750	800
Combined W/WW Line Locate Calls	#	770	700	775
Customer Inquiries Regarding Meter Maintenance Problems & Concerns	#	807	950	1,000
Water Main and Water Service Repairs	#	256	240	250
Fire Hydrant Repairs/Replace	#	303	375	350
AMI Node Installations & Investigations	#	322	170	200
Main & Service Line Taps, Extensions, Replacements, Relocations	#	27	25	25
W/WW Combined GPS Points Taken	Points Entered	3,944	4,200	4,000
Leak Detection & Valve Exercise	#	139	15	100

Water Conservation

Water/Wastewater Conservation	Positions				Full Time Equivalent			
	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18
Conservation Coordinator	0.5	0.5	0.5	0.5	0.50	0.50	0.50	0.50
Public Services Conservation	0.5	0.5	0.5	0.5	0.50	0.50	0.50	0.50
Total	1	1	1	1	1.00	1.00	1.00	1.00

Mission Statement

This division responds to customers who need information or assistance involving the safe and efficient use of water at their home or business. This response is achieved by providing information through brochures, sample displays, presentations, home and business energy analysis and other teaching opportunities. This division also provides information to all City of San Marcos customers by telephone, mail, fax, e-mail and personal on-site visits.

Expenses by Category

	Actual 2015-16	Original Approved 2016-17	Revised 2016-17	Adopted 2017-18
Personnel Services	46,916	97,496	97,496	319,228
Contracted Services	16,409	122,568	122,568	122,566
Materials and Supplies	17,571	21,000	21,000	21,000
Other Charges	1,069	2,307	2,307	2,307
Capital Outlay	0	0	0	0
Total	81,965	243,371	243,371	465,101

Goals and Objectives

- The primary objective of the Public Services Department, Conservation Section is to implement the City Council's goal of environmental stewardship through promotion of energy and water efficiency programs such as energy/water audits, school education, public outreach, and financial rebates/incentives. The long-term goal is to increase water/energy efficiency and reduce per capita water/energy usage.

What We Accomplished in 2016-17

- During fiscal year 2016/2017, the Conservation Section implemented a new Soil Saver Rebate program to encourage water conservation through soil improvements such as aeration, compost application and use of mulch. Representatives from this section continued to participate in various public and school education events including the Chamber of Commerce Business Expo and Groundwater Festival, and remained active in various groups such as the Central Texas Water Efficiency Network and Cross Connection Control Workgroup.

What We Plan to Accomplish in 2017-18

- During fiscal year 2017/2018, the Conservation Section will continue to expand public outreach efforts in an effort to increase awareness of City conservation programs. This section will also continue to research and develop additional incentive programs as needed to achieve conservation goals.

Performance Measures

	Unit of Measure	Actual 2015-16	Estimated 2016-17	Projected 2017-18
Water/Energy Audits (single and multi-family residential, commercial)	#	129	76	101
Public and School Education (presentations, events, articles, ads, programs, etc)	#	45	32	39
Irrigation Design Plan Reviews (single-family, multi-family, and commercial)	#	213	208	211
Water Rebates and Incentives (washer rebates, toilet rebates, rain barrel rebates)	#	57	33	45
Energy Rebates and Incentives (HVAC, water heaters, Energy Star appliances, insulation)	#	62	47	55
Customer Services Calls	#	638	495	567

Administration

Water/Wastewater Administration	Positions				Full Time Equivalent			
	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18
Assistant Director of Public Services	1	1	1	1	1.00	1.00	1.00	1.00
Technology Specialist / GIS	1	1	1	1	1.00	1.00	1.00	1.00
Public Services Support Specialist	1	1	1	1	1.00	1.00	1.00	1.00
Arborist	0	0	0	0	0.00	0.33	0.33	0.33
Administrative Coordinator	1	1	1	1	1.00	1.00	1.00	1.00
Administrative Clerk	0	1	1	1	0.00	1.00	1.00	1.00
Total	4	5	5	5	4.00	5.33	5.33	5.33

Mission Statement

Provide planning, direction and administrative support for all divisions within the Water and Wastewater Utilities Department.

Expenses by Category

	Actual 2015-16	Original Approved 2016-17	Revised 2016-17	Adopted 2017-18
Personnel Services	473,100	587,185	557,185	587,941
Contracted Services	121,739	176,717	176,717	144,307
Materials and Supplies	18,236	28,130	28,130	28,130
Other Charges	9,816	20,275	20,275	20,325
Capital Outlay	29,984	300,000	300,000	0
Total	652,875	1,112,307	1,082,307	780,703

Goals and Objectives

- Work to further the City Council's goals of expanding economic development, protecting the environment, and improving the image of San Marcos.
- Support the implementation of the Comprehensive Master Plan.
- To act as initial contact point for all customers and customer concerns involving water and or wastewater. To provide management, technical, fiscal, and administrative guidance and support to this division.
- Prepare and distribute work orders to repair infrastructure problems (water leaks, wastewater problems, water quality concerns, etc.)
- Contact, dispatch, and monitor locations of work crews (via radio or telephone) to repair reported infrastructure problems.
- Attend public forums to disseminate information on all on-going infrastructure projects as well as receiving comments and suggestions from the general public.
- Provide a public service education that keeps citizens informed of water/wastewater issues.
- Direct and/or approve all division budget preparations and submissions and review expenditures.

What We Accomplished in 2016-17

- Responded to approximately 6,500 customer requests.
- Supported numerous public forums with representatives and equipment.
- Scanned more than 700 documents into Laserfiche for digital record management.
- Processed GPS data for over 3,900 water/wastewater features in GIS (projected 4,000 features by end of current fiscal year).
- Completed over 2,200 technology support related tasks requested by customers as well as other City departments. These included maps and map related data, technology training and assistance, GIS database development, and reporting.

What We Plan to Accomplish in 2017-18

- Provide guidance and management to all sections of Water/Wastewater Utilities.
- Continue to support advancements of electronic communications and field equipment for all sections of Water/Wastewater Utilities to improve efficiency and customer service.
- Continue to process collected infrastructure data in order to respond to customer/departmental map requests with accurate display of features.
- Continue to process/maintain files in a digital format to decrease paper cost and utilize a more user friendly filing system through Laserfiche.

Performance Measures

	Unit of Measure	Actual 2015-16	Estimated 2016-17	Projected 2017-18
Citizen Service Requests - Telephone calls and walk in customers	Number	6,100	6,500	6,500
Work Orders/Service Calls	Number	1,625	5,368	5,500
Review Building Plans/Plats	Number	575	600	600
Documents scanned into Laserfiche	Number	2,300	700	700
Correspondence Processed - Letters, memos, invoices, reports, etc.	Number	350	420	400
Meters/Meter Components Adjusted in Billing System	# Meters	300	1,000	1,000
Technology Support Tasks (Maps/data, technology training, etc.)	# tasks	2,572	2,200	2,500
Processed GPS data features in GIS	# features	3,944	4,300	3,500

Special Services

Department Organization

The Special Services Division is used to account for a variety of non-direct expenses. Examples of expenses include utilities, insurance, bank charges and operating transfers.

Expenses by Category

	Actual 2015-16	Original Approved 2016-17	Revised 2016-17	Adopted 2017-18
Personnel Services	-1,917	98,633	0	106,791
Contracted Services	7,700,023	9,090,896	9,090,896	9,835,869
Materials and Supplies	1,075	21,000	21,000	21,000
Other Charges	7,252,771	7,851,470	7,914,299	8,912,129
Operating Transfers	61,274	63,137	63,137	69,856
Transfer to Capital Reserves	2,375,000	900,000	825,000	450,000
Rate Stabilization Fund	0	0	0	0
Capital Outlay	0	0	0	0
Debt Service	0	0	0	0
Total	17,388,226	18,025,136	17,914,332	19,395,645

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET
DRAINAGE UTILITY FUND
FINANCIAL FORECAST

	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Operating Revenues					
Interest Income	3,000	3,000	3,000	3,000	3,000
Drainage Service Revenue	4,125,464	4,909,302	5,842,070	6,952,063	8,272,955
Charges from Other Services	81,327	81,279	81,103	80,788	80,459
Other Revenue	-	-	-	-	-
Total Operating Revenues	4,209,791	4,993,581	5,926,173	7,035,851	8,356,414
Operating Expenses					
Personnel Services	458,677	663,190	696,350	731,167	767,726
Contracted Services	829,500	1,055,642	1,108,424	1,163,845	1,222,038
Materials and Supplies	74,163	134,842	141,584	148,663	156,096
Other Charges	282,664	293,827	308,518	323,944	340,141
Debt Service	2,106,761	2,513,019	3,197,371	4,076,956	5,623,511
Total Operating Expenses	3,751,765	4,660,520	5,452,247	6,444,576	8,109,512
Operating Income / (Loss)	458,026	333,061	473,926	591,275	246,901
One-Time Expenses					
Capital Outlay	375,000	55,000	300,000	200,000	150,000
One-Time Operating Transfers	(250,000)	-	-	-	-
Prior Period Adjustment	-	-	-	-	-
Net Change in Fund Balance	333,026	278,061	173,926	391,275	96,901
Beginning Unreserved Fund Balance	542,806	875,833	1,153,894	1,327,819	1,719,095
Ending Unreserved Fund Balance	875,833	1,153,894	1,327,819	1,719,095	1,815,996
Percentage of Operating Expenses	23.3%	24.8%	24.4%	26.7%	22.4%
Days of Operation	85	90	89	97	82

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET

DRAINAGE UTILITY FUND

	Actual 2015/2016	Approved 2016/2017	Revised 2016/2017	Adopted 2017/2018
Beginning Unreserved Fund Balance	**1,450,158**	**792,805**	**792,805**	**875,832**
Operating Revenues				
Interest Income	3,906	1,000	3,000	3,000
Drainage Utility Fee	3,630,325	4,168,310	4,125,464	4,909,302
Penalties	32,784	29,302	36,600	37,698
Other Revenue	459	-	-	-
Build America Subsidy	42,564	44,727	44,727	43,581
Total Operating Revenues	**3,710,038**	**4,243,339**	**4,209,791**	**4,993,581**
Total Funds Available	**5,160,196**	**5,036,144**	**5,002,596**	**5,869,413**
Operating Expenses				
Personnel Services	393,252	498,677	458,677	663,190
Contracted Services	738,254	947,000	829,500	1,055,642
Materials and Supplies	61,618	81,770	74,163	134,842
Other Charges	249,678	282,664	282,664	293,827
Debt Service	1,789,066	2,106,761	2,106,761	2,513,019
Total Operating Expenses	**3,231,869**	**3,916,872**	**3,751,765**	**4,660,520**
One-Time Expenses				
Capital Outlay	205,641	405,500	375,000	55,000
Operating Transfer	650,000	-	- 0	
Total One-Time Expenses	855,641	405,500	375,000	55,000
Reserved Fund Balance	279,881			
Ending Unreserved Fund Balance	**792,805**	**713,773**	**875,832**	**1,153,893**
Fund Balance as a Percentage of Total Expenses	24.53%	18.22%	23.34%	24.76%

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET

DRAINAGE UTILITY FUND

Division	Personnel Services	Contracted Services	Materials & Supplies	Other Charges	Operating Transfers	Capital Outlay	Total
Operations	663,190	54,996	134,842	13,500	0	55,000	921,528
Special Services	0	1,000,646	0	280,327	0	0	1,280,973
Debt Service	0	0	0	2,513,019	0	0	2,513,019
Total	663,190	1,055,642	134,842	2,806,846	0	55,000	4,715,520
Percentage of Operating Expenditures	11.5%	21.9%	1.9%	55.3%	0%	9.4%	100%

DRAINAGE UTILITY FUND PERSONNEL ROSTER

	Positions				Full Time Equivalent			
Drainage Fund	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18
Drainage Fund	7	8	8	9	7.00	8.00	8.00	9.00
Total	7	8	8	9	7.00	8.00	8.00	9.00

Drainage

Drainage	Positions				Full Time Equivalent			
	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18
Stormwater Systems Manager	1	1	1	1	1.00	1.00	1.00	1.00
Drainage Maint. Crew Leader	1	1	1	1	1.00	1.00	1.00	1.00
Stormwater Coordinator	0	1	1	1	0.00	1.00	1.00	1.00
Senior Engineer	0	0	0	1	0.00	0.00	0.00	1.00
Drainage Maint. Equipment Operator I	3	3	3	3	3.00	3.00	3.00	3.00
Drainage Maint. Equipment Operator II	2	2	2	2	2.00	2.00	2.00	2.00
GIS/Technology Specialist	0	0	0	0	0.00	0.00	0.00	0.00
Total	7	8	8	9	7.00	8.00	8.00	9.00

Mission Statement

Execute City Council's vision and goals by providing top quality, professional, effective, and timely drainage and right-of-way operation and maintenance services to residents, businesses and internal customers.

Expenses by Category

	Actual 2015-16	Original Approved 2016-17	Revised 2016-17	Adopted 2017-18
Personnel Services	396,064	498,677	458,677	663,190
Contracted Services	52,735	55,854	48,354	54,996
Materials and Supplies	59,618	81,770	74,163	134,842
Other Charges	9,356	9,142	9,142	13,500
Capital Outlay	205,641	405,500	375,000	55,000
Total	723,414	1,050,943	965,336	921,528

Goals and Objectives

- Manage and maintain the City's drainage infrastructure to beautify our community, reduce flooding, and reduce the City's exposure to liability.
- Manage the City's MS4 permit to comply with TCEQ stormwater regulations.
- Improve livability through clean, well-maintained drainage facilities, right-of-way, and roadside vegetation.
- Continue to focus on high-quality service and customer satisfaction.
- Foster collaborative opportunities with other agencies and individuals to improve delivery of service.
- Supporting economic development by reducing flood hazards through well-maintained drainage and right-of-way infrastructure.
- Leverage and maximize existing resources to accomplish City goals.

What We Accomplished in 2016-17

- Inspected 637 inlet boxes, area inlets, and catch basins.
- Cleaned 6,656 feet of storm sewer pipe.
- Cleaned 7,251 feet of open channel.
- Swept 3,115.6 curb miles of street throughout the city.
- Cleaned 23 water quality/detention ponds throughout the city.
- Cleaned all inline hydrodynamic separators throughout the city.
- Replaced failing curb and gutter on Allen Street to support overlay program and improve drainage.
- Replaced failing curb and gutter on Hazelton to support overlay program and improve drainage.
- Replaced failing curb and gutter on Warden and Zunker streets to support overlay program and improve drainage.
- Installed sidewalk drain on Bugg Lane to improve drainage.
- Installed curb and gutter, sidewalk, and sidewalk drains on Mitchell Street to improve drainage.
- Continued GPS mapping of storm sewer facilities.
- Implemented year three of the City's MS4 program.
- Provided emergency response for hurricane Harvey.

What We Plan to Accomplish in 2017-18

- Implement the fourth year of the City's MS4 Program.
- Inspect and clean over 3,000 linear feet of storm sewer line.
- Continue GPS mapping of storm sewer facilities.
- Inspect and maintain 1,000 inlet boxes
- Maintain permanent storm water quality devices such as hydrodynamic separators and bioretention areas.
- Clean and maintain 5,000 linear feet open channels.
- Clean and maintain water quality/detention ponds throughout the city.
- Sweep 310 miles of city streets.

Performance Measures

	Unit of Measure	Actual 2015-16	Estimated 2016-17	Projected 2017-18
Inlets Cleaned	Each	1,037	650	750
Storm Sewer Lines Cleaned	Linear Ft	4,118	6,570	5,000
Open Channels Cleaned	Linear Ft	7,672	7,250	5,000
Street Sweeping	Curb Miles	3,050.4	3,100	3,000

Special Services

Department Organization

The Special Services Division is used to account for a variety of non-direct expenses.

Expenses by Category

	Actual 2015-16	Original Approved 2016-17	Revised 2016-17	Adopted 2017-18
Personnel Services	-2,812	0	0	0
Contracted Services	685,519	891,146	781,146	1,000,646
Materials and Supplies	2,000	0	0	0
Other Charges	234,956	273,522	273,522	280,327
Operating Transfers	900,000	0	-250,000	0
Capital Outlay	0	0	0	0
Debt Service	1,789,066	2,106,761	2,106,761	2,513,019
Total	3,608,729	3,271,429	2,911,429	3,793,992

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET

ELECTRIC UTILITY FUND
FINANCIAL FORECAST

	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Operating Revenues					
Interest Income	142,554	143,420	144,854	146,303	147,766
Electric Service Revenue	595,870	600,000	602,578	602,578	602,578
Charges from Other Services	52,976,474	59,873,459	63,039,969	65,229,773	66,221,426
Other Revenue	783,828	922,437	1,128,947	1,329,429	1,446,447
Reimbursements from Other Funds	1,975,278	2,054,289	2,136,461	2,221,919	2,310,796
Total Operating Revenues	56,474,004	63,593,605	67,052,809	69,530,003	70,729,012
Operating Expenses					
Personnel Services	5,597,973	6,072,152	6,254,317	6,441,946	6,635,205
Contracted Services	2,450,248	2,937,169	2,995,912	3,055,831	3,116,947
Purchase of Power	32,308,955	40,016,327	40,421,001	41,255,864	42,110,197
Materials and Supplies	1,061,853	1,069,953	1,091,352	1,113,179	1,135,443
Other Charges	3,220,109	3,621,075	3,693,497	3,767,366	3,842,714
Franchise Fee	3,662,358	4,735,677	5,727,829	4,608,265	4,677,680
Reimbursement to Other Funds	-	-	-	-	-
Debt Service	3,421,309	4,031,194	4,787,292	5,480,739	6,490,189
Total Operating Expenses	51,722,805	62,483,547	64,971,199	65,723,190	68,008,375
Operating Income / (Loss)	4,751,200	1,110,058	2,081,610	3,806,813	2,720,637
One-Time Expenses					
One-Time Operating Transfers	-	-	-	-	-
Capital Outlay	665,000	809,310	809,310	809,310	809,310
Transfer to Capital Reserves	3,750,000	-	-	-	-
Rate Stabilization	-	-	-	-	-
Net Change in Fund Balance	336,200	300,748	1,272,300	2,997,503	1,911,327
Beginning Unreserved Fund Balance	9,072,511	9,408,711	9,709,459	10,981,759	13,979,261
Ending Unreserved Fund Balance	9,408,711	9,709,459	10,981,759	13,979,261	15,890,589
Percentage of Operating Expenses	18.2%	15.5%	16.9%	21.3%	23.4%
Days of Operation	66	57	62	78	85

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET

ELECTRIC UTILITY FUND

	Actual 2015/2016	Approved 2016/2017	Revised 2016/2017	Adopted 2017/2018
Beginning Unreserved Fund Balance	**9,537,732**	**9,072,511**	**9,072,511**	**9,408,711**
Operating Revenues				
Interest Income	95,043	69,783	142,554	143,420
Sales Tax Discount	8,083	5,892	7,500	7,500
Electric Service Revenue	51,651,894	54,229,267	52,319,400	59,195,959
Connections - Electric	611,864	318,042	595,870	600,000
Reconnection Charges	97,638	70,046	110,488	120,000
Penalties	533,131	568,030	539,086	550,000
Pole Attachment Contracts	389,814	404,272	380,000	383,800
Sale of Transformers	6,688	50,500	1,500	1,515
Ferguson Revenue	289,191	660,745	272,000	406,348
Service Charges	11,870	22,181	12,430	12,554
Other Revenue	103,195	325,212	94,980	96,243
F&PCRF	90,129	-	-	-
Reimbursement from Other Funds	1,758,302	1,975,278	1,975,278	2,054,289
BAB Subsidy	22,919	25,242	22,918	21,977
Total Operating Revenues	**55,669,760**	**58,724,490**	**56,474,004**	**63,593,605**
Operating Expenses				
Personnel Services	4,516,786	5,597,973	5,597,973	6,072,152
Purchase of Power	31,606,026	35,508,955	32,308,955	40,016,327
Contracted Services	1,653,322	2,450,248	2,450,248	2,937,169
Materials and Supplies	1,314,944	1,071,853	1,061,853	1,069,953
Other Charges	2,734,488	3,208,936	3,220,109	3,621,075
Franchise Fee	3,615,626	3,668,878	3,662,358	4,735,677
Debt Service	2,890,961	3,421,309	3,421,309	4,031,194
Total Operating Expenses	**48,332,153**	**54,928,152**	**51,722,805**	**62,483,547**
One-Time Expenses				
One-Time Operating Transfers	-	-	-	-
Capital Outlay	638,272	765,000	665,000	809,310
Transfer to Capital Reserves	6,400,000	2,300,000	3,750,000	-
Total One-Time Expenses	**7,038,272**	**3,065,000**	**4,415,000**	**809,310**
Total Expenses	**55,370,426**	**57,993,152**	**56,137,805**	**63,292,857**
Ending Fund Balance	9,837,066	9,803,849	9,408,711	9,709,459
Reserve-Rate Stabilization	764,555	-	-	-
Ending Unreserved Fund Balance	**9,072,511**	**9,803,849**	**9,408,711**	**9,709,459**
Fund Balance in Days of Opertation	73.04	68.85	70.48	60.53

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET

ELECTRIC UTILITY FUND

	Actual 2015/2016	Approved 2016/2017	Revised 2016/2017	Adopted 2017/2018
Conservation				
Personnel Services	90,675	97,496	97,496	179,540
Contracted Services	104,178	150,762	150,762	150,762
Materials and Supplies	5,459	28,639	28,639	28,639
Other Charges	25	5,458	5,458	5,458
Capital Outlay	-	-	-	-
Total	200,336	282,355	282,355	364,399
Meter Operations				
Personnel Services	734,006	926,256	926,256	983,051
Contracted Services	58,872	119,209	119,209	86,505
Materials and Supplies	43,278	68,382	68,382	58,182
Other Charges	15,904	24,730	24,730	34,465
Capital Outlay	291,112	330,000	330,000	310,000
Total	1,143,172	1,468,577	1,468,577	1,472,203
Administration				
Personnel Services	740,750	852,266	852,266	956,049
Contracted Services	108,181	269,006	269,006	389,148
Materials and Supplies	9,740	19,755	19,755	23,855
Other Charges	15,681	57,915	57,915	59,415
Capital Outlay	10,197	-	-	30,000
Total	884,549	1,198,942	1,198,942	1,458,467
Maintenance				
Personnel Services	1,615,339	2,123,891	2,123,891	2,245,897
Contracted Services	333,077	394,664	394,664	664,389
Materials and Supplies	1,188,555	850,847	850,847	850,847
Other Charges	57,361	62,890	62,890	70,890
Capital Outlay	286,963	285,000	285,000	388,000
Total	3,481,296	3,717,292	3,717,292	4,220,023
Utility Business Office				
Personnel Services	926,279	1,035,289	1,035,289	1,081,047
Contracted Services	274,614	389,342	389,342	401,742
Materials and Supplies	35,561	52,680	52,680	52,680
Other Charges	5,912	22,075	22,075	21,125
Capital Outlay	-	-	-	-
Total	1,242,366	1,499,386	1,499,386	1,556,594

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET

ELECTRIC UTILITY FUND

	Actual 2015/2016	Approved 2016/2017	Revised 2016/2017	Adopted 2017/2018
Public Services Administration				
Personnel Services	395,234	450,615	450,615	506,994
Contracted Services	116,795	176,611	176,611	150,101
Materials and Supplies	9,118	6,350	6,350	10,550
Other Charges	15,856	23,792	23,792	25,792
Capital Outlay	-	100,000	100,000	31,310
Total	537,004	757,368	757,368	724,747
Special Services				
Personnel Services	14,504	112,160	112,160	119,574
Purchase Power	31,606,026	35,508,955	32,308,955	40,016,327
Contracted Services	657,606	950,654	950,654	1,094,522
Materials and Supplies	23,232	45,200	35,200	45,200
Other Charges	2,623,749	3,012,076	3,023,249	3,403,930
Franchise Fee	3,615,626	3,668,878	3,662,358	4,735,677
Operating Transfers	-	-	-	-
Capital Outlay	50,000	50,000	50,000	50,000
Transfer to Capital Reserves	6,400,000	2,300,000	3,750,000	-
Rate Stablization	-	-	-	-
Total	44,990,742	45,647,923	43,892,576	49,465,230
Debt Service				
Principal Payments	1,295,000	1,630,000	1,630,000	2,315,000
Interest Payments	1,593,389	1,778,809	1,778,809	1,702,444
Fiscal Agent Fees	2,572	12,500	12,500	13,750
Total	2,890,961	3,421,309	3,421,309	4,031,194
Total Electric Utility Fund Expenses	55,370,426	57,993,152	56,237,805	63,292,857

Summary of Expenses by Department				
Conservation	200,336	282,355	282,355	364,399
Meter Operations	1,143,172	1,468,577	1,468,577	1,472,203
Administration	884,549	1,198,942	1,198,942	1,458,467
Maintenance	3,481,296	3,717,292	3,717,292	4,220,023
Utility Business Office	1,242,366	1,499,386	1,499,386	1,556,594
Public Services Administration	537,004	757,368	757,368	724,747
Special Services	44,990,742	45,647,923	43,892,576	49,465,230
Debt Service	2,890,961	3,421,309	3,421,309	4,031,194
Total Electric Utility Fund Expenses	55,370,426	57,993,152	56,237,805	63,292,857

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET

ELECTRIC UTILITY FUND

Division	Personnel Services	Contracted Services	Materials & Supplies	Other Charges	Operating Transfers	Capital Outlay	Debt Service	Total
Conservation	179,540	150,762	28,639	5,458	0	0	0	364,399
Meter Operations	983,051	86,505	58,182	34,465	0	310,000	0	1,472,203
Administration	956,049	389,148	23,855	59,415	0	30,000	0	1,458,467
Maintenance	2,245,897	664,389	850,847	70,890	0	388,000	0	4,220,023
Utility Business Office	1,081,047	401,742	52,680	21,125	0	0	0	1,556,594
Public Services Administration	506,994	150,101	10,550	25,792	0	31,310	0	724,747
Special Services	119,574	41,110,849	45,200	8,139,607	0	50,000	4,031,194	53,496,424
Total	6,072,152	42,953,496	1,069,953	8,356,752	0	809,310	4,031,194	63,292,857
Percentage of Operating Expenditures	9.7%	65.5%	.9%	15.7%	0%	2.3%	5.9%	100%

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ELECTRIC UTILITY FUND PERSONNEL ROSTER

	Positions				Full Time Equivalent			
Electric Utility Fund	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18
Public Services Administration	4	4	4	5	4.00	4.00	4.00	5.00
Conservation	1	1	1	1	1.00	1.00	1.00	1.00
Electric Administration	8	9	9	10	8.00	9.33	9.33	10.33
Meter Operations	10	12	12	12	10.00	12.00	12.00	12.00
Maintenance	23	23	23	23	23.00	23.00	23.00	23.00
Utility Billing and Collections	15	15	15	15	15.00	15.00	15.00	15.00
Total	61	64	64	66	61.00	64.33	64.33	66.33

Administration

Electric Administration	Positions				Full Time Equivalent			
	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18
Assistant Director of Public Services	1	1	1	1	1.00	1.00	1.00	1.00
Senior Engineer	1	1	1	1	1.00	1.00	1.00	1.00
Graduate Engineer	0	1	1	1	0.00	1.00	1.00	1.00
Electrical Engineering Technician	3	3	3	4	3.00	3.00	3.00	4.00
Administrative Clerk	1	1	1	1	1.00	1.00	1.00	1.00
Administrative Assistant	1	1	1	1	1.00	1.00	1.00	1.00
Arborist	0	0	0	0	0.00	0.33	0.33	0.33
Public Services GIS/Tech Specialist	1	1	1	1	1.00	1.00	1.00	1.00
Total	8	9	9	10	8.00	9.33	9.33	10.33

Mission Statement

The Administration Division takes care of the operation, planning, and design of the electrical distribution system for the City of San Marcos, and is the first line of contact with the public, industry and others requesting information on policies and procedures. The Operations Division is not only responsible for the plans and specifications used in the construction of the distribution facilities for the City, but also reviewing outside engineering plans for design and content. This division conducts field studies and engineers the projects for the upgrading of the distribution system, coordinating the work of both office and field personnel to complete the construction projects. This division creates economic cost analysis and technical reports and maintains the distribution mapping as well as drafting of distribution standards and specifications on the computer system. The operations division is also responsible for the installation and utilization of the Supervisory Control and Data Acquisition (SCADA) system as we move toward more automation of the distribution system.

Expenses by Category

	Actual 2015-16	Original Approved 2016-17	Revised 2016-17	Adopted 2017-18
Personnel Services	740,750	852,266	852,266	956,049
Contracted Services	108,181	269,006	269,006	389,148
Materials and Supplies	9,740	19,755	19,755	23,855
Other Charges	15,681	57,915	57,915	59,415
Capital Outlay	10,197	0	0	30,000
Total	884,549	1,198,942	1,198,942	1,458,467

Goals and Objectives

- Work to implement the City Council's vision and goals of expanding economic development, protecting the environment, and improving the image of San Marcos as they relate to the department.
- Lead departmental efforts to improve performance and efficiency in our delivery of service to the community.

- Develop annual budget, monitor budget conformance and control expenditures in compliance with the financial plan.
- Participate in State/Regional/Local organizations as they relate to our function such as Regional Water Planning Group L, Alliance Regional Water Authority, Guadalupe Basin Coalition, Edwards Aquifer Habitat Conservation Plan Implementing Committee and others.
- Plan future infrastructure work, water supply, and other long term planning items for Public Services and the City of San Marcos.
- Lead the Public Services management team in educating, training and supporting our staff in developing their career and job skills to become a high performing organization.
- Communicate with Executive Management on departmental activity and serve in participating in policy formulation.

What We Accomplished in 2016-17

- Achieved TWDB funding support for the future ARWA Carrizo Water Project for our future supply.
- Completed the rebuilding of San Marcos and Hilltop Substations with new transformers.
- Entered negotiations for CCN areas adjacent to the City.
- Commenced the Water Reuse System Expansion.
- Represented the City in numerous forums on Public Service related issues.
- Hired a Public Services GIS/Technology Services Manager.
- Completed the fiscal year below the budget level planned.
- Completed infrastructure maintenance 5 year work plan increment as planned.
- Expanded the Traffic Signal Maintenance Group to meet challenge of TXDOT signal conversion.

What We Plan to Accomplish in 2017-18

- Provide leadership, guidance and management to all Divisions of the Public Services Dept.
- Recruit an Asst. Director for the Electric Utility Division.
- Complete a roadmap for implementing the Gen 2 upgrade to the AMI system and submit in budget
- Continue to participate in the design, planning and execution of the Public/Community Services Operations Center
- Participate in bringing phase 1B of ARWA water supply into design and construction
- Lead the effort to benchmark our carbon footprint of the City and work on recommendations to help create a Climate Friendly City
- Enhance the Public Services systems to better serve in emergency situations related to communication and quality of data support
- Continue Integration of Technology in our operations and maintenance.

Performance Measures

	Unit of Measure	Actual 2015-16	Estimated 2016-17	Projected 2017-18
Underground Locates – One Call System	Number	2,009	1,888	2,400
Design of Electric Lines both Overhead and Underground	WA's assigned	129	105	149
Existing Street Lights Within System	Fixtures	2,204	2,275	2,346
Pole Contacts	Number	21,891	24,365	21,963
Customer Yard Lights	Fixtures	1,367	1,371	1,430
PEC Street Lighting Outside of City's Electric Utility Service Territory, but inside the City's Limits	Number	103	144	131
Bluebonnet Street Lighting Outside of City's Electric Utility Service Territory, but inside the City's Limits	Number	82	97	93

Conservation

Electric Conservation	Positions				Full Time Equivalent			
	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18
Public Services Conservation Coordinator	0.5	0.5	0.5	0.5	0.50	0.50	0.50	0.50
Public Services Conservation Technician	0.5	0.5	0.5	0.5	0.50	0.50	0.50	0.50
Total	1	1	1	1	1.00	1.00	1.00	1.00

Mission Statement

This division responds to customers who need information or assistance involving the safe and efficient use of electricity at their home or business. This response is achieved by providing information through brochures, sample displays, presentations, home and business energy analysis and other teaching opportunities. This division also provides information to all City of San Marcos customers by telephone, mail, fax, e-mail and personal on-site visits. This division exists because the Electric Utility has a generally recognized responsibility to not only provide electricity to customers but, also, to teach and promote the safe and efficient use of electricity.

Expenses by Category

	Actual 2015-16	Original Approved 2016-17	Revised 2016-17	Adopted 2017-18
Personnel Services	90,675	97,496	97,496	179,540
Contracted Services	104,178	150,762	150,762	150,762
Materials and Supplies	5,459	28,639	28,639	28,639
Other Charges	25	5,458	5,458	5,458
Capital Outlay	0	0	0	0
Total	200,337	282,355	282,355	364,399

Goals and Objectives

- The primary objective of the Public Services Department, Conservation Section is to implement the City Council's goal of environmental stewardship through promotion of energy and water efficiency programs such as energy/water audits, school education, public outreach, and financial rebates/incentives. The long-term goal is to increase water/energy efficiency and reduce per capita water/energy usage.

What We Accomplished in 2016-17

- During fiscal year 2016/2017, the Conservation Section implemented a new Soil Saver Rebate program to encourage water conservation through soil improvements such as aeration, compost application and use of mulch. Representatives from this section continued to participate in various public and school education events including the Chamber of Commerce Business Expo and Groundwater Festival, and remained active in various groups such as the Central Texas Water Efficiency Network and Cross Connection Control Workgroup.

What We Plan to Accomplish in 2017-18

- During fiscal year 2017/2018, the Conservation Section will continue to expand public outreach efforts in an effort to increase awareness of City conservation programs. This section will also continue to research and develop additional incentive programs as needed to achieve conservation goals.

Performance Measures

	Unit of Measure	Actual 2015-16	Estimated 2016-17	Projected 2017-18
Water/Energy Audits (single and multi-family residential, commercial)	# Units	129	76	101
Public and School Education (presentations, events, articles, ads, programs, etc.)	Ed. Opps.	45	32	39
Irrigation Design Plan Reviews (single-family, multi-family, and commercial)	# of plans	213	208	211
Water Rebates and Incentives (washer/toilet rebates, toilet distribution)	# Issued	57	33	45
Energy Rebates and Incentives (HVAC, water heaters, Energy Star appliances, insulation)	# Issued	62	47	55
Customer Service Calls	# Calls	638	495	567

Meter Operations

Electric Meter Operations	Positions				Full Time Equivalent			
	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18
Utilities Metering Manager	1	1	1	1	1.00	1.00	1.00	1.00
Metering Supervisor	1	1	1	1	1.00	1.00	1.00	1.00
Complex Meter Technician	2	2	2	2	2.00	2.00	2.00	2.00
Meter Service Technician	4	6	6	6	4.00	6.00	6.00	6.00
Public Services Meter Data	1	1	1	1	1.00	1.00	1.00	1.00
Public Services Support Specialist	1	1	1	1	1.00	1.00	1.00	1.00
Total	10	12	12	12	10.00	12.00	12.00	12.00

Mission Statement

The Meter Operations Division is responsible for reading all electric and water meters within the San Marcos Electric Utility service area. All connects and disconnects of electric and water meters, per customer request or for nonpayment of bills or insufficient checks, are handled through this division. All service calls to the line maintenance crews are also dispatched through meter operations. This division is also responsible for the maintenance and calibration of the electric meters within our system.

Expenses by Category

	Actual 2015-16	Original Approved 2016-17	Revised 2016-17	Adopted 2017-18
Personnel Services	734,006	926,256	926,256	983,051
Contracted Services	58,872	119,209	119,209	86,505
Materials and Supplies	43,278	68,382	68,382	58,182
Other Charges	15,904	24,730	24,730	34,465
Capital Outlay	291,112	330,000	330,000	310,000
Total	1,143,172	1,468,577	1,468,577	1,472,203

Goals and Objectives

- Work safety, efficiently, and responsibly in order to display a positive image of the City.
- Demonstrate to our customers we are dedicated to providing the best service possible.
- Continue strengthening our electrical and general safety practices, so we can achieve a thirteenth consecutive year with no lost time injuries.
- Continue to develop new skill sets regarding the City's Advanced Metering Infrastructure (AMI) project.
- Reduce the number of non-communicating meters by 20%.

What We Accomplished in 2016-17

- Manually read over 20,000 electric and water meters.
- Completed over 17,800 service requests.
- Completed 23,142 connects including 14,949 Meter Sense connects and 8,193 manual connects.

- Trained all Meter Technicians to handle after hour phone calls thus increasing their skill set.
- All Meter Technicians assisted customers during Hurricane Harvey including staffing 24-hours per day.
- Replaced all gateway modems with the newest generation in preparation for the Yukon project.
- Installed flashing lights and caution stickers on each truck to increase our visibility and improve safety.
- Purchased and installed electric meter test bench to ensure accurate readings.
- Manually completed 1,227 move in or move outs during the 10 days of Student Rush.

What We Plan to Accomplish in 2017-18

- Begin performing annual walkabout program to check for meter tampering and service issues.
- Upgrade MeterSense from version 4.1 to 4.2.
- Begin implementation of the Yukon project, which calls for updating every meter in the system (both water and electric) to Gen 2 over a two year period.
- Replace the AMI cellular modems with the latest and most reliable technology to improve network performance.
- Focus on non-communicating meters to decrease manual labor.
- Test and implement integration between MeterSense and Yukon.

Performance Measures

	Unit of Measure	Actual 2015-16	Estimated 2016-17	Projected 2017-18
Electric and Water meters read per month (AMI)	Number	37,629	36,500	40,000
Electric and Water meters read per month (Manual)	Number	1,800	1,500	1,500
New Service Connects performed annually	Number	843	140	700
Customer requested electric/water connects performed per month	Number	1,929	2,500	2,000
Number Of Service Calls Received By Meter Operations Dispatchers During Regular Business Hours	Calls	3,726	1,900	1,900
Non-Pay Disconnects Performed Annually	Disconnect	3,344	3,700	3,500
Non-Pay Reconnects Performed Annually	Reconnects	2,884	3,000	2,900
Water AMI No Communication Investigations performed annually	Number	1,130	500	1,000
Electric AMI No Communication Investigations performed annually	Number	333	500	500

Maintenance

Electric Maintenance	Positions				Full Time Equivalent			
	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18
Electric Distribution Manager	1	1	1	1	1.00	1.00	1.00	1.00
Electric Crew Leader	4	4	4	4	4.00	4.00	4.00	4.00
Line Person	10	10	10	9	10.00	10.00	10.00	9.00
Electric Equipment Operator	1	1	1	1	1.00	1.00	1.00	1.00
Line Person Apprentice	2	2	2	4	2.00	2.00	2.00	4.00
Line Person Helper	4	4	4	3	4.00	4.00	4.00	3.00
Inventory Control Technician	1	1	1	1	1.00	1.00	1.00	1.00
Total	23	23	23	23	23.00	23.00	23.00	23.00

Mission Statement

The Maintenance Division of San Marcos Electric Utility has the mission to continually update and reconstruct the distribution system to maintain our high reliability factor. This division responds to service interruptions, works in all kinds of weather to restore service when these outages occur, and keeps the system operating uniformly on a daily basis. Maintenance personnel are constantly inspecting the distribution system and describing potential malfunction localities to the operations division for appropriate corrective action. These personnel install transformers and services to new customers. The disposition of their responsibilities exacts a professional manner since they are highly visible as they go about their daily routines.

Expenses by Category

	Actual 2015-16	Original Approved 2016-17	Revised 2016-17	Adopted 2017-18
Personnel Services	1,615,339	2,123,891	2,123,891	2,245,897
Contracted Services	333,077	394,664	394,664	664,389
Materials and Supplies	1,188,555	850,847	850,847	850,847
Other Charges	57,361	62,890	62,890	70,890
Capital Outlay	286,963	285,000	285,000	388,000
Total	3,481,295	3,717,292	3,717,292	4,220,023

Goals and Objectives

- Develop an OMS for storm restoration.
- Look for new training opportunities (Northwest Lineman's College).
- Meet or exceed new customer need dates.
- Re-build Ranch Road Substation.
- Become a Tree City USA.
- Re-build / re-conductor Hilltop 110 circuit.
- Install new capacitor banks to improve power factor.
- Utilize new work flow processes to improve production and reduce costs.
- Start maintenance program to identify problem poles.

What We Accomplished in 2016-17

- Maintain IH-35 street lights.
- Re-built Hilltop Substation and built new get-a-ways out of the sub.
- More than 75 bad transformers replaced.
- Completed Sessom re-build for CIP.
- Re-build Victory Gardens subdivision.
- Completed year 3 of NWLC lineman training program.
- Completed Streetlight survey.
- Multiple apartment and residential subdivisions have been completed.
- Continue to number line/riser fuses.
- Rebuilt existing capacitor banks.
- Added 12 new capacitor banks.
- Harvey storm restoration.
- Competed in the TLRA lineman's rodeo – 1st place municipal and 3rd place overall.

What We Plan to Accomplish in 2017-18

- Continue a Career Progression training program (apprentice program).
- Re-build Hilltop Substation.
- Continue with tree trimming program and add an additional crew to get to a trim cycle.
- Re-number all switches and fuses / identify all conductor sizes / correct GIS mapping errors.
- Re-build and re-conduct Mill Street for an additional tie line.
- Various re-conductors (yet to be determined) to be able to shift load as needed.
- Work on a five year plan to increase system reliability.
- Meet new customer need dates.
- Re-build and re-conductor the feed into the water treatment plant.
- Meet or exceed customer need dates.
- Work with CIP on various projects.

Performance Measures

	Unit of Measure	Actual 2015-16	Estimated 2016-17	Projected 2017-18
Service Calls	Job Orders	859	1,005	1,500
Power Outages	Job Orders	220	257	115
Outages Caused by Animals	Job Orders	136	126	80
Transformers Installed	Units	71	83	200
Poles Installed	Number	84	98	125
Underground Primary Installed	Feet	20,173	23,602	35,000
Overhead Primary Installed	Feet	19,364	22,655	30,000
Street Light Burn Rate	Percent	90	95	96

Utility Business Office

Utility Billing and Collections	Positions				Full Time Equivalent			
	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18
Utility Billing Manager	1	1	1	1	1.00	1.00	1.00	1.00
Utility Applications Administrator	1	1	1	1	1.00	1.00	1.00	1.00
Billing Quality Assurance Specialist	1	1	1	1	1.00	1.00	1.00	1.00
Utilities Customer Service Supervisor	2	2	2	2	2.00	2.00	2.00	2.00
Accounting Specialist	4	4	4	4	4.00	4.00	4.00	4.00
Lead Cashier	2	2	2	2	2.00	2.00	2.00	2.00
Utilities Customer Service Clerk	4	4	4	4	4.00	4.00	4.00	4.00
Total	15	15	15	15	15.00	15.00	15.00	15.00

Mission Statement

The Utility Billing and Collection Division is responsible for the billing and collection of all electric, water, wastewater, garbage, cemetery and other accounts. These tasks include billing, collection, customer relations, utility service connections and disconnections, computer data entry, and computer output product initiation, as well as reporting utility data to management.

Expenses by Category

	Actual 2015-16	Original Approved 2016-17	Revised 2016-17	Adopted 2017-18
Personnel Services	926,279	1,035,289	1,035,289	1,081,047
Contracted Services	274,614	389,342	389,342	401,742
Materials and Supplies	35,561	52,680	52,680	52,680
Other Charges	5,912	22,075	22,075	21,125
Capital Outlay	0	0	0	0
Total	1,242,366	1,499,386	1,499,386	1,556,594

Goals and Objectives

- Complete implementation of web-portal "Customer Connect" from the hybrid version.
- Expand and promote online applications/capabilities to customers such as: AMI interval read data, recurring credit card payments, to include additional self-service functions.
- Implement self-service options in utility services lobbies (Computer stations/ KIOSK).
- Upgrade/implement AMI-MDM applications enhancements (Eaton Yukon and Smartworks OMS).
- Re-evaluate process and staff function to reduce redundancy and improve efficiencies as part of the UR and AP rollout

What We Accomplished in 2016-17

- Expanded Paymentus payment gateway to include echecks.

- Initiated the Utility Billing Application (Harris – NorthStar) and MDM (Smartworks) utilization review and have implemented 9 out of 40 process improvements to reduce redundancy of processes and improve efficiencies.
- Initiated and installed the CIS automation platform (Harris NS) to automate 28 manual processes which will save approximately 1 to 10 hours weekly (per process).
- Developed NS Refund Journal files for insertion into Tyler Munis Financial.
- Implemented touchscreens and signature pads at all cashier work stations.
- Expanded the ACH lockbox payment function to more customers.
- Convert the IVR solution from in-house to a hosted solution.

What We Plan to Accomplish in 2017-18

- Complete implementation of the business process analysis for Harris NorthStar and MeterSense (Smart-works).
- Completed Utility Billing Application (Harris – NorthStar) 6.4 Automation Platform implementation
- Sunset eCare and move all online customers to Customer Connect
- Implement The AMI Yukon application.
- Implement the MDM Smartworks OMS.
- Move PAP from internal function to Paymentus.
- Implement MeterSense and Yukon hosted solutions.

Performance Measures	Unit of Measure	Actual 2015-16	Estimated 2016-17	Projected 2017-18
Electric Accounts	# Month	24,436	24,604	25,096
Water Accounts	# Month	11,184	11,523	11,753
Wastewater Accounts	# Month	9,342	9,657	9,850
Sewer Surcharge Accounts	# Month	261	295	301
OTC Connects And Disconnects	# Month	1,167	1,170	1,193
Direct Draft PAP Accounts	# Month	1,522	1,475	1,505
Budget Billing Accounts	Number	659	620	632
Non-Pay Disconnects	# Month	618	730	745
Payments/Cashier/Day	Number	5/87	5/81	5/83
Web Connects and Disconnects	Number	904	903	921
Online Utility Billing & Collections Web Payments	Number	118,682	127,084	129,626
Automated Telephone Payments (IVR) Interactive Voice Response System	Number	32,652	35,174	35,877
Percentage of Automated (Web & IVR) payments to Total Utility Services Customers	Percent	43.40%	45.40%	46.31%
Western Union Payments (HEB & Money Box locations)	Number	4,197	3,830	3,907
Auto Payments (Credit/Debit Card/echecks)	Number	990	1,217	1,241
eBilling	Number	6,498	6,582	6,714
eBox Payments	Number	1,009	1,011	1,031
Night Drop Payments	Number	806	729	744
ACH Payments	Number	1,001	959	978
Mail Payments	Number	4,538	3,483	3,553
eCheck Payments	Number	719	1,116	1,189

Public Services Administration

Public Services Administration	Positions				Full Time Equivalent			
	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18
Executive Director of Public Services	1	1	1	1	1.00	1.00	1.00	1.00
Public Services GIS/Technology Manager	1	1	1	1	1.00	1.00	1.00	1.00
Utility Systems Analyst	1	1	1	1	1.00	1.00	1.00	1.00
Inventory Control Supervisor	1	1	1	1	1.00	1.00	1.00	1.00
Inventory Technician	0	0	0	1	0.00	0.00	0.00	1.00
Total	4	4	4	5	4.00	4.00	4.00	5.00

Mission Statement

The Public Services Administration Division takes care of the operation, planning, and design of the electrical distribution system for the City of San Marcos, and is the first line of contact with the public, industry and others requesting information on policies and procedures.

Expenses by Category

	Actual 2015-16	Original Approved 2016-17	Revised 2016-17	Adopted 2017-18
Personnel Services	395,234	450,615	450,615	506,994
Contracted Services	116,795	176,611	176,611	150,101
Materials and Supplies	9,118	6,350	6,350	10,550
Other Charges	15,856	23,792	23,792	25,792
Capital Outlay	0	100,000	100,000	31,310
Total	537,003	757,368	757,368	724,747

Special Services

Department Organization

The Special Services Division is used to account for a variety of non-direct expenses. Examples of expenses include utilities, insurance, bank charges and operating transfers.

Expenses by Category

	Actual 2015-16	Original Approved 2016-17	Revised 2016-17	Adopted 2017-18
Personnel Services	14,504	112,160	112,160	119,574
Purchase of Power	31,606,026	35,508,955	32,308,955	40,016,327
Contracted Services	657,606	950,654	950,654	1,094,522
Materials and Supplies	23,232	45,200	35,200	45,200
Other Charges	2,623,749	3,012,076	3,023,249	3,403,930
Franchise Fee	3,615,626	3,668,878	3,662,358	4,735,677
Operating Transfers	6,400,000	2,300,000	3,750,000	0
OT-Capital Reserves	0	0	0	0
Rate Stabilization	0	0	0	0
Capital Expenditures	50,000	50,000	50,000	50,000
Debt Service	2,890,961	3,421,309	3,421,309	4,031,194
Total	47,881,704	49,069,232	47,313,885	53,496,424

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET

MUNICIPAL AIRPORT FUND

	Actual 2015/2016	Approved 2016/2017	Revised 2016/2017	Adopted 2017/2018
Beginning Unreserved Fund Balance	**(104,270)**	**2,528**	**2,528**	**32,804**
Operating Revenues				
Interest Income	-	-	-	-
Penalties Assessed	-	-	-	-
City-Owned T-Hangar Rentals	55,710	57,600	57,600	47,600
City-Owned Shelter Rentals	12,916	14,280	14,280	14,280
Agricultural Land Lease	148,073	134,000	134,000	134,000
Fuel Flowage Fees	38,699	40,000	53,800	60,000
City-Owned Storage Area Rentals	3,900	4,200	4,200	4,200
Private Hangar/Land Rentals	17,723	42,288	33,400	62,900
Commercial Land/Facility Rentals	121,589	189,446	152,711	214,529
Tie-Down Rent	-	-	4,000	16,000
Commercial Gross Receipts	41,426	30,831	30,831	30,831
Other Revenue	-	2,000	-	-
Total Operating Revenues	**440,036**	**514,645**	**484,822**	**584,340**
Non-Operating Revenues				
Commercial Land/Facility Improvement Credits	(47,433)	(46,000)	(46,000)	(46,000)
Transfer from General Fund	151,000	60,000	60,000	-
Total Non-Operating Revenues	**103,567**	**14,000**	**14,000**	**(46,000)**
Total Revenue	**543,603**	**528,645**	**498,822**	**538,340**
Operating Expenses				
Contracted Services	388,396	457,613	407,613	476,605
Materials and Supplies	1,675	2,000	2,000	5,000
Other Charges	46,733	66,389	58,933	81,441
Total Operating Expenses	**436,805**	**526,002**	**468,546**	**563,046**
Ending Unreserved Fund Balance	**2,528**	**5,171**	**32,804**	**8,098**
Fund Balance as a Percentage of Operating Expenses	0.58%	0.98%	7.00%	1.44%
	(106,798)	(2,643)	(30,276)	24,706

City of San Marcos

2017-18 Annual Budget

Municipal Airport Fund

Division	Contracted Services	Materials & Supplies	Other Charges	Total
Administration	476,605	5,000	81,441	563,046
Percent of Operating Expenditures	87%	.4%	12.6%	100%

Airport

Mission Statement

The San Marcos Municipal Airport provides for the aviation needs of the citizens of San Marcos and the regional community. The Administration of the Airport includes maintaining and improving the physical facilities, ensuring compliance with applicable Federal standards and rules, establishing and enforcing good airport operating practices, marketing, lease negotiation, and planning for short and long range needs of the Airport.

Expenses by Category

	Actual 2015-16	Original Approved 2016-17	Revised 2016-17	Adopted 2017-18
Contracted Services	388,396	457,613	407,613	476,605
Materials and Supplies	1,675	2,000	2,000	5,000
Other Charges	46,733	66,389	58,933	81,441
Total	436,804	526,002	468,546	563,046

Goals and Objectives

Launch a 5-year plan based on recently completely Airport Business Development Plan to transform the San Marcos Regional Airport with a focus on the newly developed Vision Statement: *"San Marcos Airport will be a premier gateway to the Central Texas region acting as a catalyst for jobs, investment, and innovation by leveraging the area's emerging economic strengths."*

- Develop airport with a focus on First Class aviation-related facilities in the Kilo Development Area (formally North Side Development) and a broad appeal to multiple levels of the General Aviation market.
- Target aviation and non-aviation related development projects that will enhance the Airport's revenues and marketability.
- Create a self-sustaining Airport Enterprise that fully funds its operating expenses and capital improvements with revenues generated by the airport.
- Fully leverage Federal and State grant funds to maintain and grow the airport. Target 85-90% grant-funding for capital improvements and eligible maintenance projects.

What We Accomplished in 2016-17

- Hosted the first ever Aircraft Owners and Pilots Association (AOPA) Regional Fly-In. Over 2,500 attendees and 450 aircraft from across the region with a 99% satisfaction rate. Overwhelming national press and recognition for the Airport was received.
- Finalized the City and TxDOT funded Airport Business Development Plan for a 1-5 year time frame.
- Worked closely with TxDOT and local engineering firms responsible for FM 110 to ensure compliance with FAA height restrictions and Airport access.
- Began signage and wayfinding project for Airport Drive with funds approved by Council. Expected installation to being October 2014.
- Completed construction of Phase 1 Kilo Development Area water and wastewater facilities and pavement project.

- Completed construction of Taxiway Juliet repair and resurface project; $1.5M project, 90% federally funded.
- Began design and engineering work from Runway 13-31 reconstruction (overlay, markings, and lights).
- Installed a Terminal Radar Display in the Air Traffic Control Tower to increase safety for Airport and community with the help of local government officials.
- Finalized City acquisition of Texas State University owned property adjacent to Airport and relocated Airport Management offices.
- Began remodel of Airport Management offices to ensure compliance with ADA regulations and to prepare the building for hosting Airport Commission meetings.
- Officially renamed the Airport "San Marcos Regional" to reflect the new vision statement.
- Began design of new Airport logo to facilitate coordinated branding strategy.
- Engaged marketing firm to assist in Airport marketing.
- Began lot layout plan for Ramp Side Development Area (RSDA) to encourage development in unused areas around existing aviation-related development.
- Developed Design Standards to encourage a more cohesive and updated look and feel to Airport to increase curb appeal.

What We Plan to Accomplish in 2017-18

- Begin construction for Runway 13-31 reconstruction (overlay, markings, and lighting).
- Design and construction Airport Security Fencing project utilizing TxDOT grant to reduce unauthorized access to Aircraft Operating Area (AOA). This project will also include additional public parking areas.
- Begin design and installation of Airport entrance sign upon finalization of FM 110 location and new Airport entrance(s).
- Begin marketing the Airport from a Commercial Real Estate perspective to target non-aviation business in conjunction with the GSMP.
- Roll out updated Minimum Standards, Rules and Regulations, and rates and charges following approval from Airport Commission and City Council.
- Begin design and construction of eight until T-hangar complex utilizing TxDOT grant funds.
- Design and rollout updated standalone Airport website.
- Design and distribute marketing collaterals.
- Update Airport Hazard Zoning ordinance and create Airport Compatible Land Use Zoning plan.

CITY OF SAN MARCOS

2017-18 Annual Budget

RESOURCE RECOVERY FUND

	Actual 2015/2016	Approved 2016/2017	Revised 2016/2017	Adopted 2017/2018
Beginning Fund Balance - Reserved and Unreserved	**1,249,040**	**972,038**	**972,038**	**952,439**
Operating Revenues				
Residential Garbage Collection Fee	2,276,474	2,583,134	2,527,273	2,792,910
Penalties	59,695	92,607	62,545	69,618
Recycling Collection Fee	1,238,366	1,213,757	1,176,092	1,254,907
Other Revenue	65,612	55,000	55,000	55,000
Total Operating Revenue	**3,640,146**	**3,944,498**	**3,820,910**	**4,172,435**
Operating Expenses				
Personnel Services	169,390	195,364	195,364	252,491
Contracted Services	3,191,261	3,313,565	3,315,694	3,551,669
Materials and Supplies	20,754	23,000	20,000	27,000
Other Charges	55,667	249,451	249,451	262,028
Total Operating Expenses	**3,437,071**	**3,781,380**	**3,780,509**	**4,093,188**
Capital Improvemements	480,077	500,000	60,000	40,000
Total Expenses	**3,917,148**	**4,281,380**	**3,840,509**	**4,133,188**
Ending Unreserved Fund Balance	**972,038**	**635,156**	**952,439**	**991,687**
Fund Balance as a Percentage of Operating Expenses	28.28%	16.80%	25.19%	24.23%

Resource Recovery

Resource Recovery	Positions				Full Time Equivalent			
	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18
Asst Director - Fleet, Transit, Resource Recovery	0	0	0	0	0.33	0.33	0.33	0.33
Solid Waste Program Coordinator	1	1	1	1	1.00	1.00	1.00	1.00
MSW Program Coordinator	1	1	1	1	1.00	1.00	1.00	1.00
Resource Recovery Specialist	0	0	0	1	0.00	0.00	0.00	1.00
Community Enhancement Tech	0	1	1	1	0.00	0.50	0.50	1.00
Total	2	3	3	4	2.33	2.83	2.83	4.33

Expenses by Category

	Actual 2015-16	Original Approved 2016-17	Revised 2016-17	Adopted 2017-18
Personnel Services	169,390	195,364	195,364	252,491
Contracted Services	3,191,261	3,313,565	3,315,694	3,551,669
Materials and Supplies	20,754	23,000	23,000	27,000
Other Charges	55,667	249,451	249,451	262,028
Capital Outlay	480,077	500,000	60,000	40,000
Total	3,917,149	4,281,380	3,843,509	4,133,188

CITY OF SAN MARCOS

2017-18 Annual Budget

TRANSIT FUND

	Actual 2015/2016	Approved 2016/2017	Revised 2016/2017	Adopted 2017/2018
Beginning Fund Balance - Reserved and Unreserved	**138,427**	**145,904**	**145,904**	**39,900**
Operating Revenues				
Federal Transit Funds	-	-	-	-
State Transit Funds	-	-	-	-
Fare Revenue	-	-	-	-
Other Revenue	-	-	-	-
Total Operating Revenue	**-**	**-**	**-**	**-**
Operating Transfer - General Fund	590,000	535,000	500,000	610,000
Total One-Time Operating Revenues	**590,000**	**535,000**	**500,000**	**610,000**
Total Funds Available	**728,427**	**680,904**	**645,904**	**649,900**
Operating Expenses				
Personnel Services	116,840	117,304	117,304	125,123
Contracted Services	464,450	496,000	486,000	496,000
Materials and Supplies	100	3,000	1,100	3,000
Other Charges	1,133	3,500	1,600	3,500
Total Operating Expenses	**582,523**	**619,804**	**606,004**	**627,623**
Capital Improvemements	-	-	-	-
Ending Unreserved Fund Balance	**145,904**	**61,100**	**39,900**	**22,277**

Fund Balance as a Percentage of Operating Expenses 3.55%

Transit

Transit	Positions				Full Time Equivalent			
	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18	Actual 2015-16	Adopted 2016-17	Actual 2016-17	Adopted 2017-18
Asst Director - Fleet, Transit, Resourse Recovery	0	0	0	0	0.33	0.33	0.33	0.33
GIS Transit Analyst	1	1	1	1	1.00	1.00	1.00	1.00
Total	1	1	1	1	1.33	1.33	1.33	1.33

Expenses by Category

	Actual 2015-16	Original Approved 2016-17	Revised 2016-17	Adopted 2017-18
Personnel Services	116,840	117,304	117,304	125,123
Contracted Services	464,450	496,000	496,000	496,000
Materials and Supplies	100	3,000	1,100	3,000
Other Charges	1,133	3,500	1,600	3,500
Capital Outlay	0	0	0	0
Total	582,523	619,804	616,004	627,623

Goals and Objectives

Execute City Council's vision and goals by providing top quality, professional, effective, and timely Transit management services to customers including:

- Maintain high customer satisfaction rates.
- Increase ridership.
- Provide amenities at bus stops, including bus signs, benches, and shelters.
- Optimize operational efficiency through geographic information systems and spatial analysis.
- Develop quantifiable operational performance measures.
- Accessibility reviews.
- Achieve a perfect safety record—"0" preventable accidents and "0" lost time injuries.

What We Accomplished in 2016-17

- Procured 15 new bus stop shelters/benches/trashcans (delivery phase).
- Procured 6 new transit fixed route vehicles and 1 paratransit vehicle (delivery phase).
- Conducted monthly Ridership & Fixed Route feasibility reviews.
- Surveyed "Senior Shopper" service offering for efficiency and service coverage.
- Tracked quantifiable operational performance measures for small urban transit district.

- Integrated transit bus stops with the Sidewalk Master Plan & Bishop (North) Street Sidewalk project.
- Completed bus stop signage installations at 109 bus stops.
- Held monthly coordination meetings with Texas State University.
- Identified 15 new shelter locations and constructed bench pads.
- Perfect safety record: "0" preventable accidents and "0" injuries, YTD.

What We Plan to Accomplish in 2017-18

- Provide premier service support for City Council's vision and goals -- partner with transit stakeholders to successfully achieve shared operational goals and objectives.
- Provide "top-quality" transit services-- monitor quality of service provider; increase bus stop accessibility; increase bus stop amenities; and review system components such as routes & stops.
- Plan transit proactively for the changing demographic in San Marcos.
- Continue development of technology innovations (marketing strategy, transit "App", web enhancement).
- Review service levels, including extended evening service (6pm-8pm) and weekend service.
- Monthly coordination with Texas State University.
- Continue integration of transit objectives with the Sidewalk, Transportation, and Youth Master Plan.
- Review Federal Transit Administration & Grant submittals.
- Achieve a perfect safety record—"0" preventable accidents and "0" lost time injuries.

Performance Measures

	Unit of Measure	Actual 2015-16	Estimated 2016-17	Projected 2017-18
Total Fleet Size	Each	14	14	14
Fixed Route Ridership	Each	83,585	57,708	57,998
Para-transit Ridership	Each	13,107	12,016	12,266
Total Riders per day	Average	385	277	297
Total Vehicles Revenue Miles	Each	272,438	278,064	278,314
Total Vehicle Revenue hours	Each	21,415	20,727	20,977
Fixed Route Riders per Revenue Hours	Average	5.46	3.79	3.75
Para-Transit Riders per Revenue Hour	Average	2.15	2.19	2.14

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CITY OF SAN MARCOS

2017-18 Annual Budget

CEMETERY PERPETUAL CARE TRUST FUND

	Actual 2015/2016	Approved 2016/2017	Revised 2016/2017	Adopted 2017/2018
Beginning Unreserved Fund Balance	**1,063,228**	**1,066,634**	**1,066,634**	**1,069,134**
Operating Revenues				
Interest Income	300	3,000	500	1,000
Perpetual Care Sales	3,106	3,000	2,000	3,000
Total Operating Revenues	**3,406**	**6,000**	**2,500**	**4,000**
Operating Expenditures				
Operating Transfers	-	-	-	-
Total Operating Expenditures	**-**	**-**	**-**	**-**
Ending Unreserved Fund Balance	**1,066,634**	**1,072,634**	**1,069,134**	**1,073,134**
Fund Balance as a Percentage of Total Expenditures	100.00%	100.00%	100.00%	100.00%

Executive Summary

Capital Improvements Program

Section 7.02 of the San Marcos City Charter requires the Planning and Zoning Commission to submit annually to the City Council, not less than 120 days prior to the beginning of the fiscal year, a list of recommended capital improvements found necessary or desirable. In accordance with the city's commitment to best business practices, and pursuant to the charter requirement, the city has established an on-going ten-year Capital Improvements Program (CIP) to plan for capital expenditures and identify funding sources for these projects.

The CIP is a budgetary tool for community decision-makers and suggests a variety of possible project funding sources, ranging from operating budgets, state and federal grants, to future voter approved bond programs. The CIP also suggests the particular year in which projects might be authorized. Since the first year of each CIP cycle is predominately adopted as part of the upcoming fiscal year's expenditures, it is important that the list of first year projects accurately reflects the goals and priorities of the City Council and the capacity of the city to provide the funding. The nine subsequent years in the document are utilized for planning purposes only.

A CIP project generally involves a capital expenditure of public funds, beyond maintenance and operating cost, for the acquisition, construction or improvement of a needed physical facility.

CIP Process

February - City Council Budget Workshop. The City Council adopts a budget policy statement that includes their priorities for the upcoming fiscal year.

February / March - Meeting is held with the Council of Neighborhood Associations to kick-off the Capital Improvements Plan process. The purpose of the meeting is to report on the status of the current CIP and to solicit ideas and suggestions for new projects. All suggestions are compiled and distributed to appropriate city personnel for evaluation and possible inclusion in the upcoming CIP.

March / April - Department Heads prepare their project submittals for inclusion in the CIP. Project Input Forms are compiled by the Planning and Development Services Department and the draft CIP is assembled.

April - The Administrative Review Committee reviews the draft CIP. This committee consists of the City Manager, Deputy City Manager, and the Directors of Finance and Planning and Development Services. The purpose of this review is to evaluate project proposals, coordinate the timing of projects, review funding proposals.

May - Planning and Zoning Commission review. Workshops are held to discuss project proposals and public hearings are held to solicit participation and comments.

June - City Council receives CIP recommendation and incorporates year one into the upcoming budget development process.

City Council Priorities

Each year the CIP reflects the priorities established by the City Council in their budget policy statement. Past CIP's have indicated a strong City Council commitment to upgrading and building the city's water and wastewater systems, and building new facilities to provide better services to the public. Projects such as the new surface water treatment plant reduced the city's dependence on underground water from the Edwards Aquifer. The reconstruction and upgrading of the wastewater treatment plant increased the capacity of the facility and improved the quality of the discharge into the San Marcos River. These and other projects, such as the construction of a new library, fire station, and activity center, were all CIP projects that evolved from a conceptual stage to the fully funded and ready to be bid stage in the first year of the CIP.

The Capital Improvements Program for Fiscal Years 2018 to 2027 recognizes City Council priorities and demonstrates a commitment to address the growth-related challenges facing the community. Growth issues, the economy, and the quality of life of the citizens are all impacted by the effectiveness of the city's thoroughfare system, and the CIP reflects a focus of future financial resources toward street and drainage projects.

Funding Sources

A variety of funding sources are identified in the CIP. Time constraints, previous commitments, voter approvals, revenues, and fund balances can determine which of the various sources is most appropriate for a particular project. The following definitions were utilized to determine the project funding recommendations contained in the CIP:

General Obligation Bonds (GO's) – Bonds that finance a variety of public projects such as streets, buildings, and capital improvements. GO's are backed by the full faith and credit of the government entity and are repaid through assessment of a property tax levy. GO's are issued only after receiving voter approval.

Certificates of Obligation (CO's) – Debt instruments used to finance capital improvement projects. CO's are backed by the full faith and credit of the government entity and are fully payable from a property tax levy. CO's differ from GO's in that they are approved by the City Council and are not voter approved.

Revenue Bond – Bonds whose principal and interest are payable exclusively from user fees. Revenue bonds are backed by the full faith and credit of the government entity.

General Fund – The general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund. The General Fund is used as a funding source for projects related to streets, public buildings, parks, and other capital improvements for the general use of the citizenry.

Electric Utility Fund – The fund used to account for operations financed through the sale of electricity. The Electric Utility Fund is used as a funding source for projects related to the electric distribution system.

Water/Wastewater Utility Fund – The fund used to account for operations financed through the sale of water and wastewater treatment. The Water/Wastewater Utility Fund is used as a funding source for projects related to the water and wastewater system.

Grants – Contributions or gifts of cash or other assets from another governmental agency or foundation to be used for a specific purpose, activity or facility.

Operating Budget Impact

The Capital Improvements Program is primarily funded through the issuance of general obligation bonds, revenue bonds, certificates of obligation and grants from external agencies. Funding through annual budget appropriations is rare and used for smaller projects that can be completed within a fiscal year or shortly thereafter. The majority of projects within the CIP are for infrastructure construction, reconstruction and improvements. The operational impact of these projects is minimal other than incorporating those projects into ongoing maintenance and upkeep with other infrastructure assets. Those projects that will affect operation budgets are identified and quantified.

The first year of the CIP is funded through the issuance of debt. The corresponding principal and interest payments are budgeted within the respective fund. Other than debt service payments, there are no other budgeted amounts for operations unless specifically identified. It is rare that a CIP will cause an significant increase in operational expenses. Most operational budgets are increased because of other factors. Although conceptually a physical improvement should reduce operational expenses for repair, the likelihood is that the operational expense will remain budgeted for other needed repair expenses. The anticipated operational impacts are:

Project	Estimated Annual Impact
Library Expansion	$400,000
Fire Station #8	$1,400,000

Operational impacts for CIP projects listed in years two through ten are estimates and will not impact the adopted budget. These future operational impacts are for planning purposes only and are used to evaluate whether a project receives appropriation.

	Project Name	2018 Proposed City Cost	2019 Proposed City Cost	2020 Proposed City Cost	2021 Proposed City Cost	2022 Proposed City Cost	2023-2027 Proposed City Cost	Total City 10 Year Cost
	General Fund	**$ 16,270,000**	**$ 25,639,000**	**$ 28,570,000**	**$ 13,933,666**	**$ 18,420,000**	**$ 77,854,000**	**$ 180,686,666**
Airport	Airport - CAF Hanger Rehabilitation	$ 25,000						$ 25,000
Airport	Airport - City Facilities	$ 50,000	$ 100,000					$ 150,000
Airport	Airport - Ramp and Taxiway Repairs		$ 124,000					$ 124,000
Airport	Airport - Relocation of Electric Vault				$ 40,000			$ 40,000
Airport	Airport - Relocation of WWII Tower				$ 84,000			$ 84,000
Airport	Airport - Routine Maintenance Grant Match	$ 50,000						$ 50,000
Airport	Airport - RSDA Hangars					$ 60,000		$ 60,000
Airport	Airport - Runway 17-35 Extension						$ 510,000	$ 510,000
Comm Svs	Activity Center Splash Pad/Playground				$ 150,000	$ 500,000		$ 650,000
Comm Svs	Animal Shelter - Phase II, Design, Construction	$ 275,000				$ 750,000	$ 5,500,000	$ 6,525,000
Comm Svs	Arts District to enhance performing and visual space						$ 2,600,000	$ 2,600,000
Comm Svs	Athletic Field Synthetic Turf						$ 10,000,000	$ 10,000,000
Comm Svs	Blanco River Village City Park					$ 200,000		$ 200,000
Comm Svs	City Facilities HVAC Replacement	$ 150,000		$ 150,000				$ 300,000
Comm Svs	City Facility Parking Lots	$ 200,000		$ 150,000		$ 150,000		$ 500,000
Comm Svs	City Facility Renovations	$ 400,000	$ 400,000					$ 800,000
Comm Svs	City Park - ADA Playground			$ 100,000	$ 1,000,000			$ 1,100,000
Comm Svs	Dog Park				$ 75,000	$ 500,000		$ 575,000
Comm Svs	Gary Softball Complex Renovation- Existing Fields	$ 1,250,000		$ 1,250,000				$ 2,500,000
Comm Svs	Library Expansion & Renovation	$ 1,000,000	$ 13,500,000					$ 14,500,000
Comm Svs	Nature Center				$ 300,000	$ 2,500,000	$ 250,000	$ 3,050,000
Comm Svs	Park Development of Undeveloped Park Land			$ 500,000	$ 500,000	$ 500,000	$ 500,000	$ 2,000,000
Comm Svs	Purgatory Creek Preserve Park - Trail Head						$ 1,500,000	$ 1,500,000
Comm Svs	Purgatory/Willow Creek Trail Corridor	$ 250,000	$ 1,000,000		$ 1,000,000			$ 2,250,000
Comm Svs	Regional Tennis Center						$ 4,400,000	$ 4,400,000
Comm Svs	San Marcos Youth Baseball Complex	$ 150,000	$ 1,000,000				$ 6,900,000	$ 8,050,000
Comm Svs	Senior Citizens Center						$ 2,300,000	$ 2,300,000
Comm Svs	Sheltered Bus Stops		$ 80,000		$ 80,000		$ 80,000	$ 240,000
Comm Svs	Spray Pads East side/West Side		$ 100,000	$ 400,000				$ 500,000
IT	Network Cabling Infrastructure for City Facilities	$ 225,000						$ 225,000
Eng.	Airport - FM 110 Connection Drive	$ 100,000		$ 1,000,000				$ 1,100,000
Eng.	Cemetery Land Acquisition	$ 500,000						$ 500,000
Eng.	Cheatham Street Sidewalks						$ 220,000	$ 220,000
Eng.	Comanche/Hopkins Intersection Improvements					$ 50,000	$ 500,000	$ 550,000
Eng.	Hays Street/Hwy 123 Intersection Imps				$ 6,000		$ 200,000	$ 206,000
Eng.	MLK/LBJ Intersection Traffic Signal & Crosswalk Improvements				$ 342,000			$ 342,000
Eng.	SH 21 San Marcos River Bridge Prel Eng. Rpt			$ 200,000				$ 200,000
Eng.	Transportation Master Plan					$ 400,000	$ 400,000	$ 800,000
Eng.	Transportation Oversize	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 500,000	$ 1,000,000
Eng.	Whisper Roadway Participation	$ 1,800,000						$ 1,800,000
Fire	Fire Department Command Vehicle Replacement for Battalion	$ 150,000						$ 150,000
Fire	Fire Department Relocation Station #2		$ 5,200,000					$ 5,200,000
Fire	Fire Department Replacement Brush Truck #2 (52-319)			$ 250,000				$ 250,000
Fire	Fire Department Replacement Ladder Truck (52-300)	$ 1,320,000						$ 1,320,000
Fire	Fire Department Replacement Engine (52-614)			$ 785,000				$ 785,000
Fire	Fire Department New Station District #8			$ 350,000	$ 4,150,000			$ 4,500,000
Fire	Fire Department New Station District# 11						$ 7,100,000	$ 7,100,000
Fire	Fire Department New Engine District # 11						$ 800,000	$ 800,000
Fire	Fire Department New Station District #6 Mall				$ 1,000,000		$ 6,500,000	$ 7,500,000
Fire	Fire Department New Ladder Truck District #6 Mall						$ 1,500,000	$ 1,500,000
Fire	Fire Department Training Airport Facility			$ 2,000,000				$ 2,000,000
General	Airport - Taxiway System, Ramp Rehab Design and Stormwater	$ 50,000						$ 50,000
General	Belvin Street Improvements		$ 60,000		$ 600,000			$ 660,000
General	Bishop Street Improvements	$ 200,000		$ 800,000				$ 1,000,000
General	Chestnut Street Improvements			$ 375,000		$ 1,230,000		$ 1,605,000
General	City Hall Reconstruction		$ 1,000,000	$ 14,000,000				$ 15,000,000
General	Coers Drive Improvements	$ 600,000						$ 600,000
General	Comprehensive Plan	$ 100,000						$ 100,000

	Project Name	2018 Proposed City Cost	2019 Proposed City Cost	2020 Proposed City Cost	2021 Proposed City Cost	2022 Proposed City Cost	2023-2027 Proposed City Cost	Total City 10 Year Cost
General	Disaster Recovery Infrastructure (every 5 yrs.)				$ 166,666			$ 166,666
General	Downtown Master Plan Update	$ 100,000						$ 100,000
General	Downtown Reconstruction Ph. II			$ 500,000		$ 5,000,000		$ 5,500,000
General	E. Aquarena Springs Drive Reconstruction		$ 100,000		$ 500,000			$ 600,000
General	Fiber Optic Infrastructure Expansions/Maintenance	$ 80,000	$ 80,000	$ 80,000	$ 80,000	$ 80,000	$ 194,000	$ 594,000
General	Guadalupe/LBJ Improvements	$ 200,000		$ 4,175,000				$ 4,375,000
General	Hopkins Sidewalk Widening CM Allen to Thorpe	$ 100,000						$ 100,000
General	Hopkins Street Improvements Project (Bishop to Moore)		$ 1,800,000					$ 1,800,000
General	Hopkins Street Improvements Project from Moore to Guadalupe				$ 300,000		$ 3,000,000	$ 3,300,000
General	Hwy 123 12" Water AC Line Replacement		$ 25,000		$ 100,000			$ 125,000
General	Kingwood and Sherwood Imps		$ 70,000		$ 700,000			$ 770,000
General	Leah Drive	$ 200,000						$ 200,000
General	Linda Drive Improvements			$ 150,000		$ 1,500,000		$ 1,650,000
General	Long Street Realignment						$ 800,000	$ 800,000
General	Mill Street Reconstruction	$ 400,000						$ 400,000
General	Mockingbird Hills Subdivision Imps			$ 750,000			$ 4,000,000	$ 4,750,000
General	Old Ranch Road 12 Bike & Ped & Widening Project					$ 2,900,000		$ 2,900,000
General	Old RR12/Moore Street Reconstruction					$ 250,000	$ 2,200,000	$ 2,450,000
General	Pat Garrison Improvements from Comanche to Guadalupe			$ 75,000		$ 750,000		$ 825,000
General	Public Services and Community Services Complex	$ 4,000,000						$ 4,000,000
General	Purgatory Creek Improvements	$ 500,000						$ 500,000
General	Ramsay St. Reconstruction			$ 150,000	$ 300,000	$ 700,000		$ 1,150,000
General	Reconstruction of Downtown Alleys			$ 80,000	$ 800,000			$ 880,000
General	River Ridge Extension to Post Road						$ 9,500,000	$ 9,500,000
General	Sessom/Academy Intersection Improvements		$ 600,000					$ 600,000
General	Sessom Creek Bank Stabilization And Wastewater Replacement	$ 20,000	$ 50,000					$ 70,000
General	Sessom Shared Use Path from N LBJ to Comanche						$ 2,200,000	$ 2,200,000
General	Shady, Valley, Gravel Utility Improvements					$ 300,000		$ 300,000
General	Storage Area Network (SAN) replacement - IT			$ 200,000				$ 200,000
General	Sunset Acres Subdivision Study	$ 25,000						$ 25,000
General	Surface Water Treatment Plant Access		$ 50,000		$ 560,000			$ 610,000
General	Technology Infrastructure for Public Svs/Comm Svs Complex – Fiber		$ 150,000					$ 150,000
General	Travis St/Heritage Imps	$ 500,000						$ 500,000
General	Victory Gardens Neighborhood Improvements Ph. II - South Section				$ 400,000		$ 3,000,000	$ 3,400,000
Public Safety	700 MHz Radio's replacements for Public Safety	$ 1,200,000						$ 1,200,000
Public Safety	Public Safety Mobile Video Technology				$ 600,000		$ 700,000	$ 1,300,000
Public Svs	Roadway Flood Access Gates		$ 50,000					$ 50,000

	Project Name	2018 Proposed City Cost	2019 Proposed City Cost	2020 Proposed City Cost	2021 Proposed City Cost	2022 Proposed City Cost	2023-2027 Proposed City Cost	Total City 10 Year Cost
	Water Fund	**$ 10,900,000**	**$ 36,635,000**	**$ 9,320,000**	**$ 52,055,000**	**$ 16,395,000**	**$ 34,175,000**	**$ 159,480,000**
Water	Airport - KDA & JDA Utilities & Stormwater			$ 140,000		$ 1,400,000		$ 1,540,000
Water	Belvin Street Improvements		$ 160,000		$ 1,600,000			$ 1,760,000
Water	Bishop Street Improvements	$ 20,000		$ 80,000				$ 100,000
Water	Chestnut Street Improvements			$ 150,000		$ 500,000		$ 650,000
Water	City Hall Reconstruction		$ 750,000	$ 3,000,000				$ 3,750,000
Water	Coers Drive Improvements	$ 350,000						$ 350,000
Water	Comprehensive Plan	$ 100,000						$ 100,000
Water	Critical Utility Security	$ 50,000						$ 50,000
Water	Downtown Master Plan Update	$ 100,000						$ 100,000
Water	Downtown Reconstruction Ph. II			$ 100,000		$ 1,000,000		$ 1,100,000
Water	Hopkins Street Improvements Project (Bishop to Moore)		$ 1,600,000					$ 1,600,000
Water	Hopkins Street Improvements Project from Moore to Guadalupe				$ 130,000		$ 1,300,000	$ 1,430,000
Water	Hwy 123 12" Water AC Line Replacement		$ 250,000		$ 2,500,000			$ 2,750,000
Water	IH-35 Utility Relocations	$ 250,000	$ 2,500,000					$ 2,750,000
Water	Kingwood and Sherwood Imps		$ 20,000		$ 200,000			$ 220,000
Water	Leah Drive	$ 250,000						$ 250,000
Water	Linda Drive Improvements			$ 70,000		$ 300,000		$ 370,000
Water	Mill Street Reconstruction	$ 200,000						$ 200,000
Water	Mockingbird Hills Subdivision Imps			$ 250,000			$ 1,200,000	$ 1,450,000
Water	Old Ranch Road 12 Bike & Ped & Widening Project					$ 1,100,000		$ 1,100,000
Water	Pat Garrison Improvements from Comanche to Guadalupe			$ 25,000		$ 250,000		$ 275,000
Water	Public Services and Community Services Complex	$ 2,000,000						$ 2,000,000
Water	Ramsay St. Reconstruction			$ 100,000		$ 515,000		$ 615,000
Water	Sessom/Academy Intersection Improvements		$ 150,000					$ 150,000
Water	Sessom Creek Bank Stabilization And Wastewater Replacement	$ 5,000	$ 270,000					$ 275,000
Water	Shady, Valley, Gravel Utility Improvements			$ 150,000		$ 500,000		$ 650,000
Water	Storage Area Network (SAN) replacement - IT			$ 200,000				$ 200,000
Water	Sunset Acres Subdivision Study	$ 25,000						$ 25,000
Water	Technology Infrastructure for Public Svs/Comm Svs Complex – Fiber		$ 150,000					$ 150,000
Water	Travis St/Heritage Imps	$ 250,000						$ 250,000
Water	Victory Gardens Neighborhood Improvements Ph. II - South Section				$ 200,000		$ 1,500,000	$ 1,700,000
Water	Aquarena Springs Waterline Replacement		$ 30,000		$ 340,000			$ 370,000
Water	Briarwood Water Improvements			$ 50,000	$ 300,000			$ 350,000
Water	Centerpoint Rd 12" Water Main Extension						$ 1,500,000	$ 1,500,000
Water	Cheatham Water Line Guadalupe to CM Allen						$ 250,000	$ 250,000
Water	Clovis Barker Water Line						$ 1,100,000	$ 1,100,000
Water	Comanche Pump Station Improvements		$ 30,000	$ 150,000				$ 180,000
Water	Comanche Pump Station to Old Ranch Road 12 Water Line						$ 1,000,000	$ 1,000,000
Water	Deerwood Water Improvements			$ 650,000		$ 2,500,000		$ 3,150,000
Water	Harris Hill Rd Water Line						$ 1,300,000	$ 1,300,000
Water	Hopkins Water Line Replacement - LBJ to CM Allen					$ 500,000		$ 500,000
Water	Hunter Water Main Extension from Harmons Way to H&H Industrial				$ 300,000	$ 1,300,000		$ 1,600,000
Water	Hwy 21 12-inch Water Line Extension			$ 500,000	$ 3,000,000			$ 3,500,000
Water	Hwy 80 Water Line					$ 250,000	$ 2,000,000	$ 2,250,000
Water	IH 35 Water McCarty-Centerpoint						$ 1,800,000	$ 1,800,000
Water	IH 35 Waterline Crossings	$ 400,000	$ 1,200,000		$ 750,000			$ 2,350,000
Water	IH 35S Water Improvements - Clovis south across creek	$ 100,000		$ 500,000				$ 600,000
Water	IH 35S Water Improvements - Hwy 123 to Wonder World	$ 400,000	$ 1,500,000					$ 1,900,000
Water	IH 35S Water Wonder World to Clovis and Civic				$ 250,000	$ 1,700,000		$ 1,950,000
Water	Lazy Lane Water Improvements		$ 325,000	$ 1,600,000				$ 1,925,000
Water	Old Bastrop Hwy to Francis Harris Water Line						$ 825,000	$ 825,000
Water	Old Bastrop Hwy Water Hwy 123 to Posey		$ 1,100,000		$ 4,825,000			$ 5,925,000
Water	Primrose Way Water	$ 450,000						$ 450,000
Water	Rattler Road Water Line Extension			$ 100,000		$ 800,000		$ 900,000
Water	Reclaimed Water System Expansion Ph. 2						$ 7,100,000	$ 7,100,000
Water	Red Sky Water Improvements	$ 200,000		$ 850,000				$ 1,050,000
Water	Soyars Storage Tank Pumps			$ 5,000	$ 60,000			$ 65,000
Water	Stagecoach to Bishop Water Line Extension			$ 50,000		$ 500,000		$ 550,000
Water	Stagecoach to Great Oaks Drive Water Line						$ 2,100,000	$ 2,100,000
Water	Staples Rd 12" Water Line		$ 2,000,000					$ 2,000,000
Water	Trails End Water Line Extension to Kissing Tree					$ 40,000	$ 400,000	$ 440,000
Water	Trunk Hill Pumps						$ 2,500,000	$ 2,500,000
Water	Trunk Hill Tank					$ 1,790,000		$ 1,790,000
Water	Trunk Hill to Lazy Lane Water Line						$ 450,000	$ 450,000
Water	Undersized Water Main Replacements			$ 150,000		$ 1,000,000		$ 1,150,000
Water	Water Improvements	$ 150,000	$ 150,000	$ 150,000	$ 150,000	$ 150,000	$ 750,000	$ 1,500,000
Water	Water Main Oversizing		$ 150,000		$ 150,000		$ 300,000	$ 600,000
Water	Water Master Plan				$ 500,000			$ 500,000
Water	Water Pump Station Improvements	$ 150,000	$ 150,000	$ 150,000	$ 150,000	$ 150,000	$ 750,000	$ 1,500,000
Water	Water Supply - HCPUA	$ 5,300,000	$ 24,000,000		$ 36,500,000		$ 5,300,000	$ 71,100,000
Water	Water System Improvements	$ 150,000	$ 150,000	$ 150,000	$ 150,000	$ 150,000	$ 750,000	$ 1,500,000

	Project Name	2018 Proposed City Cost	2019 Proposed City Cost	2020 Proposed City Cost	2021 Proposed City Cost	2022 Proposed City Cost	2023-2027 Proposed City Cost	Total City 10 Year Cost
	Wastewater Fund	**$ 4,054,500**	**$ 10,200,000**	**$ 12,645,000**	**$ 12,546,666**	**$ 10,880,000**	**$ 47,429,000**	**$ 97,755,166**
Wastewater	Airport - KDA & JDA Utilities & Stormwater			$ 140,000		$ 1,400,000		$ 1,540,000
Wastewater	Belvin Street Improvements		$ 75,000		$ 750,000			$ 825,000
Wastewater	Bishop Street Improvements	$ 40,000		$ 160,000				$ 200,000
Wastewater	Chestnut Street Improvements			$ 110,000		$ 360,000		$ 470,000
Wastewater	City Hall Reconstruction		$ 750,000	$ 3,000,000				$ 3,750,000
Wastewater	Coers Drive Improvements	$ 350,000						$ 350,000
Wastewater	Critical Utility Security	$ 50,000						$ 50,000
Wastewater	Disaster Recovery Infrastructure (every 5 yrs.)				$ 166,666			$ 166,666
Wastewater	Downtown Reconstruction Ph. II			$ 100,000		$ 1,000,000		$ 1,100,000
Wastewater	Ed JL Green Dr Imps			$ 85,000	$ 415,000			$ 500,000
Wastewater	Fiber Optic Infrastructure Expansions/Maintenance	$ 80,000	$ 80,000	$ 80,000	$ 80,000	$ 80,000	$ 194,000	$ 594,000
Wastewater	Hopkins Street Improvements Project (Bishop to Moore)		$ 1,000,000					$ 1,000,000
Wastewater	Hopkins Street Improvements Project from Moore to Guadalupe				$ 130,000		$ 1,300,000	$ 1,430,000
Wastewater	IH-35 Utility Relocations	$ 250,000	$ 2,500,000					$ 2,750,000
Wastewater	Kingwood and Sherwood Imps		$ 20,000		$ 200,000			$ 220,000
Wastewater	Linda Drive Improvements			$ 220,000		$ 1,100,000		$ 1,320,000
Wastewater	Main Lift Station (LS #1) Expansion			$ 300,000	$ 1,700,000			$ 2,000,000
Wastewater	Old Ranch Road 12 Bike & Ped & Widening Project					$ 500,000		$ 500,000
Wastewater	Pat Garrison Improvements from Comanche to Guadalupe			$ 10,000		$ 100,000		$ 110,000
Wastewater	Public Services and Community Services Complex	$ 2,000,000						$ 2,000,000
Wastewater	Ramsay St. Reconstruction			$ 25,000		$ 115,000		$ 140,000
Wastewater	Sessom/Academy Intersection Improvements		$ 150,000					$ 150,000
Wastewater	Sessom Creek Bank Stabilization And Wastewater Replacement		$ 1,500,000					$ 1,500,000
Wastewater	Shady, Valley, Gravel Utility Improvements			$ 350,000		$ 1,800,000		$ 2,150,000
Wastewater	Sunset Acres Subdivision Study	$ 25,000						$ 25,000
Wastewater	Travis St/Heritage Imps	$ 200,000						$ 200,000
Wastewater	Victory Gardens Neighborhood Improvements Ph. II - South Section				$ 200,000		$ 1,500,000	$ 1,700,000
Wastewater	Airport 10-inch/12-inch Wastewater Main			$ 335,000	$ 1,700,000			$ 2,035,000
Wastewater	Basin SM-06 Sanitary Sewer Evaluation						$ 105,000	$ 105,000
Wastewater	Blanco River Village Lift Station (LS #21) and City Softball Fields Lift						$ 865,000	$ 865,000
Wastewater	Brown Terrace Wastewater Lift Station 20			$ 50,000				$ 50,000
Wastewater	Browne Terrace Lift Station (LS #20) Rehabilitation						$ 150,000	$ 150,000
Wastewater	Care Inn Wastewater Lift Station 5			$ 100,000				$ 100,000
Wastewater	East IH 35 WW Oversize					$ 400,000		$ 400,000
Wastewater	Gary Job Corp Lift Station (LS #46) Decommissioning						$ 4,860,000	$ 4,860,000
Wastewater	Gary Job Corp LS 46 Rehab			$ 300,000				$ 300,000
Wastewater	Hemphill Creek 12-inch, 24-inch, 27-inch Wastewater Main						$ 8,400,000	$ 8,400,000
Wastewater	Highway 80/Davis Lane 18" Wastewater Rehab				$ 330,000		$ 1,700,000	$ 2,030,000
Wastewater	Highway 80 Lift Station Expansion						$ 780,000	$ 780,000
Wastewater	Highway 80 Lift Station and 10-Inch Force Main		$ 1,000,000	$ 5,000,000				$ 6,000,000
Wastewater	Hwy 21 Wastewater Extension & Lift Station			$ 550,000	$ 2,800,000			$ 3,350,000
Wastewater	IH 35 Ellis to Wonderworld WW Improvements			$ 200,000		$ 2,000,000		$ 2,200,000
Wastewater	Rehab LS14 River Road		$ 100,000					$ 100,000
Wastewater	Rehab LS28 Hills of Hays		$ 100,000					$ 100,000
Wastewater	SSES & Repairs	$ 609,500	$ 650,000	$ 680,000	$ 625,000	$ 625,000	$ 3,125,000	$ 6,314,500
Wastewater	Upper Blanco River 24-Inch Wastewater Transfer Interceptor					$ 950,000	$ 4,700,000	$ 5,650,000
Wastewater	Wastewater Collection Improvements	$ 150,000	$ 150,000	$ 150,000	$ 150,000	$ 150,000	$ 750,000	$ 1,500,000
Wastewater	Wastewater Improvements	$ 150,000	$ 150,000	$ 150,000	$ 150,000	$ 150,000	$ 750,000	$ 1,500,000
Wastewater	Wastewater Lift Station Improvements	$ 150,000	$ 150,000	$ 150,000	$ 150,000	$ 150,000	$ 750,000	$ 1,500,000
Wastewater	Wastewater Master Plan Update			$ 400,000				$ 400,000
Wastewater	Wastewater Treatment Plant Re-aeration Blowers		$ 100,000					$ 100,000
Wastewater	West Purgatory Creek 18-inch Wastewater Interceptor		$ 1,725,000					$ 1,725,000
Wastewater	WWTP 4.0 MGD AADF Expansion				$ 3,000,000		$ 17,500,000	$ 20,500,000

	Project Name	2018 Proposed City Cost	2019 Proposed City Cost	2020 Proposed City Cost	2021 Proposed City Cost	2022 Proposed City Cost	2023-2027 Proposed City Cost	Total City 10 Year Cost
	Stormwater Fund	**$ 10,075,000**	**$ 11,225,000**	**$ 19,450,000**	**$ 14,070,000**	**$ 12,910,000**	**$ 20,590,000**	**$ 88,320,000**
Stormwater	Airport - KDA & JDA Utilities & Stormwater			$ 140,000		$ 1,400,000		$ 1,540,000
Stormwater	Airport - Taxiway System, Ramp Rehab Design and Stormwater	$ 15,000						$ 15,000
Stormwater	Belvin Street Improvements		$ 130,000		$ 1,300,000			$ 1,430,000
Stormwater	Bishop Street Improvements	$ 420,000		$ 1,500,000				$ 1,920,000
Stormwater	Chestnut Street Improvements			$ 65,000		$ 150,000		$ 215,000
Stormwater	City Hall Reconstruction		$ 80,000	$ 120,000				$ 200,000
Stormwater	Coers Drive Improvements	$ 1,300,000						$ 1,300,000
Stormwater	Downtown Reconstruction Ph. II			$ 300,000		$ 3,000,000		$ 3,300,000
Stormwater	E. Aquarena Springs Drive Reconstruction		$ 50,000		$ 200,000			$ 250,000
Stormwater	Ed JL Green Dr Imps			$ 100,000	$ 500,000			$ 600,000
Stormwater	Guadalupe/LBJ Improvements	$ 130,000		$ 950,000				$ 1,080,000
Stormwater	Hopkins Street Improvements Project (Bishop to Moore)		$ 2,500,000					$ 2,500,000
Stormwater	Hopkins Street Improvements Project from Moore to Guadalupe				$ 100,000		$ 1,000,000	$ 1,100,000
Stormwater	Hwy 123 12" Water AC Line Replacement		$ 50,000		$ 300,000			$ 350,000
Stormwater	IH-35 Utility Relocations	$ 200,000	$ 2,000,000					$ 2,200,000
Stormwater	Kingwood and Sherwood Imps		$ 230,000		$ 550,000			$ 780,000
Stormwater	Leah Drive	$ 360,000						$ 360,000
Stormwater	Linda Drive Improvements			$ 200,000		$ 800,000		$ 1,000,000
Stormwater	Long Street Realignment						$ 250,000	$ 250,000
Stormwater	Mill Street Reconstruction							$ -
Stormwater	Mockingbird Hills Subdivision Imps			$ 70,000			$ 350,000	$ 420,000
Stormwater	Old Ranch Road 12 Bike & Ped & Widening Project					$ 1,500,000		$ 1,500,000
Stormwater	Old RR12/Moore Street Reconstruction					$ 400,000	$ 1,550,000	$ 1,950,000
Stormwater	Pat Garrison Improvements from Comanche to Guadalupe			$ 70,000		$ 700,000		$ 770,000
Stormwater	Purgatory Creek Improvements	$ 260,000		$ 1,500,000				$ 1,760,000
Stormwater	Ramsay St. Reconstruction			$ 50,000		$ 400,000		$ 450,000
Stormwater	Reconstruction of Downtown Alleys			$ 50,000	$ 500,000			$ 550,000
Stormwater	River Ridge Extension to Post Road						$ 1,000,000	$ 1,000,000
Stormwater	Sessom/Academy Intersection Improvements		$ 500,000					$ 500,000
Stormwater	Sessom Creek Bank Stabilization And Wastewater Replacement		$ 250,000					$ 250,000
Stormwater	Sessom Shared Use Path from N LBJ to Comanche						$ 120,000	$ 120,000
Stormwater	Shady, Valley, Gravel Utility Improvements			$ 50,000		$ 150,000		$ 200,000
Stormwater	Sunset Acres Subdivision Study	$ 100,000	$ 1,100,000	$ 6,300,000				$ 7,500,000
Stormwater	Surface Water Treatment Plant Access				$ 510,000			$ 510,000
Stormwater	Travis St/Heritage Imps	$ 2,540,000						$ 2,540,000
Stormwater	Victory Gardens Neighborhood Improvements Ph. II - South Section				$ 300,000		$ 2,000,000	$ 2,300,000
Stormwater	Blanco Gardens Stormwater Imps							$ -
Stormwater	Blanco Riverine Project		$ 3,325,000	$ 6,275,000				$ 9,600,000
Stormwater	Castle Forest Channel		$ 250,000		$ 1,150,000			$ 1,400,000
Stormwater	Clarewood/Barbara Stormwater Imps							$ -
Stormwater	Corps of Engineers Flood Project Participation	$ 80,000						$ 80,000
Stormwater	Cottonwood Creek Detention Study			$ 250,000		$ 2,000,000	$ 8,500,000	$ 10,750,000
Stormwater	Downtown Smartcode Water Quality Plan Implementation		$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 500,000
Stormwater	Fairlawn Stormwater Imps				$ 210,000	$ 1,890,000		$ 2,100,000
Stormwater	Farris Street Stormwater Imps	$ 50,000		$ 50,000	$ 200,000			$ 300,000
Stormwater	Girard/Earle Stormwater Improvements						$ 250,000	$ 250,000
Stormwater	Hills of Hays				$ 3,000,000			$ 3,000,000
Stormwater	Hughson Drive Stormwater Improvements				$ 100,000		$ 300,000	$ 400,000
Stormwater	Midtown/Aquarena Springs Stormwater Improvements							$ -
Stormwater	Midtown Stormwater Ph. 2	$ 200,000			$ 1,000,000			$ 1,200,000
Stormwater	McKie at Willow Springs Creek Bridge Replacement						$ 900,000	$ 900,000
Stormwater	N LBJ/Oakridge	$ 300,000						$ 300,000
Stormwater	Land Acquisition for future detention/WQ/ Flood storage	$ 1,000,000			$ 500,000		$ 1,500,000	$ 3,000,000
Stormwater	Rio Vista Stormwater Imps		$ 70,000	$ 610,000				$ 680,000
Stormwater	River Ridge Stormwater Imps		$ 270,000		$ 2,430,000			$ 2,700,000
Stormwater	Schulle Creek Culvert Imp			$ 150,000	$ 1,000,000			$ 1,150,000
Stormwater	Stormwater Master Plan Update					$ 300,000	$ 600,000	$ 900,000
Stormwater	Storm System Model	$ 500,000						$ 500,000
Stormwater	Stormwater System Improvements	$ 120,000	$ 120,000	$ 120,000	$ 120,000	$ 120,000	$ 600,000	$ 1,200,000
Stormwater	UP Railroad Corridor						$ 1,570,000	$ 1,570,000
Stormwater	Various Stormwater Imps	$ 700,000	$ 200,000	$ 230,000				$ 1,130,000
Stormwater	Wallace Addition	$ 1,300,000						$ 1,300,000
Stormwater	William Pettus Improvements			$ 200,000				$ 200,000
Stormwater	Willow Creek Channel Clearing	$ 500,000						$ 500,000

	Project Name	2018 Proposed City Cost	2019 Proposed City Cost	2020 Proposed City Cost	2021 Proposed City Cost	2022 Proposed City Cost	2023-2027 Proposed City Cost	Total City 10 Year Cost
	Electric Fund	**$ 9,995,000**	**$ 8,401,179**	**$ 12,503,247**	**$ 1,732,087**	**$ 5,402,702**	**$ 8,219,000**	**$ 46,253,215**
Electric	Belvin Street Improvements		$ 100,000					$ 100,000
Electric	Chestnut Street Improvements			$ 20,000		$ 100,000		$ 120,000
Electric	City Hall Reconstruction		$ 500,000	$ 7,000,000				$ 7,500,000
Electric	Coers Drive Improvements	$ 20,000						$ 20,000
Electric	Comprehensive Plan	$ 100,000						$ 100,000
Electric	Critical Utility Security	$ 50,000						$ 50,000
Electric	Disaster Recovery Infrastructure (every 5 yrs.)				$ 166,666			$ 166,666
Electric	Downtown Reconstruction Ph. II			$ 300,000		$ 3,000,000		$ 3,300,000
Electric	Fiber Optic Infrastructure Expansions/Maintenance	$ 80,000	$ 80,000	$ 80,000	$ 80,000	$ 80,000	$ 194,000	$ 594,000
Electric	Hopkins Sidewalk Widening CM Allen to Thorpe	$ 100,000	$ 400,000					$ 500,000
Electric	Hopkins Street Improvements Project (Bishop to Moore)		$ 2,500,000					$ 2,500,000
Electric	Hopkins Street Improvements Project from Moore to Guadalupe				$ 200,000		$ 2,000,000	$ 2,200,000
Electric	Hwy 123 12" Water AC Line Replacement		$ 25,000		$ 75,000			$ 100,000
Electric	IH-35 Utility Relocations	$ 250,000	$ 2,500,000					$ 2,750,000
Electric	Long Street Realignment						$ 100,000	$ 100,000
Electric	Main Lift Station (LS #1) Expansion			$ 25,000				$ 25,000
Electric	Mockingbird Hills Subdivision Imps			$ 300,000			$ 1,500,000	$ 1,800,000
Electric	Old Ranch Road 12 Bike & Ped & Widening Project					$ 350,000		$ 350,000
Electric	Old RR12/Moore Street Reconstruction					$ 200,000	$ 2,000,000	$ 2,200,000
Electric	Pat Garrison Improvements from Comanche to Guadalupe			$ 50,000		$ 500,000		$ 550,000
Electric	Public Services and Community Services Complex	$ 4,000,000						$ 4,000,000
Electric	Reconstruction of Downtown Alleys			$ 35,000	$ 350,000			$ 385,000
Electric	Sessom Shared Use Path from N LBJ to Comanche						$ 550,000	$ 550,000
Electric	Storage Area Network (SAN) replacement - IT			$ 200,000				$ 200,000
Electric	Technology Infrastructure for Public Svs/Comm Svs Complex – Fiber		$ 150,000					$ 150,000
Electric	Victory Gardens Neighborhood Improvements Ph. II - South Section				$ 200,000		$ 1,500,000	$ 1,700,000
Electric	Customer Extensions - New Service	$ 465,000	$ 471,179	$ 478,247	$ 485,421	$ 492,702		$ 2,392,549
Electric	LP-550 Reconductor	$ 240,000						$ 240,000
Electric	McCarty Lane Substation Upgrade	$ 180,000						$ 180,000
Electric	Pole Replacement - Elect Power poles	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 375,000	$ 750,000
Electric	Ranch Road 12 Substation Transformer Upgrade	$ 3,275,000						$ 3,275,000
Electric	SMEU Substation Feeder Breaker Upgrade	$ 280,000	$ 250,000	$ 400,000				$ 930,000
Electric	SMEU System Power Factor Improvement	$ 180,000	$ 150,000	$ 150,000				$ 480,000
Electric	Street Light Replacement Program	$ 500,000	$ 500,000					$ 1,000,000
Electric	Upgrade Redwood Substation Transformer RW-T2			$ 3,075,000				$ 3,075,000
Electric	URD Cable Replacement	$ 100,000	$ 100,000	$ 100,000	$ 100,000			$ 400,000
Electric	WWTP Electric Backup Feed	$ 50,000	$ 600,000					$ 650,000
Electric	Guadalupe/LBJ Improvements	$ 50,000		$ 100,000				$ 150,000
Electric	Ramsay St. Reconstruction			$ 115,000		$ 605,000		$ 720,000
	General Fund Total	**$ 16,270,000**	**$ 25,639,000**	**$ 28,570,000**	**$ 13,933,666**	**$ 18,420,000**	**$ 77,854,000**	**$ 180,686,666**
	Water Fund Total	**$ 10,900,000**	**$ 36,635,000**	**$ 9,320,000**	**$ 52,055,000**	**$ 16,395,000**	**$ 34,175,000**	**$ 159,480,000**
	Wastewater Fund Total	**$ 4,054,500**	**$ 10,200,000**	**$ 12,645,000**	**$ 12,546,666**	**$ 10,880,000**	**$ 47,429,000**	**$ 97,755,166**
	Stormwater Fund Total	**$ 10,075,000**	**$ 11,225,000**	**$ 19,450,000**	**$ 14,070,000**	**$ 12,910,000**	**$ 20,590,000**	**$ 88,320,000**
	Electric Fund Total	**$ 9,995,000**	**$ 8,401,179**	**$ 12,503,247**	**$ 1,732,087**	**$ 5,402,702**	**$ 8,219,000**	**$ 46,253,215**
	Grand Total All Funds	**$ 51,294,500**	**$ 92,100,179**	**$ 82,488,247**	**$ 94,337,419**	**$ 64,007,702**	**$ 188,267,000**	**$ 572,495,047**

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET

WATER RATE – SCHEDULE UW-1
(URBAN CUSTOMERS)

Applicable:

To any customer served through a single meter for water usage within the corporate limits of the City. Service will be furnished under this rate schedule subject to the established rules and regulations of the City covering this type of service.

Rate:

UW-1A: 5/8-3/4 Inch Water Meter:

Minimum Charge - $22.06
0 gallons to 6,000 gallons - $3.70 per 1,000 gallons of fraction thereof.
6,001 gallons to 9,000 gallons - $6.47 per 1,000 gallons or fraction thereof.
9,001 gallons to 12,000 gallons - $7.40 per 1,000 gallons or fraction thereof.
12,001 gallons to 20,000 gallons - $8.33 per 1,000 gallons or fraction thereof.
20,001 gallons to 50,000 gallons - $9.24 per 1,000 gallons or fraction thereof
Over 50,000 gallons - $11.09 per 1,000 gallons or fraction thereof.

UW-1B:1-Inch Water Meter:

Minimum Charge - $55.15
0 gallons to 4,000 gallons -$2.38 per 1,000 gallons or fraction thereof.
4,001 gallons to 10,000 gallons - $2.87 per 1,000 gallons or fraction thereof.
10,001 gallons to 25,000 gallons - $7.15 per 1,000 gallons or fraction thereof.
Over 25,000 gallons - $8.11 per 1,000 gallons or fraction thereof.

UW-1C: 1-1/2 Inch Water Meter:

Minimum Charge - $110.29
0 gallons to 8,000 gallons - $2.38 per 1,000 gallons or fraction thereof.
8,001 gallons to 10,000 gallons - $2.87 per 1,000 gallons or fraction thereof.
10,001 gallons to 25,000 gallons - $7.15 per 1,000 gallons or fraction thereof.
Over 25,000 gallons - $8.11 per 1,000 gallons or fraction thereof.

UW-1D: 2-Inch Water Meter and greater:

Minimum Charge - $176.46
0 gallons to13,000 gallons - $2.38 per 1,000 gallons or fraction thereof.
13,001 gallons to 25,000 gallons - $7.15 per 1,000 gallons or fraction thereof.
Over 25,000 gallons - $8.11 per 1,000 gallons or fraction thereof.

Single Point of Delivery:

The above rates are based upon the supply of water to the entire premises through a single delivery and metering point. A separate supply of water for the same consumer at other points of consumption shall be separately metered and billed.

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET

WATER RATE – SCHEDULE RW-1
(RURAL CUSTOMERS)

Applicable:

To any customer served through a single meter for water usage outside the corporate limits of the City. Service will be furnished under this rate schedule subject to the established rules and regulations of the City covering this type of service.

Rate:

RW-1A: 5/8-3/4 Inch Water Meter:

Minimum Charge - $27.58
0 gallons to 6,000 gallons - $4.63 per 1,000 gallons of fraction thereof.
6,001 gallons to 9,000 gallons - $8.09per 1,000 gallons of fraction thereof.
9,001 gallons to 12,000 gallons - $9.24 per 1,000 gallons or fraction thereof.
12,001 gallons to 20,000 gallons - $10.40 per 1,000 gallons or fraction thereof.
20,001 gallons to 50,000 gallons - $11.55 per 1,000 gallons or fraction thereof
Over 50,000 gallons - $13.87 per 1,000 gallons or fraction thereof.

RW-1B: 1-Inch Water Meter:

Minimum Charge - $68.93
0 gallons to 4,000 gallons -$2.98 per 1,000 gallons or fraction thereof
4,001 gallons to 10,000 gallons - $3.57 per 1,000 gallons or fraction thereof.
10,001 gallons to 25,000 gallons - $8.95 per 1,000 gallons or fraction thereof.
Over 25,000 gallons - $10.13 per 1,000 gallons or fraction thereof.

RW-1C: 1-1/2 Inch Water Meter:

Minimum Charge - $137.87
0 gallons to 8,000 gallons - $2.98 per 1,000 gallons or fraction thereof
8,001 gallons to 10,000 gallons - $3.57 per 1,000 gallons or fraction thereof.
10,001 gallons to 25,000 gallons - $8.95 per 1,000 gallons or fraction thereof.
Over 25,000 gallons - $10.13 per 1,000 gallons or fraction thereof.

RW-1D: 2-Inch Water Meter and greater:

Minimum Charge - $220.58
0 gallons to13,000 gallons - $2.98 per 1,000 gallons or fraction thereof
13,001 gallons to 25,000 gallons - $8.95 per 1,000 gallons or fraction thereof.
Over 25,000 gallons - $10.13 per 1,000 gallons or fraction thereof.

Single Point of Delivery:

The above rates are based upon the supply of water to the entire premises through a single delivery and metering point. A separate supply of water for the same consumer at other points of consumption shall be separately metered and billed.

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET

WATER RATE – SCHEDULE LL-1
(LIFE LINE CUSTOMERS)

Applicable:

To any urban/rural customer who qualifies for financial assistance under the rules, regulations or guidelines promulgated by Community Action, Inc. of Hays, Caldwell and Blanco Counties.

LLW-1: 5/8 - 3/4 inch water meter (Urban)

First 6,000 gallons - Minimum Charge $22.06
6,001 gallons to 9,000 gallons - $6.47 per 1,000 gallons of fraction thereof.
9,001 gallons to 12,000 gallons - $7.40 per 1,000 gallons or fraction thereof.
12,001 gallons to 20,000 gallons - $8.33 per 1,000 gallons or fraction thereof.
20,001 gallons to 50,000 gallons - $9.24 per 1,000 gallons or fraction thereof
Over 50,000 gallons - $11.09 per 1,000 gallons or fraction thereof.

LLW-1: 5/8 - 3/4 inch water meter (Rural)

First 6,000 gallons - Minimum Charge $27.58
6,001 gallons to 9,000 gallons - $8.09 per 1,000 gallons of fraction thereof.
9,001 gallons to 12,000 gallons - $9.24 per 1,000 gallons or fraction thereof.
12,001 gallons to 20,000 gallons - $10.40 per 1,000 gallons or fraction thereof.
20,001 gallons to 50,000 gallons - $11.55 per 1,000 gallons or fraction thereof
Over 50,000 gallons - $13.87 per 1,000 gallons or fraction thereof.

All increments over 6,000 gallons to be billed at normal urban*/rural* customer rate.

Single Point of Delivery:

The above rates are based upon the supply of water to the entire premises through a single delivery and metering point. A separate supply of water for the same consumer at other points of consumption shall be separately metered and billed.

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET

WASTEWATER RATE – SCHEDULE US-1
(URBAN CUSTOMERS)

Applicable:

To any customer using wastewater services and being served through a single water meter, unless wastewater is separately measured, and within the corporate limits of the City. Service will be furnished under this rate schedule subject to the established rules and regulations of the City covering this type of service.

Rate:

US-1A:5/8-3/4 Inch Water Meter:

First 2,000 gallons - $25.01 Minimum Bill.
Over 2,000 gallons - $7.21 per 1,000 gallons or fraction thereof.

US-1B: 1-Inch Water Meter:

First 4,000 gallons - $49.95 Minimum Bill.
Over 4,000 gallons - $7.21 per 1,000 gallons or fraction thereof.

US-1C: 1-1/2 Inch Water Meter:

First 8,000 gallons - $99.87 Minimum Bill.
Over 8,000 gallons - $7.21 per 1,000 gallons or fraction thereof.

US-1D: 2-Inch Water Meter and greater:

First 13,000 gallons - $159.82 Minimum Bill.
Over 13,000 gallons - $7.21 per 1,000 gallons or fraction thereof.

Maximum Bill:

No additional charge will be applied to a single-family Residential Customers for volumes in excess of 9,000 gallons for the US-1A, US-1B, US-1C rate categories.

Single Point of Delivery:

The above rates are based upon the supply of water to the entire premises through a single delivery and metering point. A separate supply of water for the same consumer at other points of consumption shall be separately metered and billed.

Optional Methodology for Measurement of Use by Industrial Users:

An industrial user that uses a 2-inch or larger meter may submit a written request for the use of a methodology to determine the amount of wastewater services used other than metering of water or wastewater use. The methodology must be designed to charge the user for actual wastewater service use, and is subject to approval by the Director of Water/ Wastewater Utility Operations. If approved, the methodology will be used for a period of three years, subject to renewal upon submission by the user of a renewal request accompanied by updated methodology information, and approval by the Director of Water/ Wastewater Utility Operations. For this purpose, "industrial user" is defined as a manufacturing or industrial operation.

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET

WASTEWATER RATE – SCHEDULE RS-1
(RURAL CUSTOMERS)

Applicable:

To any customer using wastewater services and being served through a single water meter, unless wastewater is separately measured, and within the corporate limits of the City. Service will be furnished under this rate schedule subject to the established rules and regulations of the City covering this type of service.

Rate:

RS-1A:5/8-3/4 Inch Water Meter:

First 2,000 gallons - $31.26 Minimum Bill.
Over 2,000 gallons - $9.00 per 1,000 gallons or fraction thereof.

RS-1B: 1-Inch Water Meter:

First 4,000 gallons - $62.42 Minimum Bill.
Over 4,000 gallons - $9.00 per 1,000 gallons or fraction thereof.

RS-1C: 1-1/2 Inch Water Meter:

First 8,000 gallons - $124.84 Minimum Bill.
Over 8,000 gallons - $9.00 per 1,000 gallons or fraction thereof.

RS-1D: 2-Inch Water Meter and greater:

First 13,000 gallons - $199.77 Minimum Bill.
Over 13,000 gallons - $9.00 per 1,000 gallons or fraction thereof.

Maximum Bill:

No additional charge will be applied to a single-family Residential Customers for volumes in excess of 9,000 gallons for the RS-1A, RS-1B, RS-1C rate categories.

Single Point of Delivery:

The above rates are based upon the supply of water to the entire premises through a single delivery and metering point. A separate supply of water for the same consumer at other points of consumption shall be separately metered and billed.

Optional Methodology for Measurement of Use by Industrial Users:

An industrial user that uses a 2-inch or larger meter may submit a written request for the use of a methodology to determine the amount of wastewater services used other than metering of water or wastewater use. The methodology must be designed to charge the user for actual wastewater service use, and is subject to approval by the Director of Water/ Wastewater Utility Operations. If approved, the methodology will be used for a period of three years, subject to renewal upon submission by the user of a renewal request accompanied by updated methodology information, and approval by the Director of Water/ Wastewater Utility Operations. For this purpose, "industrial user" is defined as a manufacturing or industrial operation.

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET

WASTEWATER RATE – SCHEDULE LL-1
(LIFE LINE CUSTOMERS)

Applicable:

To any urban/rural customer who qualifies for financial assistance under the rules, regulations or guidelines promulgated by Community Action, Incorporated of Hays, Caldwell and Blanco Counties.

Rate:

LLW-1: 5/8 - 3/4 inch water meter
Maximum bill - $25.01 (Urban)
Maximum bill - $31.26 (Rural)

Single Point of Delivery:

The above rates are based upon the supply of water to the entire premises through a single delivery and metering point. A separate supply of water for the same consumer at other points of consumption shall be separately metered and billed.

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET

SEWER SURCHARGE RATE
(SURCHARGE PARTICIPANT LIST CUSTOMERS)

Applicable:

To any non-domestic customer of the City of San Marcos sanitary sewer system that has higher levels of pollutants in their sewage waste than those contained in normal domestic waste and placed on the surcharge participant list. A customer on the surcharge participant list will have a sewer surcharge added to their monthly sewer bill.

Surcharge Rate:

COD Concentration (Milligram per Liter)
351 to 500 - $0.098 per pound.
501 to 600 - $0.162 per pound.
Over 600 - $0.328 per pound.

The rate is not incremental: The COD reading will determine the surcharge rate for a customer's entire discharge.

Surcharge Computation:

S = V * 8.34 * (COD-350) * Surcharge Rate

Definitions:

S – Surcharge in dollars that will appear on the monthly billing to customer.
V – Volume of monthly water usage in millions of gallons based upon the most recent twelve months average, or a minimum of six months average for new customers.
8.34 – Weight in pounds of a gallon of water.
COD (Chemical Oxygen Demand) – A measure of wastewater quality in milligrams per liter.
350 – Threshold level of COD for sewer surcharge.

City of San Marcos

2017-18 Annual Budget

Drainage Utility Rates

Adopted Commercial Rate:

$10.52 per equivalent residential unit (ERU) per month. One ERU for commercial land use is determined to be 2,250 square feet of impervious cover.

Adopted Residential Rate:

Category	Lot Size	Drainage Charge
Residential - Small lot	0 - 6,000 square feet	$6.58 per month
Residential - Average lot	6,001 - 12,000 square feet	$10.52 per month
Residential - Large lot	Greater than 12,000 square feet	$12.05 per month

City of San Marcos

2017-18 Annual Budget

Electric Utility Rates

Residential Rates

Customer Charge:	Single or Three Phase Service	$9.29
Energy Charge:	All Metered kWh, per kWh	$0.02080

Small General Service Rates

Customer Charge:	Single or Three Phase Service	$10.92
Energy Charge:	All Metered kWh, per kWh	$0.02080

Medium General Service Rates

Customer Charge:	Single or Three Phase Service	$49.14
Demand Charge:	All kW of billing demand, per kW	$3.61
Energy Charge:	All Metered kWh, per kWh	$0.01020

Large General Service Rates

Primary Voltage: (Greater than 600 volts, but less than 69,000 volts)

Customer Charge:	Single or Three Phase Service	$764.80
Demand Charge:	All kW of billing demand, per kW	$3.17
Energy Charge:	All Metered kWh, per kWh	$0.00810

Secondary Voltage: (Less than 600 Volts)

Customer Charge:	Single or Three Phase Service	$218.40
Demand Charge:	All kW of billing demand, per kW	$3.44
Energy Charge:	All Metered kWh, per kWh	$0.01020

Standard Power Cost Recovery Factor (PCRF) and Choose to Renew PCRF rates apply to Residential, Small General Service and Medium General Service customers.

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET

A BRIEF DESCRIPTION OF LOCAL ORDINANCE AND STATE LAW

Proceedings to File a Budget:

30 days prior to the time City Council sets the Tax Levy-the City Manager will file with the City Secretary a Adopted Budget (See Sec. 8.02)

At the meeting City Council receives the Budget-Council shall fix a place and time for a public hearing on the adopted budget and cause it to be published in a local general circulation newspaper. (See 8.07 and 102.006 of the State Law)

Public Hearings:

At the Public Hearing, all interested persons shall be given an opportunity to be heard. (See Sec 8.07 and 102.006 of the State Law)

At a separate hearing, Council holds a public hearing on the property tax rate.

Adoption of the Budget:

After 14 days have lapsed since the public hearing on the budget, the City Council may adopt the budget and tax levying ordinances. (See Sec 8.09)

(Note: The Budget must be 15 days prior to the expiration of the current fiscal year; otherwise, the existing budget and tax levying ordinances become the ensuing fiscal year's budget and tax levying ordinances.) (See Sec 8.10)

Filing of the Budget:

The budget is to be filed with the County Clerk as prescribed by state law following adoption by City Council. (See Sec 8.11 and 102.011 of the State Law)

City of San Marcos

2017-18 Annual Budget

General Governmental Revenue by Source
Last Ten Fiscal Years

Fiscal Year	Licenses and Permits	Intergov-ernmental Revenue	Charges for Services	Fees and Penalties	Miscell-aneous Revenue	Tax Revenue	Total Revenue*
2007	688,943	10,050,033	4,673,630	1,450,558	508,716	35,610,380	55,727,936
2008	813,976	4,168,351	4,941,970	1,504,429	955,223	39,303,487	54,277,765
2009	847,678	10,925,601	4,978,075	1,722,705	4,930,433	33,617,042	57,021,534
2010	821,853	5,254,713	4,954,980	1,851,308	2,727,638	36,401,012	52,011,504
2011	994,123	3,354,206	5,021,489	1,720,669	1,610,951	37,858,603	50,560,041
2012	1,039,855	11,443,228	5,235,552	1,738,142	1,719,287	39,630,897	60,806,961
2013	2,194,788	9,002,953	5,333,670	1,641,420	2,113,478	42,925,701	63,212,010
2014	2,280,529	10,583,927	5,442,092	1,431,419	2,508,033	45,695,630	67,941,630
2015	2,456,668	11,069,999	5,580,914	1,614,015	2,699,766	56,382,985	79,804,347
2016	2,157,846	10,283,183	6,045,723	1,621,785	2,342,754	60,714,819	83,166,110

* Includes revenue of the General, Special Revenue, Debt Service, Capital Projects, and Permanent Funds.

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET

GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION
LAST TEN FISCAL YEARS

Fiscal Year	General Government	Public Safety	Community Service	Debt Service	Capital Outlay	Total Expenditures*
2007	17,011,106	13,355,986	8,362,801	6,022,980	17,832,454	62,585,327
2008	15,66l3,181	15,833,503	8,542,826	9,656,828	26,710,357	76,406,695
2009	14,983,807	16,962,418	8,071,623	12,008,742	27,655,480	79,682,070
2010	14,548,005	18,997,394	9,549,374	11,230,663	30,093,216	84,418,652
2011	15,750,709	20,291,056	9,453,846	12,374,097	15,259,308	73,129,016
2012	16,595,158	20,527,494	9,305,394	12,772,503	9,225,694	68,426,243
2013	16,234,004	22,636,788	12,507,187	12,745,843	13,091,604	77,215,426
2014	18,894,202	24,554,982	13,204,031	12,561,278	16,643,915	85,858,408
2015	17,265,118	26,537,571	13,895,842	12,550,859	13,786,208	84,035,598
2016	21,462,783	28,756,301	14,724,847	13,359,862	10,597,501	88,901,294

* Includes expenditures of the General, Special Revenue, Debt Service and Capital Projects Funds.

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET

TAX REVENUE BY SOURCE
LAST TEN FISCAL YEARS

Fiscal Year	Total Taxes	General Property Taxes-Includes Delinquent Interest and Penalties	Sales Taxes	Franchise Taxes	Other Taxes *	Mixed Drink Tax
2007	34,505,803	9,590,359	16,517,956	6,783,349	1,448,101	211,795
2008	39,303,487	11,561,636	18,347,135	7,463,804	1,698,905	232,007
2009	34,300,653	12,102,219	17,989,392	1,036,785	2,927,368	244,889
2010	36,401,012	14,325,877	18,398,707	1,210,874	2,198,965	266,589
2011	37,858,603	14,260,359	19,854,399	1,184,223	2,296,276	263,346
2012	39,630,897	14,514,084	21,079,582	1,282,507	2,510,750	243,974
2013	42,925,700	15,271,649	22,852,364	1,703,869	2,805,274	292,544
2014	45,511,355	16,211,917	24,020,619	2,025,785	2,946,131	306,903
2015	56,382,985	18,591,333	25,876,303	8,177,576	3,373,681	306,903
2016	60,714,819	20,057,070	28,429,648	7,555,700	4,263,071	409,330

Note: These revenues include those of the General, Debt Service and Hotel Occupancy Tax Funds.

* Includes Hotel Occupancy Tax

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET

PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Fiscal Year Ended	Taxes Levied for the Fiscal Year	Collected With the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount Collected	Percentage of Levy		Amount	Percentage of Levy
2007	9,590,359	9,455,292	98.59%	117,923	9,573,215	99.82%
2008	11,451,045	11,291,991	98.61%	134,630	11,426,621	99.79%
2009	12,147,748	11,964,114	98.49%	163,935	12,128,048	99.84%
2010	14,099,916	13,907,121	98.63%	163,308	14,070,428	99.79%
2011	13,970,763	13,809,687	98.85%	136,121	13,945,808	99.82%
2012	14,396,631	14,265,714	99.09%	91,375	14,357,089	99.73%
2013	15,105,625	14,978,410	99.16%	106,818	15,085,228	99.86%
2014	16,358,498	16,280,315	99.52%	63,152	16,343,467	99.91%
2015	18,034,695	17,926,661	99.40%	60,092	17,986,753	99.73%
2016	19,829,368	19,728,493	99.49%		19,728,493	99.49%

City of San Marcos

2017-18 Annual Budget

Assessed and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

	Real Property		Personal Property		Total		Ratio of Total Assessed to Total Estimated
Tax Year	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Tax-Exempt Property	Estimated Actual Value	Actual Value
2007	1,989,713,898	1,989,713,898	440,441,736	440,441,736	263,175,949	2,166,979,685	100%
2008	2,179,929,050	2,179,929,050	477,501,560	477,501,560	380,495,763	2,276,934,847	100%
2009	2,508,719,271	2,508,719,271	499,821,131	499,821,131	385,175,216	2,623,365,186	100%
2010	2,401,078,222	2,401,078,222	538,901,712	538,901,712	435,944,478	2,504,035,456	100%
2011	2,452,170,753	2,452,170,753	548,200,983	548,200,983	367,414,019	2,452,170,753	100%
2012	2,456,366,767	2,456,366,767	595,247,414	595,247,414	205,308,589	2,846,305,592	100%
2013	2,676,859,874	2,676,859,874	631,435,988	631,435,988	214,525,982	3,093,769,880	100%
2014	2,948,389,031	2,984,210,423	628,566,205	628,566,205	296,727,347	3,316,049,281	100%
2015	3,299,525,551	3,299,525,551	658,337,706	658,337,706	360,983,531	3,596,879,726	100%
2016	3,991,714,182	3,991,714,182	672,109,825	672,109,825	549,770,787	4,114,053,220	100%

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET

PROPERTY TAX RATES AND TAX LEVIES AND ALL OVERLAPPING GOVERNMENTS (PER $100 OF ASSESSED VALUE) LAST TEN FISCAL YEARS

Tax Rates by Jurisdiction

Fiscal Year	City		School District		County		Other (Special Road)	
	Ratio	Rate	Ratio	Rate	Ratio	Rate	Ratio	Rate
2007	100%	0.5302	100%	1.3700	100%	0.3714	100%	0.0860
2008	100%	0.5302	100%	1.3700	100%	0.3714	100%	0.0801
2009	100%	0.5302	100%	1.3700	100%	0.4181	100%	0.0511
2010	100%	0.5302	100%	1.3500	100%	0.4248	100%	0.0444
2011	100%	0.5302	100%	1.3500	100%	0.4248	100%	0.0444
2012	100%	0.5302	100%	1.3500	100%	0.4252	100%	0.0438
2013	100%	0.5302	100%	1.4141	100%	0.4252	100%	0.0438
2014	100%	0.5302	100%	1.4141	100%	0.4252	100%	0.0438
2015	100%	0.5302	100%	1.4141	100%	0.4252	100%	0.0438
2016	100%	0.5302	100%	1.4141	100%	0.4232	100%	0.0438

Tax Levies by Jurisdiction

Fiscal Year	City	School District	County	Other (Special Road)
2007	9,590,359	46,711,271	31,123,253	5,731,207
2008	11,451,045	42,972,268	37,908,322	8,047,902
2009	13,817,898	44,729,436	45,182,723	5,490,118
2010	13,847,747	45,230,210	46,419,407	4,822,092
2011	14,313,845	45,305,383	47,750,395	4,911,395
2012	15,140,509	46,076,209	47,601,361	4,903,952
2013	15,173,314	47,395,022	49,503,000	5,099,000
2014	16,211,917	53,213,061	52,302,000	5,388,000
2015	19,444,338	57,073,175	60,515,291	6,278,606
2016	20,057,070	59,009,198	62,919,814	6,512,022

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET

REVENUE BOND COVERAGE
LAST TEN FISCAL YEARS

Fiscal Year	Gross Revenue	Maintenance and Operation Expense *	Net Revenue Available for Debt Service	Principal	Interest	Total	Coverage
			Water and Wastewater				
2007	24,138,588	17,796,700	6,341,888	3,195,000	3,633,942	6,828,942	.93%
2008	28,352,029	19,568,829	8,783,200	3,620,000	3,383,614	7,003,614	1.25%
2009	26,279,549	19,637,393	6,642,156	4,065,000	4,531,610	8,596,610	.77%
2010	25,241,695	14,630,182	10,611,513	4,585,000	4,626,338	9,211,338	1.15%
2011	26,986,572	14,874,577	12,111,995	4,895,000	5,034,288	9,929,288	1.22%
2012	28,139,268	15,342,453	12,796,815	5,655,000	4,336,835	9,991,835	1.28%
2013	29,743,387	15,927,532	13,815,855	5,825,000	3,930,199	9,755,199	1.42%
2014	32,720,309	16,347,440	16,372,869	6,130,000	3,660,102	9,790,102	1.67%
2015	35,231,959	20,031,444	15,200,515	6,435,000	3,090,380	9,525,380	1.60%
2016	37,421,054	20,469,973	16,951,081	6,905,000	3,616,990	10,521,990	1.61%
			Electric				
2007	45,038,579	40,134,868	4,903,711	790,000	414,457	1,204,457	4.07%
2008	49,787,885	48,713,986	1,073,899	825,000	451,891	1,276,891	.84%
2009	49,461,030	45,689,134	3,771,896	865,000	394,994	1,259,994	2.99%
2010	48,768,174	44,500,751	4,267,423	900,000	364,006	1,264,006	3.38%
2011	48,453,727	42,144,555	6,309,172	980,000	438,706	1,418,706	4.45%
2012	51,783,661	44,236,219	7,547,442	1,035,000	560,859	1,595,859	4.73%
2013	48,848,992	43,237,059	5,611,933	1,180,000	596,376	1,776,376	3.16%
2014	54,440,398	46,886,182	8,554,216	625,000	1,241,193	1,866,193	4.58%
2015	66,548,588	51,562,916	14,985,672	815,000	1,478,123	2,293,123	6.54%
2016	55,932,644	45,653,796	10,278,848	1,295,000	1,593,389	2,888,389	3.56%

* These expenses do not include depreciation expense.

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET

REVENUE BOND COVERAGE
LAST TEN FISCAL YEARS

Fiscal Year	Gross Revenue	Maintenance and Operation Expense *	Net Revenue Available for Debt Service	Principal	Interest	Total	Coverage
			Drainage				
2007	1,424,761	577,461	847,300	175,000	266,998	441,998	1.92%
2008	1,373,094	811,057	562,037	315,000	349,000	664,000	.85%
2009	1,390,465	866,427	524,038	350,000	957,806	1,307,806	.40%
2010	1,478,191	871,308	606,883	595,000	786,466	1,381,466	.44%
2011	2,108,913	771,837	1,337,076	730,000	892,251	1,622,251	.82%
2012	2,553,844	1,113,528	1,440,316	775,000	822,308	1,597,308	.90%
2013	2,673,393	1,059,148	1,614,245	800,000	785,000	1,585,000	1.02%
2014	2,885,937	1,054,349	1,831,588	820,000	768,987	1,588,987	1.15%
2015	3,163,498	1,299,053	1,864,445	935,000	800,863	1,735,863	1.07%
2016	3,764,990	1,478,160	2,286,830	1,010,000	767,395	1,777,395	1.29

* These expenses do not include depreciation expense.

CITY OF SAN MARCOS
2017-18 ANNUAL BUDGET

BUILDING PERMITS AT MARKET VALUE
LAST TEN FISCAL YEARS

Fiscal Year	Residences	Commercial	Industrial Building	Apartments and Townhouses	Public Buildings	Repairs and Maintenance	Total
2007	15,600,385	100,895,334	2,666,667	23,233,333	26,666,667	51,583,767	220,646,153
2008	17,298,636	65,758,513	126,600	29,718,564	3,638,187	1,651,073	118,191,573
2009	20,567,997	64,038,321	112,152	24,846,389	5,387,660	767,017	115,719,536
2010	23,604,379	5,442,000	-	36,803,000	61,226,893	17,195,646	144,271,918
2011	22,094,851	12,420,000	200,000	19,187,176	6,692,709	10,700	60,605,436
2012	30,918,726	24,254,015	-	77,696,592	44,500	-	134,618,763
2013	29,657,470	7,777,822	-	40,000,000	-	150,000	77,585,292
2014	49,000,000	81,000,000	-	99,000,000	-	370,000	229,370,000
2015	41,727,959	137,921,965	190,000	20,397,560	4,991,779	370,000	205,599,263
2016	58,684,915	61,900,000	-	12,200,000	-	-	132,784,915

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET

CONSTRUCTION PERMITS
LAST TEN FISCAL YEARS

	New Commercial Construction *		New Single-Family Residential Construction *	
Fiscal Year	Number of Permits	Construction Dollar Value	Number of Units	Construction Dollar Value
2007	32	153,462,001	97	15,600,385
2008	17	21,133,200	115	15,492,332
2009	18	24,983,000	135	18,271,217
2010	11	66,668,893	170	23,604,379
2011	52	24,305,000	151	20,522,933
2012	14	16,270,098	208	28,645,682
2013	186	47,777,822	224	29,657,470
2014	208	82,000,000	278	50,000,000
2015	28	110,086,866	263	41,207,332
2016	145	61,900,000	350	58,684,915

Source:

* Construction permits, units and values.
Planning and Development Services Department
Building Inspection Division

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET

SUMMARY OF OUTSTANDING WATER/ WASTEWATER UTILITY REVENUE DEBT
AS OF SEPTEMBER 30, 2017

Issue	Purpose	Interest Rate	Amount Issued	Issue Date	Maturity Date	Amount Outstanding
2009 Water & Sewer CO's	Water and Sewer system improvements	4.60%	23,455,000	06/15/2009	09/30/2029	1,350,000
2009 Water & Sewer Refunding Bonds	Water and Sewer refunding bonds	3.60%	12,020,000	06/15/2009	09/30/2020	1,985,000
2010 Water & Sewer Build America Bonds	Water and Sewer refunding bonds	3.49%	8,840,000	03/23/2010	09/30/2010	8,690,000
2010 General Obligation Bonds	Water and Sewer refunding bonds	2.70%	3,650,000	11/01/2010	09/30/2023	2,135,000
2011 General Obligation Bonds	Water and Sewer refunding bonds	3.56%	14,800,000	12/06/11	08/15/2031	9,605,000
2012 General Obligation Bonds	Water and Sewer refunding bonds	2.76%	6,905,000	02/29/2012	08/15/2022	5,655,000
2013 General Obligation Taxable	Water and Sewer Refunding Bonds	1.85%	11,870,000	04/12/2013	08/15/2020	8,500,000
2013 General Obligation Refunding	Water and Sewer refunding Bonds	3.64%	1,935,000	04/12/2013	08/15/2024	325,000
2013 Combination Tax & Revenue	Water and Sewer System Improvement	3.12%	4,315,000	04/12/2013	08/15/2033	3,870,000
2014 Combination Tax & Revenue	Water and Sewer System Improvement	3.07%	4,435,000	05/20/2014	08/15/2034	4,170,000
2014 General Obligation Refunding	Water and Sewer refunding Bonds	2.85%	5,935,000	06/15/2014	08/15/2026	5,375,000
2014 General Obligation Refunding Bonds	Waterworks and Sewer System Improvements	2.78%	11,440,000	12/18/2014	8/15/2027	11,440,000
2015 TWDB Waterworks & Wastewater Rev Bonds	TWDB-CWSRF	2.86%	410,000	5/27/2015	8/15/2025	330,000
2015 Combination Tax & Revenue	Waterworks and Sewer System Improvement	3.43%	6,910,000	9/18/2015	9/30/2035	6,730,000
2016 General Obligation Refunding Bonds	Water and Sewer refunding bonds	2.20%	6,195,000	03/16/2016	09/30/2029	5,625,000
2016 Combination Tax & Revenue Bonds	Waterworks and Sewer System Improvements	3.14%	15,940,000	06/08//2016	09/30//2029	15,615,000
2017A Waterworks &WW Revenue Bonds	Waterworks and Sewer System Improvement	1.40%	4,760,000	06/12/2017	08/15/2037	4,760,000
2017B Waterworks &WW Revenue Bonds	Clean Water SRF	1.40%	1,000,000	06/12/2017	08/15/2037	1,000,000
2017 Combination Tax & Certificates of Obligation Bonds	Waterworks and Sewer System Improvements	2.84%	13,870,000	09/19/2017	08/15/2037	13,870,000
	Total Water/WW Utility Debt		$158,685,000			$ 111,030,000

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET

SUMMARY OF OUTSTANDING ELECTRIC UTILITY REVENUE DEBT
AS OF SEPTEMBER 30, 2017

Issue	Purpose	Interest Rate	Amount Issued	Issue Date	Maturity Date	Amount Outstanding
2010 Combination Tax & Revenue	Build America Bond-Electric Utility Improvement	3.60%	1,640,000	03/08/2010	08/15/2030	1,175,000
2011 Combination Tax & Revenue	Electric Utility Improvements	3.56%	8,090,000	12/06/2011	08/15/2031	7,590,000
2012 GO Refunding Bonds	Revenue Refunding Bonds	2.76%	4,210,000	02/29/2012	08/15/2022	2,480,000
2013 Combination Tax & Revenue	Electric Utility Improvements	3.12%	3,120,000	04/12/2013	08/15/2033	2,740,000
2013 Utility Revenue Bonds	Electric Utility Improvements	3.80%	18,510,000	08/01/2013	11/01/2033	17,570,000
2014 Combination Tax and Revenue	Electric Utility Improvements	3.07%	1,750,000	05/20/2014	08/15/2034	1,555,000
2014 General Obligation Refunding Bonds	Revenue Refunding Bonds	2.85%	360,000	06/15/2014	08/15/2026	360,000
2015 Combination Tax and Revenue	Electric Utility Improvements	3.43%	3,705,000	09/18/2015	09/30/2035	3,440,000
2016 GO Refunding Bonds	Revenue Refunding Bonds	2.20%	75,000	03/16/2016	09/30/2036	40,000
2016 Combination Tax and Revenue	Electric Utility Improvements	3.14%	5,050,000	06/08/2016	09/30/2036	5,020,000
2017 Certificates of Obligation	Electric Utility Improvements	2.84%	6,015,000	09/19/2017	08/15/2037	6,015,000
	Total Electric Utility Debt		$52,201,000			$47,985,000

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET

SUMMARY OF OUTSTANDING DRAINAGE UTILITY REVENUE DEBT
AS OF SEPTEMBER 30, 2017

Issue	Purpose	Interest Rate	Amount Issued	Issue Date	Maturity Date	Amount Outstanding
2009 Combination Tax & Revenue	Constructing, reconstructing and improving drainage system	4.60%	23,455,000	06/15/2009	09/30/2029	670,000
2010 Combination Tax & Revenue	Build America Bonds System Improvements	3.60%	1,640,000	03/08/2010	08/15/2030	2,230,000
2010 GO Refunding Bonds	Refunding Bonds	2.70%	3,650,000	11/01/2010	09/30/23	1,350,000
2012 GO Refunding Bonds	Refunding Bonds	2.76%	2,145,000	02/29/2012	08/15/24	1,570,000
2013 Combination Tax & Revenue	System Improvement Bonds	3.12%	930,000	04/12/2013	08/15/2033	815,000
2014 Combination Tax & Revenue	System Improvement Bonds	3.07%	1,600,000	05/20/2014	08/15/2034	1,425,000
2014 General Obligation Refunding Bonds	Refunding Bonds	2.85%	855,000	06/15/2014	08/15/2026	855,000
2014A General Obligations Refunding Bonds	Refunding Bonds	2.78%	3,440,000	12/18/2014	08/15/2027	3,440,000
2015 Combination Tax & Revenue	Constructing, reconstructing and improving drainage system	3.43%	1,365,000	09/18/2015	09/30/2035	1,270,000
2016 Go Refunding Bonds	Refunding Bonds	2.20%	2,980,000	03/16/2016	09/30/2036	2,885,000
2016 Combination Tax & Revenue	System Improvement Bonds	3.14%	4,190,000	06/08/2016	09/30/2036	4,065,000
2017 Combination Tax & Revenue	System Improvement Bonds	2.84%	5,185,000	09/19/2017	08/15/2037	5,185,000
	Total Drainage Utility Debt		$ 51,435,000			$ 25,760,000

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET

WATER/WASTEWATER UTILITY DEBT SERVICE REQUIREMENTS
SEPTEMBER 30, 2017

Fiscal Year		Principal		Interest		Total
2018		8,205,000		3,837,488		12,042,488
2019		8,385,000		3,656,598		12,041,598
2020		8,620,000		3,420,951		12,040,951
2021		6,735,000		3,165,035		9,900,035
2022		6,935,000		2,921,971		9,856,971
2023		7,090,000		2,680,588		9,770,588
2024		7,360,000		2,397,563		9,757,563
2025		7,655,000		2,085,465		9,740,465
2026		7,965,000		1,750,705		9,715,705
2027		8,260,000		1,460,669		9,720,669
2028		4,630,000		1,126,059		5,756,059
2029		4,785,000		965,269		5,750,269
2030		4,985,000		806,571		5,791,571
2031		3,125,000		640,404		3,765,404
`2032		3,230,000		539,361		3,769,361
2033		3,330,000		434,038		3,764,038
2034		3,135,000		320,234		3,455,234
2035		2,890,000		212,928		3,102,928
2036		2,385,000		113,870		2,498,870
2037		1,325,000		41,143		1,366,143
		111,030,000		32,576,908		143,606,908

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET

ELECTRIC UTILITY DEBT SERVICE REQUIREMENTS
SEPTEMBER 30, 2017

Fiscal Year		Principal		Interest		Total
2018		1,915,000		1,881,782		3,796,782
2019		2,100,000		1,845,942		3,945,942
2020		2,170,000		1,777,460		3,947,460
2021		2,245,000		1,699,418		3,944,418
2022		2,335,000		1,615,798		3,950,798
2023		2,430,000		1,515,090		3,945,090
2024		2,535,000		1,410,350		3,945,350
2025		2,650,000		1,300,769		3,950,769
2026		2,760,000		1,189,910		3,949,910
2027		2,875,000		1,077,206		3,952,206
2028		2,980,000		969,045		3,949,045
2029		3,105,000		849,799		3,954,799
2030		3,230,000		726,985		3,956,985
2031		3,365,000		590,100		3,955,100
`2032		2,980,000		439,688		3,419,688
2033		3,115,000		306,575		3,421,575
2034		3,030,000		165,250		3,195,250
2035		995,000		76,425		1,071,425
2036		750,000		39,225		789,225
2037		420,000		14,700		434,700
		47,985,000		19,491,515		67,476,515

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET

DRAINAGE UTILITY DEBT SERVICE REQUIREMENTS
SEPTEMBER 30, 2017

Fiscal Year		Principal		Interest		Total
2018		1,435,000		967,229		2,402,229
2019		1,460,000		943,459		2,403,459
2020		1,510,000		893,362		2,403,362
2021		1,570,000		835,171		2,405,171
2022		1,630,000		774,452		2,404,452
2023		1,690,000		712,958		2,402,958
2024		1,765,000		638,647		2,403,647
2025		1,850,000		554,165		2,404,165
2026		1,935,000		466,161		2,401,161
2027		2,010,000		392,872		2,402,872
2028		1,445,000		309,324		1,754,324
2029		1,495,000		256,897		1,751,897
2030		1,550,000		203,973		1,753,973
2031		715,000		150,750		865,750
`2032		735,000		127,150		862,150
2033		765,000		102,700		867,700
2034		725,000		75,850		800,850
2035		635,000		50,375		685,375
2036		555,000		28,000		583,000
2037		285,000		9,975		294,975
		25,760,000		8,493,471		34,253,471

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET

LIST OF ACRONYMS

CA	Current Assets
CAFR	Comprehensive Annual Financial Report
CDBG	Community Development Block Program
CIP	Capital Improvement Program
CL	Current Liabilities
CO's	Certificates of Obligation Debt
FTE	Full-Time Equivalent
FY	Fiscal Year
GAAP	Generally Accepted Accounting Principles
GASB	Governmental Accounting Standards Board
GBRA	Guadalupe-Blanco River Authority
GFOA	Government Finance Officers Association
GO's	General Obligation Debt
HCTAD	Hays County Tax Appraisal District
I&S	Interest and Sinking
LCRA	Lower Colorado River Authority
NRMSIRs	Nationally Recognized Municipal Securities Information Repositories
O&M	Operations and Maintenance
P&Z	Planning and Zoning Commission
RB's	Revenue Bonds
SEC	Securities and Exchange Commission
SMCISD	San Marcos Independent School District
SMPD	San Marcos Police Department
TML	Texas Municipal League
TSUSM	Texas State University – San Marcos
WIC	Women, Infants and Children Program Fund
W/WW	Water/ Wastewater Utility Fund

CITY OF SAN MARCOS

2017-18 ANNUAL BUDGET

GLOSSARY OF TERMS

ACCOUNT - A code made up of numbers used to classify how specific dollar amounts come into the City or how they are being spent.

ACCRUAL BASIS OF ACCOUNTING – A method of accounting that recognizes the financial effect of transactions, events, and interfund activities when they occur, regardless of the timing of related cash flows.

AD VALOREM TAX - A tax levied on the assessed value of real property (also known as "property taxes").

AMORTIZE - To provide for the gradual extinguishment of (as a mortgage) usually by contribution to a sinking fund at the time of each periodic payment.

APPROPRIATION - A specific amount of money authorized by City Council to make expenditures and incur obligations for specific purposes, frequently used interchangeable with "expenditures".

ASSESSED VALUATION - A value that is established for real and personal property for use as a basis for levying property taxes.

AUDIT - A comprehensive examination as to the manner in which the government's resources were actually utilized, concluding in a written report. A financial audit is a review of the accounting system and financial information to determine how government funds were spent and whether expenditures were in compliance with the legislative body's appropriations. A performance audit consists of a review of how well the government met its stated goals.

BALANCE SHEET - A financial statement that discloses the assets, liabilities, reserves and balances of a specific governmental fund as of a specific date.

BASIS DIFFERENCES – Differences that arise through the employment of a basis of accounting for budgetary purposes that differs from the basis of accounting prescribed by GAAP for a given fund type.

BASIS OF ACCOUNTING – The timing of recognition, that is, when the effects of transactions or events should be recognized for financial reporting purposes. For example, the effects of transactions or events can be recognized on an accrual basis (that is, when the transactions or events take place), or on a cash basis (that is, when cash is received or paid). Basis of accounting is an essential part of measurement focus because a particular timing of recognition is necessary to accomplish a particular measurement focus.

BOND - A written promise to pay a specific sum of money, called the face value or principal amount, at a specific date or dates in the future, called the maturity date, together with periodic interest at a specified rate.

BONDED DEBT - The portion of indebtedness represented by outstanding bonds.

BUDGET - A plan of financial operation specifying expenditures to be incurred for a given period to accomplish specific goals, and the means of financing them.

BUDGET CALENDAR - The schedule of key dates or milestones which the City departments follow in preparation, specific goals, and the means of financing them.

BUDGETARY BASIS OF ACCOUNTING – The method used to determine when revenues and expenses are recognized for budgetary purposes.

BUDGET DOCUMENT - The official plan showing how the City finances all of its services.

BUDGET YEAR - From October 1st through September 30th, which is the same as the fiscal year.

BUDGETARY CONTROL - The control or management of a governmental unit or enterprise in accordance with an approved budget for the purpose of keeping expenditures within the limitations of available appropriations and available revenues.

CAPITAL EXPENDITURE – An expense for a major asset or improvement as shown in the Capital Improvement Program. The amount usually exceeds $50,000.

CAPITAL IMPROVEMENTS PROGRAM - A plan for capital expenditures to provide long-lasting physical improvements to be incurred over a fixed period of several future years. Examples include land, improvements to land, easements, buildings, building improvements, and infrastructure.

CASH BASIS OF ACCOUNTING – Basis of accounting that recognizes transactions or events when related cash amounts are received or disbursed.

CASH MANAGEMENT - The management of cash necessary to pay for government services while investing temporary cash excesses in order to earn interest revenue. Cash management refers to the activities of forecasting the inflows and outflows of cash, mobilizing cash to improve its availability for investment, establishing and maintaining banking relationships, and investing funds in order to achieve the highest interest and return available for temporary cash balances.

CDBG - Community Development Block Grant - Federal HUD entitlement funds to meet a variety of needs of low income citizens including housing, infrastructure, equipment, facilities and public services.

CERTIFICATE OF OBLIGATION (C.O.) - Legal debt instruments used to finance capital improvement projects. Certificates of obligation are backed by the full faith and credit of the government entity and are fully payable from a property tax levy. Certificates of obligation differ from general obligation debt in that they are approved by the City Council and are not voter approved.

CERTIFIED TAX ROLL - A list of all-taxable properties, values and exemptions in the City. The Hays County Appraisal District establishes this roll.

CONTINGENCY - The appropriation of reserve funds for future allocation in the event specific budget allotments have expired and additional funds are needed.

CURRENT TAXES - Taxes that are levied and due within the ensuing fiscal year.

DEBT SERVICE - The payment of principal and interest on borrowed funds.

DEBT SERVICE FUNDS - Used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

DELINQUENT TAXES - Taxes remaining unpaid after January 31st.

DEPARTMENT - An administrative division of the City having management responsibility for an operation or a group of related operations within a functional area.

DEPRECIATION - The decrease in value of physical assets due to use and the passage of time.

ENCUMBRANCE – Commitments related to unperformed (executory) contracts for goods or services.

ENTERPRISE FUND - A fund used to account for operations financed and operated in a manner similar to private business enterprises in that they are self supported by user fees. These funds use full accrual accounting.

ESTIMATED REVENUE - The amount of revenue expected to be collected during the year.

EXPENDITURE - The incurring of liability, payment of cash, or the transfer of property for the purpose of acquiring an asset or service or settling a loss.

EXPENSE - A charge incurred in an accounting period, whether actually paid in that accounting period or not.

FISCAL YEAR - October 1st through September 30th of each year.

FIXED ASSETS - Assets of a long-term character which are intended to continue to be held or used, such as land, buildings, improvements other than buildings, machinery and equipment.

FRANCHISE FEE - A fee paid by public service businesses for use of City streets, alleys and property in providing their services to the citizens of a community. Services requiring franchises include electricity, telephone, natural gas, water, wastewater, and cable television.

FULL ACCRUAL ACCOUNTING - A basis of accounting in which revenues are recognized in the accounting period in which they are earned, and expenses are recognized in the period in which they are incurred.

FULL FAITH AND CREDIT - A pledge of the general taxing power of the City to repay debt obligations. This term is typically used in reference to general obligations bonds.

FULL TIME EQUIVALENT (F.T.E.) - A quantifiable unit of measure utilized to convert hours worked by part-time, seasonal or temporary employees into hours worked by full-time employees. Full-time employees work 2080 hours annually. A part-time employee working 1040 hours annually represents a .5 FTE.

FUND - A fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein. Funds are usually established to account for activities of a certain type.

FUND BALANCE - The excess of assets

over liabilities for governmental funds.

GAAP - Generally Accepted Accounting Principles.

GENERAL FUND - The general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

GENERAL OBLIGATION BONDS - Bonds that finance a variety of public projects such as streets, buildings, and capital improvements. The repayment of these bonds is usually made from the General Fund. They are backed by the full faith and credit of the City.

GENERAL OBLIGATION DEBT - The supported bonded debt, which is backed by the full faith and credit of the City.

GOAL - A long-term, attainable target for an organization Vision of the future.

GOVERNMENTAL FUND - It refers to the General Fund, all Special Revenue Funds and the Debt Service Fund.

GRANT - Contributions or gifts of cash or other assets from another government to be used for a specific purpose, activity or facility.

INDIRECT COSTS – Those costs that are fully expensed within one fund or division that can be allocated to another fund or division. i.e., Human Resources is fully expensed to the General Fund but services relate to the Electric Utility Fund as well.

INFRASTRUCTURE - Substructure or underlying foundation of the City (e.g. streets, utility lines, water and wastewater facilities, etc.)

INTERGOVERNMENTAL REVENUES - Revenues received from another governmental entity, such as county, state or federal governments.

INVENTORY - A detailed listing of property currently held by the City.

LEVY - To impose taxes, special assessments, or service charges for the support of City activities.

LINE ITEM BUDGET - A budget that lists each expenditure category (salary, materials, telephone service, travel, etc.) Separately along with the dollar amount budgeted for each specified category.

LIMITED TAX NOTES – Short-term, interest-bearing note issued by a government in anticipation of tax revenues to be received at a later date. The note is retired from the tax revenues to which it is related.

LONG-TERM DEBT - Any unmatured debt that is not a fund liability with a maturity of more than one year.

MODIFIED ACCRUAL ACCOUNTING – Basis of accounting according to which (a) revenues are recognized in the accounting period in which they become available and measurable and (b) expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt and certain similar accrued obligations, which should be recognized when due.

NON-OPERATING EXPENDITURES - The costs of government services which are not directly attributable to a specific City program or operation. An example includes debt service obligations.

NON-OPERATING REVENUES - The incomes received by the government which are not directly attributable to providing a service. An example would be interest on investments.

O & M - Operations and Maintenance

OBJECTIVES - A specific, measurable and observable result of an organization's activity which advances the organization toward a goal.

OPERATING BUDGET - A financial plan that presents expenditures for the fiscal year and estimates of revenue to finance them.

OPERATING TRANSFERS - Legally authorized transfers from a fund receiving revenue to the fund through which the resources are to be expended.

POLICY - A plan, course of action or guiding principle, designed to set parameters for decisions and actions.

PROPERTY TAX - Taxes that are levied on both real and personal property according to the Property's valuation and tax.

RESERVE - An account used to indicate that a portion of a fund's balance is legally restricted for a specific purpose and is, therefore, not available for general appropriation.

RETAINED EARNINGS - The accumulated earnings of an Enterprise or Internal Service Fund which have been retained in the fund and which are not reserved for any specific purpose.

REVENUE - All money received by a government other than expense refunds, capital contributions, and residual equity transfers.

REVENUE BONDS - Bonds whose principle and interest are payable exclusively from user fees.

RISK MANAGEMENT - An organized effort to protect the City's assets against loss, utilizing the most economical methods.

ROUTINE CAPITAL OUTLAY – Vehicles and other equipment with a value in excess of $5,000 and an expected life of more than three years.

SOURCES OF REVENUE - Revenues are classified according to their source or where they originate.

SPECIAL REVENUE FUNDS - Funds used to account for the proceeds of specific revenue sources (other that special assessments, expendable trusts, or major capital projects) that are legally restricted to expenditures for specific purposes.

TAX BASE - The total value of all real and personal property in the City as of January 1st of each year, as certified by the Appraisal Review Board.

TAX LEVY - The total amount of taxes imposed by the City on taxable property, as determined by the Hays County Tax Appraisal District.

TAX RATE - The tax rate is set by Council and is made up of two components; debt service and operations rates.

TIMING DIFFERENCES – Differences between the budgetary basis of accounting and GAAP that occur when the period used for budgeting differs from the period used for GAAP reporting (e.g., a special revenue fund that uses a grant-year budget rather

than a fiscal-year budget).

TRUST AND AGENCY FUNDS - Funds used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds.

UNEARNED REVENUE – A type of deferred revenue account used in connection with resources that have not yet been earned.

UNENCUMBERED FUND BALANCE - For budget purposes, the unencumbered fund balance is the amount of undesignated fund balance of a fund, which is available for allocation.

UNREALIZED REVENUES – Term used in connection with budgeting. The difference between estimated revenues and actual revenues.

WORKING CAPITAL – Current assets less current liabilities.

THE CITY OF
SAN MARCOS