

# City of Galveston Proposed Budget

FY 2026

# CITY OF GALVESTON, TEXAS
# FY 2026 Proposed Budget
# Proposed for Adoption August 28, 2025
## October 1, 2025 through September 30, 2026

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The following language is required by the State of Texas Budget Law, Section 102.007 of the Local Government Code.

"This budget will raise more revenue from property taxes than last year's budget by an amount of $601,208, which is a 1.31 percent increase from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is $788,931."

**The members of the governing body voted on the budget as follows:**

FOR:
AGAINST:
PRESENT and not voting:
ABSENT:

**Municipal Property Tax Rate Comparison:**

| | FY2026 | FY2025 |
|---|---|---|
| Property Tax Rate | $0.408687 | $0.408850 |
| No-New-Revenue Tax Rate | $0.408687 | $0.391198 |
| No-New-Revenue M&O Tax Rate | $0.369983 | $0.351013 |
| Voter-Approval Tax Rate | $0.448764 | $0.430530 |
| Debt Tax Rate | $0.039592 | $0.040213 |
| Sales Tax Off-set | $0.068803 | $0.067359 |
| Tax Rate Cap per Charter | $0.429293 | $0.429293 |

**Total debt obligation for the City of Galveston secured by property taxes: $56,835,431.**

# CITY OF GALVESTON, TEXAS
# FY 2026 Proposed Budget
# Proposed for Adoption August 28, 2025
## October 1, 2025 through September 30, 2026

TO BE UPDATED BASED ON TNT RECERTIFICATION

The following language is required by the State of Texas Budget Law, Section 102.007 of the Local Government Code.

"This budget will raise more revenue from property taxes than last year's budget by an amount of $1,097,192, which is a 2.40 percent increase from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is $791,278."

**The members of the governing body voted on the budget as follows:**

FOR:
AGAINST:
PRESENT and not voting:
ABSENT:

**Municipal Property Tax Rate Comparison:**

| | FY2026 | FY2025 |
|---|---|---|
| Property Tax Rate | $0.408850 | $0.408850 |
| No-New-Revenue Tax Rate | $0.404507 | $0.391198 |
| No-New-Revenue M&O Tax Rate | $0.366163 | $0.351013 |
| Voter-Approval Tax Rate | $0.444129 | $0.430530 |
| Debt Tax Rate | $0.039349 | $0.040213 |
| | | |
| Sales Tax Off-set | $0.068093 | $0.067359 |
| | | |
| Tax Rate Cap per Charter | $0.429293 | $0.429293 |

**Total debt obligation for the City of Galveston secured by property taxes: $56,835,431.**


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# City of Galveston

## Vision for the Community

Galveston is a safe, friendly, vibrant, diverse, and innovative community that delivers a high standard for quality of life.

## Mission Statement

Provide the Best Possible Community in Which to Live, Work, Play, and Stay

## Core Values for Achieving Strategic Goals

- Promote the health, safety, and general well-being of the community
- Deliver excellence in City services and emergency preparedness,
- Provide fiscal responsibility and transparency with a long-term vision,
- Encourage citizen engagement,
- Collaborate and cooperate with City stakeholders, and
- Partnership with component units and other government entities, Park Board of Trustees, Port of Galveston, Galveston County, State of Texas, Galveston Community College, University of Texas Medical Branch, Texas A&M University at Galveston, and other community nonprofits organizations.

**CITY OF GALVESTON, TEXAS**
***PRINCIPAL OFFICIALS***



**Mayor**
Craig Brown

**District 1**



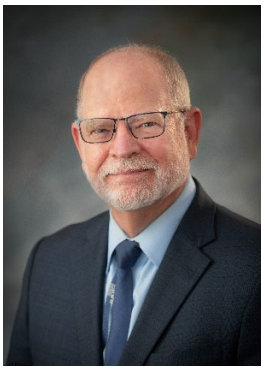
Sharon Lewis

**District 2**



David Finklea

**District 3**



Bob Brown

**District 4**



Alex Porretto

**District 5**



Beau Rawlins

**District 6**



Marie Robb

# City of Galveston, Texas

## Incorporated March 1939
## Charter Adopted April 19, 1960

## Council – Manager Form of Government

| City Council Appointees | |
|---|---|
| City Manager | Brian Maxwell |
| City Secretary | Janelle Williams |
| City Attorney | Donald Glywasky |
| Court Judge | Jim Schweitzer |
| City Auditor | Glenn Bulgherini |

| Department Directors (City Manager Appointees) | |
|---|---|
| Deputy City Manager | Daniel Buckley |
| Assistant City Manager | Brandon Cook |
| Director of Finance | Csilla Ludanyi |
| Police Chief | Doug Balli |
| Fire Chief | Mike Varela |
| City Marshal | Cecil Stroud Jr. |
| Executive Director of Development Services | Timothy Tietjens |
| Executive Director of Fleet, Mass Transit, & Spec. Evts | David Smith |
| Executive Director of Community Outreach/Parks | Barbara Sanderson |
| Executive Director Emergency Mgt./Enforcement | Robert Simmons |
| Executive Director Chief Information Technology Ofc. | Hope Dean |
| Director/City Controller | Tammy Jacobs |
| Interim Executive Director of Public Works & Utilities | Tyson Arnold |
| Director of Infrastructure and Engineering | Robert Winiecke |
| Director of Human Resources | Beverly West |
| Director of Solid Waste | Dustin Bender |
| Director of Airport | Michael Shahan |
| Director of Grants & Housing | Rebekah Anderson |
| Public Information Officer | Marissa Barnett |
| Emergency Management | Byron Frankland |
| Municipal Court Clerk | Gladys Lopez |
| Facilities Director | Charles Kenworthy |


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# Proposed Budget

Fiscal Year
October 1, 2025 through September 30, 2026

Included are:
General, Special Revenue, Internal, Debt, and Proprietary Funds

**City Council**
Craig Brown, Mayor
Marie Robb, Mayor Pro Tem
Sharon B. Lewis
David Finklea
Bob Brown
Alex Porretto
Beau Rawlins

**City Manager**
Brian Maxwell

**Deputy City Manager**
Dan Buckley

**Assistant City Manager**
Brandon Cook

**Director of Finance**
Csilla Ludanyi

# CITY OF GALVESTON, TEXAS

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# City of Galveston

## OFFICE OF THE CITY MANAGER

PO Box 779| Galveston, TX 77553-0779
www.citymanager@galvestontx.gov |409-797-3520


August 14, 2025

To: Honorable Mayor Dr. Craig Brown and Members of Council
Subject: FY 2026 Proposed Budget

The Proposed Budget for FY 2026, beginning October 1, 2025, and ending September 30, 2026, is presented in a format to meet the needs of our property owners, residents, businesses, and third-party users within the requirements set by City Charter and State Budget Law.

The Proposed Budget, including maintenance and operating expenditures ($249.5 million) and the capital budget ($303.8 million) is $553.2 million. The Proposed Budget is based on the Proposed tax rate of $0.408850 in order to support the FY 2026 maintenance and operations budget. The majority of the increase in the city-wide budget is driven by investments in capital infrastructure and the inclusion of new parks operations in the Special Revenue Fund

**FY 2026 BUDGET ($000s)**

| MAJOR CATEGORY | FY 2025 Amended Budget | FY 2026 Budget | Percent Difference FY 2025 Amended vs FY 2026 Budget |
|---|---|---|---|
| General Fund | $81,597 | $84,711 | 3.82% |
| Special Funds | $96,502 | $106,328 | 10.18% |
| Debt Service Fund | $4,675 | $4,677 | 0.04% |
| Enterprise Funds | $63,190 | $63,864 | 1.07% |
| **Maintenance and Operations** | **$245,964** | **$259,580** | **5.54%** |
| Capital Budget | $264,660 | $303,600 | 14.71% |
| **Total** | **$516,276** | **$563,180** | **9.09%** |

The City is in great financial shape and has set programming goals that ensure ongoing service and infrastructure improvements throughout the City. This is due to strong management controls, sound financial planning, and strict adherence to a set of policies and principles that serve cities well.

1. The General Fund balance has increased from 17.8 million in 2017 to $25.4 million in FY 2026 despite many ups and downs in the past decade. The majority of this increase can

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be attributed to sales tax collections on a short-term boom adding $2.4 million in FY 2021 and $3.7 million in FY 2022 with approximately 6 percent year over year increase in FY 2025 as well. Also, the City was reimbursed by the federal government for $1.56 million in Pandemic and hurricane preparedness costs previously expended by the city. These unusual one-time revenues were not originally anticipated and served to give the City a boost. Sales Tax is expected to have a slower growth pattern into the future and budgeting should been done in consideration of this shift.

2. Police officers' salaries and pensions have been improved substantially. Since 2017, funding for police department salaries have increased substantially, from $8.99 million to $15.2 million. For the same period the contribution to the Police pension fund has almost tripled from $1.1 million to $2.9 million.
3. Also, since FY 2017, Firefighter pay has also increased from $5.51 million to $10.3 million, and the contribution to the firefighters' pension fund has also more than doubled increasing 145.9 percent from $0.98 million to $2.44 million.
4. Basic city services have been upgraded across the board, in terms of professionalism, production, and measurement. Since 2017, the number of classified police officers has increased from 152 to 168 (not counted in the salary total above in item 2). Staffing citywide has increased from 839 to 917 since 2017. Administrative department staffing has stayed relatively flat during the same period decreasing slightly from 41.78 to only 40.2. Emphasis has been placed on Public Safety, Infrastructure, and Communication and Technology improvements with position growth seen in police classified staffing (16 positions), police civilian staffing (2.25 position increase), city marshal (8.65 position increase), public works maintenance crews (7.59 in Streets and Traffic), Public Works water, sewer, drainage and sanitation staffing (plus 17.43 positions), and Community Outreach, Facilities, and Information Technology (increase of 19.35 positions).
5. The City's total overhead rate (administrative spending as a percentage of operations spending) is far less than other city component entities, including the Park Board and the Port of Galveston at 4 percent of operating budgets and 2 percent of total operating and capital budgets.
6. We have increased mandatory funding for two critical elements of our budget. The General Fund transfer to the Infrastructure and Debt Service Fund has gone from $2.6 million in FY 2017 to $6.8 million in FY 2026. Furthermore, our self-insured health benefits plan has seen the City contribution to that plan grow from $4.68 million in FY 2017 to $13.3 million in FY 2026.

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The FY 2026 Proposed Budget includes:

1. Continuing the policy established in FY 2023 increasing the minimum homestead exemption amount from $5,000 to $60,000. When combined with the ten percent cap on annual homestead assessed value increases, most residents with a homestead exemption will experience small tax increases for the 2025 tax year (FY 2026).

**EFFECT OF TAXABLE VALUE CAP PLUS EXEMPTION FOR HOMESTEAD OWNERS**

| | | | | | | |
|---|---|---|---|---|---|---|
| Assessed Value (AV) Last Year | $200,000 | $300,000 | **TY2024** | $400,000 | $500,000 | $600,000 |
| Less Homestead Exemption | $60,000 | $60,000 | **Average TV** | $80,000 | $100,000 | $120,000 |
| Taxable Value (TV) | $140,000 | $240,000 | $277,788 | $320,000 | $400,000 | $480,000 |
| Last Year's Tax Rate/$100 TV | $0.408850 | $0.408850 | $0.408850 | $0.408850 | $0.408850 | $0.408850 |
| Last Year's Tax Total | $572 | $981 | $1,136 | $1,308 | $1,635 | $1,962 |
| | | | | | | |
| AV with 10% Increase This Year | $220,000 | $330,000 | **TY2025** | $440,000 | $550,000 | $660,000 |
| Less Homestead Exemption | $60,000 | $66,000 | **Average TV** | $88,000 | $110,000 | $132,000 |
| Taxable Value (TV) | $160,000 | $264,000 | $295,804 | $352,000 | $440,000 | $528,000 |
| This Year's Tax Rate/$100 TV | $0.415802 | $0.415802 | $0.415802 | $0.415802 | $0.415802 | $0.415802 |
| This Year's Tax Total | $665 | $1,098 | $1,230 | $1,464 | $1,830 | $2,195 |
| | | | | | | |
| **Change in Annual Tax** | **$93** | **$116** | **$94** | **$155** | **$194** | **$233** |

2. This budget provides funding for Police and Fire Department Collective Bargaining increases.
3. Budgeted allowances to cover the increased cost of health benefits.
4. The FY 2026 Proposed Budget also includes a net increase of 12 budgeted positions year over year. These positions were added in the Special Revenue, Enterprise, and Internal Service Funds and are predominantly tied to the reversion of operations to the City related to Dellanera, Seawolf, Seawall Urban, and HOT and STR collections

Our central administrative departments are budgeted at adequate levels to maintain their effectiveness and ability to carry out their City Charter responsibilities. We continue to look for ways to achieve greater efficiency and better service. The table below illustrates how low our administrative overhead cost is, including pure central administrative functions: Mayor and Council, the City Manager, City Attorney, City Secretary, City Auditor, Human Resources, Public Information and Finance including property tax appraisal and collection by County offices.

**CITY OF GALVESTON ADMINISTRATIVE OVERHEAD**

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## FY 2016-2026

| Budget Category | FY 2016 Budget | FY 2025 Estimated | FY 2026 Proposed |
|---|---|---|---|
| **Administrative Offices** | | | |
| City Secretary/Council | 418,399 | 680,878 | 701,910 |
| Elections | 60,000 | 40,000 | 75,000 |
| City Manager | 748,821 | 826,675 | 805,730 |
| City Attorney | 900,442 | 1,120,896 | 1,132,270 |
| City Auditor | 312,289 | 523,249 | 532,830 |
| Human Resources | 326,647 | 667,700 | 725,460 |
| Finance | 1,888,378 | 2,766,610 | 2,805,050 |
| Taxation | 247,073 | 367,338 | 395,000 |
| Community Outreach/Public Information Office | 0 | 422,340 | 403,600 |
| City Hall Maintenance & Utilities | | 1,642,193 | 1,351,710 |
| **Subtotal Administration** | **4,902,049** | **9,057,880** | **8,928,560** |
| **Operating Budget** | | | |
| General Fund | 49,746,819 | 82,501,449 | 84,711,326 |
| Less Administrative Depts | 4,902,049 | 9,057,880 | 8,928,560 |
| General Fund Operations | 44,844,770 | 73,443,569 | 75,782,766 |
| Special Funds | 31,112,301 | 44,116,260 | 106,328,414 |
| Enterprise Funds | 48,632,005 | 62,161,184 | 62,663,841 |
| Debt Service Fund | 1,954,517 | 4,675,078 | 4,675,078 |
| **Total Operating Budget** | **126,543,593** | **184,396,092** | **249,450,099** |
| | | | |
| **Capital Budget** | **FY 2016 Budget** | **FY 2025 Budget** | **FY 2026 Proposed** |
| Streets | 20,899,424 | 12,176,568 | 57,128,161 |
| Drainage | 2,531,692 | 130,580,702 | 120,144,721 |
| Water | 2,933,400 | 60,070,045 | 61,015,936 |
| Sewer | 7,880,758 | 37,123,528 | 34,795,136 |
| Parks | 3,850,000 | 11,818,156 | 11,729,173 |
| Other | 5,350,000 | 12,890,797 | 18,979,150 |
| **Subtotal Capital Budget** | **43,445,274** | **264,659,796** | **303,792,277** |
| **Total Capital and Operating Budget** | **169,988,867** | **449,055,888** | **553,242,376** |
| **Admin as Pct of Op Budget** | **4%** | **5%** | **4%** |
| **Admin as Pct of Cap & Op Budget** | **3%** | **2%** | **2%** |

# City of Galveston

## OFFICE OF THE CITY MANAGER

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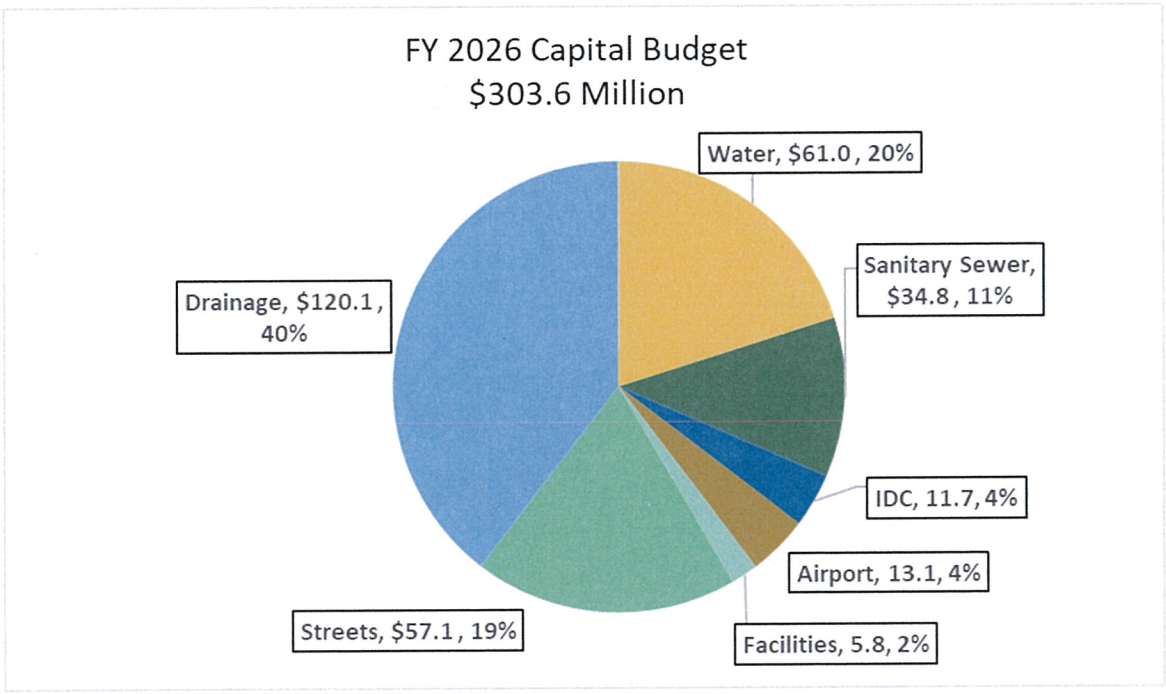

The FY 2026 Proposed Budget provides funding strategies developed over the last ten years to meet the city's highest priorities and mandates under state law and the City Charter. This multi-year effort required consistent budget discipline and management focus under the leadership of the Mayor and City Council. Furthermore, the City's fiscal stability is recognized by the national bond rating agencies, largely because we are maintaining a budgeted fund balance that is greater than the 90 days of maintenance and operating cost in major operating funds.

City management's priorities in the upcoming year:

1. Identify all sources of revenue that can reduce the tax burden placed on local taxpayers by the tourism industry. The City continues to effectively attract tourists to enjoy the benefits of our island and this is being demonstrated by increased numbers of visitors. Unfortunately, the tourism-related revenue outside of sales tax is neither sufficiently correlated nor readily available to the City to fund the increased costs associated with tourism. Efforts will be made to utilize available non-property tax revenue, to help fund services that demonstratively and predominantly benefit the visitors to our island. This will include potential new fees, fee increases, revenue generation from city parks, property, and city owned assets managed by third parties.
2. To this end, operational control over several city owned parks (Dellanera, Seawolf Park, and the Seawall Urban Park) is reverting back to the City in FY 2026. These revenue generating properties will be managed in a manner to reduce the cost on the taxpayers and avoid duplication of efforts throughout the City. Leveraging existing City resources and tested processes to manage these parks will allow the City to perform more efficiently and gain the benefit of the savings associated with these changes. The City's future financial viability lies in our ability to recover service costs from those who generate the need for service.
3. Maintain generally flat budgets for all non-public safety departments, making strategic reductions wherever possible to ensure expenses never exceed revenue. This has become necessary as public safety costs have increased to 62 percent of General Fund expenses driven mainly by the large tourist population and the ancillary business activities directed at tourists. It is also necessary to maintain operating budget discipline to ensure the ability to provide adequate funding for much-needed capital projects.
4. When employee turnover occurs, we seize the opportunity to review and reassign responsibilities to other employees whenever feasible. This review facilitates effective and efficient utilization of staff. Regular attention to employee job descriptions, workload

and capacity, and organizational restructuring allows a strategic approach to employee attrition and future provision of outstanding service to the residents of our community.

The total FY 2026 Capital Budget is $303.7 million with a continuing emphasis on streets, drainage, water, and sanitary sewer projects. Grant and other funding sources are expected to fund $173.4 million of the total, a portion will be funded by the IDC ($34.5 million), existing bond funds will provide a significant portion of the remaining funds ($61.0 million), and the Infrastructure and Debt Fund, as well as the Improvement Funds will provide $10.4 million.




The FY 2026 Budget represents Management's blueprint of programs and services that will be provided to the residents and businesses of our community. The budget process is not only an exercise of balancing revenues and expenditures, but a plan for improvements in the years to come.

The FY 2026 Proposed Budget is also a communication tool to inform City of Galveston residents and businesses of the issues and challenges confronting the community. The Budget Summary section offers a bird's eye view of the budget, including the economic assumptions behind the

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www.citymanager@galvestontx.gov |409-797-3520

budget, presenting revenue and expenditures in a manner designed to aid understanding. We wish to thank and commend the Council for their policy direction and guidance in the preparation of the FY 2026 Proposed budget. As we review it together, we will be happy to explore alternative approaches to funding. We look forward to working together for another successful year for the citizens of Galveston.

Sincerely,

Brian Maxwell
City Manager

# City of Galveston Organizational Chart




**Galveston City Council**

- **City Attorney** Donald Glywasky
- **City Secretary** Janelle Williams
- **City Auditor** Glenn Bulgherini

**City Manager** Brian Maxwell

**Deputy City Manager** Dan Buckley

**Police Chief** Doug Balli
- Administrative Bureau
- Operations Bureau
- OPSET
- Investigations Bureau

**Assistant City Manager** Brandon Cook
- Sanitation
- Construction & Engineering
- Public Works & Municipal Utilities
- Development Services
- Economic Development

**Specialty Services**
- Information Technology
- Municipal Court
- Emergency Mgt Enforcement
- City Marshal
- Communications
- Human Resources
- Civil Service
- Community Outreach
- Public Information Officer
- Legislative
- Parks & Recreation
- City Garage
- Island Transit
- Facilities

**Chief Financial Officer** Csilla Ludanyi
- Accounting
- Budget
- Purchasing
- Grants & Housing
- Airport

**Fire Chief** Mike Varela
- Fire Prevention
- Special Operations
- Operations

***City Council Appointees are shown in the following color (City Manager, City Attorney, City Auditor, City Secretary)

# GUIDE TO READING THE FY 2026 BUDGET

**Reading the Budget**

The budget document is a jurisdiction's most important reference document. Budgets record policy-decision outcomes, cite policy priorities as well as program objectives, and delineate government's total service effort.

A budget has four basic dimensions. First, it is a financial tool required by State law and the City Charter that contains all the city's financial resources and the plan for spending them in the next year. Second, it is a policy document that embodies the rules and standards set by the State of Texas, the taxpayers, and residents of Galveston to guide the allocation of financial resources toward accomplishing specific goals and purposes. Third, it is an operational tool that enables city departments and the City Manager's Office to execute the resource allocations approved in the budget based on the direction and intent embodied in the budget. Fourth, the budget is a communications tool that provides the community, bond rating agencies, and other interested financial reviewers and researchers with insight into the goals and strategies of City operations.

**Organization of the Budget Document**

The terminology and the accounting structure used by local government in the budget is somewhat complicated and can be challenging. Therefore, the budget is laid out in a manner intended to be informative and educational. The Budget Summary section and the City Manager's transmittal letter describe the priorities and major environmental and economic factors influencing the budget and its implementation. The introduction section includes the history of the City and its mission in serving the citizens. Citywide revenues and expenditures are depicted in a summary type format and graphs are included to offer the reader an easy assessment of trends at the citywide level within each category.

The City budgets by fund to demonstrate compliance with local, state and federal law that mandates compliance with specific legislation governing the use of each revenue source. The general organization of the budget is as follows:

1. The Operating Budget including:
    a. Governmental Funds (General, Special Revenue and Debt Service), and
    b. Proprietary Funds (Enterprise Funds and Internal Service Funds).

2. The Capital Budget, which comprises the first fiscal year of the five-year Capital Improvement Plan and is financed from tax supported funds and revenue supported funds, as well as bonds and grants.

Within these major fund categories are individual funds, which are designated for specific purposes. Some departments are financed out of multiple fund categories. Public Works operations are funded from the General, Waterworks, Sewer, Sanitation and Drainage funds. Island Transit receives its funds from state and federal transit grants, transit fare income, and a General Fund subsidy of matching local tax dollars. The Airport operation is funded through its own enterprise fund. The Rosenberg Library, although not a city department, receives a pass-through allocation each year equal to five cents on the tax rate for that year as provided by the city charter. Several city operations, including Fleet Management, Facility Maintenance and Technology Services are budgeted strictly as Internal Service Funds, and their costs are billed to the departments through their respective operating funds.

The five-year Capital Improvement Plan (the CIP) and the associated Capital Budget are included in a separate section of the budget document. The CIP section is organized by program and project, with each project having its own cost and financing plan organized by phase and fiscal year.

**Financial Information Organization**

The City-Wide Summary includes General Funds, Special Revenue Funds, Enterprise Funds, and Debt Service Funds. Only ending fund balances from Internal Service Funds are included in the city-wide fund summary to accurately represent the City's operating fund balance totals as of fiscal year end and avoid double counting the cost of services billed to operating departments.

Each fund section begins with a summary that shows the beginning balance for the fund, expected revenue for the year, budgeted expenditures for the year and the resulting ending fund balance. This summary information and the line-item detail is presented for the prior fiscal year's actual, the current fiscal year budget (including amendments as approved by Council and/or the City Manager), current fiscal year estimates, and the adopted budget amount for the next year.

**Department Budget Format**

Each departmental budget section includes accomplishments from the current year and the department's goals for the next fiscal year, positions budgeted, performance indicators, and financial highlights. The Performance Indicators section includes quantitative measures that depict the department's output, efficiency or effectiveness for the same time periods used for financial reporting. The budget highlights explain the major variances in the adopted budget from the current year estimate. The pages following the budget highlights include the department's line-item budget in the standard four columns and summarized in five categories:

1. **Personnel services** include salaries, incentive pay and other special compensation, overtime, longevity, employers' social security, employer's Medicare, and employers' pension and insurance.
2. **Materials and supplies** include office supplies, minor tools and equipment, and other operating supplies, such as fuel, as well as utilities.
3. **Contractual services** are used for outside services including postage, printing, telephones, travel, equipment repairs, maintenance contracts, and so forth. Charges from city departments in Internal Service Funds are also categorized here.
4. **Other charges** identify miscellaneous expenses and expense reimbursements from outside sources. This category is typically included in a "non-departmental" budget at the fund level and is not an operating department's budget.
5. **Capital outlay** is for the purchase of individual equipment items over $5,000 with a life greater than one year.

Some departments receive reimbursements from outside agencies, including TxDOT, the Industrial Development Corporation and Galveston County for eligible expenses incurred during the year. These reimbursements are shown in a separate expenditure line item included as a credit or expenditure offset.

## BUDGET AND FINANCIAL PLANNING PROCESS

The City's budget process is year-round involving the preparation and publication of several documents that comprise the financial planning process.

1. The **Long-Range Financial Forecast** (LRFF) is prepared to compare future revenue and expenditure trends to identify issues that affect the first year of the forecast as a precursor to the annual budget. The LRFF always includes the General, Debt Service, Combined Utility System and Hotel Occupancy Tax Special Revenue Funds. The focus is on projecting financial capacity for the issuance of new bonds in support of capital projects as well as future compensation increases, service expansion, and/or inflation increases in ongoing supplies and materials.

2. The **Capital Improvement Plan** (CIP) includes the projects selected using program master plans, management review, and input from elected officials to create a five-year project and phase specific roadmap for updating and improving the city's infrastructure. Specific sources of project funding and/or financing are identified for each project. The CIP is presented to City Council in July or August, discussed in City Council workshops, and passed in September.

3. The **Annual Budget** is prepared as follows:

    a. Current year revenue and expenditure trends are used by the Budget Office to provide a preliminary baseline department expenditure budget for each line-item. The Budget Office then provides each department with spreadsheets that include year-end estimates for the current year as well as those baseline budgets by line item.

    b. Department staff then have four weeks to provide alternate numbers for the current fiscal year estimate and next fiscal year budget. Any new requests or major changes are submitted on a supplemental schedule.

    c. At the same time, Departments provide updated goals and accomplishments and performance indicators to the Budget Office that correspond to their baseline budget.

    d. The City Manager and Budget staff meet with departments to identify priorities for the upcoming budget.

    e. The Adopted Budget is presented by the City Manager to the Mayor and City Council for review.

    f. After a legislatively required public hearing, and numerous open City Council workshops, the Budget is adopted by City Council as required by law.

4. **Quarterly Reports** are prepared and presented for the first (October-December), second (January-March) and fourth quarters (July-September) of the fiscal year to include projected year end revenues and expenditures for all operating funds, as well as status reports for all capital projects and capital funds. The third quarter report is considered to have come from the Adopted Budget for the subsequent year. The quarterly reports are usually presented within forty-five days of the end of the quarter.

5. **The Annual Comprehensive Financial Report** is the final report for the fiscal year. The ACFR is prepared under guidance from the Governmental Accounting Standards Board (GASB) and is presented to the Mayor and City Council during March of the year following the close of the fiscal year.

6. **Amending the Budget** follows this process:

    a. The Quarterly Report is published with an eye towards identifying issues in the current budget that may be changed within the total budget adopted by City Council. Issues that can be addressed within a department's total budget are addressed by the City Manager.

    b. Budget issues that require a transfer from one department to another or an allocation of fund balance are compiled. Then a revised budget ordinance is presented to City Council for approval. This is accomplished to serve a "municipal purpose" under the State Budget law.

## Accounting Methodology

The accounts of the City are organized based on funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenue and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

1. **Governmental Funds**

    General Fund is 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.

    Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes.

    Debt Service Fund is used to account for the accumulation of resources for, and the payment of general long-term debt principal, interest and related costs.

2. **Proprietary Funds**

    Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises – where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

    Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City or to other governments, on a cost reimbursement basis.

3. **Basis of Accounting (used in the Budget)**

All funds, including Enterprise and Internal Service funds are budgeted on a modified accrual basis based on financing for transactions that occur in the fiscal year. The Annual Comprehensive Financial Report (ACFR) presents governmental funds (General, Debt Service, and Special Revenue) on a modified accrual basis; however, Internal Service Funds and Enterprise Funds are presented in the ACFR on a full accrual basis. All fund balances are based on net current assets.

4. **Expenditures and Encumbrances**

Expenditures are recorded in a prior or subsequent fiscal year based on the timing of the event that generated the expenditure. If the event occurs prior to September 30, the last day of the fiscal year, payment for the event will be recorded to the year in which it occurred. This includes city employees' time worked, contractors' services delivered, as well as supplies and capital outlay delivered and received by the City. Payment for these expenditures is made after the start of the fiscal year but is recorded as a prior year expenditure in accordance with this accounting standard.

An encumbrance is a management record used to reserve funds in a specific line-item budget to the extent a legal obligation exists. An encumbrance is not an expense or expenditure but instead represents an estimate of amounts committed for unperformed contracts for goods and services. Encumbrances outstanding at year-end are considered reservations of fund balance to the extent approved by City Council action. At year end, encumbrance balances roll forward and budgets are reviewed to determine the necessity for a first quarter adjustment based on the amount and nature of the encumbrance in question.

## Galveston's Governance Structure

Like state and federal government, city government is organized to balance the legislative, executive and judicial powers. The City Council is the legislative branch, which derives authority from a Charter, granted by the State of Texas; the City Manager is the chief executive officer; and the Courts determine whether the requisites of the law are met.

Galveston is a home rule, full-service city incorporated in 1839. Galveston has a council-manager form of government. Policy-making and legislative authority are vested in a governing council consisting of the mayor, who is elected at large, and six council members elected to represent individual districts. The governing council is responsible, among other things, for passing ordinances, adopting the budget, determining policies, appointing committees, and hiring the government's manager, attorney, secretary, internal auditor, and municipal judge. The government's manager is responsible for the day-to-day operations of the government, and for appointing the heads of the various departments. Elections are held every two years. Council members, including the Mayor, are limited to serving three terms.

The City provides a full range of services including police and fire protection, the constructions and maintenance of streets and other infrastructure, water services, sewer services, refuse collection, drainage services, parks and recreational activities, and general administration. Additional services include building inspection, planning, zoning, engineering, and an airport.

## Galveston Today

The City of Galveston is located on the upper Texas Coast of the Gulf of Mexico and occupies virtually all the 32-mile-long island located approximately two miles off the Texas mainland 50 miles southeast of Houston, Texas. The Port of Galveston and related interest, the University of Texas Medical Branch at Galveston and other health institutions, financial institutions, tourism and fishing, and a vibrant historic downtown that offers cruising, shopping, arts and entertainment all provide principal economic support.

Galveston has the amenities of a larger city, but a small-town atmosphere. Island life is enhanced by the absence of traffic congestion and heavy traffic delays. The major thoroughfares are rarely heavily congested, even during peak times, and it takes no more than 15-20 minutes to get anywhere you want to go on the island.

Winter months, when currents deposit rows of shells on the sand, are the best time to comb the beaches for seashells. With average temperatures normally ranging from lows in the 50s (10 Celsius) to highs in the 60s (18 Celsius) December through February, the weather is perfect for enjoying outdoor activities such as fishing, boating and bird watching.

# Brief History of Galveston

The City of Galveston was chartered in 1839. The role of Galveston as the principal port and gateway to the Southwest during the 19th Century has placed the entire city in a unique position in relation to the history of Texas. The city furnished shipping, goods, money, and transportation necessary to settle the State, nurture its trade and help accomplish its independence.

In 1836, Michael Menard, bought "one league and a labor of land" from the Republic of Texas. He helped organize the Galveston City Company in 1838. From 1840 to 1870, the city was a major immigration port for over a quarter million Europeans. Texas's secession from the Union and the Civil War halted development temporarily. The mid 1870's to the mid 1890's was the apex of Galveston's prosperity. The Strand area became the Wall Street of the Southwest. Fortunes were made in cotton, mercantile house, banks, publishing and printing, flour and grain mills, railroads, land development and shipping. In 1891, the University of Texas Medical Branch was established.

The boom period of the "Queen City of the Gulf" ended with the great 1900 storm, which killed 6,000 and left 8,000 homeless. After the storm, the 16-foot-high, 17-foot-wide seawall began. The first section was completed in 1904. Behind it, 2,200 structures were raised an average of five feet.

In 1914, the Houston Ship Channel was deepened which took much of Galveston's trade. From 1924 to 1957, until a crackdown by the state attorney general's office, Galveston was primarily known as a wide-open port city where gambling and all sorts of amusements could be found. During World War II, the island had an air base where B-17's received their final briefing before leaving for the Pacific.

In the 1960's and early '70's, there were forward-looking innovations in Galveston. The council-manager form of government was adopted in 1961. The Texas Maritime Academy, Galveston College, and the Marine Biomedical Institute were established. The first container terminal opened in 1972. Rosenberg Library was expanded. The Galveston County Cultural Arts Council was founded. A 40-block residential historical district was established in the East End; and the Strand area and several notable buildings were placed on the National Register.

# DEMOGRAPHIC PROFILE

The City of Galveston

**53,695**
Population

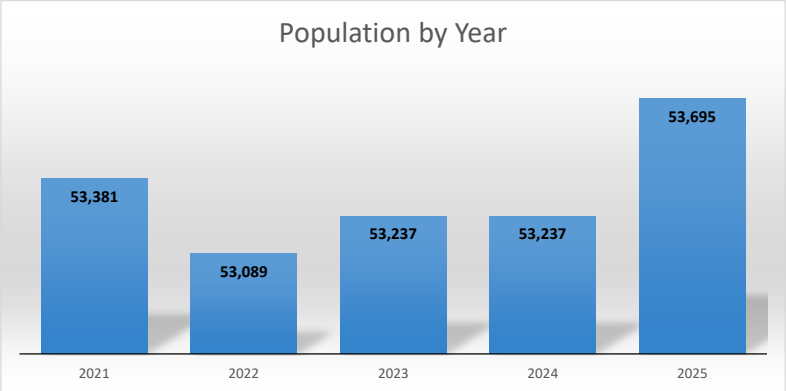
**$57,216**
Median Household Income

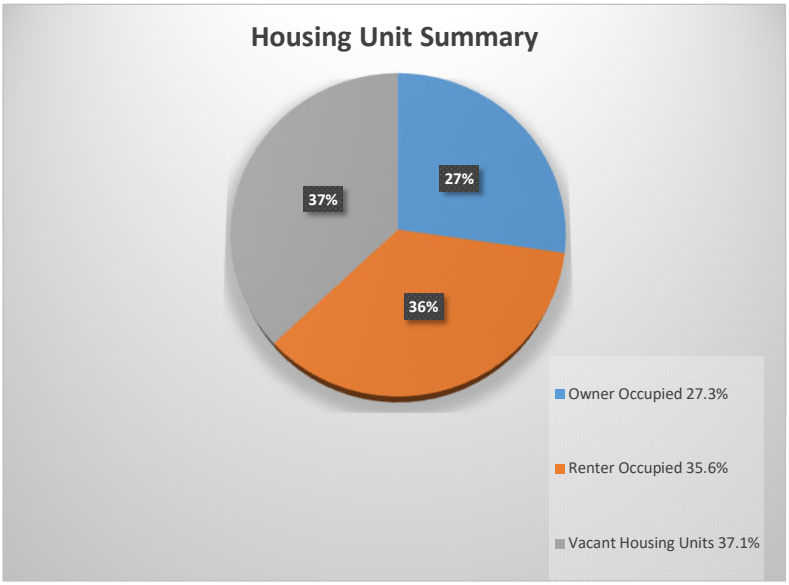
**$258,300**
Median Value of owner occupied housing units

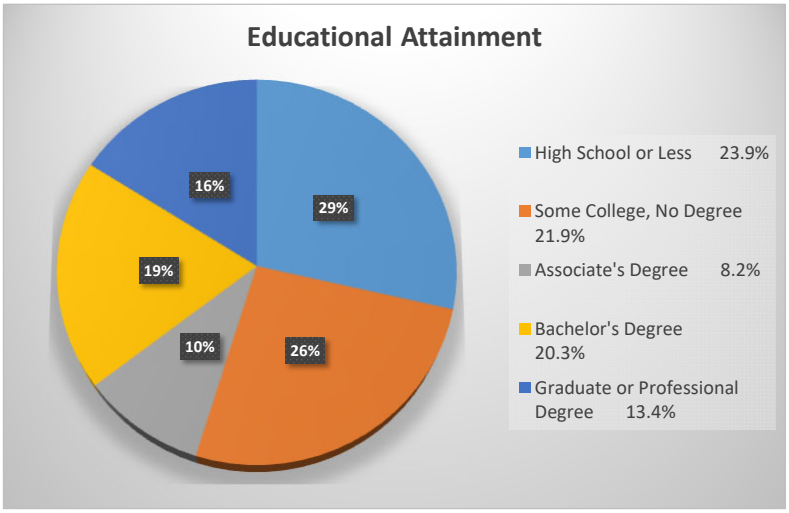
**$1,278**
Median gross rent

**2.74**
Persons per household

**23,748**
Households



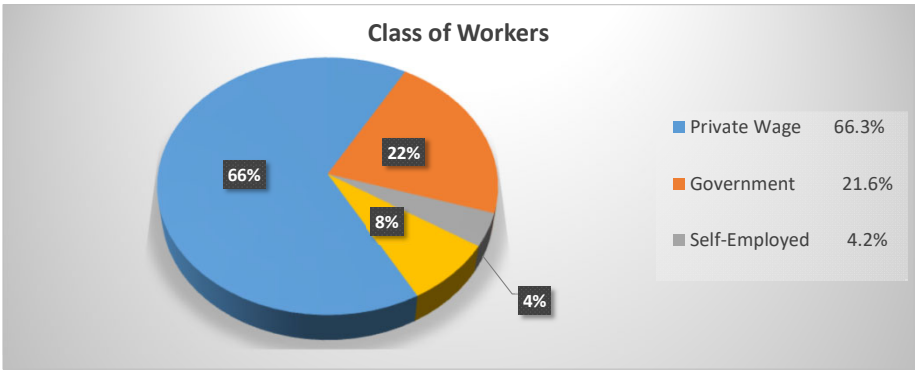



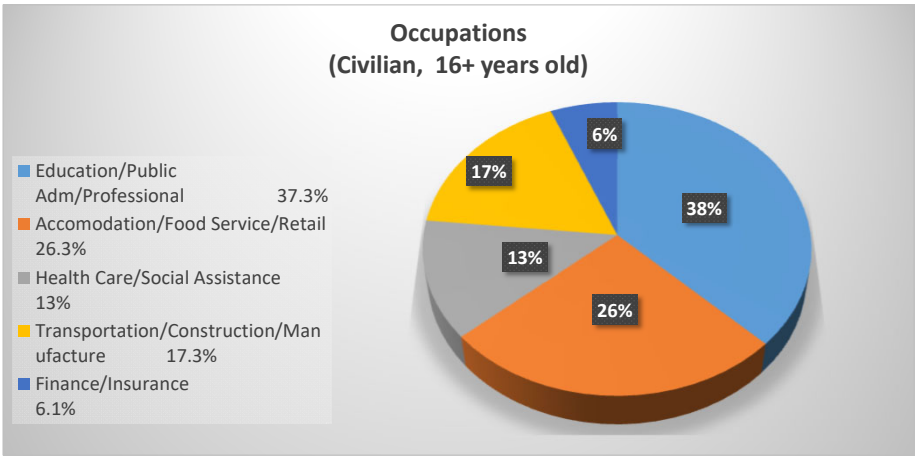




Source:
*U.S. Census Bureau, www.census.gov (2018-2023)
*Galveston -Market-Profile

# ECONOMIC PROFILE

The City of Galveston




| ** Top 10 Employers (2025) | | Estimated Employees |
|---|---|---|
| 1. | University of Texas Medical Branch | 9,627 |
| 2. | Landry's Restaurants | 1,980 |
| 3. | Galveston Independent School District | 1,146 |
| 4. | Schlitterbahn | 1,035 |
| 5. | Galveston County (on island only) | 991 |
| 6. | American National Insurance Co. | 934 |
| 7. | Moody Gardens | 883 |
| 8. | City of Galveston | 812 |
| 9. | Texas A & M University at Galveston | 713 |
| 10. | USACOE | 415 |

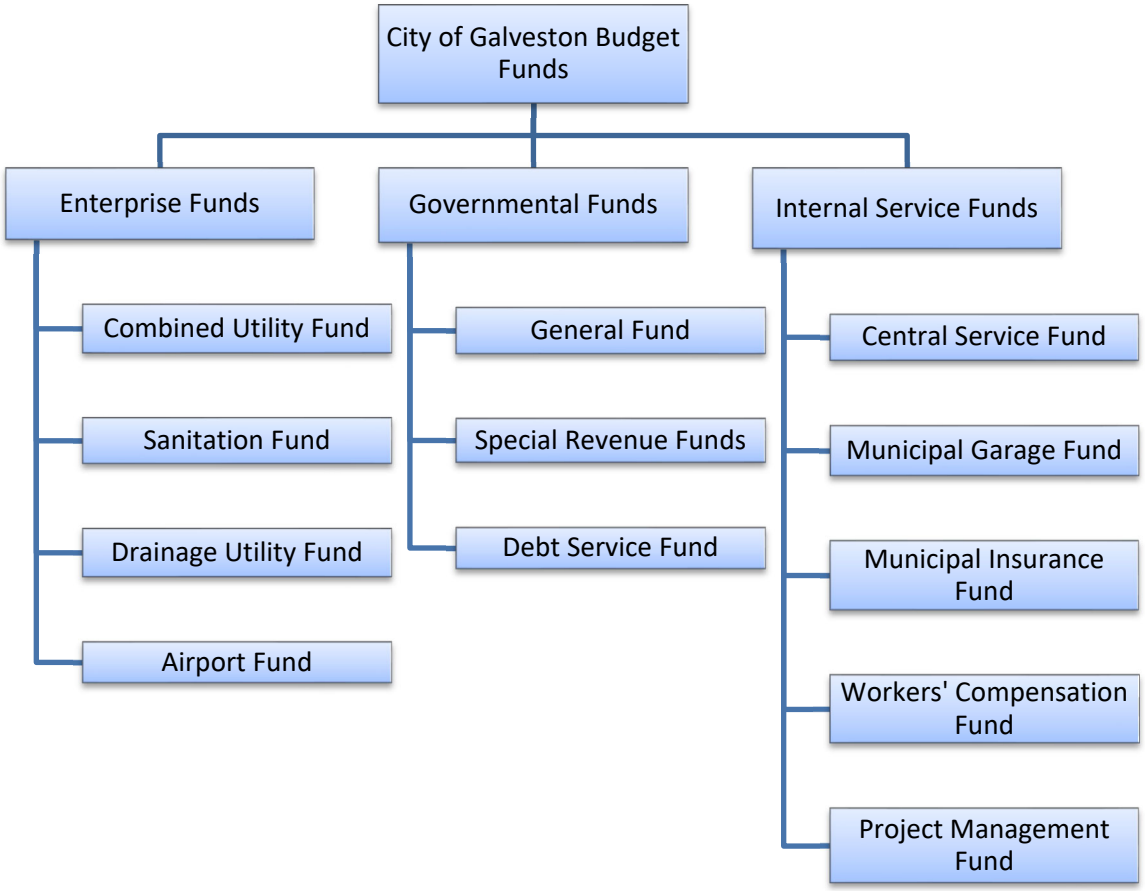
| | ** Top 10 Property Taxpayers (Tax Year 2025) | Total Assessed Value |
|---|---|---|
| 1. | Fertitta Hospitality Inc | 104,543,570 |
| 2. | GCC Supply & Trading | 102,895,968 |
| 3. | Centerpoint Energy Houston | 79,001,140 |
| 4. | Pecos Housing Finance Corporation | 52,225,000 |
| 5. | Texas International Terminals | 43,515,310 |
| 6. | 3433 Cove View Blvd LLC | 41,941,368 |
| 7. | Brownstone GYB Apartments LLC | 40,000,000 |
| 8. | Seawall Hospitality LLC | 32,961,799 |
| 9. | CW Campeche Owner LLC | 32,000,000 |
| 10. | American National Ins Co | 30,447,400 |

Source:

*U.S. Census Bureau, www.census.gov (2012-2023)

**GEDP Developer Profile

# BUDGET FUND STRUCTURE




**FUND DESCRIPTIONS:**

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

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

**Enterprise Funds** – Used to account for operations that are financed and operated in a manner similar to private business. The cost of providing the goods or services are recovered through user charges.

**Special Revenue Funds** – Used to account for proceeds of specific revenue sources or legally restricted funds.

**Internal Service Funds** – Used to account for activities in which one or more departments of the City provide goods and services to other departments of the City. The intent of each internal service fund is to recover the cost of providing those services from internal user charges.

| DEPARTMENT/FUND RELATIONSHIP | | | | | |
|---|---|---|---|---|---|
| **Department** | **General Fund** | **Special Revenue Funds** | **Debt Service Fund** | **Enterprise Funds** | **Internal Service Funds** |
| Police Department | ■ | | | | |
| Asset Forfeiture | | ■ | | | |
| Police Special Revenue | | ■ | | | |
| Police Quartermaster | | ■ | | | |
| Fire Department | ■ | | | | |
| Fire Special Revenue | | ■ | | | |
| Emergency Management Department | ■ | | | | |
| Emergency Medical Services | ■ | | | | |
| City Marshal's Office | ■ | | | | |
| Code Enforcement | ■ | | | | |
| Parking Management | | ■ | | | |
| Alarm Permit | | ■ | | | |
| Special Events | ■ | | | | |
| Street Department | ■ | | | | |
| Traffic Department | ■ | | | | |
| Park Recreation | ■ | | | | |
| Lasker Pool | | ■ | | | |
| Park Operations | ■ | | | | |
| Revenue Producing Parks | | ■ | | | |
| Building Inspection | ■ | | | | |
| Planning and Development | ■ | | | | |
| City Secretary | ■ | | | | |
| City Council Projects and Initiatives | | ■ | | | |
| Elections | ■ | | | | |
| Municipal Court | ■ | | | | |
| Municipal Court Building Security | | ■ | | | |
| Municipal Court Technology | | ■ | | | |
| Local Truancy Prevention & Diversion | | ■ | | | |
| City Manager | ■ | | | | |
| Pension Reform | | ■ | | | |
| City Attorney | ■ | | | | |
| City Auditor | ■ | | | | |
| Human Resources | ■ | | | | |
| Municipal Insurance | | | | | ■ |
| Health and Life Insurance | | | | | ■ |
| Workers' Compensation | | | | | ■ |
| Island Transit | | ■ | | | |
| Transportation | ■ | | | | |
| Finance Administration | ■ | | | | |
| Accounting | ■ | | | | |
| Purchasing | ■ | | | | |
| Budget | ■ | | | | |
| Taxation | ■ | | | | |
| Facilities Department | | | | | ■ |
| Facility Maintenance Services | ■ | | | | |
| Non-Departmental | ■ | | | | |
| Rosenberg Library | | ■ | | | |
| Seawall Parking | | ■ | | | |
| Convention Center Surplus | | ■ | | | |
| Historical Buildings | | ■ | | | |
| Infrastructure | | ■ | | | |
| Separation Pay | | ■ | | | |
| Community Outreach | | | | | ■ |
| Public Access Channel | | ■ | | | |
| Recovery and Capital Reserve | | ■ | | | |
| Technology Services | | | | | ■ |
| Technology Improvement | | ■ | | | |
| Mail | | | | | ■ |
| Print Shop | | | | | ■ |
| Hurricane Harvey | | ■ | | | |
| Debt Service | | | ■ | | |
| Combined Utility | | | | ■ | |
| Sanitation | | | | ■ | |
| Drainage Utility | | | | ■ | |
| Airport | | | | ■ | |
| Central Garage | | | | | ■ |
| Project Management | | | | | ■ |

CITY OF GALVESTON FY2026 BUDGET DIRECTIONS

To: All Department Heads
From: Csilla Ludanyi
Date: March 3, 2025
Subject: FY 2026 Budget Directions

****NEW for FY2026****

As many of you know, Finance is in the midst of the transition to Workday and we are expecting to be very busy over the summer, so we are making some changes to the budget process this year in order to manage our workload. It should have the added benefit of knocking the work out ahead of summer, which tends to be a busy time for everyone at the City. Below is a summary of our timeline for this year.

**March 3 – March 24**: Departments work on their budget workbooks with preliminary expectations for FY26 based on Q1 projections.

**April 7 – May 16**: Department meetings with City Manager's Office, Finance Director, and the Budget team.

**June 17 – 30**: Departments review budget workbooks updated with Q2 projections and complete Performance Indicators and Mission/Goals/ Accomplishment Narratives.

**Overview**

1. The Budget Office is providing a line-item worksheet that includes actuals for FY 2023 and FY 2024, and projected FY 2025 based on our Q1 reporting. This year, we are not asking departments to complete their own (FY 2025) projections. However, the comments column will be open on the second-round workbooks, so if there are any adjustments you feel we need to make, please enter them there or reach out to the Budget team.
2. The same worksheet includes a column for FY 2026 Base Budget with a suggested starting point for your department's spending which should be necessary and sufficient to continue current service and operating levels through FY 2026. Each Department should enter their Revised Budget FY 2026 based on the provided information and their understanding of the coming year.
3. Currently budgeted and/or approved positions are a part of your FY 2026 Target along with vacancy rates associated with your department. These rates discount or reduce the salary and related fringe benefits by a percentage anticipating that not all currently filled positions will be filled throughout the fiscal year. This "vacancy rate" calculation is set at zero percent, anticipating no turnover or vacancies, in the smaller departments.
4. The Mission, Accomplishments and Goals page is to be included in the Proposed and Adopted Budget and provides information that is consistent with the dollar amounts included in the Budget. We will be asking for this document to be included with your FY26 Budget Request Adjustments in June.
5. Similarly, Performance Indicators are to be included in the Proposed and Adopted Budget as well. They should describe levels of activity that correspond to the current funding level or the FY 2026 Base.

**As in prior years, your department's line-item budget worksheets (described above) can be found here:**

**Shared Folders on XXXXXXXXXXXXXXXXXXXXXXXXXXXXX**

**Completion of your FY 2026 Revised Base Budget and Additional Item Requests is to occur no later than March 24, 2025. If you have any problems with accessing your folder or if you need to provide secure access for additional department staff to access your department's folder, please contact Debbi Pierce @ ext. 3532 (DPierce@GalvestonTX.gov) or Amanda Gerstmann Collins @ ext. 3511 (AGCollins@GalvestonTX.gov).**

**WORKSHEETS**

1. The line-item worksheets contain the following information:
   a. Actual FY23 Expenditures – *Populated by the Budget Office.*
   b. Actual FY24 Expenditures – *Populated by the Budget Office.*
   c. Estimated FY25 Total – *Populated by the Budget Office. Represents projected spending for each line item based on the current and prior year's trends.*
   d. *Revised FY25 Total – Populated by Departments. Represents projected spending for each line item based on the current and prior year's trends.*
   e. Amended Budget FY25 – *Populated by the Budget Office.*
   f. Base Budget FY26 – *Populated by the Budget Office. The FY2026 Base is intended to provide sufficient funds for the department to operate in FY 2026 at the same level as in FY 2025.*
   g. Revised Budget FY26 - **Reviewed by department and adjusted if you believe you will spend a different amount than that shown in the Base Budget FY26 column (<u>please round to the nearest ten</u>). Please highlight any amounts changed.**
      **Note:** Payroll and Benefit line-item amounts will remain locked during the budget preparation process. If there are any changes that need to be made, they can be entered in the comments or on the Supplemental tab. Additional staff and/or raises should be requested through HR using their designated procedures.
   h. Comments **– Populated by departments to explain reasons for adjustments to FY25 or FY26.**

2. A copy of your personnel roster (staff listing) as of year-end 2024 is included in the Employee Jobs tab. This data is linked to the regular payroll line item on the worksheets. Please review carefully to make sure all employees and probationary increases (if applicable) are included. <u>If an employee or position needs to be added and/or changed, please e-mail the information to Debbi Pierce</u>. We will review and update these prior to the June release.

3. Some departments will also have responsibility for developing budgets for special revenue funds. The Budget Office will contact you directly regarding these funds.

4. Please consider any matching funds that may be required for ongoing grants for FY26. If this amount is not in the Base Budget FY26 column, please provide the necessary information in the Revised Budget FY26 column.

5. Technology requests of all types (computers, computer systems, printers, radios, and cell phones) will be handled through Hope Dean (HDean@GalvestonTX.gov) and Technology Services. After IT receives your requests, they will provide the information to the City Manager's Office and the Budget Office for review and possible inclusion in the Proposed Budget.

6. Requests for new rolling stock should be provided using the "FY26 Supplemental" tab in the worksheet, complete with a justification for the quantity, capacity, and cost. Vehicle/machinery requests of all types will be handled through David Smith (DSmith@GalvestonTX.gov). After the Garage receives your requests, they will provide the information to the City Manager's Office and the Budget Office for review and possible inclusion in the Proposed Budget.

7. Also, use the "FY26 Supplemental" tab for any new initiative, programs, projects, or resources that are not necessary to provide the current level of services as depicted in the Base FY26 and Revised Budget FY26 columns.

**NARRATIVE**

1. **Accomplishments** should be tangible regarding improvements in operations, completion of major events or projects, or procedures with some significant impact as far as efficiency or effectiveness are concerned. Efficiency is described as the relative time or resources required to complete a task or project and a reduction in the same. Effectiveness speaks to the end product and the extent to which it meets the needs of the city, the organization and/or customer base.

   Examples:
   - Implemented new invoice management process, reducing processing time for invoices by an estimated ten days and providing a shared network location to identify invoices in process.
   - Implemented a new tracking system for identifying customer and citizen complaints, notifying them when service will be provided.
   - Provided service and support including trash removal, post event cleanup and security for five new citywide events in FY 2025.

***2.*** **Goals** should prospectively propose accomplishments, including improvements in operations, completion of major events or projects, or procedures with some significant impact as far as efficiency or effectiveness are concerned. Efficiency and effectiveness should be a factor here as well. ***Acquisition of funding for a position or some new resource is not a goal or an accomplishment. The purpose behind the position or new resource is the ultimate goal of acquiring the resource needed.***

   Examples:
   - Implementation of the Banner fixed asset module, including tracking and valuation of capitalized (over $5,000) and non-capitalized (under $5,000) assets.
   - In FY 2026, increased numbers and quality of potholes repaired using new equipment acquired in FY 2025.
   - Reduce incidence of vehicle accidents from FY 2024 level through improved traffic enforcement.

3. **Performance measures** are quantitative and are provided in the information below. *Departments are encouraged to use available statistics and think of this as putting their best foot forward. Provide statistics that tell your service story.*
   - Workload – Number of calls received, invoices processed, miles of streets maintained.
   - Output – Transactions processed, building permits issued (number and dollar amount)
   - Efficiency – Cost per account managed, response time to answer a call or a request for service.
   - Effectiveness – Percent of needed fire inspections completed, percent of owner compliance in demolishing dangerous building.

We look forward to working with you this spring. Please contact us if you have a question about the budget process or your specific process.

_____

Csilla Ludanyi

Attachment

**FY 2026**
**BUDGET CALENDAR**

| | |
|---|---|
| June 26* | Ratify existing property tax exemptions. Budget and Capital Improvement Plan discussion with City Council. |
| Aug 8 | File FY 2026 Proposed Budget with City Secretary. |
| Aug 14* | Present FY 2026 Proposed Budget to City Council. Discussion of Budget and CIP with City Council. |
| Aug 14* | Meeting of governing body to discuss Tax Rate; propose a Tax Rate; take a record vote; and schedule a public hearing. |
| Aug 14 | Publication of proposed property tax rates and hearing schedule (if applicable); submission to governing body. (By September 1 or 30 days) from the date, the appraisal roll is certified). |
| Aug 28* | Public Hearing on Budget.<br>Adopt the FY 2025 Operating and Capital Budget. |
| Sep 18* | Public Hearing Tax Rate.<br>Adopt the Tax Rate. |
| Sep 18* | 2nd Publication of proposed property tax rates and hearing schedule (if applicable) |
| Sep 18* | Adopt the FY 2025 Operating and Capital Budget<br>Adopt Tax Rate. (No later than 7 days after the public hearing) |

*Denotes City Council meetings


CITY OF GALVESTON
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# CITY WIDE BUDGET SUMMARY

# FY 2026 PROPOSED BUDGET
# CITYWIDE BUDGET SUMMARY

UPDATED to reflect 8/8/25 Supplement 1

**Overview**

The city maintains a significant number of funds, each created to ensure and demonstrate legal compliance with city ordinance, city charter, state law or federal law. All city revenue carries some form of restriction that governs its use for specific activities and purposes. This page summarizes the City's operating budget.

**Total Budget**

The Budget for FY 2026 is $256.6 million for operating expenditure funds, which is $13.7 million or 5.6 percent more than last year's budget and $46.9 million or 19.3 percent larger than the amount estimated to be spent in FY 2025. The large difference between FY 2025 Estimated and FY 2026 is attributable to the City's Special Revenue Funds which include many of the operational changes with the reverting of several parks from the Park Board to the City. These operational costs pay for themselves with revenue generated by the parks; however, the year-to-year comparison reflects this substantial change. The remainder of the City budget ensures that daily city services are provided year-round to Galveston residents and visitors. In addition, the Budget includes $2.1 million for one-time appropriations of fund balance as compared with last year's budgeted $4.4 million.

The **General Fund** includes major property and sales taxes received directly by the city ($62.6 million), and the Budget for FY 2026 of $84.3 million includes $64.8 million for public safety and infrastructure.

**Special Funds,** 21 in number, are funded with fees, taxes, and other forms of revenue that have been set aside to be spent only for a specific legal purpose. The FY 2026 Budget includes $60.8 million in funds left over from prior years and shown as beginning fund balances. All these funds are included as approved expenditures each year to ensure they are available for their restrictive purpose should the Mayor and City Council have need for them. It is because of their legally restricted nature, as public funds, the City Manager includes them in the Budget, as required by State law. In return, the City Council reviews and adopts budgets that ensure they are expended for the legally intended purpose. This is also the reason that the Budget seems to be growing over the prior year estimated actuals.

The **Debt Service Fund** is used to budget for tax-supported debt payments, including property tax and hotel occupancy tax debt payments.

**Enterprise Funds** are intended to **function** as stand-alone business enterprises, operating public services run by municipalities.

**Highlights**

1. The Galveston County Appraisal District increased Certified Taxable value by 1.3 percent from the previous year Certified Roll. The City's property tax rate is decreasing to the No New Revenue rate at $0.408687 per $100 of taxable value. The minimum homestead exemption of $60,000 will continue to serve to the benefit of homesteaded taxpayers. When combined with the statutory homestead cap limiting the annual increase in

taxable value to ten percent, this protects every homestead owner from a large increase in their City of Galveston tax bill this year.

2. Police and Fire personnel increases are based on the approved and projected collective bargaining agreements. The Budget also continues to fund pension plans at recently increased levels.
3. The effects of inflation continued to be felt in FY 2025 but are being projected relatively flat for FY 2026 for fuel, street materials, and a wide range of supplies.
1. A major water and sewer bond sale was completed in fall of 2022. An initial rate study was completed in FY 2025 and a Water & Sewer Masterplan was completed in FY 2026. The Masterplan will be included in the Comprehensive Plan to ensure sustainable operations for the water and sewer system maintenance and management programs.
2. Similar to FY 2025, the FY 2026 Budget continues to place emphasis on finding, implementing, and collecting non-property tax sources of revenue, specifically correlating to the cost implications of tourism on basic public services in our community.

**Legal Compliance**

This budget demonstrates compliance with every legal test that applies to the city's budget.

1. It conforms to the State Budget Law (Chapter 102 of the Local Government Code) regarding disclosures, schedules, connection to the annual property tax levy and rate setting process, as well as the form and format of the document itself.
2. Set asides required by the City Charter for contributing property tax revenue to the Rosenberg Library and General Fund revenue to the Infrastructure and Debt Service Fund are a part of the budget.
3. The City Charter's seven percent budget increase test has been met. A schedule that demonstrates this is included at the end of this Budget Summary.
4. The General Fund's actual and projected year end fund balances for FY 2024, 2025, and 2026 are greater than the 90-day required minimum. The FY 2026 General Fund ending balance is projected to be 110 days of operating cost.
5. All unencumbered appropriations or budgeted balances as of the end of FY 2025 are anticipated in this Budget to return to the fund in which they originated for consideration of appropriation in FY 2026 by the City Council.
6. A five-year capital improvements program with planned projects and correlated funding and financing sources is also included in compliance with the City Charter.
7. The Proposed property tax rate of $0.408687 per $100 of taxable value is equal to the state legislated "No-New-Revenue" rate of $0.408687 and is below the state defined Voter-Approval-Rate of $0.448764. For FY 2026, that maximum overall rate, after the sales tax reduction factor ($0.068803), is $0.429293, less than the Charter maximum of $0.70.
8. All debt service reserve requirements have been met, and sufficient budgeted revenue has been set aside for the payment of debt service in FY 2026 without the need for a transfer from the Infrastructure and Debt Service Fund.
9. Operating and capital funds, including the beginning and projected ending cash balances for FY 2026, are included in this budget. Total operating fund balances are projected to end FY 2025 at $125.5 million dollars and FY 2026 at $91.0 million dollars. This difference of $34.6 million is due primarily to the programming of virtually all special revenue beginning balances.

UPDATED to reflect 8/8/25 Supplement 1

**FY2026 Budget**
**CITY-WIDE SUMMARY**

**Summary Schedule of Revenues and Expenditures**

| | FY2024 ACTUAL | FY2025 AMENDED BUDGET | FY2025 ESTIMATED ACTUAL | FY2026 BUDGET |
|---|---|---|---|---|
| **Beginning Fund Balance** | | | | |
| General Fund | $25,150,000 | $23,778,482 | $23,778,482 | $25,388,107 |
| Special Revenue Funds | 57,179,723 | 60,311,339 | 60,311,339 | 60,777,470 |
| Debt Service Fund | 1,667,420 | 1,931,733 | 1,931,733 | 2,078,285 |
| Enterprise Funds | 24,075,473 | 18,631,276 | 18,631,276 | 20,576,698 |
| **Total** | **$108,072,616** | **$104,652,830** | **$104,652,830** | **$108,820,560** |
| **Revenue** | | | | |
| General Fund | $77,339,160 | $81,619,190 | $84,397,660 | $84,718,970 |
| Special Revenue Funds | 68,619,167 | 67,165,357 | 64,908,585 | 71,551,073 |
| Debt Service Fund | 4,943,622 | 5,058,470 | 4,821,630 | 5,001,300 |
| Enterprise Funds | 57,062,029 | 64,380,913 | 64,106,606 | 64,074,030 |
| **Total** | **$207,963,978** | **$218,223,930** | **$218,234,481** | **$225,345,373** |
| **Expenditures** | | | | |
| General Fund | $77,581,591 | $81,597,335 | $81,602,736 | $84,711,326 |
| Special Revenue Funds | 65,499,924 | 96,502,129 | 64,442,453 | 106,232,744 |
| Debt Service Fund | 4,679,308 | 4,675,078 | 4,675,078 | 4,676,780 |
| Enterprise Funds | 58,904,510 | 60,158,850 | 58,916,889 | 61,773,841 |
| **Total** | **$206,665,333** | **$242,933,392** | **$209,637,156** | **$257,394,691** |
| **Revenues over/(under) Expenditures** | | | | |
| General Fund | ($242,430) | $21,855 | $2,794,924 | $7,644 |
| Special Revenue Funds | 3,119,243 | (29,336,772) | 466,131 | (34,681,671) |
| Debt Service Fund | 264,314 | 383,392 | 146,552 | 324,520 |
| Enterprise Funds | (1,842,481) | 4,222,063 | 5,189,717 | 2,300,189 |
| **Total** | **$1,298,645** | **($24,709,462)** | **$8,597,325** | **($32,049,318)** |
| **One Time Appropriation of Fund Balance** | | | | |
| General Fund | $1,129,088 | $1,417,899 | $1,185,299 | $0 |
| Enterprise Funds | 3,601,716 | 3,030,954 | 3,244,296 | 2,090,000 |
| **Total** | **$4,730,804** | **$4,448,853** | **$4,429,595** | **$2,090,000** |
| **Prior Year Adjustment** | | | | |
| General Fund | $0 | $0 | $0 | $0 |
| Special Revenue Funds | 12,374 | 0 | 0 | 0 |
| **Sub-Total** | **$12,374** | **$0** | **$0** | **$0** |
| **Ending Fund Balance** | | | | |
| General Fund | $23,778,482 | $22,382,438 | $25,388,107 | $25,395,751 |
| Special Revenue Funds | 60,311,340 | 30,974,567 | 60,777,470 | 26,095,799 |
| Debt Service Fund | 1,931,733 | 2,315,125 | 2,078,285 | 2,402,805 |
| Enterprise Funds | 18,631,276 | 19,822,386 | 20,576,698 | 20,786,887 |
| **Sub-Total** | **$104,652,831** | **$75,494,516** | **$108,820,560** | **$74,681,242** |
| Internal Service Funds (1) | $15,342,457 | $17,088,203 | $16,717,283 | $16,826,383 |
| **TOTAL WITH INTERNAL SERVICE FUNDS** | **$119,995,287** | **$92,582,718** | **$125,537,843** | **$91,507,625** |

Notes:
(1) Internal Service Funds revenues and expenses are not included in the totals above to avoid duplication.

UPDATED to reflect 8/8/25 Supplement 1

**Charter Budget Growth Limit Compliance Page**
**Comparative Summary of Expenditures**
**Total Operating Budget**
**(Modified Accrual)**

| Fund | Modified Accrual Budget 2025 | Capital Improvement Funds previously appropriated in prior fiscal years | Modified Accrual Budget 2026 | Modified Accrual Budget with Capital 2026 |
|---|---|---|---|---|
| General Fund | $75,912,700 | $0 | $76,350,376 | $76,350,376 |
| Special Revenue Funds: | | | | |
| Rosenberg Library | 6,155,322 | 0 | 6,247,020 | 6,247,020 |
| Convention Center Surplus | 14,481,040 | (644,814) | 14,762,398 | 14,117,584 |
| Infrastructure Fund | 9,966,341 | (1,242,969) | 17,999,261 | 16,756,292 |
| Separation Pay Fund | 1,247,089 | 0 | 1,638,570 | 1,638,570 |
| PEG Fund | 1,813,496 | 0 | 2,143,738 | 2,143,738 |
| Parking Management Fund | 3,073,459 | 178,078 | 2,595,548 | 2,773,626 |
| Pension Reform Fund | 1,107,235 | 0 | 1,149,713 | 1,149,713 |
| D.E.A. Asset Forfeiture Fund | 640,052 | 375,647 | 60,379 | 436,026 |
| Police Special Revenue Fund | 139,175 | 0 | 151,656 | 151,656 |
| Police Quartermaster Fund | 100,200 | 0 | 87,063 | 87,063 |
| Alarm Permit Fund | 117,037 | 0 | 74,014 | 74,014 |
| Fire Special Revenue Fund | 421,832 | 219,494 | 155,918 | 375,412 |
| Municipal Court Building Security Fund | 33,410 | 0 | 29,453 | 29,453 |
| Court Technology Fund | 77,871 | 0 | 80,850 | 80,850 |
| Juvenile Services Fund | 278,003 | 0 | 304,353 | 304,353 |
| Recovery and Capital Reserve Fund | 587,386 | 0 | 676,937 | 676,937 |
| Technology Improvement Fund | 5,891,285 | (1,532,239) | 5,212,487 | 3,680,248 |
| STR Regulation Fund | 1,390,200 | 0 | 3,577,448 | 3,577,448 |
| Parks Special Fund | 4,413,267 | (471,822) | 8,709,316 | 8,237,494 |
| Hotel Occupancy Tax Fund | 39,524,281 | 0 | 38,511,197 | 38,511,197 |
| **Total** | **91,457,981** | **(3,118,625)** | **104,167,319** | **101,048,694** |
| Debt Service Fund | 4,675,078 | 0 | 4,676,780 | 4,676,780 |
| Enterprise Funds: | | | | |
| Combined Utility | 47,669,385 | 0 | 47,068,650 | 47,068,650 |
| Sanitation | 10,310,430 | 0 | 11,421,780 | 11,421,780 |
| Drainage Utility | 3,718,860 | 0 | 3,920,970 | 3,920,970 |
| Airport | 1,491,129 | 0 | 1,452,441 | 1,452,441 |
| **Total** | **63,189,804** | **0** | **63,863,841** | **63,863,841** |
| **Grand Total** | **$235,235,563** | **($3,118,625)** | **$249,058,316** | **$245,939,691** |

| | |
|---|---|
| Amount of growth remaining under 7% cap | ($2,643,736) |
| ***Percent increase in the City's operating budget** | **3.55%** |

*City of Galveston Charter (Article VII, Section 19)

**Not subject to the 7% budget cap**

| Capital Improvement Projects previously appropriated in prior fiscal years: | Fiscal Year 2024 | Fiscal Year 2025 | Increase (Decrease) |
|---|---|---|---|
| Seawall Parking | 566,501 | 94,679 | (471,822) |
| Convention Center Surplus | 791,800 | 146,986 | (644,814) |
| Infrastructure Fund | 4,202,373 | 2,959,404 | (1,242,969) |
| Parking Management Fund | 0 | 178,078 | 178,078 |
| D.E.A. Asset Forfeiture Fund | 0 | 375,647 | 375,647 |
| Fire Special Revenue Fund | 0 | 219,494 | 219,494 |
| Technology Improvement Fund | 2,840,656 | 1,308,417 | (1,532,239) |
| Totals | 8,401,330 | 5,282,705 | (3,118,625) |
| | | | |
| Special Revenue Funds | | | |
| Island Transit | 5,044,148 | 5,279,720 | 235,572 |
| Totals | 5,044,148 | 5,279,720 | 235,572 |


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## FY 2026 PROPOSED BUDGET
## CITYWIDE REVENUE SUMMARY

UPDATED to reflect 8/8/25 Supplement 1

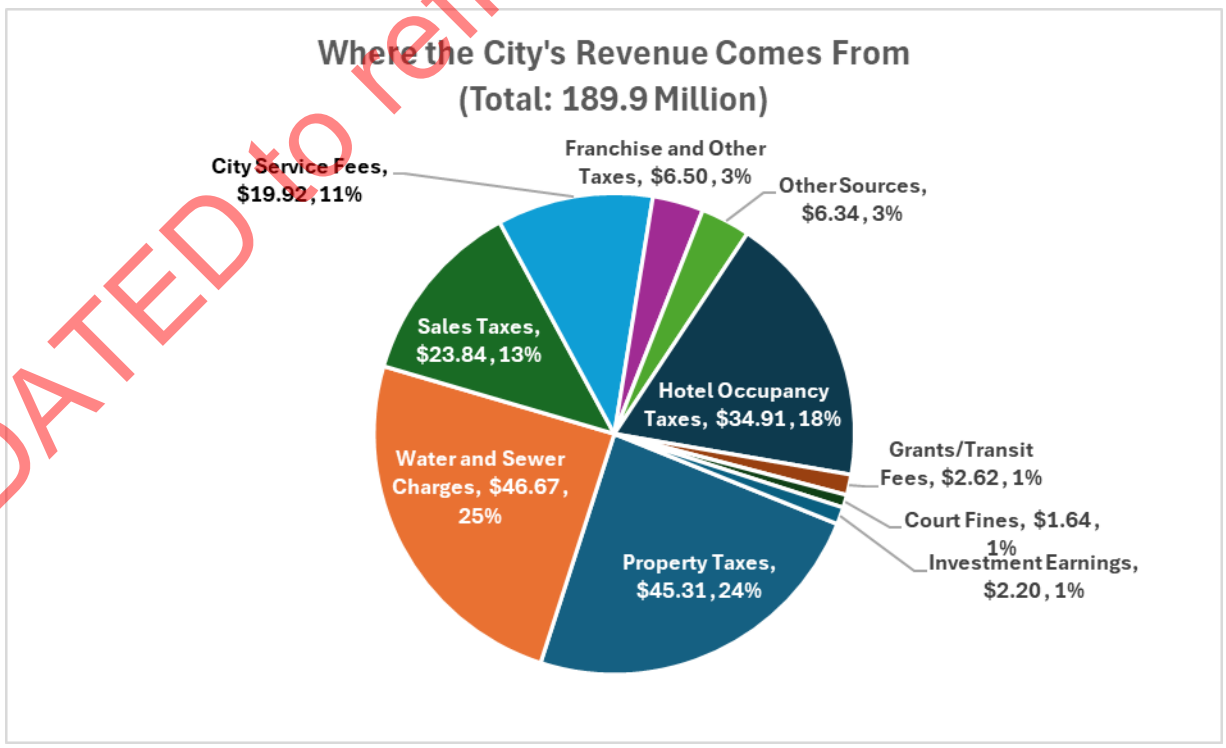
### Overview

The City Budget is structured to provide for revenue collected by and expended through each of a number of funds. This presentation is intended to reflect the city's operating revenues as though there was only one fund. This is accomplished by leaving out transfers shown as revenue (transfers from one fund to another) between city operating funds.

**REVENUE BY FISCAL YEAR ($000s)**

| Revenue Source ($000) | FY 2022 Actual | FY2023 Actual | FY2024 Actual | FY2025 Amended | FY2025 Projected | FY2026 Proposed | FY26 +/- FY25 Est | Pct Diff |
|---|---|---|---|---|---|---|---|---|
| Property Taxes | $ 41,669 | $ 42,940 | $ 41,215 | $ 44,861 | $ 43,743 | $ 45,309 | $ 1,567 | 3.6% |
| Water and Sewer Charges | 42,051 | 43,404 | 40,669 | 47,266 | 46,727 | 46,668 | -59 | -0.1% |
| Sales Taxes | 22,573 | 23,420 | 22,075 | 22,927 | 23,600 | 23,836 | 236 | 1.0% |
| City Service Fees | 18,584 | 19,576 | 16,983 | 19,443 | 19,967 | 19,924 | -43 | -0.2% |
| Franchise and Other Taxes | 6,498 | 6,532 | 6,361 | 6,184 | 6,468 | 6,502 | 34 | 0.5% |
| Other Sources | 3,394 | 3,589 | 5,729 | 6,470 | 8,238 | 6,341 | -1,897 | -23.0% |
| Hotel Occupancy Taxes | 19,255 | 40,050 | 35,205 | 36,300 | 34,835 | 34,909 | 74 | 0.2% |
| Grants/Transit Fees | 3,621 | 2,906 | 2,445 | 2,516 | 1,931 | 2,615 | 684 | 35.4% |
| Court Fines | 1,649 | 1,695 | 1,605 | 1,485 | 1,940 | 1,638 | -302 | -15.6% |
| Investment Earnings | 442 | 4,424 | 3,618 | 2,341 | 2,792 | 2,198 | -594 | -21.3% |
| **Total** | **$ 159,736** | **$ 188,536** | **$ 175,905** | **$ 189,791** | **$ 190,239** | **$ 189,939** | **-300** | **-0.2%** |

Total citywide revenue included in the FY 2026 Proposed Budget is $189,939 million or approximately $-300,000 less than the FY 2025 Projected total of $190.2 million. The largest portion of this increase is tied to water and sewer charge revenue, property tax revenue increases to cover the increased cost of public safety, and city fees related to cruise passenger fees and long-term parking revenue.



**Property Taxes**

This year's property tax revenue has been heavily impacted by the third year in a row of large increases in appraised value established by the Galveston County Appraisal District. The initial roll reported prior to the protest and hearings period was 13.9 billion or 6.8 percent higher than the certified Taxable Value ($13.0 billion). Property owners of $4.8 billion of the estimated roll filed protests with values reduced $952.0 million. The table below displays how the appeals process has gone for the last ten years. The initial increase projected with each preliminary roll has been reduced every year by the receipt of the Certified Roll; however, each of these years has experienced net growth overall.

**CITY OF GALVESTON PROPERTY TAX ROLLS**
**APPRAISAL AND PROTEST HISTORY AND RESULTS**
**TAX YEARS 2016-2025**

| Tax Year | Fiscal Year | Preliminary Estimate 4/30 - Net Taxable Value Before Freeze | Value Lost in Protests | Certified Roll 7/30 - Net taxable Value Before Freeze | TNT Line 22 Taxable Value (FKA Line 21) | Percent Loss in Protests | Net Increase | Initial Increase |
|---|---|---|---|---|---|---|---|---|
| 2016 | 2017 | $6,160,829,855 | ($767,089,407) | $5,393,740,448 | | -12.5% | 10.7% | 26.4% |
| 2017 | 2018 | $6,502,496,383 | ($249,864,399) | $6,252,631,984 | | -3.8% | 15.9% | 20.6% |
| 2018 | 2019 | $6,436,070,806 | ($94,527,512) | $6,341,543,294 | | -1.5% | 1.4% | 2.9% |
| 2019 | 2020 | $6,911,472,079 | ($187,541,693) | $6,723,930,386 | | -2.7% | 6.0% | 9.0% |
| 2020 | 2021 | $7,722,326,154 | ($309,801,352) | $7,412,524,802 | | -4.0% | 10.2% | 14.8% |
| 2021 | 2022 | $9,841,860,310 | ($975,929,194) | $8,865,931,116 | $7,720,558,748 | -9.9% | 19.6% | 32.8% |
| 2022 | 2023 | $11,664,942,038 | ($1,328,383,890) | $10,336,558,148 | $9,166,160,829 | -11.4% | 16.6% | 31.6% |
| 2023 | 2024 | $13,184,536,219 | ($1,194,261,794) | $11,990,274,425 | $10,601,722,153 | -9.1% | 16.0% | 27.6% |
| 2024 | 2025 | $13,903,414,564 | ($932,011,571) | $12,971,402,993 | $11,215,044,521 | -6.7% | 8.2% | 16.0% |
| 2025 | 2026 | $13,906,330,598 | ($952,128,506) | $12,954,202,092 | $11,339,917,460 | -6.8% | -0.1% | 7.2% |

The tax rate is calculated using partial hearings results ($831.1 million is still under review by the ARB) and an overall collection rate of 99.0% certified by the Tax Assessor-Collector. After adjustments are made for new construction ($193.0 million), freeze accounts ($1,359.1 million), Tax Increment Financing Zone value, of which Galveston now only has one ($173.0 million) and a few smaller adjustments, the following parameters have been established for the City of Galveston as a part of the total rate:

| | |
|---|---|
| Current Rate (2025) - | $0.408850 |
| No-New-Revenue Rate (2026) - | $0.408687 |
| Voter-Approval-Rate (2026) - | $0.448764 |
| Proposed Rate (2026) - | $0.408687 |
| Rate Increase (2026 less 2025) - | $0.000163 |

The chart on the next page is provided to document the relationship between the Taxable Value, the Proposed Tax Rate and the resulting Property Tax Revenue. Property Tax Revenue is distributed to the various city funds and external parties that have a statutory or contractual claim to a portion of the revenue collected.

UPDATED to reflect 8/6/25 Supplement 1

## CITY OF GALVESTON PROPERTY TAX LEVIES AND COLLECTIONS
## FISCAL YEARS 2022-2026 (TAX YEARS 2021-2025)

| Description | FY22 Actual | FY23 Actual | FY24 Actual | FY25 Amended Budget | FY25 Estimated | FY26 Proposed Budget |
|---|---|---|---|---|---|---|
| **Levy** | | | | | | |
| Total Taxable Value (Adjusted for Frozen Properties) | 7,577,100,434 | 8,979,797,424 | 10,585,450,413 | 11,215,044,521 | 11,168,905,962 | 11,215,044,521 |
| Total Tax Rate (per $100 Taxable Value) | 0.498500 | 0.444500 | 0.408850 | 0.408850 | 0.408850 | 0.408687 |
| General Fund Maintenance & Operation Tax Rate | 0.396000 | 0.342000 | 0.315784 | 0.318637 | 0.318637 | 0.318932 |
| Debt Service Fund Interest & Sinking Tax Rate | 0.052500 | 0.052500 | 0.043066 | 0.040213 | 0.040213 | 0.039755 |
| Rosenberg Library Maintenance & Operation Tax Rate | 0.050000 | 0.050000 | 0.050000 | 0.050000 | 0.050000 | 0.050000 |
| Total Levy ($millions) | 37,771,846 | 39,915,200 | 43,278,614 | 45,852,710 | 45,664,072 | 45,834,429 |
| Collection Rates - Galveston County Tax Assessor Collector | 99.52% | 99.84% | 99.39% | 99.52% | 99.00% | 99.00% |
| Expected Collection of Levy | 37,590,541 | 39,851,335 | 43,014,614 | 45,632,617 | 45,207,431 | 45,376,085 |

| Property Tax Revenue Splits | FY22 Actual | FY23 Actual | FY24 Actual | FY25 Amended Budget | FY25 Estimated | FY26 Proposed Budget |
|---|---|---|---|---|---|---|
| General Fund | 33,368,911 | 34,165,822 | 36,410,953 | 39,920,000 | 39,029,279 | 39,938,660 |
| TIRZ | (626,031) | (662,954) | (693,296) | (690,000) | (690,000) | (707,500) |
| MUD 30 | (452,994) | (453,244) | (452,876) | (469,400) | (469,400) | (455,180) |
| Debt Service Fund | 4,251,686 | 5,048,718 | 4,804,457 | 4,940,580 | 4,713,350 | 4,928,000 |
| Rosenberg Library | 4,048,694 | 4,808,347 | 5,570,724 | 6,155,320 | 6,155,320 | 6,187,650 |
| Total Collections (Including delinquent, penalty, interest) | 40,590,266 | 42,906,690 | 45,639,962 | 49,856,500 | 48,738,549 | 49,891,630 |
| | | | | | | |
| Revenue from Frozen Properties | 3,201,604 | 3,207,678 | 3,546,781 | 4,152,274 | 4,138,623 | 3,904,544 |
| Expected Collections of Levy + Revenue from Frozen | 40,792,144 | 43,059,013 | 46,561,395 | 49,784,891 | 49,346,054 | 49,280,629 |
| Percent Collection Actual Compared with Calculated Levy | -0.5% | -0.4% | -2.0% | 0.1% | -1.2% | 1.2% |

The Property Tax Revenue Levies and Collections table is useful in calculating total taxable value and revenue for the entire tax roll, resulting in the "Total Collections" line at the bottom of the page. The Levy section catalogs the Values and Tax Rates used to produce a tax levy amount each year for each of the three City funds – the General Fund, Debt Service Fund, and the Library Fund. The Property Tax Revenue Split calculates the resulting collections for each City fund (General, Debt and Library). Delinquent taxes are projected on a trend basis, as are penalties and interest. Both of these property tax revenues are included in the amounts projected for each fund.

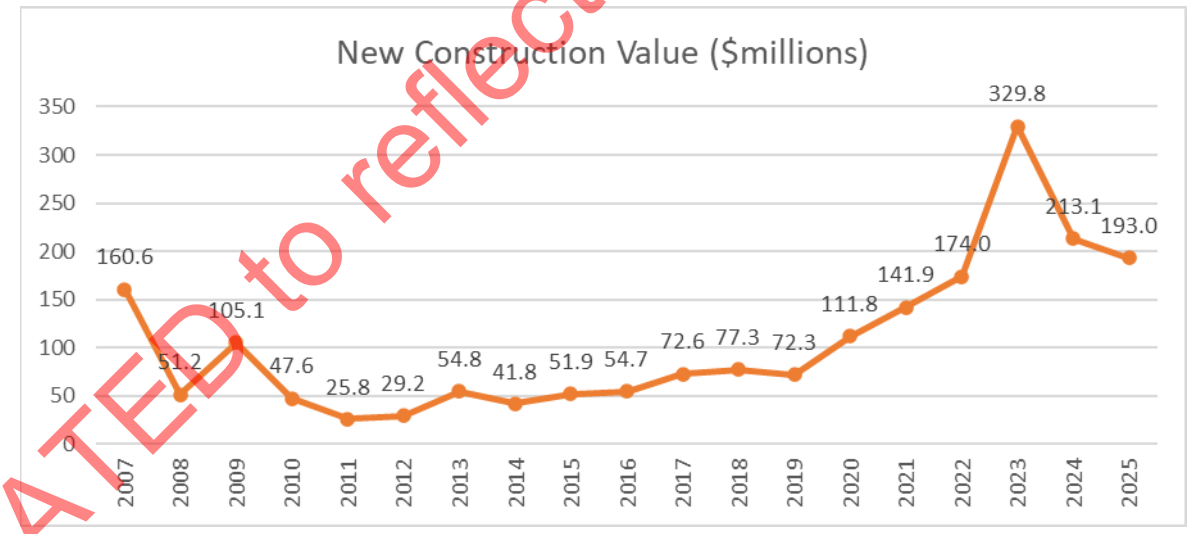
Estimated taxes lost to the tax freeze are projected to be $1,650.0 million as compared with $1,339.2 million in the current year. All taxpayers over 65 or who are disabled must be homestead owners first to qualify for the freeze. The $60,000 minimum exemption does further reduce property taxes for some owners of less expensive homes below the amount at which their taxes were frozen when they first qualified for the freeze.

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Homestead property owners also qualify for a ten percent cap on each year's increase in taxable value by GCAD. See the chart below.

| EFFECT OF TAXABLE VALUE CAP PLUS EXEMPTION FOR HOMESTEAD OWNERS | | | | | | |
|---|---|---|---|---|---|---|
| Assessed Value (AV) Last Year | $200,000 | $300,000 | **TY2024** | $400,000 | $500,000 | $600,000 |
| Less Homestead Exemption | $60,000 | $60,000 | **Average TV** | $80,000 | $100,000 | $120,000 |
| Taxable Value (TV) | $140,000 | $240,000 | $277,788 | $320,000 | $400,000 | $480,000 |
| Last Year's Tax Rate/$100 TV | $0.408850 | $0.408850 | $0.408850 | $0.408850 | $0.408850 | $0.408850 |
| Last Year's Tax Total | $572 | $981 | $1,136 | $1,308 | $1,635 | $1,962 |
| | | | | | | |
| AV with 10% Increase This Year | $220,000 | $330,000 | **TY2025** | $440,000 | $550,000 | $660,000 |
| Less Homestead Exemption | $60,000 | $66,000 | **Average TV** | $88,000 | $110,000 | $132,000 |
| Taxable Value (TV) | $160,000 | $264,000 | $295,733 | $352,000 | $440,000 | $528,000 |
| This Year's Tax Rate/$100 TV | $0.408687 | $0.408687 | $0.408687 | $0.408687 | $0.408687 | $0.408687 |
| This Year's Tax Total | $654 | $1,079 | $1,209 | $1,439 | $1,798 | $2,158 |
| | | | | | | |
| **Change in Annual Tax** | **$82** | **$98** | **$73** | **$130** | **$163** | **$195** |

The Proposed tax rate of $0.408687 per $100 of taxable value is decrease (-$0.000163) as compared to last year's rate of $0.408850. This rate is equal to the No New Revenue rate within the parameters established in the State Tax Code and the City Charter. The State Tax Code mandated rate calculation works to ensure that the overall revenue collected by the city does not increase more than 3.5% per year.




New construction is not counted as a part of the allowable 3.5% growth rate for tax revenue under State law and provides a steady source of natural growth in this regard. But the impact of new construction in Galveston is not as great as in growing cities. This year, it is 1.5 percent of the certified taxable value, and results in $788,931 in revenue increase that is shared with eighteen city departments, the City's bondholders, TIRZ 13, MUD 30, and the Rosenberg Library.

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A full one-fourth of sales tax revenue (0.5% of every purchase) goes to offset increases in taxable value, and our strong sales tax collections reduce the amount of the value taxed by reducing the rate. Appraised and taxable value of properties owned by resident homeowners over 65 increase annually but have no impact on tax revenue because their payments are capped. The growth in TIRZ value guarantees an amount of existing taxes to pay off infrastructure that was built many years ago and is unavailable to be used for city services.

Some taxpayers will pay more this year than last year. This includes commercial property owners and owners of second homes or short-term rental properties. The State Tax Code provides for various exemptions offered to categories of homeowners. These exemptions help decrease the amount of taxes owed by approved exemption recipients.

**CITY OF GALVESTON**

**PROPERTY TAX EXEMPTIONS FOR TAX YEAR 2025 AND FISCAL YEAR 2026**

| Description | Tax Exemption Basis | Tax Exemption Description | Number of Exemptions from Tax Year 2025 Certified Roll | Value Exempted from Tax Year 2025 Certified Roll | Estimated AverageTax Break per Exemption |
|---|---|---|---|---|---|
| Homestead | Minimum of $60,000 of Assessed Value | COG minimum amount can be increased. | 9,812 | $815,681,855 | $340 |
| Over 65 Exemption | $15,000 off Assessed Value | COG at minimum; can be increased | 5,327 | $78,271,318 | $60 |
| Disabled Exemption | $10,000 off Assessed Value | COG at minimum; can be increased | 460 | $4,196,734 | $37 |
| Veteran's Exemption | $5,000 (10%-30%), $7,500 (30%-50%), $10,000 (50%-70%), or $12,000 (70% and over) off Assessed Value based on Disability Rating percentages noted above | COG at what's allowed by State law; no local option to increase exempted amounts | 389 | $58,390,788 | $613 |
| Veteran's Survivors Exemption | 100% Exempt | State Mandated | 26 | $4,938,737 | $776 |
| Over 65 Freeze | N/A | Taxes paid frozen at amount paid at age 65 | 4,806 | $305,737,343 | $260 |
| Disabled Freeze | N/A | Taxes paid frozen at amount paid once disabled | 450 | $23,627,718 | $215 |
| | | | **21,270** | **$1,290,844,492** | |

UPDATED to reflect 8/8/25 Supplement 1

Early in FY 2022, the Rosenberg Library and the City reached an agreement memorialized in an amendment to their Memorandum of Understanding which ensured that the Library would receive the same increase in overall tax revenue as the City. The MOU provided for an annual true-up that would ensure that actual and planned revenue results would bear out this principle in a sense of fairness to both entities. The effect of this provision in this budget is shown below.

**ROSENBERG LIBRARY CITY SUPPORT ($000)**

| | City Support per MOU | Charter Required | Library Contribution |
|---|---|---|---|
| FY 21 Actual | $3,441.9 | $3,441.9 | $0.0 |
| FY22 Actual Growth | 4.87% | 17.63% | |
| FY22 Actual Revenue Increase | $167.6 | $606.8 | |
| FY22 Actual | $3,609.5 | $4,048.7 | $439.2 |
| FY23 Actual Growth | 7.90% | 18.76% | |
| FY23 Actual Revenue Increase | $285.2 | $759.7 | |
| FY23 Actual | $3,894.7 | $4,808.3 | $913.7 |
| FY24 Actual Growth | 8.50% | 17.64% | |
| FY24 Actual Revenue Increase | $331.0 | $848.0 | |
| FY24 Actual | $4,225.7 | $5,656.3 | $1,430.6 |
| FY25 Estimated Growth | 6.09% | 3.64% | |
| FY25 Estimated Revenue Increase | $257.3 | $205.6 | |
| FY25 Estimated | $4,483.0 | $5,861.9 | $1,378.9 |
| FY26 Estimated Growth | 1.31% | 5.56% | |
| FY26 Estimated Revenue Increase | $58.7 | $325.7 | |
| FY26 Estimated | $4,541.8 | $6,187.7 | $1,645.9 |

The Library contribution in the table is budgeted as “Other Revenue” and is reported in the General Fund as such. The City Support for the Library shown in the column entitled “City Support per MOU” is reported in the Rosenberg Library Special Revenue Fund. In FY 2025, the City and Library property tax revenue shares are estimated to have increased 6.09 percent over FY 2024. Likewise, both agencies will receive a 1.31 percent increase in FY 2026 according to the Local Government Code, Section 102.007 calculation.

**Water and Wastewater Charges**

Water and wastewater (sewer) customer charges are expected to total $47.8 million in FY 2025 and decrease to $47.7 million in FY 2026. The relatively flat year over year experience includes the sewer rate increase proposed in 2025. Additionally, further rate sufficiency reviews will be conducted in the second half of FY 2026 to coincide with the projects included in the Water and Sewer Masterplan. The city’s water rates are based on a tiered structure that assigns higher rates for non-residential and sprinkler systems, thereby protecting residential and lower consumption users.

UPDATED to reflect 8/6/25 Supplement 1

**WATER REVENUE THROUGH JUNE 2025**
**BASED ON MONTH OF CONSUMPTION**

| PERIOD | Consumption Month | FY21 | FY22 | FY23 | FY24 | FY25 | FY25 Over/(Under) FY24 for Month | Monthly Budget FY 2025 | FY25 Projected Using Historical Trends |
|---|---|---|---|---|---|---|---|---|---|
| 1 | October | 2,013,923 | 1,838,157 | 2,250,460 | 2,371,352 | 1,935,197 | -18.4% | 2,097,900 | 22,818,200 |
| 2 | November | 1,881,610 | 1,729,755 | 1,838,594 | 2,002,588 | 2,196,935 | 9.7% | 1,911,800 | 25,492,000 |
| 3 | December | 1,649,955 | 1,602,631 | 1,754,640 | 1,722,733 | 1,923,995 | 11.7% | 1,777,600 | 25,886,200 |
| 4 | January | 1,576,750 | 1,651,189 | 1,661,385 | 1,623,616 | 1,708,153 | 5.2% | 1,728,000 | 25,556,400 |
| 5 | February | 1,359,931 | 1,498,363 | 1,482,205 | 1,543,121 | 1,610,745 | 4.4% | 1,637,400 | 25,337,900 |
| 6 | March | 1,570,104 | 1,621,786 | 1,613,507 | 1,536,899 | 1,462,703 | -4.8% | 1,775,200 | 24,533,000 |
| 7 | April | 1,717,990 | 1,857,832 | 1,754,214 | 1,784,654 | 1,715,179 | -3.9% | 1,989,500 | 24,038,900 |
| 8 | May | 1,887,489 | 1,975,629 | 1,808,986 | 1,924,922 | 1,922,891 | -0.1% | 2,128,600 | 23,799,600 |
| 9 | June | 2,054,545 | 2,356,092 | 2,027,483 | 2,055,705 | 2,000,816 | -2.7% | 2,394,800 | 23,369,500 |
| 10 | July | 2,079,022 | 2,655,834 | 2,603,447 | 2,301,897 | | | | |
| 11 | August | 2,191,444 | 2,564,393 | 2,741,754 | 2,193,219 | | | | |
| 12 | September | 2,036,038 | 1,963,688 | 2,716,777 | 2,136,398 | | | | |
| | **FY TOTALS** | **22,018,801** | **23,315,349** | **24,253,453** | **23,197,104** | | | **24,737,000** | |

**WASTEWATER REVENUE THROUGH JUNE 2025**
**BASED ON MONTH OF CONSUMPTION**

| PERIOD | Consumption Month | FY21 | FY22 | FY23 | FY24 | FY25 | FY25 Over/(Under) FY24 for Month | Monthly Budget FY 2025 | FY25 Projected Using Historical Trends |
|---|---|---|---|---|---|---|---|---|---|
| 1 | October | 1,272,006 | 1,241,494 | 1,370,212 | 1,414,879 | 1,348,523 | -4.7% | 1,712,800 | 16,266,000 |
| 2 | November | 1,195,763 | 1,175,561 | 1,221,749 | 1,322,862 | 1,826,253 | 38.1% | 1,594,800 | 19,831,000 |
| 3 | December | 1,145,725 | 1,118,657 | 1,270,410 | 1,210,324 | 1,672,303 | 38.2% | 1,553,400 | 20,601,000 |
| 4 | January | 1,158,620 | 1,155,845 | 1,272,354 | 1,216,040 | 1,593,625 | 31.1% | 1,546,600 | 20,767,000 |
| 5 | February | 1,042,438 | 1,086,463 | 1,143,001 | 1,238,017 | 1,615,376 | 30.5% | 1,462,900 | 21,147,000 |
| 6 | March | 1,170,636 | 1,156,574 | 1,218,211 | 1,193,570 | 1,502,739 | 25.9% | 1,557,300 | 20,947,000 |
| 7 | April | 1,206,566 | 1,257,814 | 1,258,593 | 1,299,224 | 1,631,144 | 25.5% | 1,630,200 | 20,907,000 |
| 8 | May | 1,305,775 | 1,292,824 | 1,254,523 | 1,360,043 | 1,760,875 | 29.5% | 1,785,600 | 20,832,000 |
| 9 | June | 1,368,329 | 1,450,135 | 1,354,979 | 1,396,479 | 1,843,592 | 32.0% | 1,885,000 | 20,752,000 |
| 10 | July | 1,431,605 | 1,552,222 | 1,585,831 | 1,550,081 | | | | |
| 11 | August | 1,453,425 | 1,556,395 | 1,593,260 | 1,513,131 | | | | |
| 12 | September | 1,326,408 | 1,320,408 | 1,559,927 | 1,405,071 | | | | |
| | **FY TOTALS** | **15,077,295** | **15,364,391** | **16,103,049** | **16,119,720** | | | **20,660,000** | |

The FY 2026 Budget for metered water revenue is $24.7 million and correlated wastewater revenue is $21.0 million for a total of $45.7 million in the Combined Utility System fund. Other system revenue adds an additional $2.0 million, bringing the FY 2026 Revenue Budget total to $47.7 million.

### Hotel Occupancy Tax

For over twenty years, the City of Galveston has levied a nine percent Hotel Occupancy Tax (HOT) on rentals of short-term hotel, condo, and single-family structure space occupied for less than 28 days. The State of Texas also levies a six percent tax on such rentals, returning two percent to the City of Galveston. HOT revenues are allocated to activities that support and further tourism in the City as shown below.

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| Purpose/City Fund Name | HOT Local Allocation (Nine Pennies) | State HOT Allocation (Two Pennies) | Totals |
|---|---|---|---|
| | | | |
| Beach Cleaning/Maintenance | 0.500 | | 0.500 |
| State HOT Beach Cleaning/Maint | | 0.760 | 0.760 |
| Subtotal Beach Cleaning/Maint | 0.500 | 0.760 | 1.260 |
| | | | |
| Beach Patrol | 0.500 | | 0.500 |
| State HOT - Beach Patrol | | 0.670 | 0.670 |
| Subtotal Beach Patrol | 0.500 | 0.670 | 1.170 |
| | | | |
| State HOT - Beach Renourishment | | 0.570 | 0.570 |
| Advertising/Tourism (CVB) | 3.000 | | 3.000 |
| Arts (Cultural Events) | 0.750 | | 0.750 |
| Convention Center Operations | 0.125 | | 0.125 |
| Debt Service (Local HOT) | 2.000 | | 2.000 |
| Venue HOT (Brimer Bill) - Debt Service | 2.000 | | 2.000 |
| | | | |
| | 8.875 | 2.000 | 10.875 |
| Arts (Historical Preservation) | 0.125 | | 0.125 |
| Local Tax | 9.000 | | 2.000 |
| State Tax | | 2.000 | 10.875 |
| Total Tax | 9.000 | 2.000 | 11.000 |

Beginning in FY 2015, the Park Board was delegated the responsibility for collection of HOT revenues from island hoteliers and STR owners. At that time, STRs inside the City numbered around 700. Partly as a result of the COVID pandemic, the STR industry began to boom nationally, affecting Galveston in a profound way. The number of STRs registered with the Park Board at that time was 2,500 but the actual number was thought to be significantly more.

In response to the growth in STRs, the City Council passed an ordinance in 2021 requiring all STR owners to register with the Park Board and to collect local and State HOT tax. The response to this ordinance requirement was overwhelming, generating a ninety percent jump in HOT collections from the FY 2019, pre-pandemic level. Today, HOT revenue is identified as being generated evenly between STRs and hotels, marking a significant point in the level of compliance with the HOT ordinance and State law.

The City has reviewed its ordinance requirements for STRs, including those that speak to City codes that need to be followed by STR owners. These codes are being evaluated to ensure that neighborhoods retain their residential quality. Consequently, technological support for collections and tracking unregistered STRs has been upgraded by the Park Board with concurrence from the City Council and the registration fee has been raised to fund these oversight activities.

The City also reviewed State law as it pertains to taxes levied by a municipality and determined that the manner in which the Park Board is collecting all Local HOT and retaining unspent HOT proceeds was out of compliance with State law. In December of 2022, City Council passed an ordinance that required the City to begin retaining unspent HOT tax revenues and subsequently reimbursing the Park Board for its spending on HOT eligible activities. The City collected approximately $14.2 million from the Park Board while leaving its reserves equivalent to 120 days of operation. The City then began to report and budget for all HOT collections to comply with its own financial

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reporting and budgeting policies and procedures. This included cash deposit of HOT revenue received by the Park Board in the City's bank account, investment of all HOT proceeds in the City's pooled investments portfolio, and budgets to guide the payments made to the Park Board. This included the $14.2 million amount reported as a part of FY 2023 HOT revenue.

During FY 2025 City Council made the decision to return both HOT Collections and STR registrations to the City's management. Beginning October 1, 2025, the City will manage the collection of both of these revenue streams. The projections for FY 2026 HOT revenue is based on an estimate of $3.21 million for each percent or penny of HOT tax received by the City. All HOT proceeds are tracked in special revenue funds as required by GAAP and GASB to ensure compliance with the allocations mapped out in the chart on the previous page.

**Sales Tax**

Sales Tax is now the fifth largest city revenue source and is highly sensitive to regional and local economic trends. Estimates are derived through trend analysis that goes back to FY 1992. The City's total two percent tax includes three components. The basic city sales tax is one percent. A second component is a half percent tax for property tax reduction purposes. The third component goes to the Industrial Development Corporation for purposes of economic development defined by the voters in 2009. The revenue received from the State Comptroller's office includes the full two percent and the estimates provided here reflect the full two percent and General Fund's share of the total. The IDC portion is equal to one-third of the General Fund's total sales tax and the General Fund estimates provided can be considered as the baseline for calculating the IDC revenue.

Two collection peculiarities are important in understanding the sales tax. First, taxes are received on a 40-day delay. They are collected by merchants one month, paid into the State Comptroller the next month, and forwarded to the City the second week of the month after that. Year-to-date revenue received by the City through July includes May sales. Second, the City collects the combined 8.25 percent in sales taxes on its garbage service and parking fees as required by State sales tax law. The City reports the total sales tax collected directly by the City, and then remits the 6.25 percent State portion collected locally to the State. The City is allowed to retain the local two percent share for efficiency after including it in its report.

**CITY OF GALVESTON SALES TAX SUMMARY**

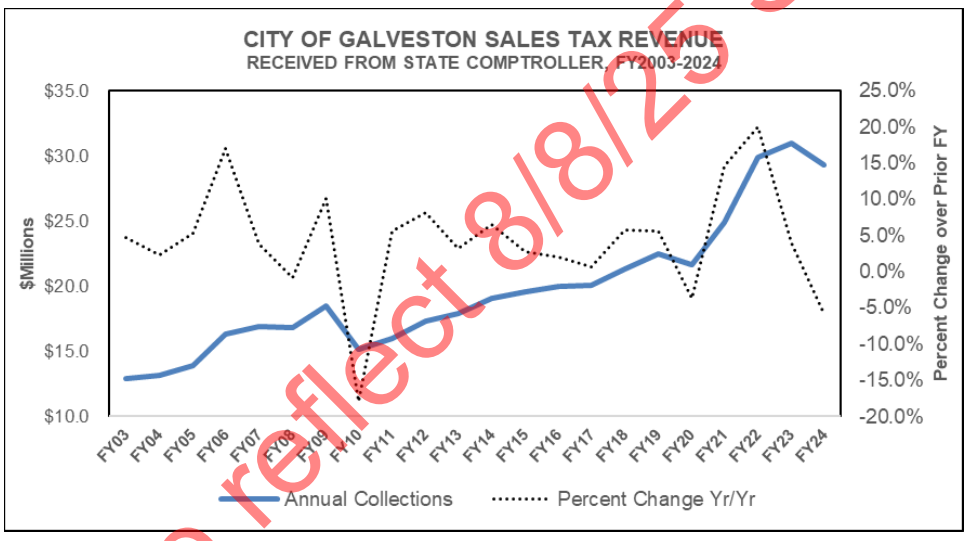
| MONTH TAX COLLECTED BY RETAILER | 2021 (Full 2% Receipts) | 2022 (Full 2% Receipts) | 2023 (Full 2% Receipts) | 2024 (Full 2% Receipts) | 2025 (Full 2% Receipts) | Pct Over Same Mo FY24 | General Fund Share (75% of Total Receipts |
|---|---|---|---|---|---|---|---|
| October | 1,732,066 | 2,052,653 | 2,180,414 | 2,194,158 | 2,332,312 | 6.30% | 1,749,234 |
| November | 1,637,150 | 2,122,601 | 2,030,876 | 2,203,123 | 2,326,891 | 5.62% | 1,745,168 |
| December | 1,989,863 | 2,689,692 | 2,968,504 | 2,506,476 | 3,046,498 | 21.55% | 2,284,873 |
| January | 1,501,096 | 2,003,827 | 2,202,323 | 1,948,643 | 1,947,825 | -0.04% | 1,460,868 |
| February | 1,346,457 | 1,901,787 | 2,197,194 | 2,144,467 | 2,001,589 | -6.66% | 1,501,192 |
| March | 2,534,437 | 2,816,085 | 2,827,344 | 2,617,445 | 2,954,326 | 12.87% | 2,215,744 |
| April | 2,074,311 | 2,290,140 | 2,268,442 | 2,289,894 | 2,462,549 | 7.54% | 1,846,912 |
| May | 2,024,717 | 2,472,076 | 2,542,937 | 2,488,575 | 2,747,427 | 10.40% | 2,060,571 |
| June | 2,771,117 | 3,252,058 | 3,164,571 | 3,186,540 | 3,374,038 | 5.88% | 2,530,528 |
| July | 2,662,669 | 3,101,614 | 3,236,550 | 2,634,519 | | | 0 |
| August | 2,163,118 | 2,504,090 | 2,757,073 | 2,515,642 | | | 0 |
| September | 2,424,694 | 2,645,322 | 2,666,644 | 2,521,722 | | | 0 |
| | 24,861,695 | 29,851,945 | 31,042,872 | 29,251,203 | 23,193,455 | | 17,395,091 |

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The pandemic had an impact on sales tax revenue in FY 2020 as total sales tax dropped 3.7 percent from the prior year. However, the sales tax had a three-year-long resurgence for the FY 2021-2023 period. The combined effect of the national and local recovery, pent up demand for entertainment and tourism, as well as the numerous government stimulus programs put in place through March of 2022, are responsible for the three-year experience. Sales Tax growth slowed significantly in FY 2025 but has seen a slight increase again in FY 2026.

Year-to-date sales tax revenue has been 5.5 percent ahead of budget. If the last four months of FY 2025 sales tax adhere to historical patterns, the General Fund total for FY 2025 will be $23.6 million. This year-end projection is $675,000 ahead of the budgeted revenue for FY 2025, positively impacting year-end estimates for fund balance. The FY 2026 Budgeted amount for General Fund is $23.8 million in anticipation of a 1 percent increase over what is believed to be a new steady revenue growth level.

The sales tax model developed by the City projects Sales Tax revenue using historic data and economic trend data. Revenue trends combined with local, regional and national economic indicators are analyzed on a quarterly basis. Economic and local factors are used to project sales tax for future periods.




**City Service Fees**

Fees charged by the City for services comprise the fifth largest category of city revenue that is estimated to provide $19.9 million in FY 2026. This category includes revenue from new long-term parking fees approved in late FY 2023. These fees are estimated to bring $2.5 million in FY 2026. Also, a passenger movement fee for cruise ships is estimated to bring in $950,000 in FY 2026.

City service fees include a variety of fees charged by the City for users of specific services including:

1. Monthly sanitation and drainage fees billed and collected through each water bill;
2. Building permits and business licenses deposited in the General Fund;
3. Airport rentals and services for aviation clientele;
4. Water and sewer special service charges, including connection fees, liquid waste haulers and late payment penalties; and
5. Dedicated fees deposited and budgeted in Special Revenue funds, including downtown parking fees, alarm permits, and pool fees.

UPDATED to reflect 8/8/25 Supplement 1

**Franchise and Other Taxes**

This next largest category of revenues includes electricity, telephone, cable television, natural gas, solid waste hauler franchise tax revenues as well as the mixed beverage tax. Revenue in this category is estimated to remain relatively flat comparable to FY 2025 levels with only a $34,000 increase projected. The 2019 Texas legislative session exempted companies like Comcast and AT&T from paying franchise fees on the lesser of their services, including cable television or telecommunications. This has restricted any revenue growth in this category.

**Grants**

This budgeted revenue category is predominantly comprised of transit system grants being provided for the City's Island Transit system. Like other public transit systems in smaller cities, the Island Transit system has been primarily supported with grant revenue throughout its history.

**Other Revenue and Sources**

This category includes payments in lieu of taxes from the Port ($157,500), and the Housing Authority ($75,000). Also included is the payment from the Rosenberg Library to net out their property tax growth to be equal to that of the City and it is anticipated to be $1.65 million in FY 2026.

**Court Fines**

Court fines include Class "C" misdemeanor fines and fees paid through the City's Municipal Court operation. Also included are parking fines collected for infractions that are ticketed across the city. The City retains approximately 70 percent of court fines collected, paying the balance over to the State of Texas. This category is budgeted at $1.6 million in FY 2026, the same as last year's projected amount.

**Investment Earnings**

The City's operating and capital fund cash is invested in pools governed by an investment policy approved by City Council. Investment earnings have been sustained at relatively high levels in FY 2025 as the direct result of the prime lending rate determined by the Federal Reserve Board. The Federal Reserve Board has mostly sustained rates to combat inflation during the past year and FY 2025 actual interest income exceeds the budgeted amount. FY 2026 is expected to see a year-over-year decrease in interest income due to projected decreases in the prime lending rate as early as September 2025.

UPDATED to reflect 8/8/25 Supplement 1

## FY 2026 PROPOSED BUDGET
## CITYWIDE EXPENDITURE SUMMARY

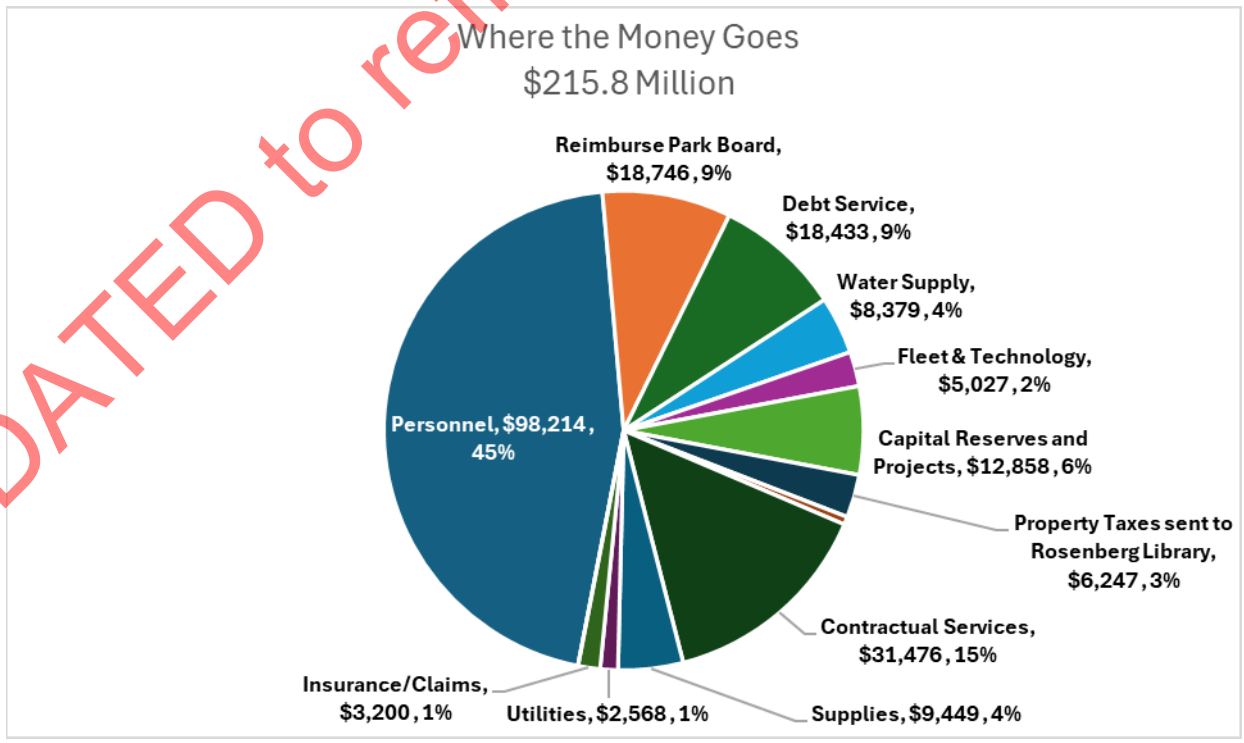
### Overview

The City Budget is structured to provide for revenue collected by and expended through each of a number of funds. This presentation is intended to present the city's operating expenditures as though there was only one fund. This is accomplished by leaving out budgeted transfers from one fund to another.

**CITYWIDE EXPENDITURES BY CATEGORY ($000's)**

| Cost Category | FY 2022 Actual | FY 2023 Actual | FY 2024 Actual | FY 2025 Budget | FY 2025 Estimated | FY 2026 Proposed | FY26 +/- FY254 Est | Pct Diff |
|---|---|---|---|---|---|---|---|---|
| Personnel | $73,036 | $82,684 | $88,028 | $94,902 | $91,267 | $98,214 | $6,947 | 7.6% |
| Reimburse Park Board | $0 | $14,883 | $18,233 | $19,800 | $19,001 | $18,746 | ($255) | -1.3% |
| Debt Service | $13,543 | $19,655 | $18,446 | $18,388 | $18,388 | $18,433 | $45 | 0.2% |
| Water Supply | $7,644 | $7,470 | $8,016 | $8,356 | $8,340 | $8,379 | $38 | 0.5% |
| Fleet & Technology | $6,407 | $7,575 | $5,163 | $6,728 | $5,368 | $5,027 | ($341) | -6.4% |
| Capital Reserves and Projects | $6 | ($0) | $6,557 | $11,243 | $2,154 | $12,858 | $10,704 | 496.9% |
| Property Taxes sent to Rosenberg Library | $4,049 | $4,808 | $5,571 | $6,155 | $6,165 | $6,247 | $82 | 1.3% |
| Property Taxes paid to TIRZ 13 and MUD 30 | $1,081 | $1,116 | $1,146 | $1,159 | $1,159 | $1,163 | $3 | 0.3% |
| Contractual Services | $14,742 | $26,809 | $27,746 | $30,371 | $29,903 | $31,476 | $1,573 | 5.3% |
| Supplies | $7,107 | $9,563 | $8,871 | $8,881 | $7,788 | $9,449 | $1,662 | 21.3% |
| Utilities | $2,628 | $2,768 | $2,580 | $2,624 | $2,498 | $2,568 | $70 | 2.8% |
| Insurance/Claims | $2,349 | $2,467 | $2,750 | $2,948 | $2,932 | $3,200 | $268 | 9.1% |
| Settlements | $0 | $0 | $9 | $0 | $80 | $0 | ($80) | 0.0% |
| **Total Expenses** | **$132,592** | **$179,799** | **$193,117** | **$211,557** | **$195,043** | **$215,760** | **$20,717** | **10.6%** |

A close review of this table and the Citywide Revenue chart reveals a difference of approximately $25.8 million more expense than revenue in FY 2026. The difference is comprised of $34.7 million in carryover balances from Special Funds that are proposed for spending in FY 2026. The majority of the balance of special funds is typically budgeted as some form of capital reserve so it is available during the year.




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**Personnel Cost**

Personnel cost is almost half of the FY 2026 Budget and our highest priority. Personnel costs are budgeted at a level $6.9 million higher than our FY 2025 Estimate for personnel spending. Police and Fire Civil Service employees are receiving market-based adjustments agreed to through the collective bargaining process. This budget does not provide for any cost of living increases for civilian staff.

The FY 2026 Budget includes a total of 925 positions, twelve positions more than in FY 2025. Position increases are primarily in the Special Revenue and related to the City reverting Dellanera, Seawolf, and Seawall Urban Park operations to the City.

**Debt Service**

In FY 2022 the City issued Water and Sewer Certificates of Obligation with $65 million available for water and wastewater projects. This issuance added $4 million in annual debt service payments to the City budget. This and a CO sale conducted in 2022 for solid waste hauling and park development brought annual debt service to $19.3 million. This remains relatively flat in FY 2026 and it results in a total annual debt service obligation making up approximately 9.0% percent of the city-wide budget.

The FY 2026 Budget provides for payment of $10.8 million in principal and $8.5 million in interest on outstanding bonds from all funding sources. (See the Debt Service Fund for complete information on the City's outstanding long-term debt that is required to be included in the Budget by State law.)

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**CITY OF GALVESTON BUDGETED POSITIONS**

**FY 2022 - FY 2026**

| FUND/DEPARTMENT | 2022 Budgeted | 2023 Budgeted | 2024 Budgeted | 2025 Budgeted | 2026 Budgeted | FY26 vs FY25 |
|---|---|---|---|---|---|---|
| **General Fund** | | | | | | |
| City Secretary | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 0.00 |
| Municipal Court | 9.00 | 9.00 | 9.00 | 9.00 | 9.00 | 0.00 |
| City Manager | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 | 0.00 |
| City Auditor | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 | 0.00 |
| City Attorney | 6.00 | 6.00 | 6.00 | 6.00 | 6.00 | 0.00 |
| Human resources | 5.30 | 5.20 | 5.20 | 5.20 | 5.20 | 0.00 |
| Finance | 18.00 | 19.00 | 17.00 | 20.00 | 19.00 | (1.00) |
| Police (Unclassified) | 42.00 | 42.50 | 41.50 | 40.50 | 38.50 | (2.00) |
| Police (Classified) | 168.00 | 168.00 | 168.00 | 168.00 | 168.00 | 0.00 |
| Fire (Unclassified) | 4.00 | 6.00 | 6.00 | 6.00 | 6.00 | 0.00 |
| Fire (Classified) | 116.00 | 116.00 | 116.00 | 116.00 | 116.00 | 0.00 |
| Emergency Management | 1.50 | 1.50 | 1.50 | 2.50 | 2.50 | 0.00 |
| City Marshal | 9.15 | 9.15 | 9.15 | 9.15 | 13.15 | 4.00 |
| Streets & Traffic | 56.60 | 56.84 | 56.84 | 57.84 | 56.90 | (0.94) |
| Parks and Recreation | 46.35 | 46.35 | 46.35 | 45.55 | 45.55 | 0.00 |
| Developmental Services | 14.00 | 15.00 | 18.00 | 18.00 | 18.00 | 0.00 |
| **Total General Fund** | **505.90** | **510.54** | **510.54** | **513.74** | **513.80** | **0.06** |
| Waterworks Fund | 51.81 | 51.69 | 54.19 | 54.74 | 54.31 | (0.43) |
| Sanitary Sewer System Fund | 89.81 | 89.69 | 92.24 | 94.74 | 94.81 | 0.07 |
| Drainage Utility* | 34.58 | 33.18 | 34.58 | 34.58 | 34.68 | 0.10 |
| Sanitation Fund* | 59.45 | 60.10 | 60.10 | 60.10 | 60.10 | 0.00 |
| Municipal Airport | 8.00 | 8.00 | 8.00 | 8.00 | 8.00 | 0.00 |
| **Total Enterprise Funds** | **243.65** | **242.66** | **249.11** | **252.16** | **251.90** | **(0.26)** |
| Central Service Fund | 28.75 | 30.75 | 33.75 | 34.75 | 33.75 | (1.00) |
| Central Garage Fund | 24.00 | 23.00 | 23.00 | 23.00 | 23.00 | 0.00 |
| Municipal Insurance Fund | 1.20 | 1.30 | 1.30 | 1.30 | 1.30 | (0.00) |
| CIP Project Management | 15.00 | 15.00 | 14.00 | 14.00 | 14.00 | 0.00 |
| **Total Internal Service Funds** | **68.95** | **70.05** | **72.05** | **73.05** | **72.05** | **(1.00)** |
| Island Transit | 50.00 | 44.00 | 44.00 | 46.00 | 46.00 | 0.00 |
| STR Regulation Fund | 0.00 | 0.00 | 0.00 | 0.00 | 4.00 | 4.00 |
| Parking Management | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 | 0.00 |
| Lasker Park Pool | 4.00 | 3.80 | 2.90 | 3.00 | 0.00 | (3.00) |
| Alarm Permit | 0.75 | 0.75 | 0.75 | 0.75 | 0.60 | (0.15) |
| Revenue Producing Parks | 0.40 | 1.20 | 2.10 | 1.70 | 21.00 | 19.30 |
| **Total Special Revenue Funds** | **60.15** | **54.75** | **54.75** | **56.45** | **76.60** | **20.15** |
| **Total All Budgeted positions** | **879.00** | **878.00** | **886.00** | **895.00** | **914.00** | **19.00** |
| **GRANT FUNDED POSITIONS** | | | | | | |
| **Recurring Grant Funded Positions** | **2022 Budgeted** | **2023 Budgeted** | **2024 Estimated** | **2025 Budgeted** | **2026 Budgeted** | **FY25 vs FY24** |
| CDBG - Code Enforcement | 2.80 | 3.10 | 3.10 | 3.10 | 3.10 | 0.00 |
| CDBG - Planning | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| CDBG - Program Management | 2.55 | 2.55 | 2.55 | 2.55 | 2.55 | 0.00 |
| CDBG - Housing Rehab Administration | 0.45 | 0.45 | 0.45 | 0.45 | 0.45 | 0.00 |
| Industrial Development Corporation (IDC) - City Mgr | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| IDC - Parks | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| IDC - Coastal Resources | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 0.00 |
| IDC - Economic Development Coordinator | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 0.00 |
| IDC - Technology Services | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 0.00 |
| Neighborhood - Project Management | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Moody Grant | 1.00 | 0.50 | 0.50 | 0.50 | 0.50 | 0.00 |
| **Total Recurring Grant Positions** | **10.80** | **10.60** | **10.60** | **10.60** | **10.60** | **0.00** |
| **TOTAL BUDGETED AND GRANT FUNDED POSITIONS** | **890.00** | **889.00** | **897.00** | **906.00** | **925.00** | **19.00** |

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**Water Supply**

The City of Galveston gets its potable water from the Gulf Coast Water Authority under a contract that covers operation of water purification facilities, maintenance of water supply and transmission lines, as well as water system projects that are constructed by GCWA and financed through the GCWA in the name of the City. The budget for the City's payments to GCWA are remaining flat year over year.

**Fleet and Technology**

The FY 2026 Budget includes $5.0 million for this category of need. Of this total, $2.1 million will be used for a new tower truck for the Fire Department. Large technology projects in FY 2026 include the ongoing replacement of the City's 30-year-old financial management system, the Police Department's resource management system, and an update of the Development Services software. Technology improvements are planned through the Technology Improvements Special Fund utilizing funds programmed but unspent in the Information Technology operating budget to address the city's high priority customer service and operational capabilities. This includes citywide network, enterprise software systems, and department systems critical to line operating departments.

**Capital Reserves and Projects**

Included in this category are funds set aside in the Infrastructure and Debt Service fund, and in special funds. These funds cannot be used for anything but legally limited purposes. If the funds are unspent at the end of each year, the remaining balance stays in the fund and rolls into the following year. The FY 2026 Budget of $12.9 million includes one hundred percent of these balances in the event that the City Council desires to fund improvements as provided by State and local law.

**Property Tax Revenue Passed Through to Others**

Property taxes collected by the City as a part of its proposed $0.408687 per $100 of taxable value include a total of $6,147,650 for the Rosenberg Library ($0.05 per $100 value). This is a 1.31 percent increase over the current year. In accordance with the MOU between the Library and the City, the Library contributes back a portion of their $0.05 revenue to limit revenue growth to mirror the City's at a 1.31 percent property tax revenue increase applied to the previous year's base amount. Tax Increment Reinvestment Zone 13 and MUD 30 are budgeted at a combined $1.2 million.

**Supplies**

The Supplies category is increasing by $1.7 million compared to FY 2025 level. This includes fuel and lubricants as well as concrete and aggregate. Cost for both the garage and technology with constrained to FY 2025 levels to achieve budget balance.

The box below containing selected expenditures is provided in compliance with section 140.0045 of the Local Government Code.

| Legislative Outreach Reporting | FY 2023 Actual | FY2024 Actual | FY2025 Amended | FY2025 Estimated | FY2026 Proposed |
|---|---|---|---|---|---|
| Legislative Outreach Reporting | $140,942 | $147,990 | $155,389 | $155,389 | $155,389 |
| Travel Expenses | $17,139 | $3,753 | $18,000 | $17,000 | $11,000 |
| Advertising | $55,765 | $82,700 | $78,200 | $78,000 | $78,200 |
| Total | $213,846 | $234,443 | $251,589 | $250,389 | $244,589 |

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TEXAS

# FY 2026 BUDGET
# FINANCIAL AND BUDGET POLICY OVERVIEW

**Overview**

The City of Galveston's budget and financial management is subject to several authoritative sources that govern the preparation, submission, review, adoption and administration of the Budget. The City Charter, Budget Ordinance, the State Budget Law and the State Property Tax Code comprise a significant body of financial and budgetary requirements, the most significant of which are summarized here.

**Budget Preparation Process and Criteria**

1. The City Manager is the city's budget officer (Chapter 102.001, Texas Local Government Code). The City Manager requires that information be provided by City officials, departments and boards for use in preparing the budget. (Chapter 102.004, Texas Local Government Code).
2. The proposed budget must include a complete financial statement of the municipality that includes outstanding obligations, cash on hand, all sources of anticipated revenue as well as all expenditures for the prior, current and future year (Chapter 102.005, Texas Local Government Code).
3. The proposed budget must include a one-year Capital Budget and a five-year Capital Improvement Plan with expenditure estimates for each project and a plan for their financing (City Charter, Article VII Section 6).
4. The General Fund must have a fund balance budgeted to equal at least ninety days of operating cost as of the end of the fiscal year (City Ordinance) with a goal of one hundred twenty days.
5. The General Fund budget must also include an annual transfer of up to eight percent as defined in the Charter to the Infrastructure and Debt Service Fund for purposes of funding projects at least $100,000 in amount (City Charter, Article VII Section 20).
6. The property tax rate has a finite cap of $0.70 per $100 of taxable value and it is also limited to an annual increase no greater than 5 percent. The tax rate calculation is also subject to the effect of the half cent sales tax that is dedicated to property tax reduction. In FY 2026, the sales tax adjustment is $0.068803. The FY 2026 rate cap is $0.429293 per $100 of taxable value in accordance with the Truth in Taxation calculation and City Charter requirements (City Charter, Article VIII, Section 2(1) and 2(b)).
7. No general obligation debt limitation is imposed on the City under current State law or the city's Home Rule Charter; however, State law and the City's Charter limit the City's ad valorem tax rate as described above (Tax Code, Chapter 26)

**Budget Submission and Review**

1. The Manager submits the proposed budget to the City Council at least forty-five days prior to the start of the fiscal year on October 1 (City Charter, Article VII Section 6).
2. The Council shall not approve a budget that is more than seven percent greater than the prior year's budget, excluding unspent funds already considered in a prior year (Article VII Section 19).
3. The Council shall call a public hearing on the budget to occur at least fifteen days after the budget is submitted and publicize the meeting with a newspaper advertisement that appears at least ten days before the date of the hearing (Chapter 102.005 and 102.0065, Texas Local Government Code).

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4. The front page of the budget and the newspaper advertisement publicizing the public hearing required for the budget will have language describing and explaining in specific terms how any increase in property taxes is allocated between increased appraisal values provided by the Galveston County Appraisal District and the added value of new construction (Chapter 102.0065 and 102.007, Texas Local Government Code).

**Budget Adoption**

1. The City Council shall adopt the budget no later than the second or last meeting in September or it will take effect in its then current proposed form (City Charter, Article VII Section 8).
2. The budget is proposed before the property tax rate is proposed by City Council to ensure that the tax levy is in accordance with the budget (Chapter 102.009, Texas Local Government Code).
3. Once proposed, the budget can be proposed with approval of the City Council to move funds from one department to another (City Charter, Article VII Section 9) to meet either general municipal purposes (Chapter 102.010, Texas Local Government Code) or unforeseen emergencies (Chapter 102.009, Texas Local Government Code).

**Budget Administration**

1. No funds shall be expended, nor any obligation be incurred unless funds are available in the budget (City Charter, Article VII, Section 9).
2. Any unencumbered balance of budgeted or appropriated funds reverts to and remains in the fund from which it is appropriated (City Charter, Article VII, Section 9).
3. Budgeted beginning operating and capital fund balances are replaced automatically by the actual ending fund balances reflected in the Comprehensive Annual Financial Report once they become known (Budget Ordinance Section 4).
4. The City Manager is authorized to approve budget transfers within each department and fund approved budget (Budget Ordinance Section 3(b)).
5. The Capital Budget is proposed only to recognize the addition or deletion or rescheduling of projects to a later year (Budget Ordinance Section 5(c)).
6. The Finance Director is authorized to close capital funds with balances less than $15,000 by charging expenses in accordance with legally restricted uses of funds and prior Council approval of the project charges in question (Budget Ordinance Section 5(f)).
7. Quarterly reports are filed to provide the financial and general status of all projects in the proposed capital budget (Budget Ordinance Section 5(b)).
8. Quarterly reports are also filed with City Council for all operating funds in conjunction with the aforementioned project status reports to project year ending revenue, expenditure, and balance amounts (Financial Policy).

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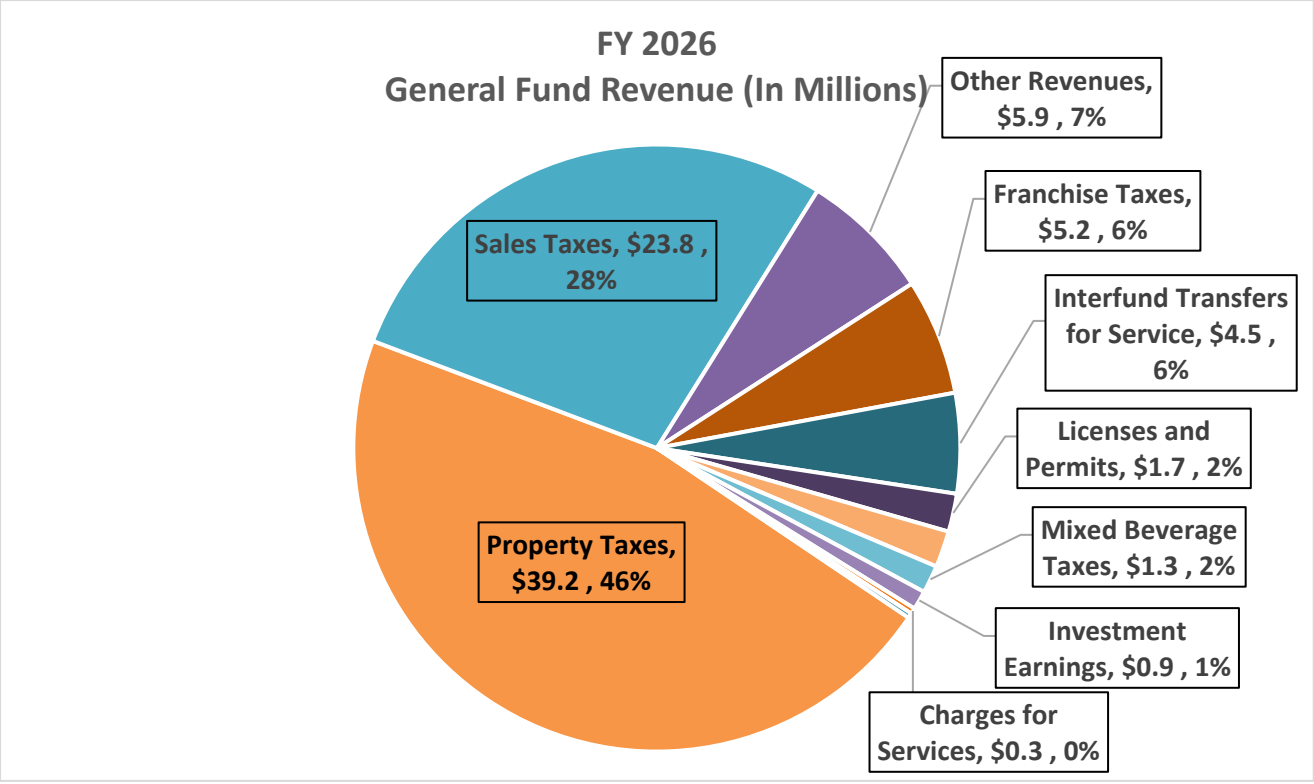
# GENERAL FUND

**FY 2026 PROPOSED BUDGET**
**GENERAL FUND SUMMARY**

**General Fund Revenue Overview**

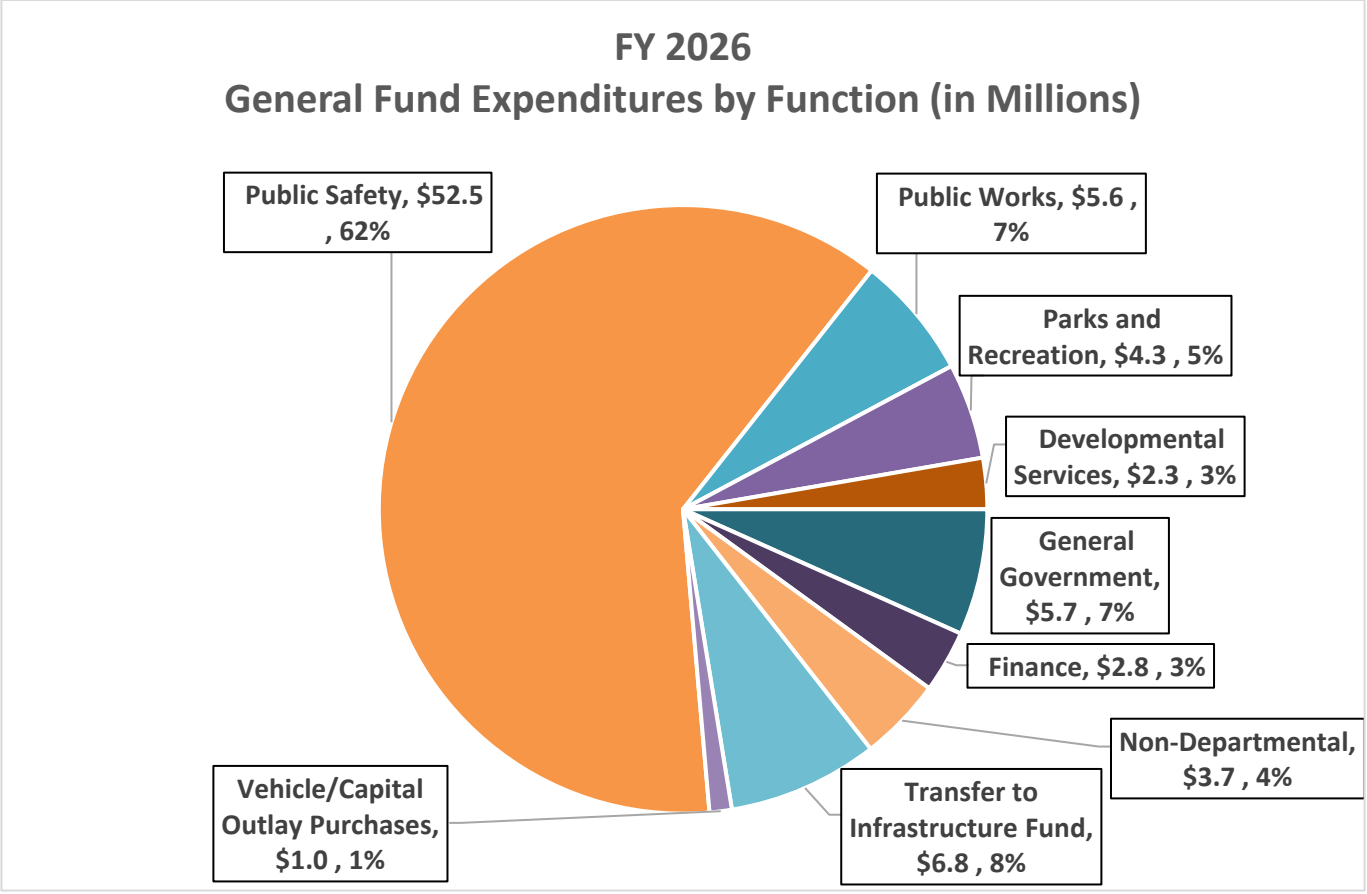
The General Fund is financed primarily with two of the City's major revenue resources, property and sales taxes. These revenues generate 74.4 percent of total revenue, $63.1 million in FY 2026. Property and Sales tax revenue are used to provide public safety services, street and traffic maintenance, and the major set aside for Infrastructure and Debt Service. The FY 2026 Proposed Budget includes $64.9 million for these important basic services. The remainder of the General Fund includes budgets for departments and services that are financed with a variety of fees and payments. This includes City parks, building permits and code enforcement, and city's central administrative departments' budgets.

The $8.5 million cost of the administrative departments is shared with the City's four enterprise funds as well as Special Revenue funds that pay a total of $3.6 million of the total cost. These payments are reflected in the revenue summary as Interfund Transfers for Service. Total General Fund Revenue is projected to be up by $299,310 over the FY 2025 final estimate. This increase is nominal compared to previous years due to a one-time land sale at the airport which inflated FY 2025 revenue. The largest increases include payments from fees from cruise ship passengers, Long Term Parking fees, property tax, and administrative fees contributing a combined $3.2 million in FY 2026. (For more on General Fund revenue, see the Citywide Revenue Summary in the Budget Summary section of the Budget and the detail at the end of this General Fund Summary section.)



**General Fund Expenditures**

Just as General Fund revenue is dominated by property and sales tax revenue, General Fund expenditures are dominated by public safety costs. The chart below shows that the FY 2026 Proposed Budget includes $52.5 million for public safety including $28.0 million for the Police Department and $17.7 million for the Fire Department. Most of the Police and Fire increases are due to compensation changes related to the collective bargaining agreements.




**Changes in Expenditures**

Major changes in FY 2026 expenditures are categorized in the following chart. Each department summary provides "Highlights" that capture these and many smaller changes from the FY 2025 Estimate to the FY 2026 Budget amounts. The majority of the increases in expenditures are related to public safety services totally $1.6 million or 51.7 percent. Health insurance is budgeted to increase 10 percent year over year due to trends in utilization and health care and pharmaceutical costs. Separation costs are projected to increase related to payout of accrued benefits in FY 2026 with 11.7 percent of city-wide employees being over the age of 60 and 6.6 percent being 65 or older in 2026. As required by City Charter, the transfer to the Infrastructure and Debt Service Fund increases with any increases to total revenue in the General Fund.

**MAJOR GENERAL FUND BUDGET CHANGES**
**FY 2026 BUDGET vs FY 2025 ESTIMATE**

| Category | $000s | Note |
|---|---|---|
| Police & Fire CBA, Pension | $ 1,161.7 | CBA Agreements & related pension impacts |
| Health Insurance | $ 692.8 | 10% increase system-wide |
| Contribution to Separation Pay Fund | $ 550.0 | Increase based on anticipated retirements |
| EMS Contract | $ 332.5 | Operational increases at GAAA |
| Tranfer to Infrastructure & Debt Fund | $ 247.8 | Increase based on 8% of total revenue |
| Animal Control Positions | $ 115.7 | New positions added to maintain service levels |
| Net of various other changes across Departments | $ 8.1 | |
| **Total Change** | **$ 3,108.6** | |

**General Fund 90-Day Reserve Requirement**

By city ordinance, the General Fund must retain an ending balance equal to ninety days of operating expenditures. The FY 2026 Proposed General Fund Budget includes an ending fund balance of $25.4 million which is 109 days of operating expenditures at the rate of $232,086 per day. Throughout the FY 2017-2026 period, the City has maintained compliance with this important policy requirement. This has allowed the City to accomplish and resolve some long-standing issues including pension funding as discussed below.

**Pension Funding**

In FY 2017, the City received $2.2 million as its share of cash on hand when TIRZ 15 was closed. At the City Manager's recommendation and with full City Council approval, this sum was set aside in a Pension Reform Special Fund. This special fund was then utilized to come to an agreement with the firefighters on changes that increased City and plan member contributions. This was a major step toward more financial health for the fire fighters pension fund. The City provided $1 million in cash from the Pension Reform Special Fund to help secure the agreement. That fund retains a $1 million balance today.

In 2019, the City and the police pension board secured state legislation that mandates funding steps that must be taken to ensure 100 percent funding of that plan by 2049. In FY 2023, the City and fire pension board agreed on a funding policy targeting a 30-year closed amortization period with the goals of adequate contributions, contribution stability, and intergenerational equity. This is now mandated by a new state law passed in the 2021 legislative session and will remain a priority of the legislature for the foreseeable future. In FY 2025, the City and Firefighters increased pension contributions to the fire pension to meet updated actuarial recommendations to achieve the 30-year closed amortization period.

## FY 2026 BUDGET
## GENERAL FUND REVENUE

**LINE ITEM DETAIL**

| | | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|---|
| 311100 | Real Property Taxes | 35,651,135 | 38,970,000 | 38,200,590 | 39,663,000 |
| 311107 | Real Property Taxes - Due to MUD 30 | (452,876) | (469,400) | (469,400) | (455,180) |
| 311110 | Delinquent Property Taxes | 276,333 | 500,000 | 378,689 | 275,000 |
| 311120 | Property Tax Penalties and Interest | 483,486 | 450,000 | 450,000 | 450,000 |
| 311280 | Tax Increment Payable to TIRZ 13 | (693,296) | (690,000) | (690,000) | (707,500) |
| | **PROPERTY TAXES SUBTOTAL** | **$35,264,782** | **$38,760,600** | **$37,869,879** | **$39,225,320** |
| 313020 | **Sales and Use Taxes** | **$22,075,488** | **$22,927,000** | **$23,600,000** | **$23,836,000** |
| 314040 | **Mixed Beverage Taxes** | **$1,175,555** | **$1,248,360** | **$1,248,360** | **$1,260,840** |
| 314050 | Bingo Tax | 73 | 60 | 63 | 60 |
| 318211 | Sightseeing Franchise | 3,822 | 3,000 | 3,892 | 3,800 |
| 318250 | Electricity Franchise | 3,048,728 | 3,048,540 | 3,049,250 | 3,048,540 |
| 318260 | Natural Gas Franchise | 456,080 | 375,000 | 454,842 | 450,000 |
| 318270 | Cable TV Franchise | 669,809 | 705,600 | 639,670 | 750,000 |
| 318280 | Telephone Franchise | 217,016 | 200,000 | 200,000 | 200,000 |
| 318295 | Other Franchise Fees | 4,755 | 3,660 | 2,405 | 3,660 |
| 318300 | Refuse Collection Franchise Fees | 92,438 | 100,000 | 137,226 | 135,000 |
| 318301 | Temporary Refuse Collection Franchise Fees | 692,343 | 500,000 | 731,800 | 650,000 |
| | **FRANCHISE AND OTHER TAXES SUBTOTAL** | **$5,185,065** | **$4,935,860** | **$5,219,211** | **$5,241,060** |
| | **TOTAL TAXES** | **$63,700,889** | **$67,871,820** | **$67,937,450** | **$69,563,220** |
| 321101 | Alcoholic Beverage Licenses | (24,141) | 12,600 | 6,680 | 6,680 |
| 321110 | Beer and Wine Licenses | (1,768) | 2,400 | 4,410 | 4,400 |
| 321120 | Late Hour Permits | 75 | 50 | 0 | 50 |
| 321210 | Cemetery Permits | 1,100 | 500 | 250 | 500 |
| 321310 | Fire Permits | 151,258 | 128,000 | 169,100 | 140,000 |
| 321650 | Plumbers' Licenses | 125 | 150 | 100 | 150 |
| 321690 | Hotel Inspection Fee | 1,500 | 1,500 | 2,500 | 1,500 |
| 321720 | Coin Operated Machine License | 1,185 | 7,600 | 9,930 | 7,600 |
| 321750 | Street Closure Permits | 75 | 0 | 0 | 0 |
| 321760 | Vending Permits | 25,290 | 30,000 | 5,000 | 30,000 |
| 322105 | Roofing Contractors' Registration Fees | 39,140 | 35,000 | 37,300 | 37,000 |
| 322110 | Building Permits | 971,314 | 935,000 | 1,134,080 | 1,037,000 |
| 322120 | Air Conditioning Permits | 48,766 | 55,000 | 84,920 | 55,000 |
| 322125 | Electrical Permits | 106,115 | 120,000 | 112,200 | 112,000 |
| 322130 | Plumbing Permits | 150,082 | 195,000 | 178,840 | 175,000 |
| 322150 | Site Inspections | 56,453 | 80,000 | 59,820 | 59,000 |
| 322170 | Sign Permits | 18,595 | 19,000 | 17,000 | 17,000 |
| 322210 | Parking Permits | 700 | 1,000 | 1,050 | 1,000 |
| 322310 | Taxi Cab Operators' Licenses | 19,825 | 18,000 | 13,930 | 14,000 |
| 322610 | Animal Permits | 1,025 | 1,000 | 600 | 1,000 |
| 322700 | Other Non-business Licenses | 24,950 | 22,000 | 28,350 | 22,000 |
| | **LICENSES AND PERMITS SUBTOTAL** | **$1,591,663** | **$1,663,800** | **$1,866,060** | **$1,720,880** |
| 341610 | Water Fund Administrative Services Fee | 983,000 | 983,000 | 983,000 | 1,032,000 |
| 339040 | Water System Payment in Lieu of Taxes | 300,000 | 300,000 | 300,000 | 300,000 |
| 341620 | Sanitary Sewer Fund Administrative Services Fee | 713,000 | 713,000 | 713,000 | 875,000 |
| 339050 | Sanitary Sewer System Payment in Lieu of Taxes | 300,000 | 300,000 | 300,000 | 300,000 |
| 341625 | Drainage Fund Administrative Services Fee | 142,000 | 142,000 | 142,000 | 146,000 |
| 341630 | Sanitation Fund Adminsitrative Services Fee | 293,000 | 293,000 | 293,000 | 447,000 |
| 339060 | Sanitation Fund Payment in Lieu of Taxes | 300,000 | 300,000 | 300,000 | 300,000 |

## FY 2026 BUDGET
## GENERAL FUND REVENUE

| LINE ITEM DETAIL | | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|---|
| 341635 | Special Revenue Parks Admistrative Fee | 10,950 | 10,520 | 10,520 | 190,140 |
| 341645 | Seawall Parking Admistrative Fee | 42,134 | 42,100 | 42,100 | 0 |
| 341XXX | HOT Collections Admin Fee | 0 | 0 | 0 | 625,400 |
| 341XXX | STR Regulation Administrative Fee | 0 | 0 | 0 | 46,000 |
| 341665 | Convention Center Administrative Service Fee | 133,800 | 133,800 | 133,800 | 180,210 |
| 341680 | Airport Administrative Services Fee | 43,000 | 48,000 | 48,000 | 61,000 |
| | **INTERFUND TRANSFERS FOR SERVICE SUBTOTAL** | **$3,260,884** | **$3,265,420** | **$3,265,420** | **$4,502,750** |
| 341110 | Court Cost Collection Fees | 41,556 | 40,000 | 41,490 | 41,500 |
| 341320 | Zoning Fees | 126,066 | 160,000 | 139,650 | 140,000 |
| 341695 | Mardi Gras Fees | 203,594 | 0 | 0 | 0 |
| 341340 | Certification Fees | 0 | 100 | 50 | 100 |
| 342120 | Police Offense Reports | 3,889 | 3,000 | 3,420 | 3,400 |
| 342125 | Golf Cart Registration | 78,640 | 85,000 | 67,210 | 70,000 |
| 347100 | Recreation Fees | 825 | 750 | 380 | 750 |
| 347300 | Rentals (Parks & Rec.) | 3,913 | 2,000 | 1,000 | 2,000 |
| 347325 | Rental Deposits | 0 | 2,500 | 1,250 | 2,500 |
| 347400 | Concessions | 1,000 | 1,200 | 600 | 1,200 |
| 348320 | Other Revenue | 0 | 2,000 | 2,400 | 2,000 |
| | **CHARGES FOR SERVICES SUBTOTAL** | **$459,483** | **$296,550** | **$257,450** | **$263,450** |
| 351110 | Parking Fines | 413,626 | 575,000 | 806,640 | 625,000 |
| 351130 | Class "C" Misdemeanors' Fines | 1,147,469 | 875,000 | 1,094,000 | 975,000 |
| 351150 | Arrest Fees/Local Court Fees | 27,073 | 25,000 | 26,320 | 26,000 |
| 351178 | Time Payment Fee | 15,635 | 8,000 | 11,630 | 10,000 |
| 351185 | Court Time/Payment Fee | 776 | 1,500 | 1,060 | 1,500 |
| 351190 | Court Subpoena Fee | 70 | 30 | 20 | 30 |
| 351195 | Police Overtime Fee | 220 | 0 | 0 | 0 |
| | **FINES AND FORFEITS SUBTOTAL** | **$1,604,870** | **$1,484,530** | **$1,939,670** | **$1,637,530** |
| 361110 | Interest Earned - Operating Account | 1,402,235 | 780,000 | 1,197,100 | 870,000 |
| | **INVESTMENT EARNINGS SUBTOTAL** | **$1,402,235** | **$780,000** | **$1,197,100** | **$870,000** |
| 339020 | Galveston Wharves Payment in Lieu of Taxes | 154,407 | 157,500 | 157,500 | 157,500 |
| 339030 | Galveston Housing Authority Payment in Lieu | 77,757 | 75,000 | 75,000 | 75,000 |
| 363140 | Mineral and Gas Royalties | 17 | 110 | 110 | 110 |
| 363200 | Miscellaneous | 219,789 | 170,000 | 166,370 | 170,000 |
| 363220 | Grant Reimbursement | 112,977 | 130,350 | 130,350 | 130,350 |
| 339070 | Moody Gardens Payment in Lieu of Taxes | 100,000 | 100,000 | 100,000 | 100,000 |
| 339080 | Park Board Profit Sharing | 300,000 | 300,000 | 300,000 | 0 |
| 363209 | Landry's | 100,000 | 100,000 | 100,000 | 100,000 |
| 363211 | Library Contribution | 1,345,029 | 1,672,280 | 1,672,280 | 1,653,180 |
| 363160 | Long-Term Parking Revenue | 2,009,258 | 2,012,530 | 2,277,900 | 2,500,000 |
| 363214 | Cruise Passenger Charges from Port | 648,269 | 814,300 | 890,000 | 950,000 |
| 378000 | Sale of General Fixed Assets | 201,635 | 50,000 | 1,840,000 | 100,000 |
| | **OTHER REVENUES SUBTOTAL** | **$5,269,137** | **$5,582,070** | **$7,709,510** | **$5,936,140** |
| 370000 | OTHER FUNDING SOURCES (Cap Leases) | | | | |
| 379000 | Operating Transfers - In | 50,000 | 675,000 | 225,000 | 225,000 |
| | **OTHER FINANCING SOURCES SUBTOTAL** | **$50,000** | **$675,000** | **$225,000** | **$225,000** |
| | **TOTAL - ALL REVENUE** | **$77,339,160** | **$81,619,190** | **$84,397,660** | **$84,718,970** |

**FY 2026 Indirect Cost Allocation**

**Assumptions:**

1. After adjustments made in this year's budget, administrative departments' General Fund budgets for FY 2026 equal roughly 4.0 percent of estimated spending for FY 2026, including the General Fund, Debt Service Fund, Special Funds and Enterprise funds.
2. Allocating the administrative costs using the FY 2026 Budget to all departments is an equitable, efficient way to allocate that cost.
3. The Payment In Lieu of Taxes (PILOT) made by the Water, Wastewater, and Sanitation Funds was $200,000 since prior to 1995 when the city's current financial system was implemented. This PILOT payment recognizes the basic cost to the City for the three major enterprise funds to operate as franchises. These three operations use the City's rights of way to perform their service function, which entails wear and tear on City streets as well as off street easements. As such, the PILOT amount was increased in FY 2022 from $200,000 to $300,000.

**INDIRECT COST RATE CALCULATED FOR FY 2026**

| CITY OPERATIONS | FY 2026 Budget |
|---|---|
| **Administrative Departments** | |
| City Council/City Secretary | $701,910 |
| Elections | $75,000 |
| City Manager | $805,730 |
| Legal | $1,132,270 |
| City Auditor | $532,830 |
| Human Resources | $725,460 |
| Finance Department | $2,805,050 |
| Taxation | $395,000 |
| Community Outreach/Public Info | $403,600 |
| City Hall Maintenance and Utilities | $1,351,710 |
| **Administration Subtotal** | **$8,928,560** |
| **Percent of Operating Budget** | **4%** |
| **Operating Departments** | |
| General Fund | |
| Public Safety | $52,539,524 |
| Municipal Courts | $900,370 |
| Public Works/Streets & Traffic | $5,556,485 |
| Parks and Recreation | $4,305,938 |
| Planning and Community Development | $2,303,500 |
| Non-Departmental | $9,377,300 |
| Transfer to Island Transit | $800,000 |
| **General Operations Subtotal** | **$75,783,116** |
| **Debt Service Fund** | **$4,675,078** |
| Special Funds (no HOT) | $53,699,633 |
| HOT Funds | $52,628,781 |
| **Special Funds Total** | **$106,328,414** |
| **Enterprise Funds Total** | **$62,663,841** |
| **OPERATING BUDGET TOTAL** | **$249,450,449** |

## INDIRECT COST RATE APPLIED TO ENTERPRISE FUNDS

| Enterprise Funds | FY 2026 Budget | FY26 Budget Indirect Cost | FY26 PILOT | FY26 Total |
|---|---|---|---|---|
| Waterworks Fund | $25,509,720 | $1,020,000 | $300,000 | $1,320,000 |
| Wastewater Fund | $21,048,930 | $842,000 | $300,000 | $1,142,000 |
| Sanitation Fund | $10,771,780 | $431,000 | $300,000 | $731,000 |
| Drainage Fund | $3,880,970 | $146,000 | $0 | $146,000 |
| Airport Fund | $1,452,441 | $61,000 | $0 | $61,000 |
| **Enterprise Funds Total** | **$62,663,841** | **$2,500,000** | **$900,000** | **$3,400,000** |

**FY2026 BUDGET**
**GENERAL FUND SUMMARY**

**Summary Schedule of Revenues and Expenditures**

| | FY2023 ADOPTED BUDGET | FY2023 AMENDED BUDGET | FY2023 ACTUAL | FY2024 ADOPTED BUDGET | FY2024 AMENDED BUDGET | FY2024 ACTUAL | FY2025 ADOPTED BUDGET | FY2025 AMENDED BUDGET | FY2025 ESTIMATED ACTUAL | FY2026 BUDGET |
|---|---|---|---|---|---|---|---|---|---|---|
| **Beginning Fund Balance** | **$24,055,525** | **$24,055,525** | **$24,055,525** | **$25,150,000** | **$25,150,000** | **$25,150,000** | **$23,778,482** | **$23,778,482** | **$23,778,482** | **$25,388,107** |
| **Revenues** | | | | | | | | | | |
| Property Taxes | $33,729,100 | $33,729,100 | $33,049,625 | $35,938,000 | $35,938,000 | $35,264,782 | $40,994,250 | $38,760,600 | $37,869,879 | $39,225,320 |
| Sales Taxes | 21,700,000 | 21,700,000 | 23,419,710 | 23,700,000 | 23,700,000 | 22,075,488 | 22,927,000 | 22,927,000 | 23,600,000 | 23,836,000 |
| Mixed Beverage Taxes | 1,150,000 | 1,150,000 | 1,269,054 | 1,200,000 | 1,200,000 | 1,175,555 | 1,248,360 | 1,248,360 | 1,248,360 | 1,260,840 |
| Franchise Taxes | 5,001,980 | 5,001,980 | 5,106,401 | 5,087,200 | 5,087,200 | 5,185,065 | 4,935,860 | 4,935,860 | 5,219,211 | 5,241,060 |
| Licenses and Permits | 1,976,075 | 1,976,075 | 1,697,716 | 2,045,370 | 2,045,370 | 1,591,663 | 1,663,800 | 1,663,800 | 1,866,060 | 1,720,880 |
| Interfund Transfers for Service | 3,089,525 | 3,089,525 | 3,260,459 | 3,265,420 | 3,265,420 | 3,260,884 | 3,265,420 | 3,265,420 | 3,265,420 | 4,500,750 |
| Charges for Services | 290,608 | 290,608 | 314,748 | 296,200 | 296,200 | 459,483 | 296,550 | 296,550 | 257,450 | 263,450 |
| Fines and Forfeits | 1,560,515 | 1,560,515 | 1,566,227 | 1,484,530 | 1,484,530 | 1,604,870 | 1,484,530 | 1,484,530 | 1,939,670 | 1,637,530 |
| Investment Earnings | 25,000 | 25,000 | 1,181,526 | 700,000 | 700,000 | 1,402,235 | 780,000 | 780,000 | 1,197,100 | 870,000 |
| Other Revenues | 2,641,336 | 2,641,336 | 3,400,949 | 4,451,845 | 4,451,845 | 5,269,137 | 5,117,840 | 5,582,070 | 7,709,510 | 5,936,140 |
| Other Financing Sources | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | 675,000 | 225,000 | 225,000 |
| **Total Revenues** | **$71,214,139** | **$71,214,139** | **$74,316,414** | **$78,218,565** | **$78,218,565** | **$77,339,160** | **$82,763,610** | **$81,619,190** | **$84,397,660** | **$84,716,970** |
| **Expenditures** | | | | | | | | | | |
| **Public Safety** | | | | | | | | | | |
| Police | $24,367,690 | $24,487,129 | $24,486,609 | $25,531,763 | $26,061,360 | $26,388,384 | $27,864,218 | $27,843,640 | $28,130,236 | $28,048,404 |
| Fire | 14,961,671 | 15,089,781 | 15,089,704 | 15,543,833 | 16,240,781 | 15,994,562 | 17,328,809 | 17,087,525 | 17,031,269 | 17,770,440 |
| Emergency Management | 297,272 | 261,272 | 260,361 | 301,135 | 380,135 | 379,269 | 412,735 | 422,006 | 420,281 | 415,180 |
| Emergency Medical Service | 883,509 | 824,509 | 824,448 | 947,450 | 947,450 | 914,448 | 1,662,280 | 1,662,280 | 1,662,274 | 1,994,800 |
| Civilian Services/City Marshal | 1,013,691 | 922,954 | 920,106 | 1,129,664 | 1,129,664 | 1,084,260 | 1,226,759 | 1,149,518 | 1,112,049 | 1,903,210 |
| Communication | 1,598,587 | 1,745,827 | 1,745,827 | 2,294,874 | 2,294,874 | 1,940,809 | 2,316,710 | 2,391,547 | 2,102,144 | 2,407,490 |
| | **$43,122,420** | **$43,331,472** | **$43,327,054** | **$45,748,718** | **$47,054,264** | **$46,701,731** | **$50,811,511** | **$50,556,516** | **$50,458,253** | **$52,539,524** |
| **Public Works** | | | | | | | | | | |
| Streets | $1,721,726 | $1,941,754 | $1,942,271 | $2,046,635 | $2,118,635 | $3,060,092 | $2,502,620 | $2,371,977 | $3,102,657 | $2,456,590 |
| Traffic | 2,383,791 | 2,823,109 | 2,822,303 | 2,947,336 | 3,016,336 | 3,381,336 | 3,056,596 | 3,053,366 | 3,073,043 | 3,099,895 |
| | **$4,105,517** | **$4,764,863** | **$4,764,575** | **$4,993,971** | **$5,134,971** | **$6,441,428** | **$5,559,216** | **$5,425,343** | **$6,175,701** | **$5,556,485** |
| **Parks and Recreation** | | | | | | | | | | |
| Recreation Programs | $1,020,244 | $1,170,554 | $1,152,591 | $1,213,822 | $1,231,822 | $1,305,786 | $1,291,520 | $1,256,514 | $1,303,565 | $1,367,855 |
| Parks and Parkways | 2,456,606 | 2,492,020 | 2,509,505 | 2,726,593 | 2,798,593 | 2,464,629 | 2,746,998 | 2,761,888 | 2,603,297 | 2,938,083 |
| | **$3,476,850** | **$3,662,574** | **$3,662,096** | **$3,940,415** | **$4,030,415** | **$3,770,415** | **$4,038,518** | **$4,018,402** | **$3,906,862** | **$4,305,938** |
| **Developmental Services** | | | | | | | | | | |
| Building Inspection | 863,094 | 804,075 | 803,667 | 935,089 | 935,089 | 866,385 | 940,499 | 939,926 | 990,942 | 1,008,870 |
| Planning | 1,059,677 | 1,056,916 | 1,056,624 | 1,182,376 | 1,182,376 | 1,200,381 | 1,249,947 | 1,242,210 | 1,174,241 | 1,294,630 |
| | **$1,922,771** | **$1,860,991** | **$1,860,291** | **$2,117,465** | **$2,117,465** | **$2,066,767** | **$2,190,446** | **$2,182,136** | **$2,165,182** | **$2,303,500** |
| **General Government** | | | | | | | | | | |
| City Secretary | $609,409 | $629,440 | $625,566 | $662,807 | $662,807 | $637,983 | $685,891 | $682,544 | $680,878 | $701,910 |
| Elections | 70,000 | 40,000 | 36,025 | 70,000 | 70,000 | 77,609 | 40,000 | 40,000 | 40,000 | 75,000 |
| Municipal Court | 777,794 | 751,785 | 751,401 | 843,472 | 843,472 | 816,581 | 895,718 | 882,802 | 880,410 | 900,370 |
| City Manager | 749,373 | 749,373 | 809,793 | 764,395 | 805,250 | 778,748 | 806,430 | 836,349 | 826,675 | 805,730 |
| City Auditor | 427,925 | 415,686 | 414,790 | 489,277 | 507,577 | 455,031 | 452,355 | 412,639 | 523,249 | 532,830 |
| City Attorney | 947,271 | 899,233 | 898,254 | 1,023,098 | 1,098,098 | 1,032,655 | 1,110,580 | 1,144,984 | 1,120,896 | 1,132,270 |
| Human Resources | 630,190 | 600,205 | 595,954 | 668,097 | 679,097 | 648,090 | 689,735 | 690,225 | 667,643 | 725,460 |
| Transportation | 975,000 | 975,000 | 975,000 | 975,000 | 975,000 | 975,000 | 975,000 | 825,000 | 400,000 | 800,000 |
| | **$5,186,962** | **$5,060,722** | **$5,106,782** | **$5,496,146** | **$5,641,301** | **$5,421,697** | **$5,655,709** | **$5,514,543** | **$5,139,752** | **$5,673,570** |

**FY2026 BUDGET**
**GENERAL FUND SUMMARY**

**Summary Schedule of Revenues and Expenditures**

| | FY2023 ADOPTED BUDGET | FY2023 AMENDED BUDGET | FY2023 ACTUAL | FY2024 ADOPTED BUDGET | FY2024 AMENDED BUDGET | FY2024 ACTUAL | FY2025 ADOPTED BUDGET | FY2025 AMENDED BUDGET | FY2025 ESTIMATED ACTUAL | FY2026 BUDGET |
|---|---|---|---|---|---|---|---|---|---|---|
| **Finance** | | | | | | | | | | |
| Administration | $592,694 | $648,007 | $647,990 | $681,376 | $681,376 | $608,116 | $658,892 | $672,563 | $672,560 | $701,000 |
| Accounting | 1,007,395 | 1,065,564 | 1,065,265 | 1,168,594 | 1,164,594 | 1,121,021 | 1,172,558 | 1,196,949 | 1,138,498 | 1,203,420 |
| Purchasing | 331,160 | 356,324 | 354,559 | 373,006 | 391,006 | 386,392 | 392,693 | 408,771 | 402,683 | 390,860 |
| Budget | 351,798 | 288,798 | 288,503 | 385,171 | 410,171 | 447,228 | 592,872 | 610,049 | 552,868 | 509,770 |
| | **$2,283,047** | **$2,358,693** | **$2,356,316** | **$2,608,147** | **$2,647,147** | **$2,562,756** | **$2,817,015** | **$2,888,332** | **$2,766,610** | **$2,805,050** |
| **Non-Departmental** | | | | | | | | | | |
| Taxation | $360,218 | $343,718 | $319,077 | $360,450 | $360,450 | $342,412 | $368,000 | $368,000 | $367,338 | $395,000 |
| Facility Maintenance | 1,485,774 | 1,485,774 | 1,485,774 | 1,607,952 | 1,607,952 | 1,607,952 | 1,642,193 | 1,642,193 | 1,642,193 | 1,351,360 |
| Civilian Pension/Comp Adj | 1,045,193 | 61,944 | 0 | 686,000 | 131,065 | 0 | 728,210 | 0 | 0 | 0 |
| Pension and Fringe Benefits | 400,000 | 400,000 | 0 | 172,000 | 166,810 | 196,000 | 0 | 0 | 0 | 0 |
| Consultant Services | 0 | 83,000 | 16,437 | 0 | 1,400 | 6,156 | 0 | 0 | 2,000 | 0 |
| Attorney Fees | 0 | 0 | 65,820 | 0 | 0 | 0 | 0 | 0 | 2,000 | 0 |
| General Fund Contingency | 0 | 0 | 0 | 1,716,020 | 205,873 | 89,115 | 100,000 | 100,000 | 101,386 | 100,000 |
| Group Health Insurance Reserve | 40,886 | 40,886 | 40,886 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Community Outreach/Public Inf | 337,370 | 337,370 | 337,370 | 348,324 | 348,324 | 348,324 | 422,339 | 422,339 | 422,340 | 403,600 |
| Surplus Transfer Out | 0 | 1,200,000 | 1,200,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Transfer to Infrastructure Fund | 5,697,131 | 5,697,131 | 5,697,131 | 6,257,485 | 6,257,485 | 6,257,485 | 6,621,090 | 6,529,535 | 6,529,535 | 6,777,300 |
| Transfer to Separation Pay Fund | 750,000 | 875,000 | 875,000 | 750,000 | 750,000 | 1,450,000 | 950,000 | 950,000 | 950,000 | 1,500,000 |
| Vehicle/Capital Outlay Purchase | 1,000,000 | 1,000,000 | 809,380 | 1,000,000 | 1,348,172 | 319,352 | 1,000,000 | 999,996 | 973,585 | 1,000,000 |
| | **$11,116,572** | **$11,524,823** | **$10,846,658** | **$12,898,231** | **$11,177,531** | **$10,616,795** | **$11,831,832** | **$11,012,063** | **$10,990,376** | **$11,527,260** |
| **Total Expenditures** | **$71,214,139** | **$72,564,138** | **$71,923,772** | **$77,803,093** | **$77,803,094** | **$77,581,591** | **$82,904,247** | **$81,597,335** | **$81,602,736** | **$84,711,326** |
| **Revenues Over/(Under) Expenditure** | **$0** | **($1,349,999)** | **$2,392,642** | **$415,472** | **$415,471** | **($242,430)** | **($140,637)** | **$21,855** | **$2,794,924** | **$5,644** |
| **Ending Fund Balance** | **$24,055,525** | **$22,705,526** | **$26,448,167** | **$25,565,471** | **$25,565,471** | **$24,907,570** | **$23,637,845** | **$23,800,337** | **$26,573,406** | **$25,393,751** |
| **Less: Appropriation of Fund Balance** | | | | | | | | | | |
| FY2024 Carryover Capital Outlay | $0 | $2,206,883 | $1,291,567 | $0 | $1,129,088 | $1,129,088 | $0 | $895,914 | $913,314 | $0 |
| Comprehensive Plan | 0 | 250,000 | 0 | 0 | 250,000 | 0 | 250,000 | 250,000 | 0 | 0 |
| Beryl Expend incurred in FY25 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 271,985 | 271,985 | 0 |
| | **$0** | **$2,456,883** | **$1,298,167** | **$0** | **$1,379,088** | **$1,129,088** | **$250,000** | **$1,417,899** | **$1,185,299** | **$0** |
| **Ending Fund Balance** | **$24,055,525** | **$20,248,643** | **$25,150,000** | **$25,565,471** | **$24,186,383** | **$23,778,482** | **$23,387,845** | **$22,382,438** | **$25,388,107** | **$25,393,751** |
| **120 Day Reserve Requirement** | **$23,412,868** | **$23,856,703** | **$23,646,172** | **$25,579,099** | **$25,579,099** | **$25,506,276** | **$27,256,191** | **$26,826,522** | **$26,828,297** | **$27,850,299** |
| **Fund Balance Over/(Under) 120 Day Reserve Requirement** | **$642,658** | **($3,608,059)** | **$1,503,828** | **($13,628)** | **($1,392,716)** | **($1,727,795)** | **($3,868,346)** | **($4,444,083)** | **($1,440,190)** | **($2,456,548)** |
| **Total General Fund Appropriation** | **$71,214,139** | **$75,021,021** | **$73,221,939** | **$77,803,093** | **$79,182,182** | **$78,710,679** | **$83,154,247** | **$83,015,235** | **$82,788,035** | **$84,711,326** |

**FY2026 BUDGET**
**GENERAL FUND EXPENDITURE SUMMARY**

**Expenditure Summaries by Department**

| DEPARTMENT | FY2023 ADOPTED BUDGET | FY2023 AMENDED BUDGET | FY2023 ACTUAL | FY2024 ADOPTED BUDGET | FY2024 AMENDED BUDGET | FY2024 ACTUAL | FY2025 ADOPTED BUDGET | FY2025 AMENDED BUDGET | FY2025 ESTIMATED ACTUAL | FY2026 BUDGET |
|---|---|---|---|---|---|---|---|---|---|---|
| Public Safety | $43,122,420 | $43,331,472 | $43,327,054 | $45,748,718 | $47,054,264 | $46,701,731 | $50,811,511 | $50,556,516 | $50,458,253 | $52,539,524 |
| Public Works | 4,105,517 | 4,764,863 | 4,764,575 | 4,993,971 | 5,134,971 | 6,441,428 | 5,559,216 | 5,425,343 | 6,175,701 | $5,556,485 |
| Parks and Recreation | 3,476,850 | 3,662,574 | 3,662,096 | 3,940,415 | 4,030,415 | 3,770,415 | 4,038,518 | 4,290,387 | 4,178,847 | $4,305,938 |
| Developmental Services | 1,922,771 | 1,860,991 | 1,860,291 | 2,117,465 | 2,117,465 | 2,066,767 | 2,190,446 | 2,182,136 | 2,165,182 | $2,303,500 |
| General Government | 5,186,962 | 5,060,722 | 5,106,782 | 5,496,146 | 5,641,301 | 5,421,697 | 5,655,709 | 5,514,543 | 5,139,752 | $5,673,570 |
| Finance | 2,283,047 | 2,358,693 | 2,356,316 | 2,608,147 | 2,647,147 | 2,562,756 | 2,817,015 | 2,888,332 | 2,766,610 | $2,805,050 |
| Non-Departmental | 11,116,572 | 13,981,706 | 12,144,825 | 12,898,231 | 12,556,619 | 11,745,883 | 12,081,832 | 12,618,978 | 11,903,690 | $11,527,610 |
| **General Fund Appropriation Total** | **$71,214,139** | **$75,021,021** | **$73,221,939** | **$77,803,093** | **$79,182,182** | **$78,710,679** | **$83,154,247** | **$83,476,235** | **$82,788,035** | **$84,711,676** |

**Expenditures Summaries by Category**

| CATEGORY | FY2023 ADOPTED BUDGET | FY2023 AMENDED BUDGET | FY2023 ACTUAL | FY2024 ADOPTED BUDGET | FY2024 AMENDED BUDGET | FY2024 ACTUAL | FY2025 ADOPTED BUDGET | FY2025 AMENDED BUDGET | FY2025 ESTIMATED ACTUAL | FY2026 BUDGET |
|---|---|---|---|---|---|---|---|---|---|---|
| Personnel Services | $49,530,677 | $49,530,677 | $49,212,213 | $52,672,492 | $53,767,976 | $53,757,639 | $57,477,239 | $56,493,952 | $56,261,523 | $58,500,002 |
| Materials and Supplies | 2,753,135 | 2,750,135 | 2,611,517 | 2,731,599 | 2,783,612 | 2,997,612 | 2,779,370 | 2,746,279 | 2,681,956 | 2,637,965 |
| Contractual Services | 10,142,733 | 10,397,233 | 9,989,754 | 11,155,571 | 11,451,601 | 10,804,903 | 12,630,696 | 12,766,606 | 12,323,901 | 12,558,899 |
| Other Charges and Services | 386,244 | 384,744 | 617,577 | 675,476 | 655,476 | 941,129 | 653,852 | 1,034,903 | 1,087,153 | 538,510 |
| Operating Transfers | 6,531,131 | 7,731,131 | 7,856,131 | 7,091,485 | 7,091,485 | 7,791,485 | 7,655,090 | 7,563,535 | 7,563,535 | 8,361,300 |
| Capital Outlay | 1,000,000 | 3,356,883 | 2,113,859 | 1,000,000 | 2,424,217 | 1,499,702 | 1,000,000 | 1,912,960 | 1,901,244 | 1,120,000 |
| Special Events and Programs | 870,218 | 870,218 | 820,887 | 2,476,470 | 1,007,814 | 918,210 | 958,000 | 958,000 | 968,724 | 995,000 |
| **General Fund Appropriation Total** | **$71,214,139** | **$75,021,021** | **$73,221,939** | **$77,803,093** | **$79,182,182** | **$78,710,679** | **$83,154,247** | **$83,476,235** | **$82,788,035** | **$84,711,676** |

See the following pages for detailed discussions of each budget.

**FY2026 BUDGET**
**PUBLIC SAFETY OPERATIONS**
**EXPENDITURE SUMMARY**

| DEPARTMENT | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Police | $26,388,384 | $27,843,640 | $28,130,236 | $28,048,404 |
| Fire | 15,994,562 | 17,087,525 | 17,031,269 | 17,770,440 |
| Emergency Management | 379,269 | 422,006 | 420,281 | 415,180 |
| Emergency Medical Services | 914,448 | 1,662,280 | 1,662,274 | 1,994,800 |
| City Marshal | 1,084,260 | 1,149,518 | 1,112,049 | 1,903,210 |
| Communication/Dispatch | 1,940,809 | 2,391,547 | 2,102,144 | 2,407,490 |
| **Public Safety Operations Total** | **$46,701,731** | **$50,556,516** | **$50,458,253** | **$52,539,524** |

| CATEGORY | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Personnel Services | $39,669,657 | $42,100,446 | $41,920,217 | $43,893,810 |
| Materials and Supplies | 560,825 | 642,275 | 617,279 | 515,150 |
| Contractual Services | 6,429,956 | 7,735,020 | 7,888,350 | 8,104,364 |
| Other Charges and Services | (529,389) | (497,930) | (551,594) | (557,800) |
| Operating Transfers | 84,000 | 84,000 | 84,000 | 84,000 |
| Capital Outlay | 0 | 2,705 | 0 | 0 |
| Special Programs and Events | 486,683 | 490,000 | 500,000 | 500,000 |
| **Public Safety Operations Total** | **$46,701,731** | **$50,556,516** | **$50,458,253** | **$52,539,524** |

**HIGHLIGHTS (FY2026 Budget Over/Under FY2025 Estimated)**

Personnel Services - Net increases (+$1,973,593) include funding for salary increases (+$1,161,680) per the Collective Bargaining Agreements for Police and Fire, a 10% increase (+$503,520) in Group Health insurance, move one (1) Deputy City Marshal to the Short Term Rental Fund (-$83,206), and the annualized cost (+$391,599) of personnel for net against overtime usage from FY25.

Materials and Supplies - Net decreases (-$102,129) includes a reduction in the PD's clothing budget (-$32,000), a shift of the PD's laptop refresh line item to IT (-$38,960), a decrease (-$21,231) for FD's protective gear, a decrease (-$19,108) in the minor equipment for the FD, and a increase (+$9,170) across various miscellaneous materials and supplies line items with the Public Safety Departments.

Contractual Services - Net increase (+$216,014) includes decreases (-$107,439) in garage charges, decreases (-$100,410) in computer charges, is a 20% increase ($332,526) requested by the Galveston County Health District and increases (+$91,247) in various public safety contractual accounts.

Other Charges and Services - Net decrease (-$6,206) anticipated less reimbursements in FY2026.

| PERSONNEL SUMMARY | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Public Safety - Full-Time Positions | 333.15 | 342.15 | 322.15 | 340.15 |
| Public Safety - Personnel Costs | $39,669,657 | $42,100,446 | $41,920,217 | $43,893,810 |

# GALVESTON POLICE DEPARTMENT

## MISSION STATEMENT

The Galveston Police Department is dedicated to delivering exceptional service to everyone who lives on or visits our island. We are committed to protecting and assisting all individuals within our jurisdiction with integrity and professionalism. Through fairness, compassion, and a drive for excellence, we aim to enhance the quality of life in our community. Guided by our pledge to serve, we remain devoted to our mission: Protect With Respect.

## ACCOMPLISHMENTS

- Reduced 2025 overall crime, by approximately 3.7% over 2024.
- Created a full-time Investigative Assistant to increase efficiency within the Investigative Services Bureau.
- Conducted a total of 4 civil service exams.
- Enhanced recruiting efforts by implementing a widely used sign-on bonus system for lateral candidates.
- Increased efficiency in the hiring process via outsourcing background investigations.
- Completed ALERRT training for ALL sworn personnel in the last training cycle, preemptively meeting state mandate ahead of schedule.
- Byrne Justice Assistance Grant for Tactical Equipment totaling $15,304.00.
- Reduced alcohol-related crash incidents community-wide through enhanced DWI/Traffic Enforcements Efforts.
- Gained significant progress toward being fully accredited through TCPA.
- Sex Offender Registration compliance has maintained at 100% in our community.
- Upgraded in car and body worn technology to enhance efficiency.
- Procured an armored vehicle more appropriate for coastal-urban policing to replace the MRAP.
- Secured an MVCPA grant for the first time providing equipment and training valued at over $400,000.

## GOALS

- Enhance efficiency by civilianizing CSI positions.
- Multiply forces by implementing technology including license plate recognition at ingress and egress points on island and portable pole cameras for events and hotspots.
- Create a cold case initiative utilizing Artificial Intelligence.
- Enrichment program to enhance career development, job training, networking and teamwork between bureaus.

**FY2026 BUDGET**
**POLICE**

**EXPENDITURE SUMMARY**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Personnel Services | $22,096,857 | $23,024,010 | $23,227,028 | $23,826,980 |
| Materials and Supplies | 238,178 | 295,765 | 275,259 | 214,300 |
| Contractual Services | 3,967,905 | 4,433,860 | 4,539,636 | 3,922,924 |
| Other Charges and Services | 1,444 | 3,300 | 4,312 | 200 |
| Operating Transfers | 84,000 | 84,000 | 84,000 | 84,000 |
| Capital Outlay | 0 | 2,705 | 0 | 0 |
| **TOTAL** | **$26,388,384** | **$27,843,640** | **$28,130,236** | **$28,048,404** |

**BUDGET HIGHLIGHTS (FY2026 BUDGET OVER/UNDER FY2025 ESTIMATED)**

Personnel Services - Net increases (+$599,952) includes a Market Adjustment (+$686,800) per the Police Collective Bargaining Pay Agreement, a decrease (-$580,385) in overtime expenditures based on estimated staffing levels, a 10% increase (+$236,110) in Group Health insurance, and an annualized cost of personnel of (+$257,347).

Materials and Supplies - Net decreases (-$60,959) includes a reduction in clothing budget (-$32,000), a shift of the laptop refresh line item to IT (-$38,960), and partially offset by a (+$10,000) increase across various miscellaneous materials and supplies line items.

Contractual Services - Net decrease (-$616,712) includes shift of Galveston Island Humane Society fee (-$360,289) to the City Marshal's Office, decrease in Justice Center annual rent (-$126,360), decrease in Garage Charges (-$133,513) and Computer Charges (-$78,180), and partially offset by an increase (+$81,630) across various miscellaneous contractual services

Other Charges and Services - Includes an decrease (-$4,112) in court costs and judgments.

**PERFORMANCE INDICATORS**

| INDICATORS | FY2023 ACTUAL | FY2024 ACTUAL | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Calls for Service | 69,512 | 64,080 | 61,686 | 60,000 |
| Arrests | 5,940 | 4,123 | 4,048 | 4,000 |
| Motor Vehicle Accidents | 3,541 | 3,040 | 2,942 | 2,900 |
| Avg. Response Time - Priority 1 Calls | 7:32 | 7m 19s | 7m 10s | 7m 10s |
| Meetings with Community Groups | 44 | 84 | 85 | 85 |
| Training or Presentations to Citizens | 31 | 43 | 45 | 45 |

**FY2026 BUDGET**
**POLICE**

**PERSONNEL**

| POSITION | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Chief of Police | 1.00 | 1.00 | 1.00 | 1.00 |
| Assistant Chief of Police | 1.00 | 1.00 | 1.00 | 1.00 |
| Police Captain | 3.00 | 3.00 | 3.00 | 3.00 |
| Police Lieutenant | 7.00 | 7.00 | 7.00 | 7.00 |
| Police Sergeant | 29.00 | 29.00 | 28.00 | 29.00 |
| Police Officer | 125.00 | 127.00 | 112.00 | 127.00 |
| Police Media Relations Specialist | 1.00 | 1.00 | 1.00 | 0.00 |
| Police Asset Coordinator | 1.00 | 1.00 | 1.00 | 1.00 |
| Records Manager | 1.00 | 1.00 | 1.00 | 1.00 |
| Police Admin. Service Manager | 1.00 | 1.00 | 1.00 | 1.00 |
| Property Room Supervisor | 1.00 | 1.00 | 1.00 | 1.00 |
| Evidence Technician | 1.00 | 1.00 | 1.00 | 1.00 |
| Investigative Assistant | 0.00 | 0.00 | 1.00 | 1.00 |
| Crime Scene Technician | 1.00 | 1.00 | 1.00 | 1.00 |
| Crimes Analyst | 1.00 | 1.00 | 1.00 | 1.00 |
| AFIS/Latent Print Technician | 1.00 | 1.00 | 1.00 | 1.00 |
| Ground Transportation Inspector | 0.00 | 0.00 | 0.00 | 0.00 |
| Animal Services Supervisor | 1.00 | 1.00 | 1.00 | 0.00 |
| Animal Control Officer | 2.00 | 2.00 | 4.00 | 0.00 |
| Police Chaplain | 0.50 | 0.50 | 0.50 | 0.50 |
| Senior Administrative Assistant | 1.00 | 2.00 | 2.00 | 2.00 |
| NIBRS Specialist | 1.00 | 1.00 | 1.00 | 1.00 |
| Office Specialist | 5.00 | 4.00 | 4.00 | 5.00 |
| **TOTAL** | **185.50** | **187.50** | **174.50** | **185.50** |

**LINE ITEM DETAIL**

| | | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|---|
| **Personnel Services** | | | | | |
| 511001 | Regular Payroll | $14,076,038 | $14,962,590 | $14,670,596 | $15,002,540 |
| 511002 | COLA Increases | 0 | 0 | 0 | 546,600 |
| 511005 | Longevity | 83,713 | 95,890 | 80,840 | 91,560 |
| 511006 | Differential Pay | 107,940 | 111,290 | 119,639 | 110,470 |
| 511007 | Vehicle/Motor Allowance | 50,594 | 50,610 | 50,978 | 50,610 |
| 511008 | Dog Handler Allowance | 21,683 | 28,920 | 21,730 | 28,920 |
| 511009 | Overtime | 1,709,236 | 1,062,000 | 1,680,385 | 1,100,000 |
| 511011 | Mounted Patrol Allowance | 19,260 | 21,690 | 18,738 | 21,680 |
| 511021 | Part-Time Payroll | 22,465 | 26,100 | 585 | 0 |
| 511026 | Ferry Landing Overtime | 132,123 | 120,000 | 156,071 | 120,000 |
| 511039 | Tourism Related Activities | 5,080 | 250,000 | 250,000 | 250,000 |
| 511110 | Incentive Pay | 326,038 | 329,250 | 350,211 | 337,050 |
| 511125 | Residency Pay | 58,559 | 59,020 | 43,901 | 51,470 |
| 511143 | Crisis Negotiation Team | 5,394 | 6,340 | 5,183 | 4,520 |
| 511145 | SWAT Pay | 16,676 | 17,200 | 16,063 | 19,890 |
| 511147 | Dive Team Pay | 13,239 | 12,660 | 14,100 | 13,560 |
| 511148 | SRG Team Pay | 20,038 | 18,980 | 23,023 | 23,500 |

**FY2026 BUDGET**
**POLICE**

**LINE ITEM DETAIL**

| | | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|---|
| 511150 | Uniform Allowance | 76,500 | 100,500 | 102,000 | 126,000 |
| 511510 | Group Health Insurance - Employer's | 2,484,672 | 2,466,280 | 2,466,280 | 2,702,390 |
| 511515 | Worker's Compensation | 131,823 | 263,660 | 263,660 | 263,660 |
| 511520 | Group Life Insurance | 67,856 | 75,500 | 70,562 | 75,290 |
| 511530 | Social Security - Employer's | 1,007,569 | 1,067,730 | 1,076,078 | 1,073,630 |
| 511535 | Medicare - Employer's | 235,725 | 250,090 | 251,710 | 251,090 |
| 511542 | City Employee Retirement | 134,331 | 136,710 | 154,513 | 114,820 |
| 511544 | Police Retirement | 3,012,900 | 3,004,870 | 2,860,908 | 2,938,440 |
| 511545 | Pension Benefit Adjustments | 0 | 0 | 0 | 140,200 |
| 511650 | Salary Reimbursements | (1,709,992) | (1,513,870) | (1,515,284) | (1,630,910) |
| 511655 | Salary Reimbursements-Grants | (12,604) | 0 | (5,442) | 0 |
| **Total Personnel Services** | | **$22,096,857** | **$23,024,010** | **$23,227,028** | **$23,826,980** |
| | | | | | |
| **Materials and Supplies** | | | | | |
| 521065 | Office Supplies | 19,485 | 27,300 | 26,694 | 28,200 |
| 521067 | Minor Office Equipment | 11,262 | 21,000 | 18,953 | 15,000 |
| 521068 | Laptop Refresh Only | 59,996 | 50,000 | 38,960 | 0 |
| 521088 | Training Materials | 23,071 | 25,195 | 18,495 | 20,000 |
| 522011 | Chemicals | 603 | 800 | 800 | 1,500 |
| 522013 | Clothing | 34,808 | 47,000 | 67,000 | 35,000 |
| 522055 | Minor Tools | 26,686 | 25,500 | 21,500 | 12,500 |
| 522056 | Minor Equipment | 34,542 | 67,500 | 55,804 | 72,000 |
| 522059 | Motor Vehicle Parts | 8,132 | 10,000 | 7,501 | 8,500 |
| 522085 | Equipment Parts | 99 | 0 | 0 | 0 |
| 522099 | Other Supplies | 5,710 | 7,350 | 5,043 | 6,500 |
| 525031 | Electricity | 11,920 | 12,320 | 12,418 | 13,000 |
| 525032 | Natural Gas | 1,865 | 1,800 | 2,091 | 2,100 |
| **Total Materials and Supplies** | | **$238,178** | **$295,765** | **$275,259** | **$214,300** |
| | | | | | |
| **Contractual Services** | | | | | |
| 531004 | Consultant Services | 5,400 | 5,400 | 5,400 | 5,400 |
| 531005 | Other Services | 240,154 | 360,500 | 360,289 | 0 |
| 531008 | Laboratory Testing | 6,007 | 10,000 | 7,500 | 15,000 |
| 531025 | Memberships | 2,594 | 2,000 | 2,360 | 2,000 |
| 531029 | Software Maintenance Contracts | 137 | 150 | 130 | 0 |
| 531124 | Towing Payments | 11,474 | 10,500 | 10,500 | 13,000 |
| 531125 | Other Contracts | 4,811 | 5,000 | 4,000 | 0 |
| 531230 | Equipment Repairs | 45,849 | 28,000 | 27,000 | 36,500 |
| 531240 | Maintenance Contracts | 256,960 | 540,000 | 620,498 | 670,000 |
| 531320 | Equipment Rental | 0 | 0 | 0 | 10,000 |
| 531325 | Vehicle Rental | 40,081 | 40,000 | 48,170 | 40,000 |
| 531340 | Justice Center - Lease | 318,147 | 320,000 | 318,147 | 320,000 |
| 531343 | Justice Center - Rent/Maintenance | 216,000 | 356,000 | 452,200 | 325,840 |
| 531345 | Justice Center - Jail | 153,787 | 195,000 | 168,652 | 180,000 |
| 531350 | Garage Charges | 1,263,270 | 1,158,980 | 1,092,233 | 958,720 |
| 531360 | Computer Charges | 1,110,860 | 1,110,860 | 1,110,860 | 1,032,680 |
| 532062 | Postage | 4,091 | 5,000 | 5,255 | 5,000 |
| 532065 | Printing, Duplication | 18,544 | 20,000 | 18,157 | 18,000 |
| 532084 | Cellular Service | 31,359 | 28,000 | 29,354 | 29,000 |
| 532086 | Other Communications | 17,359 | 16,680 | 15,746 | 18,000 |
| 532087 | Aircard Service | 45,296 | 40,000 | 65,751 | 62,000 |

**FY2026 BUDGET**
**POLICE**

**LINE ITEM DETAIL**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| 533083 Travel Expenses | 44,886 | 35,000 | 35,000 | 20,000 |
| 533085 Travel/Training | 85,478 | 88,000 | 91,360 | 103,000 |
| 534030 Surety Bond & Notary Fees | 123 | 400 | 200 | 400 |
| 534036 Dental Insurance | 32,832 | 48,390 | 40,536 | 48,384 |
| 535250 GPD K-9 Unit Expenditures | 12,405 | 10,000 | 10,337 | 10,000 |
| **Total Contractual Services** | **$3,967,905** | **$4,433,860** | **$4,539,636** | **$3,922,924** |
| | | | | |
| **Other Charges and Services** | | | | |
| 544027 Court Costs And Judgments | 618 | 4,600 | 6,873 | 2,000 |
| 544032 Meeting Expenditures | 2,984 | 1,000 | 500 | 500 |
| 544036 Grants & Awards | 970 | 500 | 334 | 500 |
| 544087 Expense Reimbursement | (4,252) | (4,000) | (4,595) | (4,000) |
| 544105 Bank Service Charges | 1,123 | 1,200 | 1,200 | 1,200 |
| **Total Other Charges and Services** | **$1,444** | **$3,300** | **$4,312** | **$200** |
| | | | | |
| **Operating Transfers** | | | | |
| 553013 Transfer To Special Revenue Funds | 84,000 | 84,000 | 84,000 | 84,000 |
| **Total Operating Transfers** | **$84,000** | **$84,000** | **$84,000** | **$84,000** |
| | | | | |
| **Capital Outlay** | | | | |
| 564117 Machinery & Equipment | 0 | 2,705 | 0 | 0 |
| **Total Capital Outlay** | **$0** | **$2,705** | **$0** | **$0** |
| | | | | |
| **Total Expenses** | **$26,388,384** | **$27,843,640** | **$28,130,236** | **$28,048,404** |


CITY OF GALVESTON
1839
TEXAS

# GALVESTON FIRE DEPARTMENT

## MISSION STATEMENT

The mission of the Galveston Fire Department is to provide the highest level of public safety services for the community. We will protect lives and property through: Fire Prevention, Public Education, Firefighter Safety, Fire & Rescue Operations, and Emergency Medical First response.

## ACCOMPLISHMENTS

- Fire Department finances successfully operated within budget guidelines.
- Maintained and streamlined departmental policies to create maximum operational efficiency.
- Prepare and present reports as requested.
- Coordinated all personnel to adapt and work to improve service we provide.
- Coordinate and direct operational plans and procedures for the department.
- Work with the Texas Commission on Fire Protection to ensure State compliance.
- Coordinate and direct purchase and bid specifications for the Fire department.
- Work with the City Risk Management to reduce loss of time due to injuries.
- Worked with Emergency Management on weather related events and special events
- Maximized Galveston Marine Response team for all water rescues and events.
- Maintained streamlined garage procedures for fleet management.
- Enhanced the Company based Inspector program by sending all Company Officers to the Inspectors Course
- Successfully implemented new policies and procedures for Active Shooter/ Hostile Events and Electric Vehicle Response.
- Obtained the MHG-JI contract Grant for the Multi-Disciplinary Response Team

## GOALS

- Continue to operate within budgetary constraints.
- Seek out grants and local matches for base fire department needs.
- Continue to treat others with respect and maintain our professionalism.
- Continue to monitor progress with new training programs.
- Continued technological advancement of department.
- Work with the Garage to order appropriate apparatus replacement to ensure higher level of emergency preparedness.
- Expand community risk reduction programs such as Fire Prevention education and home safety visits
- Continue to work with other City of Galveston departments in the spirit of cooperation in the best interest of the taxpayers.
- Participate in increased TIFMAS deployments across the State in response to Wild land fires
- Enhance Mental Health support programs including peer counselling and wellness initiatives
- Implement a robust departmental physical fitness program for the wellbeing of our members

**FY2026 BUDGET**
**FIRE**

**EXPENDITURE SUMMARY**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Personnel Services | $14,553,443 | $15,562,825 | $15,456,211 | $16,253,100 |
| Materials and Supplies | 302,489 | 313,940 | 316,386 | 269,950 |
| Contractual Services | 1,156,603 | 1,208,740 | 1,293,185 | 1,266,890 |
| Other Charges and Services | (17,973) | 2,020 | (34,514) | (19,500) |
| **TOTAL** | **$15,994,562** | **$17,087,525** | **$17,031,269** | **$17,770,440** |

**BUDGET HIGHLIGHTS (FY2026 BUDGET OVER/UNDER FY2025 ESTIMATED)**

Personnel Services - Net increases (+$796,888) includes funding (+$474,880) set-aside for the Fire Collective Bargaining Pay Agreement, a decrease in departmental overtime (-$262,839), a 10% increase in Group Health insurance (+$163,980), a decrease (+$110,793) in anticipated grant reimbursement from TFMIS and the annualized cost of personnel (+$310,074).

Materials and Supplies - Net decreases (-$46,436) for funding of protective gear (-$21,231), decreases for minor tools (-$19,108), and decreases (-$6,097) for materials and supplies needed in FY2026.

Contractual Services - Net decreases (-$26,295) includes decreases in garage charges (-$12,962), decreases in computer charges (-$19,108) and miscellaneous increases (+$6,497) in various contractual line items.

Other Charges and Services - Net increase (+$15,014) to various line items for FY2026.

**PERFORMANCE INDICATORS**

| INDICATORS | FY2023 ACTUAL | FY2024 ACTUAL | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Total Responses | 7,500 | 8,720 | 8,000 | 8,000 |
| Structure Fires | 100 | 72 | 100 | 100 |
| Scheduled Fire Inspections | 2,135 | 2,373 | 584 | 2,000 |
| Completed Fire Inspections | 2,135 | 1,805 | 431 | 2,000 |
| Permit Fees Collected | $125,000 | $151,258 | $150,000 | $150,000 |
| Required Firefighter Training | 34,800 | 2,340 | 2,340 | 2,340 |
| Training Accomplished | 45,000 | 25,049 | 22,208 | 25,000 |
| Response Times | 4:35 | 5:46 | 5:00 | 5:00 |

**PERSONNEL**

| POSITION | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Fire Chief | 1.00 | 1.00 | 1.00 | 1.00 |
| Assistant Fire Chief | 2.00 | 2.00 | 2.00 | 2.00 |
| Fire Marshal | 1.00 | 1.00 | 1.00 | 1.00 |
| Deputy Fire Marshal | 2.00 | 2.00 | 2.00 | 2.00 |
| Assistant Fire Marshal | 1.00 | 1.00 | 1.00 | 1.00 |
| Battalion Chief | 6.00 | 6.00 | 6.00 | 6.00 |
| Captain | 24.00 | 24.00 | 24.00 | 24.00 |
| Driver | 24.00 | 24.00 | 24.00 | 24.00 |
| Firefighter | 57.00 | 57.00 | 57.00 | 57.00 |
| Civilian Paramedics | 2.00 | 2.00 | 2.00 | 2.00 |
| Senior Administrative Assistant | 1.00 | 1.00 | 1.00 | 1.00 |
| Administrative Assistant | 1.00 | 1.00 | 1.00 | 1.00 |
| **TOTAL** | **122.00** | **122.00** | **122.00** | **122.00** |

**FY2026 BUDGET**
**FIRE**

**LINE ITEM DETAIL**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **Personnel Services** | | | | |
| 511001 Regular Payroll | $9,628,752 | $10,192,479 | $10,131,017 | $10,335,420 |
| 511002 COLA Increases | 0 | 0 | 0 | 385,610 |
| 511005 Longevity | 93,031 | 101,580 | 93,377 | 96,060 |
| 511006 Differential Pay | 174,206 | 170,560 | 47,356 | 18,770 |
| 511009 Overtime | 678,772 | 515,500 | 776,839 | 514,000 |
| 511110 Incentive Pay | 440,118 | 448,510 | 569,074 | 632,280 |
| 511125 Residency Pay | 62,267 | 62,770 | 56,160 | 52,710 |
| 511510 Group Health Insurance - Employer's | 1,618,461 | 1,613,330 | 1,613,330 | 1,777,310 |
| 511515 Worker's Compensation | 75,183 | 150,370 | 150,370 | 151,070 |
| 511520 Group Life Insurance | 46,393 | 51,070 | 48,806 | 52,240 |
| 511530 Social Security - Employer's | 17,684 | 24,663 | 18,952 | 24,020 |
| 511535 Medicare - Employer's | 153,441 | 166,629 | 166,205 | 169,160 |
| 511542 City Employee Retirement | 35,646 | 53,084 | 43,358 | 51,720 |
| 511543 Firemen's Retirement | 2,104,260 | 2,409,460 | 2,396,161 | 2,447,460 |
| 511545 Pension Benefit Adjustments | 0 | 0 | 0 | 89,270 |
| 511655 Salary Reimbursements-Grants | (574,771) | (397,180) | (654,793) | (544,000) |
| **Total Personnel Services** | **$14,553,443** | **$15,562,825** | **$15,456,211** | **$16,253,100** |
| | | | | |
| **Materials and Supplies** | | | | |
| 521065 Office Supplies | 8,457 | 12,500 | 9,025 | 4,850 |
| 521067 Minor Office Equipment | 2,253 | 3,000 | 3,000 | 1,500 |
| 521073 Printed Materials | 3,934 | 5,000 | 3,115 | 1,500 |
| 522010 Disposable Medical Supplies | 5,080 | 6,000 | 6,000 | 7,000 |
| 522013 Clothing | 71,717 | 75,000 | 75,000 | 75,000 |
| 522014 Protective Gear | 80,087 | 100,000 | 96,231 | 75,000 |
| 522037 Janitorial Supplies | 14,325 | 15,000 | 15,000 | 12,000 |
| 522055 Minor Tools | 61,980 | 46,000 | 54,108 | 35,000 |
| 525031 Electricity | 47,244 | 43,440 | 44,658 | 48,500 |
| 525032 Natural Gas | 7,413 | 8,000 | 10,249 | 9,600 |
| **Total Materials and Supplies** | **$302,489** | **$313,940** | **$316,386** | **$269,950** |
| | | | | |
| **Contractual Services** | | | | |
| 531025 Memberships | 1,145 | 2,000 | 1,425 | 1,000 |
| 531027 Certification & Permit Fees | 16,481 | 11,000 | 11,000 | 17,000 |
| 531029 Software Maintenance Contracts | 41,359 | 47,000 | 47,000 | 47,000 |
| 531116 Hazardous Waste Disposal & Supplies | 2,412 | 3,000 | 3,000 | 1,500 |
| 531230 Equipment Repairs | 4,712 | 7,500 | 7,500 | 7,000 |
| 531245 Compliance Maintenance | 31,092 | 37,000 | 37,000 | 40,000 |
| 531343 Justice Center - Utilities | 132,165 | 72,570 | 72,565 | 72,570 |
| 531350 Garage Charges | 466,535 | 557,930 | 650,382 | 637,420 |
| 531360 Computer Charges | 367,763 | 359,110 | 359,110 | 339,280 |
| 532062 Postage | 753 | 1,000 | 922 | 0 |
| 532065 Printing, Duplication | 4,093 | 5,000 | 4,767 | 4,500 |
| 532083 Telephone Service | 1,926 | 2,000 | 1,932 | 1,700 |
| 532084 Cellular Service | 3,496 | 3,750 | 3,912 | 3,980 |
| 532086 Other Communications | 17,463 | 20,000 | 16,696 | 18,000 |
| 532087 Aircard Service | 9,833 | 9,400 | 5,975 | 5,940 |
| 533085 Travel/Training | 55,376 | 70,480 | 70,000 | 70,000 |
| **Total Contractual Services** | **$1,156,603** | **$1,208,740** | **$1,293,185** | **$1,266,890** |

**FY2026 BUDGET**
**FIRE**

**LINE ITEM DETAIL**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **Other Charges and Services** | | | | |
| 544027 Court Costs And Judgments | 0 | 500 | 500 | 0 |
| 544087 Expense Reimbursement | (25,577) | (10,480) | (44,014) | (27,500) |
| 544099 Miscellaneous Expense | 7,604 | 12,000 | 9,000 | 8,000 |
| **Total Other Charges and Services** | **($17,973)** | **$2,020** | **($34,514)** | **($19,500)** |
| **Total Expenses** | **$15,994,562** | **$17,087,525** | **$17,031,269** | **$17,770,440** |

# EMERGENCY MANAGEMENT

## MISSION STATEMENT

The mission of the Emergency Management Division is to provide a comprehensive all-hazard emergency management program in partnership with City departments, staff, administration, neighboring jurisdictions, and non-governmental organizations in to save lives, protect property, and safeguard the environment.

## ACCOMPLISHMENTS

- Updated emergency management plans at the Advanced Preparedness Level as recognized by the Texas Division of Emergency Management (TDEM) to ensure Emergency Management Performance Grant (EMPG) eligibility.
- Facilitated discussion- and operations- based exercises for City staff, volunteers, and other emergency responders.
- Updated, and pursued pre-disaster contracts and interlocal agreements in accordance with the City Charter, State, and Federal procurement laws and policies.
- Reviewed and updated the emergency preparedness planning documents within the five-year cycle as mandated per TDEM and FEMA guidelines.
- Developed and identified priorities for a multi-year preparedness and training plan to address threat risk in our city.
- Took on Public Works after-hour call center and trained new employees in intermediate FEMA training
- Will soon take over the Galveston Parks Board call center and integrate their employees to the City of Galveston Call Center.

## GOALS

- Develop and implement a system that will enhance responses to all hazards by making the emergency operations center portable.
- Develop and plan for responding to Catastrophic Emergencies and continue to enhance the overall efficiency of Emergency Management Operations.
- Conducted National Incident Management System (NIMS) and Incident Command System (ICS) training for City staff, volunteers, City Council members and other emergency responders.
- Continue to develop community outreach to the homeless population and STEAR subscribed residents.
- Obtained a Generator from CenterPoint energy for Scholls Field that will supply the Airport electrical needs during an emergency.

**FY2026 BUDGET**
**EMERGENCY MANAGEMENT**

**EXPENDITURE SUMMARY**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Personnel Services | $305,335 | $342,156 | $343,935 | $347,800 |
| Materials and Supplies | 829 | 4,000 | 2,104 | 3,200 |
| Contractual Services | 73,104 | 75,850 | 74,243 | 64,180 |
| **TOTAL** | **$379,269** | **$422,006** | **$420,281** | **$415,180** |

**BUDGET HIGHLIGHTS (FY2026 BUDGET OVER/UNDER FY2025 ESTIMATED)**

Personnel Services - Net increase (+$3,865) includes a 10% increase (+$3,360) in Group Health insurance and the annualized cost of personnel (+$505).

Materials and Supplies - Net increase (+$1,096) to maintain funding level in FY2026.

Contractual Services - Net decreases (-$10,063) includes a decrease (-$4,580) for garage charges, computer charges (-$5,570), and increases (+$87) for miscellaneous contractual line items.

**PERFORMANCE INDICATORS**

| INDICATORS | FY2023 ACTUAL | FY2024 ACTUAL | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Number of City Employees that received ICS/NIMS Training | 112 | 115 | 115 | 100 |
| Number of Emergency Management Exercises with participation by EM Staff | 15 | 18 | 25 | 20 |
| Number of Hazard Awareness and Preparedness Activities delivered to Citizens | 15 | 15 | 25 | 40 |
| Number of Trainings for EM Staff | 20 | 25 | 20 | 40 |

**PERSONNEL**

| POSITION | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Executive Director | 0.50 | 0.50 | 0.50 | 0.50 |
| Emergency Management Coordinator | 1.00 | 1.00 | 1.00 | 1.00 |
| Assistant Emergency Manager | 0.00 | 0.00 | 1.00 | 1.00 |
| **TOTAL** | **1.50** | **1.50** | **2.50** | **2.50** |

**FY2026 BUDGET**
**EMERGENCY MANAGEMENT**

**LINE ITEM DETAIL**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **Personnel Services** | | | | |
| 511001 Regular Payroll | $217,665 | $253,659 | $255,284 | $253,660 |
| 511005 Longevity | 457 | 570 | 557 | 680 |
| 511009 Overtime | 10,954 | 0 | 0 | 1,500 |
| 511510 Group Health Insurance - Employer's | 27,971 | 33,060 | 33,060 | 36,420 |
| 511515 Worker's Compensation | 148 | 300 | 300 | 570 |
| 511520 Group Life Insurance | 1,032 | 1,180 | 1,257 | 1,240 |
| 511530 Social Security - Employer's | 13,811 | 15,759 | 15,659 | 15,860 |
| 511535 Medicare - Employer's | 3,230 | 3,685 | 3,662 | 3,710 |
| 511542 City Employee Retirement | 30,066 | 33,943 | 34,155 | 34,160 |
| **Total Personnel Services** | **$305,335** | **$342,156** | **$343,935** | **$347,800** |
| | | | | |
| **Materials and Supplies** | | | | |
| 521065 Office Supplies | 624 | 1,500 | 854 | 1,200 |
| 522013 Clothing | 205 | 500 | 250 | 500 |
| 522056 Minor Equipment | 0 | 2,000 | 1,000 | 1,500 |
| **Total Materials and Supplies** | **$829** | **$4,000** | **$2,104** | **$3,200** |
| | | | | |
| **Contractual Services** | | | | |
| 531025 Memberships | 0 | 250 | 180 | 200 |
| 531350 Garage Charges | 5,529 | 5,530 | 9,210 | 4,630 |
| 531360 Computer Charges | 56,246 | 52,220 | 52,220 | 46,650 |
| 532084 Cellular Service | 1,834 | 2,400 | 966 | 1,020 |
| 532086 Other Communications | 4,749 | 8,250 | 4,800 | 4,800 |
| 532087 Aircard Service | 1,213 | 700 | 1,368 | 1,380 |
| 533085 Travel/Training | 2,933 | 4,500 | 4,500 | 4,500 |
| 533090 Public Education | 600 | 2,000 | 1,000 | 1,000 |
| **Total Contractual Services** | **$73,104** | **$75,850** | **$74,243** | **$64,180** |
| | | | | |
| **Total Expenses** | **$379,269** | **$422,006** | **$420,281** | **$415,180** |

**FY2026 BUDGET**
**EMERGENCY MEDICAL SERVICES**

**EXPENDITURE SUMMARY**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Contractual Services | $914,448 | $1,662,280 | $1,662,274 | $1,994,800 |
| **TOTAL** | **$914,448** | **$1,662,280** | **$1,662,274** | **$1,994,800** |

**BUDGET HIGHLIGHTS (FY2026 BUDGET OVER/UNDER FY2025 ESTIMATED)**

Contractual Services - Net increase (+$332,526) is a 20% increase requested by the Galveston County Health District due to estimated impacts from Federal change to Medicare/Medicaid/ACA. (This has increased 118% since FY24)

**LINE ITEM DETAIL**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **Contractual Services** | | | | |
| 531125 Other Contracts | $914,448 | $1,662,280 | $1,662,274 | $1,994,800 |
| **Total Contractual Services** | **$914,448** | **$1,662,280** | **$1,662,274** | **$1,994,800** |
| **Total Expenses** | **$914,448** | **$1,662,280** | **$1,662,274** | **$1,994,800** |

# CITY MARSHAL

## MISSION STATEMENT

The City Marshal 's Office serves as a unified enforcement division dedicated to improving the overall appearance of neighborhoods and enhancing the lives of Galvestonians through fair and impartial compliance with state laws and city ordinances.

## ACCOMPLISHMENTS

- Added one additional parking pay station at 20th and strand.
- Began expansion of the City Marshal's Office to include the Animal Services Unit.
- Attendance at Neighborhood Association meetings to provide education on code enforcement.
- Replaced 16 parking pay stations that reached end-of-life with new stations.
- Cross trained personnel to improve quality of assistance to our community.
- Transitioned to the Motorola APX N70 radios.
- Maintained preparedness for disaster response and recovery.

## GOALS

- Build sustainable, collaborative relationships with other city departments and the community we serve.
- Maintain training standards for all employees to ensure continuous professional performance.
- Improve website for optimal user experience.
- Fully transfer Animal Services Unit into the City Marshal's Office.
- Timely hiring when vacancies occur to ensure minimal disruption and impact on employees and our community.
- Complete review of all policies and procedures to include updates as necessary to align with best practices.
- Explore grant opportunities that will allow the City Marshal's Office to be better resourced to respond to our community.
- Continue our efforts to increase compliance with habitual property violators.

**FY2026 BUDGET**
**CITY MARSHAL**

**EXPENDITURE SUMMARY**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Personnel Services | $779,454 | $784,608 | $792,291 | $1,145,810 |
| Materials and Supplies | 13,204 | 20,120 | 17,865 | 20,700 |
| Contractual Services | 313,279 | 352,040 | 317,284 | 769,200 |
| Other Charges and Services | (21,677) | (7,250) | (15,392) | (32,500) |
| **TOTAL** | **$1,084,260** | **$1,149,518** | **$1,112,049** | **$1,903,210** |

**BUDGET HIGHLIGHTS (FY2026 BUDGET OVER/UNDER FY2025 ESTIMATED)**

Personnel Services - Net increases (+$353,519) includes transfer of Animal Control personnel (+$391,070) from the Police Department (See supplement information), move one (1) Deputy City Marshal to the Short Term Rental Fund (-$83,206), fund an overall 10% increase (+$70,570) in Group Health insurance, and the annualized cost of personnel (-$24,915).

Materials and Supplies - Net increases (+$2,835) includes funding (+$2,250) moved for the Animal Control division from the Police Department and a slight increase (+$585) in miscellaneous materials and supplies for the City Marshal's original estimated expenditures for FY25.

Contractual Services - Net increases (+$451,916) includes funding (+$433,030) moved for the Animal Control division from the Police Department (See supplement information) and a slight increase (+$18,886) in for various contractual accounts in the City Marshal's original estimated expenditures for FY25.

Other Charges and Services - Net increase (-$17,108) in anticipated reimbursements from lien holders in FY2026.

**PERFORMANCE INDICATORS**

| INDICATORS | FY2023 ACTUAL | FY2024 ACTUAL | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Demolitions by the City | 5 | 9 | 6 | 8 |
| Structures Secured | 10 | 12 | 10 | 15 |
| Public Nuisances Cleaned | 300 | 175 | 175 | 250 |
| Municipal Court Cases | 450 | 1,000 | 1,100 | 1,200 |
| Self Initiated Cases | 4,000 | 4,500 | 5,000 | 5,500 |
| Total Investigations | 12,000 | 9,000 | 10,000 | 12,000 |
| Vehicles Towed | 250 | 200 | 225 | 180 |
| Vehicles Red Tagged | 1,200 | 1,000 | 1,100 | 800 |
| Muni Warrants Cleared | 150 | 500 | 250 | 225 |
| Housing Abatement Cases/Court of Record | 15 | 100 | 90 | 75 |

**PERSONNEL**

| POSITION | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| City Marshal | 0.50 | 0.50 | 0.50 | 0.50 |
| Deputy City Marshal | 0.50 | 0.50 | 0.50 | 0.50 |
| Sergeant City Marshal | 0.70 | 0.70 | 0.70 | 0.70 |
| Deputy Marshal | 4.00 | 5.00 | 5.00 | 4.00 |
| Code Enforcement Officer | 2.20 | 1.20 | 1.20 | 1.20 |
| Administrative Service Manager | 0.00 | 1.00 | 1.00 | 1.00 |
| Senior Administrative Assistant | 1.00 | 0.25 | 0.25 | 0.25 |
| Administrative Assistant | 0.25 | 0.00 | 0.00 | 0.00 |
| **TOTAL** | **9.15** | **9.15** | **9.15** | **8.15** |

**FY2026 BUDGET**
**CITY MARSHAL**

**LINE ITEM DETAIL**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2026 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **Personnel Services** | | | | |
| 511001 Regular Payroll | $528,513 | $582,750 | $526,333 | $766,800 |
| 511005 Longevity | 2,605 | 3,000 | 2,520 | 3,150 |
| 511006 Differential Pay | 1,185 | 1,130 | 1,459 | 2,040 |
| 511009 Overtime | 6,609 | 10,000 | 18,835 | 10,000 |
| 511510 Incentive Pay | 13,120 | 13,370 | 14,494 | 15,790 |
| 511125 Residency Pay | 6,901 | 9,510 | 6,925 | 6,920 |
| 511510 Group Health Insurance | 121,000 | 121,000 | 121,000 | 191,570 |
| 511515 Worker's Compensation | 410 | 820 | 820 | 820 |
| 511520 Group Life Insurance | 2,530 | 2,790 | 2,879 | 3,730 |
| 511530 Social Security - Employment | 33,517 | 38,421 | 34,856 | 49,890 |
| 511535 Medicare - Employer's | 7,839 | 8,982 | 8,152 | 11,670 |
| 511542 City Employee Retirement | 72,479 | 82,745 | 75,671 | 107,430 |
| 511650 Salary Reimbursements | (23,872) | (89,910) | (25,000) | (24,000) |
| 511655 Salary Reimbursements-Grants | 6,620 | 0 | 3,348 | 0 |
| **Total Personnel Services** | **$779,454** | **$784,608** | **$792,291** | **$1,145,810** |
| | | | | |
| **Materials and Supplies** | | | | |
| 521065 Office Supplies | 5,803 | 8,100 | 7,837 | 8,000 |
| 521067 Minor Office Equipment | 609 | 1,120 | 1,120 | 1,500 |
| 522013 Clothing | 5,732 | 5,000 | 2,830 | 5,000 |
| 522055 Minor Tools | 420 | 500 | 500 | 1,000 |
| 522056 Minor Equipment | 639 | 5,400 | 5,579 | 5,200 |
| **Total Materials and Supplies** | **$13,204** | **$20,120** | **$17,865** | **$20,700** |
| | | | | |
| **Contractual Services** | | | | |
| 531005 Other Services | 0 | 0 | 0 | 360,000 |
| 531025 Memberships | 150 | 150 | 150 | 150 |
| 531027 Certification & Permit Fees | 100 | 600 | 590 | 300 |
| 531028 Software Licenses | 14,335 | 34,600 | 14,765 | 15,000 |
| 531120 Lot Maintenance | 32,256 | 40,000 | 40,000 | 50,000 |
| 531121 Lot Demolition | 30,200 | 31,000 | 31,000 | 60,000 |
| 531125 Other Contracts | 5,880 | 6,710 | 6,710 | 0 |
| 531129 Graffiti Removal | 0 | 150 | 0 | 0 |
| 531240 Maintenance Contracts | 3,465 | 3,500 | 3,465 | 5,000 |
| 531350 Garage Charges | 85,810 | 89,410 | 79,184 | 122,800 |
| 531360 Computer Charges | 107,517 | 107,520 | 107,520 | 110,690 |
| 531400 Water Service | 3,499 | 0 | 0 | 0 |
| 532062 Postage | 2,768 | 3,500 | 2,818 | 3,100 |
| 532065 Printing, Duplication | 5,882 | 6,000 | 6,979 | 6,600 |
| 532083 Telephone Service | 894 | 1,000 | 897 | 800 |
| 532084 Cellular Service | 6,454 | 6,500 | 5,648 | 7,240 |
| 532086 Other Communications | 1,620 | 1,700 | 1,620 | 11,600 |
| 532087 Aircard Service | 6,168 | 6,300 | 6,053 | 6,420 |
| 533085 Travel/Training | 4,293 | 7,000 | 6,185 | 4,500 |
| 533088 Training Expense | 1,740 | 5,400 | 2,700 | 4,700 |
| 533100 Advertising | 247 | 1,000 | 1,000 | 300 |
| **Total Contractual Services** | 313,279 | 352,040 | 317,284 | 769,200 |

**FY2026 BUDGET**
**CITY MARSHAL**

**LINE ITEM DETAIL**

| | | FY2024 ACTUAL | FY2025 BUDGET | FY2026 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|---|
| **Other Charges and Services** | | | | | |
| 543033 | Filing and Releasing Fees | 16,680 | 30,000 | 28,200 | 25,000 |
| 544087 | Expense Reimbursement | (40,870) | (40,000) | (46,613) | (60,000) |
| 544099 | Miscellaneous Expense | 0 | 250 | 36 | 0 |
| 544105 | Bank Service Fees | 2,512 | 2,500 | 2,985 | 2,500 |
| **Total Other Charges and Services** | | **($21,677)** | **($7,250)** | **($15,392)** | **($32,500)** |
| **Total Expenses** | | **$1,084,260** | **$1,149,518** | **$1,112,049** | **$1,903,210** |

**FY2026 BUDGET**
**CITY MARSHAL SUPPLEMENTAL INFORMATION: ANIMAL SERVICES**

**EXPENDITURE SUMMARY**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Personnel Services | $0 | $0 | $0 | $391,070 |
| Materials and Supplies | 0 | 0 | 0 | 2,250 |
| Contractual Services | 0 | 0 | 0 | 433,030 |
| Other Charges and Services | 0 | 0 | 0 | 0 |
| **TOTAL** | **$0** | **$0** | **$0** | **$826,350** |

**BUDGET HIGHLIGHTS (FY2026 BUDGET OVER/UNDER FY2025 ESTIMATED)**

Personnel Services - Transferred 5 positions over from the Police Department
Materials and Supplies - Transferred expected materials and supplies over from the Police Department
Contractual Services - Transferred relevant contractual obligations over from the Police Department

**PERSONNEL**

| POSITION | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Animal Control Supervisor | 0.00 | 0.00 | 0.00 | 1.00 |
| Animal Control Officer | 0.00 | 0.00 | 0.00 | 4.00 |
| **TOTAL** | **0.00** | **0.00** | **0.00** | **5.00** |

**FY2026 BUDGET**
**CITY MARSHAL SUPPLEMENTAL INFORMATION: ANIMAL SERVICES**

**LINE ITEM DETAIL**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2026 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **Personnel Services** | | | | |
| 511001 Regular Payroll | $0 | $0 | $0 | $226,700 |
| 511005 Longevity | 0 | 0 | 0 | 630 |
| 511006 Differential Pay | 0 | 0 | 0 | 2,040 |
| 511009 Overtime | 0 | 0 | 0 | 10,000 |
| 511510 Incentive Pay | 0 | 0 | 0 | 15,790 |
| 511125 Residency Pay | 0 | 0 | 0 | 6,920 |
| 511510 Group Health Insurance | 0 | 0 | 0 | 72,840 |
| 511515 Worker's Compensation | 0 | 0 | 0 | 0 |
| 511520 Group Life Insurance | 0 | 0 | 0 | 1,110 |
| 511530 Social Security - Employment | 0 | 0 | 0 | 16,250 |
| 511535 Medicare - Employer's | 0 | 0 | 0 | 3,800 |
| 511542 City Employee Retirement | 0 | 0 | 0 | 34,990 |
| **Total Personnel Services** | **$0** | **$0** | **$0** | **$391,070** |
| | | | | |
| **Materials and Supplies** | | | | |
| 521065 Office Supplies | 0 | 0 | 0 | 250 |
| 521067 Minor Office Equipment | 0 | 0 | 0 | 500 |
| 522013 Clothing | 0 | 0 | 0 | 1,000 |
| **Total Materials and Supplies** | **$0** | **$0** | **$0** | **$2,250** |
| | | | | |
| **Contractual Services** | | | | |
| 531005 Other Services | 0 | 0 | 0 | 360,000 |
| 531350 Garage Charges | 0 | 0 | 0 | 48,350 |
| 531360 Computer Charges | 0 | 0 | 0 | 20,000 |
| 532084 Cellular Service | 0 | 0 | 0 | 1,500 |
| 532087 Aircard Service | 0 | 0 | 0 | 1,680 |
| 533085 Travel/Training | 0 | 0 | 0 | 1,500 |
| **Total Contractual Services** | 0 | 0 | 0 | 433,030 |
| | | | | |
| **Total Expenses** | **$0** | **$0** | **$0** | **$826,350** |

**FY2026 BUDGET**
**COMMUNICATIONS**

**EXPENDITURE SUMMARY**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Personnel Services | $1,934,568 | $2,386,847 | $2,100,751 | $2,320,120 |
| Materials and Supplies | 6,126 | 8,450 | 5,664 | 7,000 |
| Contractual Services | 4,616 | 2,250 | 1,728 | 86,370 |
| Other Charges and Services | (4,500) | (6,000) | (6,000) | (6,000) |
| **TOTAL** | **$1,940,809** | **$2,391,547** | **$2,102,144** | **$2,407,490** |

**BUDGET HIGHLIGHTS (FY2026 BUDGET OVER/UNDER FY2025 ESTIMATED)**

Personnel Services - Net increases (+$219,369) includes a 10% increase (+$29,500) in Group Health insurance and the annualized cost of personnel (+$189,869) to fill vacant positions in FY26.

Materials and Supplies - Net increases (+$1,336) for miscellaneous office supplies and equipment.

Contractual Services - Net increases (+$84,642) includes increases in maintenance contracts (+$20,000) and computer charges (+$63,620) to split the cost out from the Police Department Support Services division, and increases (+$1,022) for various contractual accounts.

**PERFORMANCE INDICATORS**

| INDICATORS | FY2023 ACTUAL | FY2024 ACTUAL | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Calls for Service | 69,512 | 64,080 | 61,686 | 60,000 |

**PERSONNEL**

| POSITION | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Director of Communications | 1.00 | 1.00 | 1.00 | 1.00 |
| Public Safety Communications Manager | 4.00 | 4.00 | 4.00 | 4.00 |
| Telecommunicators | 8.00 | 15.00 | 9.00 | 15.00 |
| Telecommunications Call-Takers | 2.00 | 2.00 | 0.00 | 2.00 |
| **TOTAL** | **15.00** | **22.00** | **14.00** | **22.00** |

**FY2026 BUDGET**
**COMMUNICATIONS**

**LINE ITEM DETAIL**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2026 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **Personnel Services** | | | | |
| 511001 Regular Payroll | $972,731 | $1,391,460 | $1,151,829 | $1,313,430 |
| 511005 Longevity | 6,603 | 6,520 | 6,095 | 6,090 |
| 511006 Differential Pay | 904 | 910 | 837 | 910 |
| 511009 Overtime | 311,098 | 285,000 | 298,721 | 300,000 |
| 511021 Part-Time Payroll | 19,519 | 10,000 | 0 | 0 |
| 511510 Incentive Pay | 17,576 | 17,230 | 21,225 | 14,580 |
| 511125 Residency Pay | 10,038 | 10,050 | 9,879 | 8,040 |
| 511510 Group Health Insurance | 317,376 | 291,000 | 291,000 | 320,500 |
| 511515 Worker's Compensation | 2,582 | 5,170 | 5,170 | 5,170 |
| 511520 Group Life Insurance | 4,749 | 6,290 | 5,051 | 6,360 |
| 511530 Social Security - Employment | 80,361 | 107,233 | 90,947 | 101,870 |
| 511535 Medicare - Employer's | 18,794 | 25,081 | 21,270 | 23,820 |
| 511542 City Employee Retirement | 172,237 | 230,903 | 198,727 | 219,350 |
| **Total Personnel Services** | **$1,934,568** | **$2,386,847** | **$2,100,751** | **$2,320,120** |
| | | | | |
| **Materials and Supplies** | | | | |
| 521065 Office Supplies | 2,949 | 3,200 | 2,356 | 3,000 |
| 521067 Minor Office Equipment | 3,176 | 5,250 | 3,309 | 4,000 |
| **Total Materials and Supplies** | **$6,126** | **$8,450** | **$5,664** | **$7,000** |
| | | | | |
| **Contractual Services** | | | | |
| 531230 Equipment Repairs | 3,500 | 1,000 | 500 | 1,500 |
| 531240 Maintenance Contracts | 0 | 0 | 0 | 20,000 |
| 531360 Computer Charges | 0 | 0 | 0 | 63,620 |
| 532065 Printing, Duplication | 1,116 | 1,250 | 1,228 | 1,250 |
| **Total Contractual Services** | 4,616 | 2,250 | 1,728 | 86,370 |
| | | | | |
| **Other Charges and Services** | | | | |
| 544087 Expense Reimbursement | (4,500) | (6,000) | (6,000) | (6,000) |
| **Total Other Charges and Services** | **($4,500)** | **($6,000)** | **($6,000)** | **($6,000)** |
| | | | | |
| **Total Expenses** | **$1,940,809** | **$2,391,547** | **$2,102,144** | **$2,407,490** |

**FY2026 BUDGET**
**SPECIAL EVENTS**

**LINE ITEM DETAIL**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **Other Charges and Services** | | | | |
| 544087 Expense Reimbursements | (486,683) | (490,000) | (500,000) | (500,000) |
| **Total Other Charges and Services** | **($486,683)** | **($490,000)** | **($500,000)** | **($500,000)** |
| | | | | |
| **Special Events and Programs** | | | | |
| 591031 Mardi Gras Expenses | 486,683 | 490,000 | 500,000 | 500,000 |
| **Total Special Events and Programs** | **$486,683** | **$490,000** | **$500,000** | **$500,000** |
| | | | | |
| **Total Expenses** | **$0** | **$0** | **$0** | **$0** |

**BUDGET HIGHLIGHTS (FY2026 BUDGET OVER/UNDER FY2025 ESTIMATED)**

This organization budget unit serves as a cost center for City wide operating department's costs for special events (i.e. Mardi Gras) that are reimbursed from another funding source.

**FY2026 BUDGET**
**PUBLIC WORKS OPERATIONS**

| DEPARTMENT | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Streets | $3,060,092 | $2,371,977 | $3,102,657 | $2,456,590 |
| Traffic | 3,381,336 | 3,053,366 | 3,073,043 | 3,099,895 |
| **Public Works Operations Total** | **$6,441,428** | **$5,425,343** | **$6,175,701** | **$5,556,485** |

| CATEGORY | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Personnel Services | $3,894,891 | $3,461,403 | $3,693,890 | $3,491,160 |
| Materials and Supplies | 1,833,218 | 1,532,009 | 1,517,144 | 1,518,375 |
| Contractual Services | 1,194,026 | 1,381,586 | 1,428,208 | 1,180,750 |
| Other Charges and Services | (511,478) | (964,000) | (477,886) | (753,800) |
| Capital Outlay | 30,771 | 14,345 | 14,345 | 120,000 |
| **Public Works Operations Total** | **$6,441,428** | **$5,425,343** | **$6,175,701** | **$5,556,485** |

**HIGHLIGHTS (FY2026 Budget Over/Under FY2025 Estimated)**

Personnel Services - Net decrease (-$202,730) includes a 10% increase (+$63,980) in Group Health insurance, funding for reimbursements (-$270,508) for Street repairs, and the cost for annualized personnel (+$3,798).

Materials and Supplies - Net increases (+$1,231) for various line items throughout the departmental supply accounts.

Contractual Services - Net decrease (-$247,458) includes decreases (-$242,367) in garage charges, and decreases (-$5,091) for miscellaneous contractual line items.

Other Charges and Supply - Overall increases (-$275,914) for reimbursable from equipment and material usage anticipated in FY2026.

Capital Outlay - Overall net increase (+$105,655) for departmental capital needs in FY2026.

| PERSONNEL SUMMARY | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Public Works - Full Time Positions | 52.84 | 57.84 | 52.90 | 56.90 |
| Public Works - Personnel Costs | $3,894,891 | $3,461,403 | $3,693,890 | $3,491,160 |

# STREETS DIVISION

## MISSION STATEMENT

The mission of the Streets Division is to ensure safe, efficient, and well-maintained public roadways and infrastructure for all residents, businesses, and visitors. We are committed to delivering high-quality street maintenance, sand and debris removal, pavement repair, major construction, and curb and sidewalk replacement services with professionalism, responsiveness, and integrity. Through proactive planning, sustainable practices, and community collaboration, we strive to enhance mobility, public safety, and quality of life throughout the City of Galveston.

## ACCOMPLISHMENTS

- Streets crews repaved approximately one (1) mile (15 blocks) of streets and alleys. Streets repaved include:
  - Ursuline (Ave N) from 31st to 32nd Street
  - 34th Street from Avenue L to M
  - 33rd Street from Broadway to Avenue M ½
  - Avenue M from 32nd to 37th Street
  - The alley between Church (Ave F) and Winnie (Ave G) from 24th to 25th Street
  - The alley between Ursuline (Ave N) and Avenue O from 21st to 22nd Street
  - 2228 Seawall Boulevard
- Pocket Park No. 3 parking lot improvements including grading and installation of asphalt roadways.
- Hooper Field parking lot improvements including grading and installation of asphalt roadways.
- Re-graded 62 alleys at various locations throughout the city
- Completed 37 IDC Curb & Sidewalk Projects at various locations throughout the city
- Performed street sweeping on approximately 200 miles of city streets

## GOALS

- Repair potholes within 24 hours of service requests.
- Mill and overlay approximately three (3) miles (48 blocks) of asphalt city streets.
- Re-grade 75 alleyways.
- Repair utility cuts within an average of 60 days from the completion of the utility installation.
- Complete 45 IDC Curb & Sidewalk Program projects.
- Perform street sweeping on approximately 250 miles of city streets.

**FY2026 BUDGET**
**STREETS**

## EXPENDITURE SUMMARY

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Personnel Services | $2,235,392 | $1,880,197 | $2,089,393 | $1,852,620 |
| Materials and Supplies | 444,804 | 446,000 | 416,820 | 444,460 |
| Contractual Services | 873,522 | 1,005,780 | 1,058,072 | 829,310 |
| Other Charges and Services | (493,626) | (960,000) | (461,627) | (739,800) |
| Capital Outlay | 0 | 0 | 0 | 70,000 |
| **TOTAL** | **$3,060,092** | **$2,371,977** | **$3,102,657** | **$2,456,590** |

## BUDGET HIGHLIGHTS (FY2026 BUDGET OVER/UNDER FY2025 ESTIMATED)

Personnel Services - Net decrease (-$345,392) includes a 10% increase (+$38,720) in Group Health insurance, funding for reimbursements (-$270,508) for Street repairs, and the cost for annualized personnel (-$4,985).

Materials and Supplies - Net increases (+$27,640) include funding for concrete and aggregate (+$10,936), safety supplies (+$4,700) other materials (+$9,442) that are used for repairs to sidewalks and curbs and are reimbursed by the Industrial

Contractual Services - Net decrease (-$228,762) includes decreases (-$239,549) in garage charges, and increases (+$10,787) for miscellaneous contractual line items.

Other Charges and Supply - Overall increases (-$278,173) for reimbursable from equipment and material usage anticipated in FY2026.

Capital Outlay - Overall net decrease (+$70,000) for Capital Outlay in FY2026.

## PERFORMANCE INDICATORS

| INDICATORS | FY2023 ACTUAL | FY2024 ACTUAL | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Potholes Patched - Service Request Completed within 24 hour Average | 263 | 36 | 13 | 24 |
| Crack Sealed Pavement, Blocks | 15 | 6 | NA | 0 |
| Street Paving - Measured in tons, (~48 blocks) | 7894/73blks | 1.82 (Miles) | 1.0 | 3.0 |
| IDC Work Orders Completed in 30 Day Average | 145/day avg | 34.0 | 37.0 | 45.0 |
| Utility Cuts Completed in 30 Day Average | 118/day avg | 101.0 | 94.0 | 60.0 |
| Alley Grading (number of alleyways) | 34 ea. | 59 | 62 | 75 |
| Fog Sealing (number of Blocks) - New | NA | NA | 0 | 0 |
| Street Sweeping (Miles) - New | NA | NA | NA | 250 |

## PERSONNEL

| POSITION | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Director of Public Works | 0.12 | 0.12 | 0.00 | 0.00 |
| Public Works Manager | 0.00 | 0.00 | 0.80 | 0.80 |
| Public Works Superintendent | 1.50 | 1.50 | 1.00 | 1.00 |
| Public Works Supervisor | 2.00 | 2.00 | 2.00 | 2.00 |
| Engineering Technician | 1.00 | 1.00 | 1.00 | 1.00 |
| Warehouse Manager | 0.10 | 0.10 | 0.10 | 0.10 |
| Senior Crew Leader | 4.00 | 5.00 | 4.00 | 5.00 |
| Senior Administrative Assistant | 1.00 | 1.00 | 1.00 | 1.00 |
| Parts & Supply Coordinator | 1.00 | 1.00 | 1.00 | 1.00 |
| Street Technician | 23.00 | 26.00 | 23.00 | 25.00 |
| **TOTAL** | **33.72** | **37.72** | **33.90** | **36.90** |

**FY2026 BUDGET**
**STREETS**

**LINE ITEM DETAIL**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **Personnel Services** | | | | |
| 511001 Regular Payroll | $1,557,879 | $1,758,225 | $1,709,501 | $1,701,800 |
| 511005 Longevity | 14,026 | 15,480 | 15,130 | 16,900 |
| 511006 Differential Pay | 1,219 | 910 | 907 | 910 |
| 511009 Overtime | 166,077 | 80,000 | 80,000 | 80,000 |
| 511125 Residency Pay | 33,691 | 32,630 | 32,539 | 32,630 |
| 511510 Group Health Insurance | 485,616 | 498,840 | 498,840 | 537,560 |
| 511515 Worker's Compensation | 45,207 | 90,420 | 90,420 | 90,420 |
| 511520 Group Life Insurance | 7,633 | 7,370 | 8,162 | 7,620 |
| 511530 Social Security - Employment | 104,921 | 117,011 | 111,911 | 113,600 |
| 511535 Medicare - Employer's | 24,538 | 27,364 | 26,173 | 26,570 |
| 511542 City Employee Retirement | 230,609 | 251,947 | 245,303 | 244,610 |
| 511650 Salary Reimbursements | (436,024) | (513,420) | (486,202) | (500,000) |
| 511655 Salary Reimbursements-Grants | 0 | (486,580) | (243,290) | (500,000) |
| **Total Personnel Services** | **$2,235,392** | **$1,880,197** | **$2,089,393** | **$1,852,620** |
| **Materials and Supplies** | | | | |
| 521065 Office Supplies | 2,132 | 5,500 | 4,219 | 2,375 |
| 522011 Chemicals | 4,581 | 200 | 574 | 0 |
| 522013 Clothing | 34,778 | 25,000 | 25,000 | 30,000 |
| 522015 Concrete And Aggregate | 297,391 | 300,000 | 289,064 | 300,000 |
| 522025 Fuel and Lubricants | 0 | 0 | 1,917 | 475 |
| 522037 Janitorial Supplies | 2,212 | 2,300 | 2,300 | 2,185 |
| 522038 Safety Supplies | 7,318 | 8,000 | 8,000 | 12,700 |
| 522055 Minor Tools | 13,903 | 16,000 | 13,641 | 13,500 |
| 522056 Minor Equipment | 4,081 | 3,500 | 3,500 | 3,325 |
| 522065 Paint And Lumber | 4,831 | 2,500 | 2,500 | 3,800 |
| 522085 Equipment Parts | 2,274 | 3,500 | 1,797 | 2,000 |
| 522098 Other Materials | 66,800 | 77,000 | 61,808 | 71,250 |
| 522099 Other Supplies | 4,504 | 2,500 | 2,500 | 2,850 |
| **Total Materials and Supplies** | **$444,804** | **$446,000** | **$416,820** | **$444,460** |
| **Contractual Services** | | | | |
| 531005 Other Services | 219 | 0 | 90 | 200 |
| 531025 Memberships | 36 | 0 | 0 | 0 |
| 531115 Refuse Disposal | 1,554 | 1,500 | 1,503 | 1,500 |
| 531220 Building Repairs | 1,790 | 0 | 0 | 0 |
| 531230 Equipment Repairs | 5,470 | 15,000 | 8,909 | 11,300 |
| 531310 Rental Of Land & Buildings | 73,024 | 74,850 | 74,900 | 76,730 |
| 531320 Equipment Rental | 47,090 | 60,000 | 45,000 | 52,250 |
| 531350 Garage Charges | 606,298 | 721,800 | 796,279 | 556,730 |
| 531360 Computer Charges | 122,422 | 122,430 | 122,430 | 121,060 |
| 532065 Printing, Duplication | 0 | 100 | 0 | 0 |
| 532083 Telephone Service | 275 | 300 | 276 | 300 |
| 532084 Cellular Service | 3,985 | 3,600 | 3,296 | 3,000 |
| 532086 Other Communications | 3,268 | 3,500 | 3,207 | 3,300 |
| 532087 Aircard Service | 2,165 | 1,200 | 1,431 | 1,440 |
| 533085 Travel/Training | 149 | 1,500 | 750 | 1,500 |
| 533200 Food Services | 5,777 | 0 | 0 | 0 |
| **Total Contractual Services** | **$873,522** | **$1,005,780** | **$1,058,072** | **$829,310** |

**FY2026 BUDGET**
**STREETS**

**LINE ITEM DETAIL**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **Other Charges and Services** | | | | |
| 543099 Project Management Costs | 51,283 | 45,000 | 53,208 | 53,000 |
| 544087 Expense Reimbursement | (365,762) | (450,000) | (306,488) | (410,900) |
| 544096 Expense Reimbursement-Project Mgmt. | (119,493) | (475,000) | (128,347) | (312,700) |
| 544097 Expense Reimb - Other | (59,654) | (80,000) | (80,000) | (69,200) |
| **Total Other Charges and Services** | **($493,626)** | **($960,000)** | **($461,627)** | **($739,800)** |
| | | | | |
| **Capital Outlay** | | | | |
| 564003 Vehicle Capital Outlay | 0 | 0 | 0 | 70,000 |
| **Total Capital Outlay** | **$0** | **$0** | **$0** | **$70,000** |
| | | | | |
| **Total Expenses** | **$3,060,092** | **$2,371,977** | **$3,102,657** | **$2,456,590** |

# TRAFFIC DIVISION

## MISSION STATEMENT

The mission of the Traffic Division is to promote safe, efficient, and accessible transportation for all roadway users in our community. We are dedicated to maintaining and enhancing traffic signals, signs, pavement markings, and transportation systems that support mobility, reduce congestion, and improve safety. Through data driven decision making, innovation, and community engagement, we aim to create a transportation network that meets the current and future need of the City of Galveston.

## ACCOMPLISHMENTS

- Installed 598 missing/faded regulatory, street ID, warning and beach access signage throughout the city.
- Provided traffic control for various special events including the Iron Man Triathlon, Mardi Gras, July 4th Celebration, etc.
- Repainted/Installed 88 crosswalks throughout the City.
- Repainted/Installed 231 stop bars including the word “STOP” (arrows added where needed).
- Repainted/Installed 19,100 linear feet of red curb with words No Parking throughout the City.
- Repainted/Installed 57,000 linear feet (10.8 miles) of striping (yellow/white).
- Two (2) remaining Signal Techs needing IMSA Certification (all other techs are certified).
- 10 Battery Backup Units (BBUs) left to install Island Wide.
- Re-synchronization of traffic signals on one ways (Avenue O & P) and Harborside Drive from 37$^{th}$ to 20$^{th}$ Street.

## GOALS

- Create and install 20 signs per week.
- Paint 100 crosswalks.
- Paint/Install 300 stop bars and the word “Stop” (arrows added where needed).
- Paint/Re-paint 15,000 feet of red curb (No Parking)
- Paint/Re-paint 70,000 linear feet (eight miles) of striping (yellow/white).
- Ground and MMU Testing all traffic cabinets and poles in the city.

**FY2026 BUDGET**
**TRAFFIC**

**EXPENDITURE SUMMARY**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Personnel Services | $1,659,499 | $1,581,206 | $1,604,497 | $1,638,540 |
| Materials and Supplies | 1,388,414 | 1,086,009 | 1,100,324 | 1,073,915 |
| Contractual Services | 320,504 | 375,806 | 370,136 | 351,440 |
| Other Charges and Services | (17,851) | (4,000) | (16,258) | (14,000) |
| Capital Outlay | 30,771 | 14,345 | 14,345 | 50,000 |
| **TOTAL** | **$3,381,336** | **$3,053,366** | **$3,073,043** | **$3,099,895** |

**BUDGET HIGHLIGHTS (FY2026 BUDGET OVER/UNDER FY2025 ESTIMATED)**

Personnel Services - Net increase (+$34,043) includes a 10% increase (+$25,260) for Group Health insurance and the annualized cost (+$8,783) for personnel.

Materials and Supplies - Net decrease (-$26,409) to various materials and supplies.

Contractual Services - Net decrease (-$18,696) includes decreases in Other Contracts(-$14,758) and a net decrease of (-$3,938) in various contractual line items.

Other Charges and Supply - Overall increases (+$2,258) to maintain estimated reimbursements for special events anticipated in FY2026.

Capital Outlay - Overall net decrease (+$35,655) for Capital Outlay in FY2026.

**PERFORMANCE INDICATORS**

| INDICATORS | FY2023 ACTUAL | FY2024 ACTUAL | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Street Striping (ft.) | 42,240 ft | 83,814 | 49,197 | 120,000 |
| Create & Install 50 Signs / Week | 50 | 1,215 | 76 | 30 |
| Paint Red Curb | 10,000 ft | 20,000 ft | 33,140 | 20,000 ft |
| Paint Crosswalks | 400 ea | 100 ea | 56 | 100 ea |
| Paint/Install Stop Bars | 600 ea | 450 ea | 48 | 450 ea |
| Install UPS's in Traffic Cabinets | 2/3 | 1/4 | 9 | Final 1/3 |
| Ground and MMU Testing Traffic Cabinets and Poles | 100% | 100% | 5300% | 10% |

**PERSONNEL**

| POSITION | FY2023 ACTUAL | FY2024 ACTUAL | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Director of Public Works | 0.12 | 0.12 | 0.00 | 0.00 |
| Public Works Superintendent | 1.00 | 1.00 | 1.00 | 1.00 |
| Public Works Supervisor | 2.00 | 2.00 | 2.00 | 2.00 |
| Senior Traffic Signal Technician | 3.00 | 4.00 | 3.00 | 4.00 |
| Crewleader | 4.00 | 4.00 | 4.00 | 4.00 |
| Traffic Sign Maintenance Tech | 1.00 | 1.00 | 1.00 | 1.00 |
| Traffic Signal Maintenance Tech | 4.00 | 4.00 | 4.00 | 4.00 |
| Laborer | 4.00 | 4.00 | 4.00 | 4.00 |
| **TOTAL** | **19.12** | **20.12** | **19.00** | **20.00** |

**FY2026 BUDGET**
**TRAFFIC**

**LINE ITEM DETAIL**

| | | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|---|
| **Personnel Services** | | | | | |
| 511001 | Regular Payroll | $920,666 | $950,660 | $954,698 | $976,800 |
| 511005 | Longevity | 5,719 | 6,670 | 6,101 | 7,060 |
| 511009 | Overtime | 264,241 | 180,000 | 186,306 | 180,000 |
| 511125 | Residency Pay | 14,086 | 15,060 | 12,589 | 15,060 |
| 511510 | Group Health Insurance | 266,097 | 266,100 | 266,100 | 291,360 |
| 511515 | Worker's Compensation | 8,048 | 16,100 | 16,100 | 16,100 |
| 511520 | Group Life Insurance | 4,542 | 4,620 | 4,687 | 4,590 |
| 511530 | Social Security - Employment | 71,011 | 71,447 | 69,872 | 73,090 |
| 511535 | Medicare - Employer's | 16,607 | 16,706 | 16,341 | 17,090 |
| 511542 | City Employee Retirement | 157,010 | 153,843 | 154,810 | 157,390 |
| 511650 | Salary Reimbursements | (68,528) | (100,000) | (83,106) | (100,000) |
| **Total Personnel Services** | | **$1,659,499** | **$1,581,206** | **$1,604,497** | **$1,638,540** |
| **Materials and Supplies** | | | | | |
| 521065 | Office Supplies | 3,917 | 4,500 | 5,424 | 4,275 |
| 521073 | Printed Materials | 903 | 1,500 | 750 | 250 |
| 522011 | Chemicals | 2,854 | 1,500 | 790 | 750 |
| 522013 | Clothing | 21,288 | 20,000 | 23,265 | 19,000 |
| 522017 | Sign Materials | 198,559 | 85,000 | 72,561 | 92,250 |
| 522025 | Fuel and Lubricants | 442 | 0 | 594 | 0 |
| 522037 | Janitorial Supplies | 2,291 | 2,000 | 3,460 | 2,500 |
| 522038 | Safety Supplies | 17,914 | 18,000 | 18,000 | 16,625 |
| 522045 | Electrical Hardware | 316,190 | 160,000 | 174,409 | 142,120 |
| 522055 | Minor Tools | 25,525 | 25,000 | 25,570 | 23,750 |
| 522056 | Minor Equipment | 48,041 | 33,509 | 38,492 | 41,800 |
| 522065 | Paint And Lumber | 44,970 | 75,000 | 70,211 | 61,750 |
| 522085 | Equipment Parts | 1,100 | 3,000 | 1,563 | 1,995 |
| 522099 | Other Supplies | 5,717 | 5,000 | 5,000 | 4,750 |
| 525031 | Electricity | 696,800 | 650,000 | 658,135 | 660,000 |
| 525032 | Natural Gas | 1,902 | 2,000 | 2,101 | 2,100 |
| **Total Materials and Supplies** | | **$1,388,414** | **$1,086,009** | **$1,100,324** | **$1,073,915** |
| **Contractual Services** | | | | | |
| 531005 | Other Services | 0 | 0 | 90 | 0 |
| 531025 | Memberships | 1,160 | 2,000 | 1,613 | 1,140 |
| 531028 | Software Licenses | 0 | 0 | 714 | 0 |
| 531115 | Refuse Disposal | 4,927 | 5,000 | 5,249 | 4,900 |
| 531125 | Other Contracts | 66,276 | 110,000 | 89,758 | 75,000 |
| 531220 | Building Repairs | 0 | 2,146 | 2,146 | 0 |
| 531230 | Equipment Repairs | 8,003 | 9,000 | 4,607 | 6,840 |
| 531320 | Equipment Rental | 6,535 | 7,500 | 4,286 | 5,130 |
| 531350 | Garage Charges | 171,453 | 127,310 | 149,948 | 147,130 |
| 531360 | Computer Charges | 31,049 | 86,190 | 86,190 | 88,720 |
| 532062 | Postage | 0 | 0 | 92 | 0 |
| 532083 | Telephone Service | 206 | 300 | 207 | 180 |
| 532084 | Cellular Service | 7,495 | 6,900 | 7,326 | 7,020 |
| 532086 | Other Communications | 8,424 | 8,460 | 7,210 | 7,160 |
| 532087 | Aircard Services | 912 | 1,000 | 701 | 720 |
| 533085 | Travel/Training | 7,946 | 10,000 | 10,000 | 7,500 |
| 533200 | Food Services | 6,118 | 0 | 0 | 0 |
| **Total Contractual Services** | | **$320,504** | **$375,806** | **$370,136** | **$351,440** |

**FY2026 BUDGET**
**TRAFFIC**

**LINE ITEM DETAIL**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **Other Charges and Services** | | | | |
| 544087 Expense Reimbursement | (17,851) | (4,000) | (16,258) | (14,000) |
| **Total Other Charges and Services** | **($17,851)** | **($4,000)** | **($16,258)** | **($14,000)** |
| | | | | |
| **Capital Outlay** | | | | |
| 564003 Vehicle Capital Outlay | 0 | 0 | 0 | 50,000 |
| 564117 Machinery & Equipment | 30,771 | 14,345 | 14,345 | 0 |
| **Total Capital Outlay** | **$30,771** | **$14,345** | **$14,345** | **$50,000** |
| | | | | |
| **Total Expenses** | **$3,381,336** | **$3,053,366** | **$3,073,043** | **$3,099,895** |


CITY OF GALVESTON
1839
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**FY2026 BUDGET**
**PARKS AND RECREATION OPERATIONS**

| DEPARTMENT | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Recreation and Administration | $1,305,786 | $1,270,456 | $1,317,507 | $1,367,855 |
| Parks and Parkways | 2,464,629 | 3,019,931 | 2,861,340 | 2,938,083 |
| **Parks and Recreation Operations Total** | **$3,770,415** | **$4,290,387** | **$4,178,847** | **$4,305,938** |

| CATEGORY | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Personnel Services | $2,500,778 | $2,810,242 | $2,735,405 | $2,970,513 |
| Materials and Supplies | 513,570 | 455,665 | 448,489 | 487,200 |
| Contractual Services | 830,196 | 1,100,730 | 1,133,582 | 922,425 |
| Other Charges and Services | (94,619) | (76,250) | (138,629) | (74,200) |
| **Parks and Recreation Operations Total** | **$3,770,415** | **$4,290,387** | **$4,178,847** | **$4,305,938** |

**HIGHLIGHTS (FY2026 Budget Over/Under FY2025 Estimated)**

Personnel Services - Net increase (+$235,108) includes a 10% increase (+$65,200) in Group Health insurance, and an increase in the annualized cost ($169,908) for personnel.

Materials and Supplies - Net increase (+$38,711) for office and recreation supplies, weed eaters, mowers, and chainsaws.

Contractual Services - Net decrease (-$211,157) includes decreases (-173,616) for equipment repairs to park equipment and building repairs (-$95,000) related to Hurricane Beryl, increases for garage charges (+$60,180), decrease in computer charges (-$12,950) and increases (+$10,229) for miscellaneous contractual services.

Other Charges and Services - Net increase (+$64,429) for includes a reimbursement from insurance for a lightning strike to the air conditioning unit at McGuire Dent Recreation Center in FY25.

| PERSONNEL SUMMARY | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Parks and Recreation - Full Time Positions | 46.35 | 45.55 | 38.55 | 45.55 |
| Parks and Recreation - Personnel Costs | $2,500,778 | $2,810,242 | $2,735,405 | $2,970,513 |

# RECREATION AND ADMINISTRATION

## MISSION STATEMENT

The mission of the Parks and Recreation Department is to create, promote, administer, and maintain exceptional recreational programs, facilities, and parks to the best of our ability. The Parks and Recreation Department strives to enhance the quality of life by continuing improvements in each of these areas, accomplishing our objectives by seeking community input and available resources, while also maintaining fiscal responsibility, often searching for additional funding through grants and donations.

## ACCOMPLISHMENTS

- Annual Memberships for Wright Cuney and McGuire Dent Recreation Centers total 5,345 Adults, 2,667 Seniors, 1,899 Youth, 733 Military, and 230 City Employees. A total of 1,859 day passes were also issued in the span of one year at McGuire Dent Recreation Center.
- Began managing, maintaining and renting the Historic 1880 Garten Verein at Kempner Park, making it available for public and private functions.
- Continued rentals and tours of the Historic Water & Electric Light Community Center for public and private functions.
- Replaced shade structures and shaded picnic tables at Wright Cuney and Menard Park.
- Installed new lighting at Menard Park tennis courts, skate park, parking lot and dog park.
- Increased revenue opportunities to help offset budget via membership fees and rental fees.
- Added additional youth, adult, and senior programs at both recreation centers.
- Installed new basketball backboards, tennis netting and replaced volleyball equipment and stand at Wright Cuney Recreation Center
-

## GOALS

- Continue to Work in Accordance with the Parks, Recreation, and Open Space Master Plan, and Update the Master Plan as Projects are accomplished.
- Continue Improvement Projects related to IDC Parks Package 5.
- Continue Working with Various Advisory Boards and Committees to Ensure Community Needs are met.
- Open City Store to purchase City branded items and materials.
- Continue to work with Vision Galveston to seek grant opportunities for the renovation of Jones Park and Shield Park.
- Increase additional parking opportunities and resurface the locker room flooring at McGuire-Dent Recreation Center.
- Increase number of programs offered to all ages and abilities at both Recreation Centers.

**FY2026 BUDGET**
**RECREATION AND ADMINISTRATION**

**EXPENDITURE SUMMARY**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Personnel Services | $829,569 | $777,074 | $840,920 | $885,910 |
| Materials and Supplies | 202,770 | 204,370 | 196,700 | 198,300 |
| Contractual Services | 267,463 | 285,262 | 332,516 | 277,845 |
| Other Charges and Services | 5,984 | 3,750 | (52,629) | 5,800 |
| **TOTAL** | **$1,305,786** | **$1,270,456** | **$1,317,507** | **$1,367,855** |

**BUDGET HIGHLIGHTS (FY2026 BUDGET OVER/UNDER FY2025 ESTIMATED)**

Personnel Services - Net increase (+$44,990) includes a 10% increase (+$9,750) in Group Health insurance , and an increase in the annualized cost ($35,240) for personnel.

Materials and Supplies - Net increase (+$1,600) in various office supplies, equipment and recreation supplies.

Contractual Services - Net decrease (-$54,671) includes a decrease (-$50,000) for building repairs related to Hurricane Beryl, a decreases (-$12,900) in funding for computer charges, and increases (+$8,229) for miscellaneous contractual items needed in FY2026.

Other Charges and Services - Net increase (+$58,429) for includes a reimbursement from insurance for a lightning strike to the air conditioning unit at McGuire Dent Recreation Center in FY25.

**PERFORMANCE INDICATORS**

| INDICATORS | FY2023 ACTUAL | FY2024 ACTUAL | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Annual Passes (Youth) | 2,615 | 2,244 | 1,899 | 2,000 |
| Annual Passes (Adult) | 5,438 | 5,505 | 5,345 | 5,500 |
| Annual Passes (Senior) | 1,721 | 2,321 | 2,667 | 2,700 |
| Military Pass | 459 | 626 | 733 | 780 |
| Daily Pass (Adult / Senior) | 1,271 | 1,404 | 1,859 | 2,000 |
| City Employee Passes | 168 | 233 | 230 | 250 |
| Recreation Center(s) | 2 | 2 | 2 | 2 |

**PERSONNEL**

| POSITION | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Rec. Events & Project Administrator | 0.50 | 0.50 | 0.50 | 0.50 |
| Sr. Admin Assist./Events Coordinator | 0.75 | 0.75 | 0.75 | 0.75 |
| Recreation Manager | 2.00 | 2.00 | 2.00 | 2.00 |
| Recreation Coordinator | 4.00 | 4.00 | 3.00 | 4.00 |
| **TOTAL** | **7.25** | **7.25** | **6.25** | **7.25** |

**FY2026 BUDGET**
**RECREATION AND ADMINISTRATION**

**LINE ITEM DETAIL**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **Personnel Services** | | | | |
| 511001 Regular Payroll | $398,384 | $431,519 | $408,860 | $439,840 |
| 511005 Longevity | 2,195 | 2,450 | 2,463 | 2,810 |
| 511009 Overtime | 12,802 | 3,000 | 6,807 | 3,000 |
| 511021 Part-Time Payroll | 214,288 | 135,000 | 220,000 | 220,000 |
| 511125 Residency Pay | 3,138 | 3,140 | 1,502 | 3,140 |
| 511510 Group Health Insurance | 95,874 | 95,870 | 95,870 | 105,620 |
| 511515 Worker's Compensation | 670 | 1,340 | 1,340 | 1,340 |
| 511520 Group Life Insurance | 1,960 | 2,000 | 2,149 | 2,140 |
| 511530 Social Security - Employment | 37,821 | 35,654 | 38,307 | 38,980 |
| 511535 Medicare - Employer's | 8,845 | 8,338 | 8,959 | 9,120 |
| 511542 City Employee Retirement | 54,264 | 58,763 | 56,021 | 59,920 |
| 511650 Salary Reimbursements | (671) | 0 | (1,358) | 0 |
| **Total Personnel Services** | **$829,569** | **$777,074** | **$840,920** | **$885,910** |
| | | | | |
| **Materials and Supplies** | | | | |
| 521065 Office Supplies | 23,515 | 24,000 | 21,000 | 22,000 |
| 522013 Clothing | 3,475 | 3,500 | 2,800 | 2,000 |
| 522037 Janitorial Supplies | 31,162 | 33,000 | 33,000 | 32,000 |
| 522038 Safety Supplies | 720 | 500 | 500 | 500 |
| 522040 Recreation Supplies | 19,304 | 19,000 | 17,000 | 19,000 |
| 522056 Minor Equipment | 3,232 | 2,500 | 2,000 | 2,500 |
| 522065 Paint and Lumber | 2,129 | 1,000 | 0 | 0 |
| 525031 Electricity | 117,041 | 118,620 | 118,000 | 118,000 |
| 525032 Natural Gas | 2,193 | 2,250 | 2,400 | 2,300 |
| **Total Materials and Supplies** | **$202,770** | **$204,370** | **$196,700** | **$198,300** |
| | | | | |
| **Contractual Services** | | | | |
| 531014 Building Security | 8,038 | 8,000 | 7,300 | 8,000 |
| 531025 Memberships | 2,228 | 2,500 | 2,200 | 2,200 |
| 531028 Software Licenses | 0 | 2,700 | 1,575 | 1,575 |
| 531220 Building Repairs | 22,471 | 32,058 | 90,000 | 40,000 |
| 531230 Equipment Repairs | 11,644 | 12,000 | 10,000 | 11,000 |
| 531240 Maintenance Contracts | 2,964 | 2,400 | 3,400 | 3,000 |
| 531320 Equipment Rental | 6,112 | 6,884 | 5,200 | 5,000 |
| 531360 Computer Charges | 190,406 | 188,690 | 188,690 | 175,790 |
| 532062 Postage | 34 | 30 | 30 | 40 |
| 532065 Printing, Duplication | 999 | 1,000 | 1,000 | 1,000 |
| 532083 Telephone Service | 4,027 | 4,000 | 4,020 | 4,000 |
| 532084 Cellular Service | 652 | 500 | 483 | 490 |
| 532086 Other Communications | 13,583 | 13,500 | 13,000 | 16,500 |
| 532087 Aircard Service | 976 | 1,500 | 1,500 | 1,500 |
| 533085 Travel/Training | 3,328 | 8,500 | 3,300 | 7,000 |
| 533100 Advertising | 0 | 1,000 | 818 | 750 |
| **Total Contractual Services** | **$267,463** | **$285,262** | **$332,516** | **$277,845** |

**FY2026 BUDGET**
**RECREATION AND ADMINISTRATION**

**LINE ITEM DETAIL**

| | FY2024 ACTUAL | FY2026 BUDGET | FY2026 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **Other Charges and Services** | | | | |
| 544032 Meeting Expenditures | 1,002 | 1,000 | 0 | 1,000 |
| 544087 Expense Reimbursement | (4,884) | (6,450) | (14,350) | (5,000) |
| 544098 Reimbursable from Insurance Claims | 0 | 0 | (47,479) | 0 |
| 544105 Bank Service Fees | 9,866 | 9,200 | 9,200 | 9,800 |
| **Total Other Charges and Services** | **$5,984** | **$3,750** | **($52,629)** | **$5,800** |
| **Total Expenses** | **$1,305,786** | **$1,270,456** | **$1,317,507** | **$1,367,855** |

# PARKS AND PARKWAYS

## MISSION STATEMENT

The mission of the Parks and Recreation Department is to create, promote, administer, and maintain exceptional recreational programs, facilities, and parks to the best of our ability. The Parks and Recreation Department strives to enhance the quality of life by continuing improvements in each of these areas, accomplishing our objectives by seeking community input and available resources, while also maintaining fiscal responsibility, often searching for additional funding through grants and donations.

## ACCOMPLISHMENTS

- Continued Increased Mowing and Landscaping Initiatives with the Broadway Beautification Project by Trimming Trees and Replacing Plants to Improve Appearance; Continued to Repair/Replace Irrigation on Broadway and Coordinated Outsourced Vendors to Maintain the End Circles on the Medians.
- Maintained the I-45 Right-of-Ways, Causeway, and the 27th Street, 45th Street and 53rd Street Corridor, as well as West Market and a portion of Harborside Drive.
- Hosted approximately 12 baseball and softball tournaments featuring over 300 teams
- Construction phase nearly complete for Sandhill Crane Soccer Complex should be open in Fall 2025.
- Marked ball field approximately 500+ times for practices and games for 30+ Little League Teams, 14+ Lassie League Teams, and several soccer teams.
- Placed American flags on Broadway, 61st Street, and 25th Street for Veterans Day, Memorial Day, 4th of July, and Labor Day.
- Downtown Parks Crew removed more trash from Downtown district than in previous year.
- Installed new outfield fencing and backstop netting at Bernard Davis Stadium
- Replaced windscreen, fencing and lighting at Menard Park Tennis Courts
- Installed new lighting and additional picnic tables and seating at Gus Allen Sr. Dog Park, Menard Park, and Dr. Jackie Cole West End Dog Recreation Area.
- Repaired brick wall and installed new fencing at Broadway Cemetery.
- Increased revenue opportunities by reassessing fees for field rentals, court rentals, concessions and tournaments.

## GOALS

- Continue to Seek Additional Training and Development Opportunities for Departmental Staff.
- Continued Improvement to Operational Standards and Efficiencies in Maintaining Park Grounds and Facilities, Major Thoroughfares and City Right-of-Ways.
- Continue working with Texas Department of Transportation on the landscaping of all TxDOT corridors, including Broadway, 61st Street, Ferry Road, Harborside, and FM 3005.
- Complete the conversion of historical cemetery records into a searchable, online database for the public and staff to access.

**FY2026 BUDGET**
**PARKS AND PARKWAYS**

**EXPENDITURE SUMMARY**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Personnel Services | $1,671,208 | $2,033,168 | $1,894,485 | $2,084,603 |
| Materials and Supplies | 310,800 | 251,295 | 251,789 | 288,900 |
| Contractual Services | 562,733 | 815,468 | 801,066 | 644,580 |
| Other Charges and Services | (100,603) | (80,000) | (86,000) | (80,000) |
| Capital Outlay | 20,491 | 0 | 0 | 0 |
| **TOTAL** | **$2,464,629** | **$3,019,931** | **$2,861,340** | **$2,938,083** |

**BUDGET HIGHLIGHTS (FY2026 BUDGET OVER/UNDER FY2025 ESTIMATED)**

Personnel Services - Net increase (+$190,118) includes a 10% increase (+$55,450) in Group Health insurance, and an increase in the annualized cost ($134,668) for personnel.

Materials and Supplies - Net increase (+$37,111) for weed eaters, mowers, and chainsaws.

Contractual Services - Net decrease (-$156,486) includes decreases (-173,616) for equipment repairs to park equipment and building repairs (-$45,000) related to Hurricane Beryl, increases for garage charges (+$60,180) and increases (+$1,950) for miscellaneous contractual services.

Other Charges and Services - Net decrease (+$6,000) for Expense reimbursement for FY2026.

**PERFORMANCE INDICATORS**

| INDICATORS | FY2023 ACTUAL | FY2024 ACTUAL | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Parks Mowed and Maintained Acreage | 63.8 | 63.8 | 63.8 | 89.2 |
| Sports Fields Moved and Maintained Acreage | 89.9 | 89.9 | 89.9 | 89.9 |
| Highways Mowed and Maintained Acreage | 97.1 | 97.1 | 97.1 | 97.1 |
| Buildings, Parking Lots, other Fields Mowed and Maintained Acreage | 27.8 | 27.8 | 27.8 | 27.8 |
| Streets, Roads & Roadways Mowed and Maintained | 294.0 | 294.0 | 294.0 | 294.0 |
| Cemeteries Mowed and Maintained Acreage | 22.8 | 22.8 | 22.8 | 22.8 |
| Overall Total Maintained Acreage | 595.5 | 595.5 | 595.5 | 620.8 |

**PERSONNEL**

| POSITION | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Superintendent of Parks | 1.00 | 1.00 | 1.00 | 1.00 |
| Special Project Manager | 1.00 | 0.30 | 0.30 | 0.30 |
| Parks Supervisor | 1.00 | 1.00 | 1.00 | 1.00 |
| Inventory Specialist | 0.10 | 0.00 | 0.00 | 0.00 |
| Parks Crew Leader | 5.00 | 5.00 | 5.00 | 5.00 |
| Parks Crew Leader (Downtown) | 1.00 | 1.00 | 1.00 | 1.00 |
| Parks Maintenance Technician | 1.00 | 1.00 | 1.00 | 1.00 |
| Senior Parks Maintenance Worker | 6.00 | 6.00 | 7.00 | 7.00 |
| Senior Parks Maintenance Worker (Downtown) | 1.00 | 1.00 | 0.00 | 0.00 |
| Park Maintenance Worker | 19.00 | 19.00 | 14.00 | 18.00 |
| Park Maintenance Worker (Downtown) | 3.00 | 3.00 | 2.00 | 4.00 |
| **TOTAL** | **39.10** | **38.30** | **32.30** | **38.30** |

**FY2026 BUDGET**
**PARKS AND PARKWAYS**

**LINE ITEM DETAIL**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **Personnel Services** | | | | |
| 511001 Regular Payroll | $1,330,792 | $1,599,780 | $1,532,584 | $1,639,683 |
| 511005 Longevity | 9,644 | 11,960 | 9,933 | 11,770 |
| 511006 Differential Pay | 2,015 | 1,830 | 1,813 | 1,830 |
| 511009 Overtime | 150,055 | 132,500 | 132,500 | 132,500 |
| 511125 Residency Pay | 29,864 | 30,120 | 27,695 | 27,610 |
| 511510 Group Health Insurance - Employer's | 517,058 | 502,510 | 502,510 | 557,960 |
| 511515 Worker's Compensation | 11,973 | 23,900 | 23,900 | 23,900 |
| 511520 Group Life Insurance | 6,596 | 7,560 | 7,431 | 8,000 |
| 511530 Social Security - Employer's | 91,170 | 110,123 | 104,194 | 112,590 |
| 511535 Medicare - Employer's | 21,322 | 25,755 | 24,368 | 26,330 |
| 511542 City Employee Retirement | 198,378 | 237,130 | 227,555 | 242,430 |
| 511650 Salary Reimbursements | (697,659) | (650,000) | (700,000) | (700,000) |
| **Total Personnel Services** | **$1,671,208** | **$2,033,168** | **$1,894,485** | **$2,084,603** |
| | | | | |
| **Materials and Supplies** | | | | |
| 521065 Office Supplies | 2,480 | 4,000 | 2,400 | 3,000 |
| 522003 Agriculture Supplies | 58,116 | 36,000 | 40,000 | 48,000 |
| 522012 Park Equipment and Supplies | 179,381 | 128,135 | 135,000 | 160,000 |
| 522013 Clothing | 27,764 | 27,000 | 27,000 | 32,000 |
| 522037 Janitorial Supplies | 24,053 | 24,000 | 25,000 | 24,000 |
| 522045 Electrical Hardware | 4,413 | 9,000 | 3,000 | 4,400 |
| 522055 Minor Tools | 3,416 | 5,000 | 2,800 | 3,500 |
| 522056 Minor Equipment | 2,700 | 5,000 | 4,000 | 3,500 |
| 522065 Paint and Lumber | 168 | 3,000 | 1,600 | 2,000 |
| 522085 Equipment Parts | 988 | 0 | 0 | 0 |
| 525031 Electricity | 7,319 | 10,160 | 10,989 | 8,500 |
| **Total Materials and Supplies** | **$310,800** | **$251,295** | **$251,789** | **$288,900** |
| | | | | |
| **Contractual Services** | | | | |
| 531025 Memberships | 180 | 600 | 300 | 250 |
| 531115 Refuse Disposal | 130 | 1,000 | 300 | 250 |
| 531119 Landscaping Services | 241,110 | 256,100 | 244,100 | 245,000 |
| 531220 Building Repairs | 5,800 | 26,292 | 48,000 | 3,000 |
| 531230 Equipment Repairs | 13,296 | 223,616 | 223,616 | 50,000 |
| 531320 Equipment Rental | 9,944 | 12,000 | 9,000 | 10,000 |
| 531350 Garage Charges | 286,233 | 286,760 | 270,000 | 330,180 |
| 532065 Printing and Duplication | 0 | 100 | 50 | 0 |
| 532084 Cellular Service | 4,279 | 5,000 | 4,300 | 3,900 |
| 533085 Travel and Training | 1,761 | 4,000 | 1,400 | 2,000 |
| **Total Contractual Services** | **$562,733** | **$815,468** | **$801,066** | **$644,580** |
| | | | | |
| **Other Charges and Services** | | | | |
| 544087 Expense Reimbursement | (100,603) | (80,000) | (86,000) | (80,000) |
| **Total Other Charges and Services** | **($100,603)** | **($80,000)** | **($86,000)** | **($80,000)** |
| | | | | |
| **Capital Outlay** | | | | |
| 564003 Vehicle Capital Outlay | 20,491 | 0 | 0 | 0 |
| **Total Capital Outlay** | **$20,491** | **$0** | **$0** | **$0** |
| | | | | |
| **Total Expenses** | **$2,464,629** | **$3,019,931** | **$2,861,340** | **$2,938,083** |

**FY2026 BUDGET**
**DEVELOPMENTAL SERVICES OPERATIONS SUMMARY**

| DEPARTMENT | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Building Inspection | 866,385 | 939,926 | 990,942 | 1,008,870 |
| Planning | 1,200,381 | 1,242,210 | 1,174,241 | 1,294,630 |
| **Developmental Services Total** | **$2,066,767** | **$2,182,136** | **$2,165,182** | **$2,303,500** |

| CATEGORY | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Personnel Services | $1,705,901 | $1,795,256 | $1,785,337 | $1,873,860 |
| Materials and Supplies | 12,597 | 15,400 | 11,806 | 17,000 |
| Contractual Services | 319,246 | 336,480 | 336,691 | 377,640 |
| Other Charges and Services | 29,023 | 35,000 | 31,348 | 35,000 |
| **Developmental Services Total** | **$2,066,767** | **$2,182,136** | **$2,165,182** | **$2,303,500** |

**HIGHLIGHTS (FY2026 Budget Over/Under FY2025 Estimated)**

Personnel Services - Net increase (+$88,523) includes a 10% increase (+$24,190) in Group Health insurance and the annualized cost of personnel (+$64,333).

Materials and Supplies - Net increase (+$5,194) for materials and supplies throughout departments.

Contractual Services - Net increase (+$40,949) includes increases (+$14,860) in computer charges, the City's match on an AA Recognition (+$20,000), and increases (+$6,089) to miscellaneous contractual items.

Other Charges and Services - Slight increase in bank service charges (+$3,652).

| PERSONNEL SUMMARY | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Developmental Services- Full Time Positions | 18.00 | 18.00 | 17.00 | 18.00 |
| Developmental Services - Personnel Costs | $1,705,901 | $1,795,256 | $1,785,337 | $1,873,860 |

# BUILDING INSPECTION

## MISSION STATEMENT

The City of Galveston Building Division is committed to ensuring the safety, health, and general welfare of our built environment. Through fair and efficient code enforcement, professional inspections, community engagement, and teamwork, we promote the continued growth of the community. Our mission is to provide exceptional service, uphold a high standard of construction, with efficiency, to provide a safe, resilient future for Galveston. In the event of a disaster or other such emergency, the Building Division stands ready to respond to community needs and conduct damage assessments to ensure citizens can quickly and safely return to their homes and businesses.

## ACCOMPLISHMENTS

- Through the International Code Council (ICC), in-house mentoring and other educational institutions, training provided a path for three (3) inspectors to secure their State Plumbing Inspectors licenses and two (2) inspectors to secure their Residential Combination Inspector certifications.
- Weekly staff meetings are conducted to ensure team congruency and provide continuing education of staff members as a team.
- Closed the 2024 CRS Cycle Visit with FEMA, which resulted in an improvement to our city-wide CRS rating from risk level six (6) to risk level five (5) thus providing for a substantial premium reduction for all property owners purchasing flood insurance.
- Improved communication with other departments to facilitate prompt responses to permit applications, Certificate of Occupancy applications, and Temporary Certificate of Occupancy applications.
- Secured City Council approval to modify an ordinance to allow for extensions of permit durations on projects proceeding towards completion including definitions of large-scale projects and progress towards completion.
- Established a dedicated staff member to coordinate and provide a weekly report to the Public Works Department for verification of water meters at permitted locations to reduce unauthorized city water usage.
- Established a dedicated staff member to coordinate through meetings, onsite inspections and pre-construction meetings for large scale projects.
- Established a dedicated staff member to streamline the Certificate of Occupancy and Temporary Certificate of Occupancy processes.
- Established a dedicated staff member to monitor and manage required annual engineer safety certifications of Fire Escapes, Balconies, and Billboards.
- Improved our webpage with updates to permit applications and processing information to better inform customers, as well as updates to our registered contractor list and information for construction projects.
- Provided email contacts for those who need to schedule inspections, reducing the number of phone calls coming in and providing better communication between the contractors and staff. This has helped reduce incoming phone calls.
-

## GOALS

- Continuing additional training for inspectors and administrative staff to acquire proficiency and certifications through the International Code Council (ICC), in-house mentoring and other educational institutions. We plan to have at least two staff members that will obtain their ICC Commercial Combination Inspector certifications, at least two other staff members that will obtain their ICC Residential Combination Inspector certifications and one will obtain the Texas Plumbing Inspector License in fiscal year 2026.
- Working to gain public trust. We will improve customer service by providing courteous quality customer service with the emphasis toward improving communication and resolving problems. We will continue to improve telephone response times and provide constructive feedback to customers.
- Continuing to improve the relationships between contractors and the Building Division. Our goal is to educate property owners, contractors and other applicants to our methods and processes to better allow access to permitting information and to facilitate the overall permitting process.
- Working with IT to upgrade our current permitting software. We understand there is going to be a much-needed upgrade to Accela; therefore, we will be working with the IT department to enhance and improve our access to all available features to be a more responsive and efficient division.
- Focusing on public safety. As always, our primary goal is to provide an element of security for the numerous owners and occupants of the buildings we inspect. We plan to hone and improve our already well-established competency and inspector skills to provide continuing education and guidance to property owners and contractors for inspections of construction projects.
- Continuing to maintain our FEMA CRS level five (5) rating. We will provide in-house mentoring to further educate our inspectors on requirements of our City Flood Plain Ordinance and other efforts to ensure maintain the new rating for the benefit of citizens and other property owners, as well as future economic development.
- Continuing to search out ways and means to provide more efficient customer service and minimize issues that hinder the permitting process.

**FY2026 BUDGET**
**BUILDING INSPECTION**

**EXPENDITURE SUMMARY**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Personnel Services | $761,029 | $827,676 | $872,297 | $871,150 |
| Materials and Supplies | 2,916 | 3,400 | 3,561 | 3,750 |
| Contractual Services | 102,440 | 108,850 | 115,084 | 133,970 |
| **TOTAL** | **$866,385** | **$939,926** | **$990,942** | **$1,008,870** |

**BUDGET HIGHLIGHTS (FY2026 BUDGET OVER/UNDER FY2025 ESTIMATED)**

Personnel Services - Net decrease (-$1,147) includes a 10% increase (+$12,100) in Group Health insurance and the annualized cost for personnel (-13,247).

Materials and Supplies - Net increase (+$189) for materials and supplies.

Contractual Services - Net increase (+$18,886) includes an increase in computer charges (+$16,190), and increases (+$2,696) for miscellaneous contractual accounts .

**PERFORMANCE INDICATORS**

| INDICATORS | FY2023 ACTUAL | FY2024 ACTUAL | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Total Permits Issued | 5,889 | 6,191 | 5,000 | 5,500 |
| Total Inspections | 10,514 | 10,514 | 11,000 | 11,500 |
| Inspections per day per FTE | 8.4 | 8.3 | 8.3 | 10.0 |
| Average days from application to permit issuance | 8.0 | 8.0 | 8.0 | 10.0 |

**PERSONNEL**

| POSITION | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Assistant Director of Developmental Services | 1.00 | 1.00 | 1.00 | 1.00 |
| Combo Building Inspector | 4.00 | 4.00 | 3.00 | 4.00 |
| Plans Examiner/Combo Inspector | 1.00 | 1.00 | 1.00 | 1.00 |
| Permit Technician | 3.00 | 3.00 | 3.00 | 3.00 |
| **TOTAL** | **9.00** | **9.00** | **8.00** | **9.00** |

**FY2026 BUDGET**
**BUILDING INSPECTION**

**LINE ITEM DETAIL**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **Personnel Services** | | | | |
| 511001 Regular Payroll | $521,873 | $574,560 | $601,715 | $599,400 |
| 511005 Longevity | 3,076 | 3,290 | 3,585 | 4,020 |
| 511006 Differential Pay | 125 | 0 | 907 | 0 |
| 511009 Overtime | 2,290 | 0 | 9,345 | 0 |
| 511125 Residency Pay | 4,394 | 5,020 | 5,036 | 5,020 |
| 511510 Group Health Insurance | 119,016 | 119,020 | 119,020 | 131,120 |
| 511515 Worker's Compensation | 358 | 720 | 720 | 900 |
| 511520 Group Life Insurance | 2,336 | 2,660 | 2,923 | 2,920 |
| 511530 Social Security - Employment | 30,859 | 36,136 | 37,443 | 37,720 |
| 511535 Medicare - Employer's | 7,217 | 8,447 | 8,757 | 8,820 |
| 511542 City Employee Retirement | 69,486 | 77,823 | 82,849 | 81,230 |
| **Total Personnel Services** | **$761,029** | **$827,676** | **$872,297** | **$871,150** |
| | | | | |
| **Materials and Supplies** | | | | |
| 521065 Office Supplies | 2,505 | 3,000 | 2,922 | 3,000 |
| 521073 Printed Materials | 392 | 200 | 539 | 550 |
| 522013 Clothing | 20 | 200 | 100 | 200 |
| **Total Materials and Supplies** | **$2,916** | **$3,400** | **$3,561** | **$3,750** |
| | | | | |
| **Contractual Services** | | | | |
| 531004 Consultant Services | 7,446 | 15,000 | 15,000 | 12,000 |
| 531025 Memberships | 1,295 | 1,300 | 1,300 | 1,300 |
| 531027 Certification & Permit Fees | 59 | 110 | 55 | 90 |
| 531350 Garage Charges | 22,300 | 22,300 | 29,160 | 27,740 |
| 531360 Computer Charges | 38,940 | 38,940 | 38,940 | 55,130 |
| 532065 Printing, Duplication | 4,210 | 4,000 | 4,000 | 8,000 |
| 532083 Telephone Service | 482 | 500 | 444 | 450 |
| 532084 Cellular Service | 1,430 | 1,500 | 1,448 | 1,500 |
| 532087 Aircard Service | 3,191 | 3,200 | 2,738 | 2,760 |
| 533085 Travel/Training | 22,801 | 22,000 | 22,000 | 25,000 |
| 533100 Advertising | 286 | 0 | 0 | 0 |
| **Total Contractual Services** | **$102,440** | **$108,850** | **$115,084** | **$133,970** |
| | | | | |
| **Total Expenses** | **$866,385** | **$939,926** | **$990,942** | **$1,008,870** |


CITY OF GALVESTON
1839
TEXAS

# PLANNING AND DEVELOPMENT

## MISSION STATEMENT

The mission for the City of Galveston Development Services Department is to provide the general public and city with information and guidance, in order to lead to effective and responsible future land development and economic growth, through coastal management, disaster mitigation and recovery, economic development, historic preservation, neighborhood revitalization, as well as long range and comprehensive planning.

## ACCOMPLISHMENTS

- Continued implementing the Land Development Regulations (LDR).
- Hosted 28 Pre-Development Meetings.
- Participated in the National Park Service webinars; National Alliance of Preservation Commission webinars; National Trust for Historic Preservation webinars and annual conference; A&M Center for Heritage Conservation Annual Symposium; and Galveston Historical Foundation education sessions.
- Hosted workshops with the Planning Commission to discuss Alley Access Lots; Bonus Zoning; Broadway Beautification; Harborside Beautification; Hardening Beachfront/Dunes; License to Use and Fees; Planned Unit Developments; and Workforce Housing.
- Staff presented to the Galveston Association of Realtors Brunch; Galveston Economic Development Partnership Summit; Galveston County Chapter of the Native Plant Society; Tree Committee; and Galveston Historical Foundation's Fire Safety Session for Historic Homes.
- Staff participated in a tour of the Scholes International Airport with the Airport Director to better understand how development impacts the airport.
- Held training sessions for newly appointed Landmark Commissioner and Zoning Board of Adjustment Member.
- Hosted two (2) Lunch and Learn sessions with the Landmark Commissioners. The topics were Understanding Historic Windows Evolution, Assessment & Repair, and Managing Window Replacement: Lessons from Local Preservation Programs, sponsored by the National Alliance of Preservation Commissions.
- The 2025 Planning & Design Awards were presented at the City Council.
- Staff issued 80 Planned Natural Landscape Exemptions, a 74% increase over those issued in 2024.
- Welcomed Teresa Evans, Special Assistant to Executive Director of Development Services.
- Daniel Lunsford was promoted to the Planning Manager position.
- Successfully processed the following cases and administrative approvals:
  Landmark Commission – 40; Planning Commission – 31; and Zoning Board of Adjustment – 20; Administrative Plats – 32; Beachfront Construction and Dune Protection Permits – 106; Certificates of Zoning Compliance – 15; Licenses to Use – 5; Sign Permits – 10; Misc Permits – 194.
- Submitted final plan for amendment to Beach and Dune plan.
- Facilitated removal of dilapidated single-family residence from the beach.

## GOALS

- Complete the historic survey work for sites of importance to African American heritage with funding from the Texas Historical Commission's Certified Local Government Program.
- Perform an update of the Comprehensive Plan based upon Visioning Plan results, pending available funding.
- Continue to enhance and expand the Historic Preservation Program.
- Continue to work with GLO and the Army Corps on beach nourishment for CAP 204 and CEPRA projects.
- Assist with Accela software upgrade.

**FY2026 BUDGET**
**PLANNING**

## EXPENDITURE SUMMARY

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Personnel Services | $944,872 | $967,580 | $913,040 | $1,002,710 |
| Materials and Supplies | 9,681 | 12,000 | 8,246 | 13,250 |
| Contractual Services | 216,805 | 227,630 | 221,606 | 243,670 |
| Other Charges and Services | 29,023 | 35,000 | 31,348 | 35,000 |
| **TOTAL** | **$1,200,381** | **$1,242,210** | **$1,174,241** | **$1,294,630** |

## BUDGET HIGHLIGHTS (FY2026 BUDGET OVER/UNDER FY2025 ESTIMATED)

Personnel Services - Net increase (+$89,670) includes a 10% increase (+$12,090) in Group Health insurance and the annualized cost of personnel (+$77,580).

Materials and Supplies - Net increase (+$5,004) for materials and supplies.

Contractual Services - Net increase (+$22,064) includes the City's match on an AA Recognition (+$20,000) and increases (+$2,064) to miscellaneous contractual items.

Other Charges and Services - Slight increase in bank service charges (+$3,652).

## PERFORMANCE INDICATORS

| INDICATORS | FY2023 ACTUAL | FY2024 ACTUAL | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Percentage of Landmark Commission cases completed within 60 days | 99% | 99% | 95% | 95% |
| Percentage of Planning Commission cases completed within 90 days | 95% | 97% | 95% | 95% |
| Percentage of Zoning Board of Adjustment cases completed within 60 days | 91% | 100% | 100% | 95% |
| Percentage of Administrative License-to-Use reviewed within 15 days | 100% | 100% | 100% | 100% |
| Number of cases for the Financial Incentives for Historic Properties Program | 3 | 4 | 5 | 5 |

## PERSONNEL

| POSITION | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Executive Director | 1.00 | 1.00 | 1.00 | 1.00 |
| Assistant Director of Dev. Services | 1.00 | 1.00 | 1.00 | 1.00 |
| Coastal Resource Manger | 1.00 | 1.00 | 1.00 | 1.00 |
| Assistant Coastal Resource Manager | 1.00 | 1.00 | 1.00 | 1.00 |
| Economic Development Coordinator | 1.00 | 1.00 | 1.00 | 1.00 |
| Senior Project Planning Manager | 1.00 | 1.00 | 1.00 | 1.00 |
| Senior Project Manager | 1.00 | 1.00 | 1.00 | 1.00 |
| Planning Manager | 0.00 | 0.00 | 1.00 | 1.00 |
| Senior Planner | 0.00 | 0.00 | 0.00 | 0.00 |
| Planner | 1.00 | 1.00 | 0.00 | 0.00 |
| Planning Technician | 1.00 | 1.00 | 1.00 | 1.00 |
| **TOTAL** | **9.00** | **9.00** | **9.00** | **9.00** |

**FY2026 BUDGET**
**PLANNING**

**LINE ITEM DETAIL**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **Personnel Services** | | | | |
| 511001 Regular Payroll | $850,893 | $894,495 | $845,347 | $916,000 |
| 511005 Longevity | 3,263 | 3,570 | 3,209 | 3,640 |
| 511006 Differential Pay | 1,807 | 1,830 | 1,024 | 1,830 |
| 511009 Overtime | 489 | 0 | 17 | 0 |
| 511021 Part-time Payroll | 16,502 | 22,500 | 32,011 | 18,600 |
| 511125 Residency Pay | 7,529 | 7,530 | 5,362 | 7,530 |
| 511510 Group Health Insurance | 119,579 | 119,020 | 119,020 | 131,110 |
| 511515 Worker's Compensation | 448 | 900 | 900 | 1,130 |
| 511520 Group Life Insurance | 4,184 | 4,140 | 3,954 | 4,350 |
| 511530 Social Security - Employment | 53,452 | 57,411 | 54,411 | 58,750 |
| 511535 Medicare - Employer's | 12,501 | 13,428 | 12,725 | 13,740 |
| 511542 City Employee Retirement | 112,768 | 121,146 | 113,449 | 124,030 |
| 511650 Salary Reimbursements | (238,543) | (278,390) | (278,390) | (278,000) |
| **Total Personnel Services** | **$944,872** | **$967,580** | **$913,040** | **$1,002,710** |
| **Materials and Supplies** | | | | |
| 521065 Office Supplies | 4,253 | 4,000 | 4,246 | 5,250 |
| 521067 Minor Office Equipment | 5,428 | 8,000 | 4,000 | 8,000 |
| **Total Materials and Supplies** | **$9,681** | **$12,000** | **$8,246** | **$13,250** |
| **Contractual Services** | | | | |
| 531025 Memberships | 1,469 | 2,000 | 2,418 | 2,000 |
| 531028 Software Licenses | 105,126 | 108,280 | 108,280 | 108,280 |
| 531125 Other Contracts | 0 | 0 | 0 | 20,000 |
| 531350 Garage Charges | 4,460 | 4,460 | 5,832 | 5,550 |
| 531360 Computer Charges | 67,062 | 67,070 | 67,070 | 65,740 |
| 532062 Postage | 11,213 | 9,500 | 9,535 | 9,000 |
| 532065 Printing, Duplication | 8,753 | 12,720 | 8,634 | 12,000 |
| 532083 Telephone Service | 894 | 900 | 897 | 900 |
| 532084 Cellular Service | 4,355 | 4,500 | 4,345 | 4,400 |
| 532086 Other Communications | 195 | 300 | 0 | 200 |
| 532087 Aircard Service | 773 | 900 | 502 | 600 |
| 533085 Travel/Training | 7,124 | 5,000 | 5,000 | 5,000 |
| 533100 Advertising | 5,379 | 12,000 | 9,094 | 10,000 |
| **Total Contractual Services** | **$216,805** | **$227,630** | **$221,606** | **$243,670** |
| **Other Charges and Services** | | | | |
| 544105 Bank Service Charges | 29,023 | 35,000 | 31,348 | 35,000 |
| **Total Other Charges and Services** | **$29,023** | **$35,000** | **$31,348** | **$35,000** |
| **Total Expenses** | **$1,200,381** | **$1,242,210** | **$1,174,241** | **$1,294,630** |

**FY2026 BUDGET**
**GENERAL GOVERNMENT OPERATIONS**

| DEPARTMENT | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| City Secretary | $637,983 | $682,544 | $680,878 | $701,910 |
| Elections | 77,609 | 40,000 | 40,000 | $75,000 |
| Municipal Court | 816,581 | 882,802 | 880,410 | $900,370 |
| City Manager | 778,748 | 836,349 | 826,675 | $805,730 |
| City Auditor | 455,031 | 412,639 | 523,249 | $532,830 |
| City Attorney | 1,032,655 | 1,144,984 | 1,120,896 | $1,132,270 |
| Human Resources | 648,090 | 690,225 | 667,643 | $725,460 |
| Island Transit - Local Match | 975,000 | 825,000 | 400,000 | $800,000 |
| **General Government Operations Total** | **$5,421,697** | **$5,514,543** | **$5,139,752** | **$5,673,570** |

| CATEGORY | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Personnel Services | $3,675,996 | $3,938,453 | $3,881,449 | $4,002,920 |
| Materials and Supplies | 60,342 | 73,630 | 65,498 | 76,040 |
| Contractual Services | 1,605,583 | 1,503,510 | 1,047,071 | 1,473,210 |
| Other Charges and Services | 79,777 | (1,050) | 145,734 | 121,400 |
| Special Programs and Events | 0 | 0 | 0 | 0 |
| **General Government Operations Total** | **$5,421,697** | **$5,514,543** | **$5,139,752** | **$5,673,570** |

**HIGHLIGHTS (FY2026 Budget Over/Under FY2025 Estimated)**

Personnel Services - Net increase (+$121,471) includes a 10% increases (+$26,010) for Group Health insurance and the in annualized cost (+$95,461) of personnel.

Materials and Supplies - Net increase (+$10,542) for miscellaneous materials and supplies.

Contractual Services - Net increase (+426,139) include increase (+$400,000) in General Fund transfers to Island Transit, and increases (+$26,139) to various contractual line items.

Other Charges and Services - Net decrease (-$24,334) includes eliminating funding (-$20,000) for employee appreciation cost and reductions (-$4,334) in various departmental line items.

| PERSONNEL SUMMARY | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| General Government - Full Time Positions | 30.20 | 30.20 | 29.20 | 29.20 |
| General Government - Personnel Costs | $3,675,996 | $3,938,453 | $3,881,449 | $4,002,920 |

# CITY SECRETARY

## MISSION STATEMENT

It is the mission of the City Secretary's Office to manage and preserve the official records of the City; to ensure transparency in government by assisting the public in accessing public documents and information; and to provide support services to the City Council, City Staff, and the public in a manner that values honesty, integrity, and trust.

## ACCOMPLISHMENTS

- Provided support services to the City Council, City Staff, and the public to access City documents and information.
- Attended and provided support services to City boards, commissions, and committees including the Industrial Development Corporation, Sister Cities Program Committee, the Arts & Historical Preservation Advisory Board, and the Short Term Rental Ad Hoc Committee.
- Processed over 1,100 official documents, including ordinances, resolutions, claims, subpoenas, TABC applications, board and committee agendas, City Council agendas, minutes, proclamations, and contracts.
- Responded to over 2,000 public information requests, serving as the liaison between citizens and city government.
- Managed the upgrade process for the City's agenda center software.

## GOALS

- Maintain accurate and accessible records for the City, including meeting minutes, ordinances, resolutions, and other official documents.
- Collaborate with the Sister Cities Committee on hosting the 60th anniversary event with Sister City Niigata, Japan.
- City Secretary Staff will pursue recertification and continue professional development for key administrative roles.
- The department will oversee the administration of the 2026 Election to ensure it is fair, impartial, and compliant with all relevant regulations.

**FY2026 BUDGET**
**CITY SECRETARY**

**EXPENDITURE SUMMARY**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Personnel Services | $473,182 | $502,714 | $505,516 | $496,990 |
| Materials and Supplies | 8,061 | 9,500 | 7,819 | 8,400 |
| Contractual Services | 131,111 | 150,830 | 146,639 | 154,520 |
| Other Charges and Services | 25,629 | 19,500 | 20,904 | 42,000 |
| **TOTAL** | **$637,983** | **$682,544** | **$680,878** | **$701,910** |

**BUDGET HIGHLIGHTS (FY2026 BUDGET OVER/UNDER FY2025 ESTIMATED)**

Personnel Services - Net decreases (-$8,526) includes a restructure of personnel and job duties.

Materials and Supplies - Maintain current funding level (+$581 for material and supplies.

Contractual Services - Net increase (+$7,881) includes an increase (+$4,030) in codification expenses from FY25 and increases (+$3,851) in various contractual accounts.

Other Charges and Services - Net increase (+$21,096) includes increases (+$6,096) in meeting expenses and funding (+$15,000) for the 60th anniveristy for our Sister City Niigata, Japan.

**PERFORMANCE INDICATORS**

| INDICATORS | FY2023 ACTUAL | FY2024 ACTUAL | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Ordinances Processed | 79 | 77 | 72 | 73 |
| Resolutions Processed | 37 | 43 | 48 | 49 |
| Claims | 108 | 105 | 108 | 109 |
| Subpoenas | 19 | 31 | 36 | 37 |
| TABC | 32 | 45 | 48 | 49 |
| Boards & Committee Agendas | 312 | 368 | 372 | 373 |
| City Council Agendas Prepared and Posted | 33 | 35 | 36 | 37 |
| City Council Minutes | 33 | 35 | 36 | 37 |
| Proclamations | 91 | 87 | 84 | 85 |
| Contracts | 299 | 312 | 312 | 313 |
| Public Information Requests | 2,496 | 1,839 | 2,102 | 2,100 |

**PERSONNEL**

| POSITION | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| City Secretary | 1.00 | 1.00 | 1.00 | 1.00 |
| Assist. City Secretary/Records Mgmt. Coord. | 1.00 | 1.00 | 1.00 | 1.00 |
| Executive Assistant to City Secretary | 0.00 | 0.00 | 0.00 | 1.00 |
| Records Management Specialist | 1.00 | 1.00 | 1.00 | 0.00 |
| Senior Administrative Assistant | 1.00 | 1.00 | 1.00 | 0.00 |
| **TOTAL** | **4.00** | **4.00** | **4.00** | **3.00** |

**FY2026 BUDGET**
**CITY SECRETARY**

**LINE ITEM DETAIL**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **Personnel Services** | | | | |
| 511001 Regular Payroll | $340,387 | $365,200 | $366,906 | $367,000 |
| 511005 Longevity | 1,604 | 1,760 | 1,813 | 2,000 |
| 511006 Differential Pay | 2,590 | 1,810 | 2,720 | 2,720 |
| 511009 Overtime | 2,504 | 1,200 | 1,200 | 1,200 |
| 511125 Residency Pay | 0 | 0 | 0 | 0 |
| 511510 Group Health Insurance | 52,896 | 52,900 | 52,900 | 43,710 |
| 511515 Worker's Compensation | 222 | 450 | 450 | 450 |
| 511520 Group Life Insurance | 1,672 | 1,690 | 1,708 | 1,590 |
| 511530 Social Security - Employment | 21,018 | 22,941 | 22,752 | 23,120 |
| 511535 Medicare - Employer's | 4,916 | 5,367 | 5,321 | 5,410 |
| 511542 City Employee Retirement | 45,374 | 49,396 | 49,747 | 49,790 |
| **Total Personnel Services** | **$473,182** | **$502,714** | **$505,516** | **$496,990** |
| **Materials and Supplies** | | | | |
| 521065 Office Supplies | 5,765 | 6,500 | 4,869 | 6,000 |
| 521067 Minor Office Equipment | 1,941 | 2,500 | 2,500 | 2,000 |
| 521073 Printed Materials | 355 | 500 | 450 | 400 |
| **Total Materials and Supplies** | **$8,061** | **$9,500** | **$7,819** | **$8,400** |
| **Contractual Services** | | | | |
| 531012 Records Management | 22,451 | 25,000 | 29,859 | 29,000 |
| 531020 Codification Charges | 11,770 | 15,000 | 8,470 | 12,500 |
| 531025 Memberships | 17,018 | 21,000 | 28,244 | 28,300 |
| 531360 Computer Charges | 49,756 | 49,760 | 49,760 | 50,890 |
| 532062 Postage | 1,148 | 800 | 1,206 | 1,100 |
| 532065 Printing, Duplication | 4,553 | 12,000 | 5,064 | 8,000 |
| 532083 Telephone Service | 619 | 650 | 621 | 700 |
| 532084 Cellular Service | 4,617 | 4,300 | 4,709 | 4,380 |
| 532086 Other Communications | 932 | 575 | 828 | 900 |
| 532087 Aircard Service | 2,510 | 2,200 | 1,261 | 1,200 |
| 533084 Council Members Travel/Training | 3,366 | 6,000 | 3,177 | 5,000 |
| 533085 Travel/Training | 5,131 | 5,000 | 5,326 | 5,000 |
| 533100 Advertising | 7,240 | 8,500 | 8,114 | 7,500 |
| 534030 Surety Bond & Notary Fees | 0 | 45 | 0 | 50 |
| **Total Contractual Services** | **$131,111** | **$150,830** | **$146,639** | **$154,520** |
| **Other Charges and Services** | | | | |
| 544032 Meeting Expenditures | 13,706 | 7,500 | 8,904 | 15,000 |
| 544034 Commemoration | 486 | 500 | 500 | 500 |
| 544035 Protocol | 7,737 | 7,500 | 7,500 | 7,500 |
| 544037 Sister City Expenditures | 3,699 | 4,000 | 4,000 | 19,000 |
| **Total Other Charges and Services** | **$25,629** | **$19,500** | **$20,904** | **$42,000** |
| **Total Expenses** | **$637,983** | **$682,544** | **$680,878** | **$701,910** |

**FY2026 BUDGET**
**ELECTIONS**

**EXPENDITURE SUMMARY**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Contractual Services | 77,609 | 40,000 | 40,000 | 75,000 |
| **TOTAL** | **$77,609** | **$40,000** | **$40,000** | **$75,000** |

**BUDGET HIGHLIGHTS (FY2026 BUDGET OVER/UNDER FY2025 ESTIMATED)**

Contractual Services - Increase (+$35,000) in funding for FY26 for added charter election.

**LINE ITEM DETAIL**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **Contractual Services** | | | | |
| 531125 Other Contracts | $75,779 | $30,000 | $30,000 | $65,000 |
| 533100 Advertising | 1,830 | 10,000 | 10,000 | 10,000 |
| **Total Contractual Services** | **$77,609** | **$40,000** | **$40,000** | **$75,000** |
| **Total Expenses** | **$77,609** | **$40,000** | **$40,000** | **$75,000** |

# MUNICIPAL COURT

## MISSION STATEMENT

The mission of the Municipal Court Division is to provide those we serve with high quality customer service that is effective, efficient and delivered in a professional environment, while accomplishing the duties incumbent upon it by the Galveston City Charter and the laws of the State of Texas, thereby earning and maintaining the public's respect, confidence, and satisfaction.

## ACCOMPLISHMENTS

- Adopted a youth diversion plan as required by House Bill 3186 aligning Municipal Court practices with those used by juvenile probation and juvenile courts for early identification and intervention of at-risk youth;
- Successfully implemented the youth diversion plan and provided training to all staff;
- Reviewed and updated all court forms and notices to align with the non-substantive revision of certain provisions of Chapters 45 and 55, Code of Criminal Procedure, as per House Bill 4504;
- Provided assistance to the judge, prosecutor, defense attorneys, and defendants in 13,589 hearings from October through June; and
- Encouraged defendants to use online services to submit payments and alternate disposition requests resulting in the disposition of 13,754 cases from October 2024 through June 2025, while minimizing lobby traffic.

## GOALS

- Implement a certification incentive program to retain valued personnel;
- Review and revise the judge's standing orders to streamline court operations, improve procedural clarity, and enhance overall efficiency;
- Continue the effort to review all cases with outstanding fines, reimbursement fees, or costs that have been unpaid for at least 15 years and designate same as uncollectible; and
- Continue to administer justice impartially in a transparent and efficient manner that fosters public trust and confidence in the justice system.

**FY2026 BUDGET**
**MUNICIPAL COURT**

**EXPENFITURE SUMMARY**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Personnel Services | $549,533 | $598,172 | $557,640 | $633,300 |
| Materials and Supplies | 3,180 | 7,850 | 7,020 | 6,800 |
| Contractual Services | 213,018 | 231,780 | 206,870 | 190,270 |
| Other Charges and Services | 50,850 | 45,000 | 108,880 | 70,000 |
| **TOTAL** | **$816,581** | **$882,802** | **$880,410** | **$900,370** |

**BUDGET HIGHLIGHTS (FY2026 BUDGET OVER/UNDER FY2025 ESTIMATED)**

Personnel Services - Net increase (+$75,660) includes a 10% increase (+$12,100) in Group Health insurance and the cost (+$63,560) for annualized personnel.

Materials and Supplies - Net decrease (-$220) for minor office supplies and equipment in FY2026.

Contractual Services - Net decrease (-$16,600) includes a decrease in the allocation method of Comcast ethernet -($25,624) with various increases (+$9,024) throughout the contractual services account.

Other Charges and Services - Net decreases (-$38,880) for bank service fees in FY2026.

**PERFORMANCE INDICATORS**

| INDICATORS | FY2023 ACTUAL | FY2024 ACTUAL | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **Criminal Cases** | | | | |
| Number of Citations/Arrests Filed | 15,731 | 13,717 | 13,050 | 13,833 |
| $ Value of Citations/Arrests Filed | $4,105,888 | $3,653,155 | $3,506,574 | $3,576,705 |
| Number of Citations/Arrests Disposed | 11,549 | 12,555 | 13,064 | 13,325 |
| Total Collected on Criminal Cases | $1,818,972 | $1,804,827 | $1,966,528 | $2,005,859 |
| **Civil Cases** | | | | |
| Number of Parking Citations Filed | 30,447 | 28,025 | 45,430 | 46,111 |
| $ Value of Parking Citations Filed | $1,219,590 | $1,266,095 | $1,817,200 | $1,844,440 |
| Number of Parking Citations Paid | 11,904 | 9,563 | 17,616 | 18,321 |
| Total Collected for Parking Citations | $474,413 | $413,911 | $743,723 | $758,597 |
| **Warrants** | | | | |
| Number of Warrants Issued | 13,893 | 10,806 | 8,642 | 8,815 |
| Number of Warrants Cleared | 10,336 | 8,761 | 7,359 | 7,506 |
| Number of Payments/Credits Applied | 5,795 | 7,233 | 7,456 | 7,605 |
| $ Value of Payments/Credits Applied | $1,570,347 | $1,992,300 | $2,090,644 | $2,101,097 |
| **Statistics** | | | | |
| $ Value of Citations Issued | $5,325,478 | $4,919,250 | $5,323,774 | $5,421,145 |
| $ Amount of Citations Paid | $2,293,385 | $2,218,738 | $2,710,251 | $2,764,456 |
| Percent $ Amount of Citations Paid | 43% | 45% | 51% | 51% |

**PERSONNEL**

| POSITION | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Clerk of Municipal Court | 1.00 | 1.00 | 1.00 | 1.00 |
| Chief Deputy Court Clerk | 1.00 | 1.00 | 1.00 | 1.00 |
| Deputy Court Clerk | 7.00 | 7.00 | 6.00 | 7.00 |
| **TOTAL** | **9.00** | **9.00** | **8.00** | **9.00** |

**FY2026 BUDGET**
**MUNICIPAL COURT**

**LINE ITEM DETAIL**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **Personnel Services** | | | | |
| 511001 Regular Payroll | $361,962 | $397,635 | $357,545 | $414,330 |
| 511005 Longevity | 3,777 | 4,530 | 3,823 | 4,250 |
| 511006 Differential Pay | 2,669 | 2,700 | 2,720 | 2,710 |
| 511009 Overtime | 186 | 500 | 500 | 500 |
| 511125 Residency Pay | 3,981 | 2,500 | 2,518 | 5,040 |
| 511510 Group Health Insurance | 119,016 | 119,020 | 119,020 | 131,120 |
| 511515 Worker's Compensation | 593 | 1,190 | 1,190 | 1,190 |
| 511520 Group Life Insurance | 1,802 | 1,940 | 1,859 | 2,020 |
| 511530 Social Security - Employment | 21,677 | 25,284 | 25,218 | 26,460 |
| 511535 Medicare - Employer's | 5,070 | 5,915 | 5,898 | 6,190 |
| 511542 City Employee Retirement | 48,573 | 54,458 | 54,849 | 56,990 |
| 511650 Salary Reimbursements | (19,772) | (17,500) | (17,500) | (17,500) |
| **Total Personnel Services** | **$549,533** | **$598,172** | **$557,640** | **$633,300** |
| | | | | |
| **Materials and Supplies** | | | | |
| 521065 Office Supplies | 3,180 | 6,000 | 5,320 | 5,000 |
| 521067 Minor Office Equipment | 0 | 1,250 | 1,250 | 1,500 |
| 522013 Clothing | 0 | 600 | 450 | 300 |
| **Total Materials and Supplies** | **$3,180** | **$7,850** | **$7,020** | **$6,800** |
| | | | | |
| **Contractual Services** | | | | |
| 531018 Contractual Labor | 68,100 | 70,725 | 70,575 | 72,000 |
| 531025 Memberships | 0 | 55 | 55 | 60 |
| 531125 Other Contracts | 1,290 | 1,316 | 1,315 | 1,350 |
| 531240 Maintenance Contracts | 26,265 | 31,440 | 31,440 | 34,290 |
| 531360 Computer Charges | 49,756 | 49,760 | 49,760 | 48,770 |
| 532062 Postage | 15,217 | 21,000 | 15,107 | 16,000 |
| 532065 Printing, Duplication | 10,416 | 13,000 | 7,854 | 13,500 |
| 532086 Other Communications | 40,706 | 41,500 | 27,924 | 2,300 |
| 533085 Travel/Training | 1,267 | 2,984 | 2,840 | 2,000 |
| **Total Contractual Services** | **$213,018** | **$231,780** | **$206,870** | **$190,270** |
| | | | | |
| **Other Charges and Services** | | | | |
| 544105 Bank Service Charges | 50,850 | 45,000 | 108,880 | 70,000 |
| **Total Other Charges and Services** | **$50,850** | **$45,000** | **$108,880** | **$70,000** |
| | | | | |
| **Total Expenses** | **$816,581** | **$882,802** | **$880,410** | **$900,370** |


CITY OF GALVESTON
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# CITY MANAGER

## MISSION STATEMENT

The mission of the City Manager's Department is to provide policy direction and executive leadership over all City operations. The department provides advice and guidance to the Mayor and City Council on legislative and political issues and serves as a liaison to the public and private sectors in fostering partnerships and initiatives to better the entire city.

## ACCOMPLISHMENTS

- Fully implemented the City's Internal Economic Development program;
- Implemented new protocols related to HOT management and distribution;
- Implemented new parking and passenger movement fees;
- Procured new fleet of police patrol & CID vehicles;
- Monitored progress on traffic enforcement unit following a number of DWI accidents and fatalities;
- Closed the remaining Ike projects moving the remaining to the audit phase; resulting in a payable to the City;
- Secured earmark funding for multiple major drainage projects;
- Maintained robust spending controls resulting in budget savings.

## GOALS

- Review and assess the City's existing fee structure to ensure fee levels are appropriate and properly administered;
- Improve and enhance the water supply system by further reducing water loss and advancing the use of additional automation;
- Further enhance the civilian pension to ensure retirees have a reasonable benefit;
- Work with new Park Board leadership to develop appropriate guidelines for operational management and transition of specific City assets;
- Develop a fee schedule and revenue projections for any entity managing City assets;
- Continue to work with Council to identify additional fees and other revenue sources on tourist related activities that can be used to offset associated operational and public safety costs;
- Actively manage the City budget and make additional expense reductions if revenue estimates fall below projections.

**FY2026 BUDGET**
**CITY MANAGER**

**EXPENDITURE SUMMARY**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Personnel Services | $715,478 | $755,169 | $761,098 | $765,700 |
| Materials and Supplies | 5,201 | 5,000 | 5,000 | 5,000 |
| Contractual Services | 36,248 | 40,180 | 40,078 | 34,030 |
| Other Charges and Services | 21,820 | 36,000 | 20,500 | 1,000 |
| Special Programs and Events | 0 | 0 | 0 | 0 |
| **TOTAL** | **$778,748** | **$836,349** | **$826,675** | **$805,730** |

**BUDGET HIGHLIGHTS (FY2026 BUDGET OVER/UNDER FY2025 ESTIMATED)**

Personnel Services - Net increases (+$4,602) includes a 10% increase (+$4,030) in Group Health insurance and annualized personnel costs (+$572).

Contractual Services - Net decrease (-$6,048) in miscellaneous Contractual line items.

Other Charges and Services - Net decrease (-$19,500) includes eliminating funding (-$20,000) for employee appreciation cost and maintaining cost (+$500) in meeting expenditures.

**PERSONNEL**

| POSITION | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| City Manager | 1.00 | 1.00 | 1.00 | 1.00 |
| Deputy City Manager | 1.00 | 1.00 | 1.00 | 1.00 |
| Executive Assistant to City Manager | 1.00 | 1.00 | 1.00 | 1.00 |
| **TOTAL** | **3.00** | **3.00** | **3.00** | **3.00** |

**FY2026 BUDGET**
**CITY MANAGER**

**LINE ITEM DETAIL**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **Personnel Services** | | | | |
| 511001 Regular Payroll | $583,417 | $613,851 | $615,421 | $615,860 |
| 511005 Longevity | 1,304 | 1,440 | 1,413 | 1,560 |
| 511006 Differential Pay | 904 | 910 | 907 | 910 |
| 511007 Vehicle/Motor Allowance | 17,965 | 18,000 | 18,128 | 18,070 |
| 511009 Overtime | 1,227 | 0 | 0 | 0 |
| 511021 Part-time | 4,564 | 0 | 5,000 | 5,120 |
| 511125 Residency Pay | 5,019 | 5,040 | 5,036 | 5,040 |
| 511510 Group Health Insurance | 39,853 | 39,680 | 39,680 | 43,710 |
| 511515 Worker's Compensation | 418 | 840 | 840 | 840 |
| 511520 Group Life Insurance | 2,247 | 2,850 | 2,257 | 2,990 |
| 511530 Social Security - Employment | 24,958 | 27,942 | 27,938 | 26,580 |
| 511535 Medicare - Employer's | 8,762 | 9,274 | 9,226 | 9,380 |
| 511542 City Employee Retirement | 79,897 | 85,342 | 85,252 | 85,640 |
| 511650 Salary Reimbursements | (55,055) | (50,000) | (50,000) | (50,000) |
| **Total Personnel Services** | **$715,478** | **$755,169** | **$761,098** | **$765,700** |
| | | | | |
| **Materials and Supplies** | | | | |
| 521065 Office Supplies | 5,201 | 5,000 | 5,000 | 5,000 |
| **Total Materials and Supplies** | **$5,201** | **$5,000** | **$5,000** | **$5,000** |
| | | | | |
| **Contractual Services** | | | | |
| 531016 Professional Services | 0 | 0 | 3,270 | 0 |
| 531025 Memberships | 3,861 | 3,800 | 3,800 | 3,800 |
| 531360 Computer Charges | 23,796 | 23,800 | 23,800 | 23,330 |
| 532062 Postage | 114 | 150 | 130 | 150 |
| 532065 Printing, Duplication | 1,823 | 3,000 | 1,790 | 2,500 |
| 532083 Telephone Service | 619 | 630 | 621 | 530 |
| 532084 Cellular Service | 1,166 | 1,100 | 1,530 | 1,560 |
| 532086 Other Communications | 907 | 900 | 1,159 | 1,200 |
| 532087 Aircard Service | 1,474 | 1,800 | 1,015 | 960 |
| 533085 Travel/Training | 2,487 | 5,000 | 2,962 | 0 |
| **Total Contractual Services** | **$36,248** | **$40,180** | **$40,078** | **$34,030** |
| | | | | |
| **Other Charges and Services** | | | | |
| 544032 Meeting Expenditures | 0 | 1,000 | 500 | 1,000 |
| 544038 Employee Appreciation | 21,820 | 35,000 | 20,000 | 0 |
| **Total Other Charges and Services** | **$21,820** | **$36,000** | **$20,500** | **$1,000** |
| | | | | |
| **Total Expenses** | **$778,748** | **$836,349** | **$826,675** | **$805,730** |


CITY OF GALVESTON
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# CITY AUDITOR

## MISSION STATEMENT

The mission of the City Auditor's office is to assist the Mayor and City Council by providing independent, objective, and consulting services designed to add value and improve efficiency and effectiveness for the City of Galveston, Port of Galveston, and Park Board.

## ACCOMPLISHMENTS

- The City Auditor's Office created a three-phase Compliance Management System (CMS).
  - Phase 1 helps discover revenue-generating ideas by conducting objective operations assessments and sharing ideas for best practices that will benefit the City, Park Board, and Port of Galveston.
  - Phase 2 is the testing phase, ensuring that all policies, procedures, best practices, and controls have been identified.
  - Phase 3 will involve the City Auditor's Office testing the written procedures and controls created by the departments to ensure their implementation.
- The City Auditor's Office completed a spontaneous audit for the Park Board on the use of Beach Patrol P-card and disbursements. The objective of the audit was to evaluate the design and operating effectiveness of the Park Board's Finance Department's internal control framework regarding potential abuse related to the P-card and to verify the accuracy of disbursement reconciliations. The City Auditor's Office analyzed 1,126 Beach Patrol P-card transactions and check disbursements between September 1, 2019, and June 30, 2024, totaling $1,400,681.91. Out of those transactions, there were 74 P-cards and check disbursements totaling $11,019.29 that did not qualify as bona fide Beach Patrol Purchases. The City Auditor's Office determined that the employee and supervisor were not following the Policies and Procedures put in place by the Finance Department.
- The City Auditor's Office completed a CMS audit for the Park Board on Conflict of Interest. The City Auditor's Office made two discoveries. The first discovery was that a department director submitted an invoice to the Finance Department for a check to be paid to a company owned by his wife, totaling $3,200, using HOT Tax funds. Payments in the amount of $2,800 were supposedly paid to a 3rd party. The second discovery was that a director from a different department operated a business that provided services for special private events held at Park Board-managed facilities. The director oversaw those facilities and special events. The director claimed that his business made less than $2,500 in taxable income and was exempt from filing a conflict-of-interest disclosure statement. The City Auditor's Office made three suggestions to write into their policies. The first suggestion was not to allow an employee or a relation to an employee to conduct business with the Park Board. The second suggestion is that all employee business startups having financial transactions with the Galveston Park Board must first be approved by the Galveston Park Board of Trustees. The third suggestion was that all actual or potential conflicts of interest should be detailed and explained on the Galveston Park Board's website.
- The City Auditor's Office conducted forty-five (45) Short-Term Rental and six (6) Hotel Occupancy Tax audits, focusing on compliance with all the laws. This brought in an additional $300,000 in revenue. The total includes revenue from the tax due, penalties, interest, and reimbursements from the Park Board for conducting the audits.
- The City Auditor's Office brought in $220,000 in Sales Tax revenue to the City.

## GOALS

- Increase Sales Tax Revenues by $800,000 annually.
- Increase Hotel Occupancy Tax by $350,000 by auditing Short-Term Rentals (STR) not in compliance with the laws and Hotels taking incorrect deductions.
- Continue working on F&CPG, CMS, and making recommendations on administrative, accounting, and financial reporting of internal controls for the City of Galveston, Port of Galveston, and Park Board.

**FY2026 BUDGET**
**CITY AUDITOR**

**EXPENDITURE SUMMARY**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Personnel Services | $433,960 | $482,919 | $479,376 | $487,090 |
| Materials and Supplies | 3,327 | 3,350 | 2,859 | 3,340 |
| Contractual Services | 40,544 | 42,120 | 57,415 | 42,400 |
| Other Charges and Services | (22,800) | (115,750) | (16,400) | 0 |
| **TOTAL** | **$455,031** | **$412,639** | **$523,249** | **$532,830** |

**BUDGET HIGHLIGHTS (FY2026 BUDGET OVER/UNDER FY2025 ESTIMATED)**

Personnel Services - Net increases (+$7,714) includes a 10% increase (+$4,020) in Group Health insurance and the annualized cost of personnel (+$3,694).

Materials and Supplies - Maintain current level of funding.

Contractual Services - Net decrease (-$15,015) includes eliminating funding (-$15,000) for temporary personnel and various adjustments (+$15) to miscellaneous contractual line items.

Other Charges and Services - Net increase (+$16,400) for reimbursements related to audit work for short term rentals.

**PERFORMANCE INDICATORS**

| INDICATORS | FY2023 ACTUAL | FY2024 ACTUAL | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Percent of Output (Work Compiled vs. Planned) | 95% | 95% | 95% | 95% |
| Percent of Audit Plan approved by City Council | 100% | 90% | 90% | 100% |
| Percent of recommendations implemented | 95% | 95% | 95% | 95% |
| Revenue generated from HOT Audits | $840,000 | $240,000 | $200,000 | $200,000 |
| Revenue generated from Sales Tax Revenue | $25,000 | $200,000 | $200,000 | $500,000 |
| Revenue generated from Compliance Audits | $1,000,000 | $1,000,000 | $1,000,000 | $1,000,000 |
| Revenue generated from Operational Audits | $1,000,000 | $1,000,000 | $1,000,000 | $1,000,000 |
| F&CPG Manual of Best Practices in Accounting | 2 | 3 | 2 | 2 |
| F&CPG Accounting Practices Implemented in Dpmts | 2 | 2 | 2 | 3 |
| CMS Contracts Implemented in Departments | 3 | 1 | 2 | 2 |
| Standard Operating Procedures w/ implantation City | 3 | 2 | 1 | 1 |

**PERSONNEL**

| POSITION | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| City Auditor | 1.00 | 1.00 | 1.00 | 1.00 |
| Assistant City Auditor | 1.00 | 1.00 | 1.00 | 1.00 |
| Auditor I | 1.00 | 1.00 | 1.00 | 1.00 |
| **TOTAL** | **3.00** | **3.00** | **3.00** | **3.00** |

**FY2026 BUDGET**
**CITY AUDITOR**

**LINE ITEM DETAIL**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **Personnel Services** | | | | |
| 511001 Regular Payroll | $324,741 | $363,237 | $360,779 | $363,240 |
| 511005 Longevity | 1,263 | 1,420 | 1,264 | 1,410 |
| 511510 Group Health Insurance | 39,672 | 39,680 | 39,680 | 43,700 |
| 511515 Worker's Compensation | 148 | 300 | 300 | 380 |
| 511520 Group Life Insurance | 1,616 | 1,690 | 1,777 | 1,770 |
| 511530 Social Security - Employment | 19,414 | 22,612 | 22,032 | 22,610 |
| 511535 Medicare - Employer's | 4,620 | 5,291 | 5,211 | 5,290 |
| 511542 City Employee Retirement | 42,485 | 48,689 | 48,333 | 48,690 |
| **Total Personnel Services** | **$433,960** | **$482,919** | **$479,376** | **$487,090** |
| **Materials and Supplies** | | | | |
| 521065 Office Supplies | 2,337 | 2,300 | 1,859 | 2,300 |
| 525031 Electricity | 680 | 750 | 655 | 700 |
| 525032 Natural Gas | 310 | 300 | 344 | 340 |
| **Total Materials and Supplies** | **$3,327** | **$3,350** | **$2,859** | **$3,340** |
| **Contractual Services** | | | | |
| 531015 Temporary Employee Services | 0 | 0 | 15,000 | 0 |
| 531310 Rental Of Land & Buildings | 20,768 | 20,530 | 22,154 | 21,360 |
| 531360 Computer Charges | 15,143 | 15,150 | 15,150 | 14,840 |
| 532062 Postage | 42 | 20 | 20 | 30 |
| 532065 Printing, Duplication | 591 | 750 | 642 | 750 |
| 532066 Print Shop Charges | 206 | 210 | 207 | 180 |
| 532083 Telephone Service | 456 | 460 | 258 | 240 |
| 533085 Travel/Training | 3,338 | 5,000 | 3,984 | 5,000 |
| **Total Contractual Services** | **$40,544** | **$42,120** | **$57,415** | **$42,400** |
| **Other Charges and Services** | | | | |
| 544087 Expense Reimbursement | (22,800) | (115,750) | (16,400) | 0 |
| **Total Other Charges and Services** | **($22,800)** | **($115,750)** | **($16,400)** | **$0** |
| **Total Expenses** | **$455,031** | **$412,639** | **$523,249** | **$532,830** |


CITY OF GALVESTON
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# CITY ATTORNEY

## MISSION STATEMENT

The mission of the City Attorney's office is to ensure the City Council, its appointees and city departments are provided professional legal services and representation while ensuring compliance with all state, federal, and local laws.

## ACCOMPLISHMENTS

- Removed large IKE damaged mansion from beach within six months after the General Land Office ceased its fifteen plus years of efforts to demolish or move it.
- Drafted comprehensive licensing scheme to the administrative control of short term rentals; six months after completion Council referred it to a committee.
- Participated in writing and submission to the General Land Office the City's Beach Access/Dune Protection Plan.
- Assistance to City Auditor in his ongoing attempts to audit the Park Board.
- Finalized condemnation acquisition of Broadway property to flood project; oversaw sale of two airport properties by auction.
- Continuous practice in Municipal Court off city issued traffic and code enforcement.
- Offered analysis and comments related to pending legislation to assist the Legislative Coordinator.
- Completed negotiation of an Advanced Funding Agreement related to Pelican Island Bridge.

## GOALS

- Enhance strategic support including professional development, training, and modernization of document management systems.
- Expand staff expertise through additional training not confined to Texas Municipal League (TML) sponsored courses, to increase the amount of civil litigation handled in house.
- Expand staff expertise in area of city fiscal operations,
- Continue the Comprehensive Code Review and continue with amendments to the LDR as needed.

**FY2026 BUDGET**
**CITY ATTORNEY**

## EXPENDITURE SUMMARY

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Personnel Services | $959,330 | $1,033,674 | $1,019,942 | $1,036,460 |
| Materials and Supplies | 12,306 | 15,680 | 13,000 | 16,500 |
| Contractual Services | 58,267 | 85,130 | 77,954 | 73,310 |
| Other Charges and Services | 2,752 | 10,500 | 10,000 | 6,000 |
| **TOTAL** | **$1,032,655** | **$1,144,984** | **$1,120,896** | **$1,132,270** |

## BUDGET HIGHLIGHTS (FY2026 BUDGET OVER/UNDER FY2025 ESTIMATED)

Personnel Services - Net increase (+$16.518) includes a 10% increase (+$8,0600 in Group Health insurance and the annualized cost (+$8,458) of personnel.

Materials and Supplies - Net increase (+$3,500) to maintain current level of funding.

Contractual Services -Net decreases (-$4,644) include reductions in Membership fees (-$1,000), Travel and Training (-$3,000) and decreases (-$644) to various contractual line items.

Other Charges and Services - Net decrease (-$4,000) for funding related to pending or future litigation.

## PERFORMANCE INDICATORS

| INDICATORS | FY2023 ACTUAL | FY2024 ACTUAL | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Ordinances | 79 | 78 | 60 | 61 |
| Resolutions | 37 | 47 | 86 | 87 |
| Consent Items | 267 | 322 | 427 | 428 |
| Action Items | 47 | 44 | 53 | 54 |
| Civil Service Grievances | 2 | 5 | 5 | 6 |
| Housing Abatement | 16 | 5 | 5 | 6 |
| Code Enforcement | 555 | 379 | 438 | 439 |
| Pre-Trial | 6,817 | 7,069 | 6,514 | 6,515 |
| Bench Trials | 40 | 29 | 31 | 32 |
| Jury Trials | 5 | 25 | 29 | 30 |
| Bonds | 6,271 | 3,484 | 2,095 | 2,096 |
| Public Information Act (PIA) Requests | 79 | 124 | 92 | 93 |
| Public Information Act Briefs | 86 | 124 | 92 | 93 |
| Permit & Wrecker Operating Authority | 68 | 71 | 50 | 51 |
| Internal Civil Cases | 4 | 3 | 2 | 3 |
| HOT Tax Cases | 4 | 3 | 2 | 3 |
| HOT Tax Collections | $0 | $112,859 | $0 | Unknown |
| Subpoenas | 41 | 57 | 15 | 16 |
| Civil Service Meetings | 1 | 1 | 1 | 2 |
| Code Enforcement Litigation | 0 | 3 | 2 | 3 |
| Commission Meetings | 59 | 43 | 69 | 70 |
| Commission Hearings | 160 | 146 | 207 | 208 |
| Administrative Appeals for Police and Fire | 0 | 4 | 1 | 4 |

## PERSONNEL

| POSITION | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| City Attorney | 1.00 | 1.00 | 1.00 | 1.00 |
| Sr. Assistant City Attorney | 1.00 | 1.00 | 1.00 | 1.00 |
| Assistant City Attorney | 3.00 | 3.00 | 3.00 | 3.00 |
| Executive Assistant to City Attorney | 1.00 | 1.00 | 1.00 | 1.00 |
| **TOTAL** | **6.00** | **6.00** | **6.00** | **6.00** |

**FY2026 BUDGET**
**CITY ATTORNEY**

**LINE ITEM DETAIL**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **Personnel Services** | | | | |
| 511001 Regular Payroll | $774,450 | $822,903 | $825,473 | $825,500 |
| 511005 Longevity | 2,024 | 2,230 | 2,224 | 2,510 |
| 511006 Differential Pay | 904 | 910 | 907 | 910 |
| 511510 Group Health Insurance | 79,708 | 79,350 | 79,350 | 87,410 |
| 511515 Worker's Compensation | 520 | 1,040 | 1,040 | 1,040 |
| 511520 Group Life Insurance | 3,741 | 3,770 | 3,948 | 4,010 |
| 511530 Social Security - Employment | 44,289 | 51,211 | 47,866 | 51,390 |
| 511535 Medicare - Employer's | 11,093 | 11,981 | 11,875 | 12,020 |
| 511542 City Employee Retirement | 73,709 | 81,829 | 77,755 | 80,800 |
| 511547 ICMA-401A Governmental Money Plan | 19,294 | 28,450 | 19,504 | 20,870 |
| 511650 Salary Reimbursements | (52,049) | (50,000) | (50,000) | (50,000) |
| **Total Personnel Services** | **$959,330** | **$1,033,674** | **$1,019,942** | **$1,036,460** |
| **Materials and Supplies** | | | | |
| 521065 Office Supplies | 1,121 | 2,000 | 1,000 | 1,000 |
| 521067 Minor Office Equipment | 427 | 1,500 | 0 | 1,000 |
| 521073 Printed Materials | 10,759 | 12,000 | 12,000 | 14,500 |
| 522013 Clothing | 0 | 180 | 0 | 0 |
| **Total Materials and Supplies** | **$12,306** | **$15,680** | **$13,000** | **$16,500** |
| **Contractual Services** | | | | |
| 531006 Attorney's Fees | 8,349 | 25,000 | 25,000 | 25,000 |
| 531025 Memberships | 4,484 | 3,000 | 3,000 | 2,000 |
| 531360 Computer Charges | 36,776 | 36,780 | 36,780 | 36,050 |
| 532062 Postage | 1,755 | 2,000 | 700 | 1,000 |
| 532065 Printing, Duplication | 591 | 1,500 | 650 | 460 |
| 532083 Telephone Service | 482 | 600 | 480 | 500 |
| 532084 Cellular Service | 522 | 500 | 474 | 500 |
| 532087 Aircard Service | 456 | 750 | 870 | 800 |
| 533085 Travel/Training | 4,853 | 15,000 | 10,000 | 7,000 |
| **Total Contractual Services** | **$58,267** | **$85,130** | **$77,954** | **$73,310** |
| **Other Charges and Services** | | | | |
| 544027 Court Costs And Judgment | 2,752 | 10,000 | 10,000 | 6,000 |
| 544032 Meeting Expenditures | 0 | 500 | 0 | 0 |
| **Total Other Charges and Services** | **$2,752** | **$10,500** | **$10,000** | **$6,000** |
| **Total Expenses** | **$1,032,655** | **$1,144,984** | **$1,120,896** | **$1,132,270** |


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# HUMAN RESOURCES

## MISSION STATEMENT

The mission of the Human Resources Department is to deliver the highest quality customer service and expertise in all personnel matters to our employees, City Officials, affiliate governmental entities and the community, while building partnerships, supporting diverse perspectives and promoting equal opportunities for professional growth.

## ACCOMPLISHMENTS

- Implementation and Training of City Employees on Phase I Workday HRIS in December 2024 for payroll, employee benefits, recruiting and applicant processing, onboarding and offboarding employees, and the initiation of talent and learning management.
- Successfully launched a streamlined new Open Enrollment process versus our usual approach with 95% on-time completion rate.
- Implemented 5 new vendors that cover 11 new benefits plans overall.
- Successfully implemented our Workday platform for benefits with positive feedback from employees and fewer service tickets.
- Improved benefit issue resolution time by 30% through internal process updates and ticket tracking.
- Almost at 100% completion for benefit integrations from Workday to vendor and vice versa.
- Partnered with UTMB to administer Flu and COVID vaccines for all City Employees.
- Presented “Prohibited Discrimination, Harassment and Hostile Work Environment” and “Conflict Resolution” training to City employees.
- Partnered with Catapult Health for on-site checkups for all City Employees enrolled in the City’s Health Plan to assist them in completing their required exams for discounted premiums.
- Hosted and coordinated a day-long experience about City operations for the Galveston Regional Chamber of Commerce “Leadership Galveston Program”.
- In Partnership with Galveston College held Leadership Classes for City Supervisors, Department Heads and employees interested in management.
- Held promotional exams for all ranks and entrance exams for the Fire and Police Departments.
- Continued involvement in processing employee new hires, promotions, salary changes, and civil service activities in Workday.
- Administered Bilingual Testing successfully passed by several City Employees for qualification to assist citizens and employees and receive incentive pay for these services.
- Assisted Island Transit and Auditors with the City’s Triennial Audit by the Federal Transit Administration.
- Assisted City Management in Collective Bargaining Negotiations with the Fire Association.

## GOALS

- Review, update and monitor policies and procedures consistent with the direction of the Manager’s office to meet business needs and adapt in a changing environment.
- Build an extensive talent pipeline and maintain low turnover rates.
- Enhance employee wellness initiatives.
- Enhance employee benefits education with quarterly newsletters, flyers, information packets and updated FAQs.
- Implement an automated dependent verification process to reduce compliance risk.
- Implement all employees adding a beneficiary to our Workday system for benefit plans such as Life Insurance, Pension, and our retirement plans.
- Increase employee engagement in wellness programs by 15%.
- Host and Conduct training courses for all employees on the following topics: Drug & Alcohol Testing, Discrimination, Harassment and Hostile Work Environment, Diversity & Inclusion, Prioritize diversity, equity, and inclusion for all City personnel, Increase employee engagement across the organization, Complete Leadership Training Program in coordination with Galveston College**.**
- Launch internal Newsletter and Quarterly Surveys to keep Employees informed and measure Workplace Sentiment.

**FY2026 BUDGET**
**HUMAN RESOURCES**

## EXPENDITURE SUMMARY

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Personnel Services | $544,512 | $565,805 | $557,878 | $583,380 |
| Materials and Supplies | 28,266 | 32,250 | 29,800 | 36,000 |
| Contractual Services | 73,786 | 88,470 | 78,116 | 103,680 |
| Other Charges and Services | 1,527 | 3,700 | 1,850 | 2,400 |
| **TOTAL** | **$648,090** | **$690,225** | **$667,643** | **$725,460** |

## BUDGET HIGHLIGHTS (FY2026 BUDGET OVER/UNDER FY2025 ESTIMATED)

Personnel Services - Net increase (+$25,502) includes a 10% increase (+$6,990) in Group Health insurance and the annualized cost of personnel (+$18,512).

Materials and Supplies - Net increase (+$6,200) includes maintaining current level of funding in office supplies and training material for Fire and Police promotional and entrance exams.

Contractual Services - Net increases of (+$25,564) include an increase (+$14,217) for temporary employee services, funding for background checks (+7,560), Promotion and PD entrance exams (+$4,000) and minor decreases (-$213) throughout various contractual line items.

Other Charges and Services - Net increase (+$550) to maintain current funding level for employee appreciation and meeting expenses.

## PERFORMANCE INDICATORS

| INDICATORS | FY2023 ACTUAL | FY2024 ACTUAL | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Processed Applications (on-line) | 6,789 | 6,000 | 7,000 | 6,500 |
| New Hires | 170 | 150 | 200 | 93 |
| Turnover rate | 15.8% | 11% | 10% | 13% |
| Civil Service Promotional Exams | 5 | 5 | 5 | 5 |
| Civil Service Entrance Exams | 5 | 5 | 5 | 5 |
| Civil Service Commission Meetings | 4 | 4 | 4 | 5 |
| Civil Service Grievances | 3 | 4 | 4 | 4 |
| Civil Service Appeals for Police & Fire | 5 | 6 | 5 | 5 |
| Health Board of Trustee Meetings | 12 | 12 | 12 | 12 |
| Employee Open Enrollment & Health Fairs | 3 | 3 | 3 | 3 |
| Completed Service Requests | 1,043 | 1,566 | 1,800 | 2,000 |

## PERSONNEL

| POSITION | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Human Resources Director | 1.00 | 1.00 | 1.00 | 1.00 |
| Human Resources Specialist | 2.798 | 2.798 | 2.798 | 2.798 |
| Payroll Specialist | 1.00 | 1.00 | 1.00 | 1.00 |
| Senior Administrative Assistant | 0.40 | 0.40 | 0.40 | 0.40 |
| **TOTAL** | **5.198** | **5.198** | **5.198** | **5.198** |

**FY2026 BUDGET**
**HUMAN RESOURCES**

**LINE ITEM DETAIL**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **Personnel Services** | | | | |
| 511001 Regular Payroll | $383,893 | $401,935 | $396,303 | $410,410 |
| 511005 Longevity | 1,569 | 1,770 | 1,723 | 1,970 |
| 511006 Differential Pay | 1,807 | 1,830 | 1,813 | 1,830 |
| 511009 Overtime | 4,226 | 1,000 | 1,000 | 1,000 |
| 511125 Residency Pay | 2,259 | 2,270 | 2,264 | 2,270 |
| 511510 Group Health Insurance | 68,738 | 68,740 | 68,740 | 75,730 |
| 511515 Worker's Compensation | 244 | 490 | 490 | 490 |
| 511520 Group Life Insurance | 1,878 | 1,910 | 1,955 | 2,010 |
| 511530 Social Security - Employment | 23,083 | 25,350 | 24,321 | 25,880 |
| 511535 Medicare - Employer's | 5,398 | 5,928 | 5,688 | 6,050 |
| 511542 City Employee Retirement | 51,416 | 54,582 | 53,582 | 55,740 |
| **Total Personnel Services** | **$544,512** | **$565,805** | **$557,878** | **$583,380** |
| **Materials and Supplies** | | | | |
| 521065 Office Supplies | 5,103 | 6,000 | 3,800 | 4,500 |
| 521067 Minor Office Equipment | 138 | 750 | 750 | 1,000 |
| 521088 Training Materials | 23,025 | 25,000 | 25,000 | 30,000 |
| 522013 Clothing | 0 | 500 | 250 | 500 |
| **Total Materials and Supplies** | **$28,266** | **$32,250** | **$29,800** | **$36,000** |
| **Contractual Services** | | | | |
| 531015 Temporary Employee Services | 11,046 | 0 | 10,783 | 25,000 |
| 531025 Memberships | 1,252 | 1,500 | 1,500 | 1,500 |
| 531125 Other Contracts | 2,653 | 15,000 | 4,440 | 12,000 |
| 531360 Computer Charges | 30,715 | 30,720 | 30,720 | 30,110 |
| 532062 Postage | 1,819 | 3,000 | 2,116 | 2,500 |
| 532065 Printing, Duplication | 2,481 | 4,000 | 2,696 | 2,600 |
| 532083 Telephone Service | 482 | 750 | 483 | 500 |
| 532084 Cellular Service | 1,120 | 1,250 | 1,036 | 1,020 |
| 532086 Other Communications | 291 | 250 | 331 | 360 |
| 532087 Aircard Service | 1,140 | 1,000 | 1,010 | 1,090 |
| 533085 Travel/Training | 8,622 | 16,000 | 8,000 | 12,000 |
| 533100 Advertising | 12,165 | 15,000 | 15,000 | 15,000 |
| **Total Contractual Services** | **$73,786** | **$88,470** | **$78,116** | **$103,680** |
| **Other Charges and Services** | | | | |
| 544032 Meeting Expenditures | 388 | 700 | 350 | 400 |
| 544038 Employee Appreciation | 1,139 | 3,000 | 1,500 | 2,000 |
| **Total Other Charges and Services** | **$1,527** | **$3,700** | **$1,850** | **$2,400** |
| **Total Expenses** | **$648,090** | **$690,225** | **$667,643** | **$725,460** |

**FY2026 BUDGET**
**ISLAND TRANSIT - LOCAL MATCH**

**LINE ITEM DETAIL**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **Contractual Services** | | | | |
| 531030 Transit Operation | $975,000 | $825,000 | $400,000 | $800,000 |
| **Total Contractual Services** | **$975,000** | **$825,000** | **$400,000** | **$800,000** |
| **Total Expenses** | **$975,000** | **$825,000** | **$400,000** | **$800,000** |

**BUDGET HIGHLIGHTS (FY2026 BUDGET OVER/UNDER FY2025 ESTIMATED)**

Contractual Services -Net increase (+$400,000) for local match needed to fund Island Transit Operations.


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**FY2026 BUDGET**
**FINANCE OPERATIONS**

| DEPARTMENT | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Administration | $608,116 | $672,563 | $672,560 | $701,000 |
| Accounting | 1,121,021 | 1,196,949 | 1,138,498 | 1,203,420 |
| Purchasing | 386,392 | 408,771 | 402,683 | 390,860 |
| Budget | 447,228 | 610,049 | 552,868 | 509,770 |
| **Finance Operations Total** | **$2,562,756** | **$2,888,332** | **$2,766,610** | **$2,805,050** |

| CATEGORY | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Personnel Services | $2,114,416 | $2,388,152 | $2,245,225 | $2,267,740 |
| Materials and Supplies | 17,060 | 27,300 | 21,740 | 24,200 |
| Contractual Services | 419,741 | 459,280 | 485,999 | 500,510 |
| Other Charges and Services | 11,539 | 13,600 | 13,646 | 12,600 |
| **Finance Operations Total** | **$2,562,756** | **$2,888,332** | **$2,766,610** | **$2,805,050** |

**HIGHLIGHTS (FY2026 Budget Over/Under FY2025 Estimated)**

Personnel Services - Net increase (+22,515) the reduction (-$89,454) of a Budget Analyst position, the restructure of Purchasing personnel (-$15,209) a 10% increase (+$28,032) in Group Health insurance, and the annualized cost of personnel (+$99,146)

Materials and Supplies - Net changes throughout finance (+$2,460).

Contractual Services - Net increase (+$19,300) includes increases in consultant services (+$6,500), temporary employee services (+$6,711), printing and duplication (+$5,130) and decreases (-$3,830) in miscellaneous contractual accounts.

Other Services and Charges - Net decrease (-$1,046) includes a decrease (-$1,646) bank service fees and maintain funding (+$600) for the GFOA Budget Award submission fee.

| PERSONNEL SUMMARY | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Finance - Full-Time Positions | 17.00 | 20.00 | 19.00 | 19.00 |
| Finance - Personnel Costs | $2,114,416 | $2,388,152 | $2,245,225 | $2,267,740 |

# FINANCE ADMINISTRATION

## MISSION STATEMENT

The mission of the Finance Department is to supply timely, accurate and transparent financial information to key stakeholders, while ensuring the City Council, its appointees and established departments are provided excellent financial support in compliance with local, state, and federal laws. This includes providing leadership and coordination necessary to apply for, receive, implement, and complete major grants for projects and programs important to the City.

## ACCOMPLISHMENTS

- Provided support to staff and city management in the completion of the FY 2024 Annual Comprehensive Financial Report (ACFR) which is expected to receive the GFOA Certificate of Achievement for Excellence as did the FY 2022 Annual Comprehensive Financial Report.
- Led the financial planning cycle, including the Annual Budget, the five-year Capital Improvement Plan (CIP), the Long-Range Financial Forecast, the Quarterly Budget Status Report, and associated models that track and provide explanations for major revenues, and provide capital financing forecasts in support of the CIP.
- Complete review and update of Chapter 33 of the Code of Ordinances in coordination with the City Attorney.
- Completed final TDEM audits for final closeout of Tropical Storm Laura and the Winter Storm event.
- Awarded Congressional FEMA Earmark for the 59th Street Water Tank 10 million.
- Awarded Congressional Earmark for the Causeway Waterline 10 million.
- Awarded Construction FEMA funding for the 14th street drainage pump station.
- Awarded CDBG-MIT Regional application for 15.7 million for the 59th Street Water Tank to pay the FEMA match. Currently awaiting GLO contract.
- Prepared contract amendment and application for Regional Mitigation for the match funding from FEMA on the Causeway Waterline.
- Continued work with FEMA for the grant funding for the Airport Control Tower Generator.
- Prepared GLO Draws for the South Shore Pump station. Reimbursements to date after the 1.5 million local match are currently $3,069,747.71.
- Conduct weekly CDBG-MIT Compliance Monitoring for the South Shore Drainage Pump Station.
- Completed 22 Hurricane Ike closeouts with TDEM/FEMA
- Finished the last Hurricane Harvey project and Audit- Awaiting final closeout with FEMA.
- Finalized the audits for Winter Storm projects. Awaiting final disaster closeout from FEMA/TDEM.
- Completed grant application to Texas Water Development board (TWDB) for the abridged grant program.
- Assisted Coastal Resources Department for Beach Pocket #3

## GOALS

- Continue to review of Finance Department policies and procedures for efficiency and improved internal controls.
- In conjunction with Technology Services and Human Resources, continue the implementation of the new Enterprise Resource Planning software system.
- Direct the development and submittal of viable grant applications that fit the City's long-range planning efforts.
- Coordinate and manage all disaster related FEMA recovery efforts to maximize federal reimbursement opportunities.
- Coordinate the construction of the South Shore Drainage CDBG-MIT project.
- Coordinate the construction of the 14th Street Drainage Project (Phase 2).
- Facilitate the design and start of construction for the 59th Street Water Tank.
- Facilitate the final design and bidding for the construction of the Causeway Waterline.
- Complete and submit U.S.DOT Smart Grant Application.
- Complete and submit reimbursement documents for Beach Pocket #3.

**FY2026 BUDGET**
**FINANCE ADMINISTRATION**

**EXPENDITURE SUMMARY**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Personnel Services | $459,326 | $482,643 | $457,770 | $491,460 |
| Materials and Supplies | 228 | 500 | 250 | 500 |
| Contractual Services | 148,563 | 189,420 | 214,540 | 209,040 |
| **TOTAL** | **$608,116** | **$672,563** | **$672,560** | **$701,000** |

**BUDGET HIGHLIGHTS (FY2026 BUDGET OVER/UNDER FY2025 ESTIMATED)**

Personnel Services - Net increase (+$33,690) includes a 10% increase (+$5,290) for Group Health insurance and the annualized cost ($28,400) of personnel for all of FY26.
Materials and Supplies - Net increase of (+$250) for city employee shirts.
Contractual Services - Net decrease of (-$5,500) includes adjustments in various contractual accounts.

**PERSONNEL**

| POSITION | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| CFO/ Director of Finance | 1.00 | 1.00 | 1.00 | 1.00 |
| Director of Grants and Recovery | 1.00 | 1.00 | 1.00 | 1.00 |
| Grants and Recovery Specialist | 1.00 | 1.00 | 1.00 | 1.00 |
| **TOTAL** | **3.00** | **3.00** | **3.00** | **3.00** |

**FY2026 BUDGET**
**FINANCE ADMINISTRATION**

**LINE ITEM DETAIL**

| | | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|---|
| **Personnel Services** | | | | | |
| 511001 | Regular Payroll | $324,521 | $363,416 | $345,250 | $367,640 |
| 511005 | Longevity | 407 | 460 | 540 | 640 |
| 511009 | Overtime | 21,861 | 0 | 0 | 0 |
| 511021 | Part-time Payroll | 0 | 0 | 0 | 0 |
| 511125 | Residency Pay | 0 | 0 | 0 | 0 |
| 511510 | Group Health Insurance | 39,672 | 39,680 | 38,420 | 43,710 |
| 511515 | Worker's Compensation | 74 | 340 | 340 | 340 |
| 511520 | Group Life Insurance | 1,623 | 1,710 | 1,600 | 1,790 |
| 511530 | Social Security - Employment | 20,841 | 22,746 | 20,650 | 22,830 |
| 511535 | Medicare - Employer's | 4,874 | 5,315 | 4,870 | 5,340 |
| 511542 | City Employee Retirement | 45,452 | 48,976 | 46,100 | 49,170 |
| 511650 | Salary Reimbursements | 0 | 0 | 0 | 0 |
| **Total Personnel Services** | | **$459,326** | **$482,643** | **$457,770** | **$491,460** |
| **Materials and Supplies** | | | | | |
| 521065 | Office Supplies | 0 | 0 | 0 | 0 |
| 521067 | Minor Office Equipment | 0 | 0 | 0 | 0 |
| 521073 | Printed Materials | 0 | 0 | 0 | 0 |
| 522013 | Clothing | 228 | 500 | 250 | 500 |
| **Total Materials and Supplies** | | **$228** | **$500** | **$250** | **$500** |
| **Contractual Services** | | | | | |
| 531004 | Consultant Services | 6,755 | 10,000 | 42,500 | 25,000 |
| 531015 | Temporary Employee Services | 0 | 2,940 | 1,470 | 0 |
| 531025 | Memberships | 0 | 400 | 400 | 400 |
| 531125 | Other Contracts | 121,099 | 153,000 | 144,990 | 159,090 |
| 531360 | Computer Charges | 17,306 | 16,330 | 16,330 | 14,840 |
| 532065 | Printing, Duplication | 150 | 0 | 0 | 0 |
| 532083 | Telephone Service | 334 | 150 | 140 | 140 |
| 532084 | Cellular Service | 0 | 0 | 480 | 480 |
| 532087 | Aircard Service | 523 | 600 | 1,180 | 1,490 |
| 533085 | Travel/Training | 2,396 | 6,000 | 7,050 | 7,600 |
| **Total Contractual Services** | | **$148,563** | **$189,420** | **$214,540** | **$209,040** |
| **Total Expenses** | | **$608,116** | **$672,563** | **$672,560** | **$701,000** |


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# ACCOUNTING DIVISION

## MISSION STATEMENT

The mission of the Accounting Division is to provide timely, accurate, and transparent financial information to departments and the community while managing and analyzing data in the City's financial accounting systems, including payroll, accounts payable and receivable, and grants.

## ACCOMPLISHMENTS

- Submitted an application for the Certificate of Achievement for Excellence in Financial Reporting award for the fiscal year 2024 ACFR.
- Provided support role in Texas Dept. of Emergency Management audits of FEMA project worksheets that have been submitted for closeout.
- Finalized the closeout of FEMA funded Hurricane Ike grant.
- Received funds claimed from the Texas Comptroller of Public Accounts for unclaimed properties.
- Upgraded the annual comprehensive financial report generating SAAS application.

## GOALS

- Obtain the Certificate of Achievement for Excellence in Financial Reporting for the CAFR for fiscal year ended September 30, 2025.
- Obtain the Texas Comptroller Leadership Circle Award for Texas transparency.
- Finalize the closeout of FEMA funded Hurricane Harvey grant.

**FY2026 BUDGET**
**FINANCE ACCOUNTING**

**EXPENDITURE SUMMARY**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Personnel Services | $889,491 | $961,699 | $903,216 | $947,870 |
| Materials and Supplies | 14,126 | 21,000 | 16,886 | 19,500 |
| Contractual Services | 205,864 | 201,250 | 204,750 | 224,050 |
| Other Charges and Services | 11,539 | 13,000 | 13,646 | 12,000 |
| **TOTAL** | **$1,121,021** | **$1,196,949** | **$1,138,498** | **$1,203,420** |

**BUDGET HIGHLIGHTS (FY2026 BUDGET OVER/UNDER FY2025 ESTIMATED)**

Personnel Services - Net increase (+$44,654) includes a 10% increase (+$12,100) for Group Health insurance and the annualized cost ($32,554) of personnel for all of FY26.

Materials and Supplies - Net increase (+$2,614) for office supplies and minor office equipment.

Contractual Services - Net increase (+$19,300) includes increases in consultant services (+$6,500), temporary employee services (+$6,711), printing and duplication (+$5,130) and increases (+$959) in miscellaneous contractual accounts.

Other Services and Charges - Decrease (-$1,646) in bank service fees.

**PERFORMANCE INDICATORS**

| INDICATORS | FY2023 ACTUAL | FY2024 ACTUAL | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Number of vendor payments completed | 5,350 | 5,901 | 6,200 | 6,200 |
| Number of checks as percent of total vendor payments | 71.98% | 70.31% | 72.58% | 72.58% |
| Number of funds managed | 137 | 139 | 141 | 141 |
| Investment Portfolio (Millions) | $232 | $222 | $237 | $237 |
| Interest Earned (Thousands) | $8,373 | $8,768 | $5,500 | $5,500 |
| Average Rate of Interest earned on Investments | 4.60% | 4.50% | 4.00% | 4.00% |
| FEMA Ike PW's closed out (%) | 7% | 6% | 1% | 1% |
| FEMA Harvey PW's closed out (%) | 0% | 0% | 1% | 1% |
| Number of bank accounts reconciled | 35 | 35 | 35 | 35 |

**PERSONNEL**

| POSITION | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Executive Director | 1.00 | 1.00 | 0.00 | 0.00 |
| Director/City Controller | 0.00 | 0.00 | 1.00 | 1.00 |
| Accounting Manager | 1.00 | 1.00 | 1.00 | 1.00 |
| Sr. Accountant | 2.00 | 2.00 | 3.00 | 3.00 |
| Accountant | 1.00 | 1.00 | 0.00 | 0.00 |
| Accounting Specialist | 4.00 | 4.00 | 4.00 | 4.00 |
| **TOTAL** | **9.00** | **9.00** | **9.00** | **9.00** |

**FY2026 BUDGET**
**FINANCE ACCOUNTING**

**LINE ITEM DETAIL**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **Personnel Services** | | | | |
| 511001 Regular Payroll | $670,886 | $727,346 | $680,271 | $713,750 |
| 511005 Longevity | 1,545 | 1,850 | 1,748 | 2,180 |
| 511006 Differential Pay | 0 | 1,800 | 1,800 | 1,800 |
| 511009 Overtime | 3,688 | 0 | 0 | 0 |
| 511021 Part-time | 7,000 | 0 | 40 | 0 |
| 511125 Residency Pay | 2,510 | 2,510 | 2,518 | 2,510 |
| 511510 Group Health Insurance | 119,016 | 119,020 | 119,020 | 131,120 |
| 511515 Worker's Compensation | 889 | 1,780 | 1,780 | 1,780 |
| 511520 Group Life Insurance | 3,336 | 3,360 | 3,359 | 3,480 |
| 511530 Social Security - Employment | 41,139 | 45,477 | 42,114 | 44,650 |
| 511535 Medicare - Employer's | 9,621 | 10,632 | 9,849 | 10,440 |
| 511542 City Employee Retirement | 88,623 | 97,924 | 90,718 | 96,160 |
| 511650 Salary Reimbursements | (58,762) | (50,000) | (50,000) | (60,000) |
| 511655 Salary Reimbursements-Grants | 0 | 0 | 0 | 0 |
| **Total Personnel Services** | **$889,491** | **$961,699** | **$903,216** | **$947,870** |
| | | | | |
| **Materials and Supplies** | | | | |
| 521065 Office Supplies | 0 | 15,000 | 12,550 | 15,000 |
| 521067 Minor Office Equipment | 12,843 | 3,300 | 1,650 | 3,000 |
| 521073 Printed Materials | 1,284 | 2,700 | 2,686 | 1,500 |
| 522013 Clothing | 0 | 0 | 0 | 0 |
| **Total Materials and Supplies** | **$14,126** | **$21,000** | **$16,886** | **$19,500** |
| | | | | |
| **Contractual Services** | | | | |
| 531004 Consultant Services | 122,000 | 105,000 | 105,000 | 111,500 |
| 531015 Temporary Employee Services | 7,015 | 10,000 | 23,289 | 30,000 |
| 531025 Memberships | 3,990 | 5,800 | 3,742 | 5,200 |
| 531360 Computer Charges | 47,593 | 47,600 | 47,600 | 46,650 |
| 532062 Postage | 7,314 | 7,500 | 7,187 | 7,500 |
| 532065 Printing, Duplication | 6,634 | 13,500 | 7,370 | 12,500 |
| 532083 Telephone Service | 1,101 | 1,200 | 1,104 | 1,000 |
| 532084 Cellular Service | 483 | 500 | 483 | 500 |
| 532086 Other Communications | 175 | 150 | 199 | 200 |
| 532087 Aircard Service | 1,824 | 2,000 | 777 | 1,000 |
| 533085 Travel/Training | 7,736 | 8,000 | 8,000 | 8,000 |
| **Total Contractual Services** | **$205,864** | **$201,250** | **$204,750** | **$224,050** |
| | | | | |
| **Other Charges and Services** | | | | |
| 544032 Meeting Expenditures | 0 | 0 | 0 | 0 |
| 544099 Miscellaneous Expense | 0 | 0 | 0 | 0 |
| 544105 Bank Service Charges | 11,539 | 13,000 | 13,646 | 12,000 |
| 547025 Over/Short | 0 | 0 | 0 | 0 |
| **Total Other Charges and Services** | **$11,539** | **$13,000** | **$13,646** | **$12,000** |
| | | | | |
| **Total Expenses** | **$1,121,021** | **$1,196,949** | **$1,138,498** | **$1,203,420** |


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# PURCHASING DIVISION

## MISSION STATEMENT

The mission of the Purchasing Division is to comply with the City Charter, State and Federal Purchasing laws. We are dedicated to providing and managing the city departments with the most efficient procurement processes and procedures. Our focus is to provide for the best possible quality goods and services, at the best value, to the citizens of the city of Galveston while providing qualified suppliers with open and fair competition for the city of Galveston business.

## ACCOMPLISHMENTS

- The City's Contract Administrator successfully completed and passed the Universal Public Buyers Certification.
- Updated the Contract, RFP, RFQ and Bid Templates.
- Attended the TXPAA Conference
- Updated and implemented a purchasing course/class to educate city employees.
- Provided monthly Purchasing, P-Card and Contract management training classes to the city of Galveston staff.

## GOALS

- Design and implement the Procurement and Strategic Sourcing Tenants in Workday.
- Conduct monthly Purchasing, P-Card and Contract management training classes for the city of Galveston staff.
- Develop a spending analysis of the City of Galveston spending patterns when the new ERP is implemented.
- Develop and implement the new Sourcing Event Tenant of Workday
- Update and implement a purchasing course/class to educate city employees on how to use Workday.
- Provide monthly Purchasing, P-Card and Contract management training classes for the City of Galveston staff.

**FY2026 BUDGET**
**FINANCE PURCHASING**

**EXPENDITURE SUMMARY**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Personnel Services | $339,275 | $361,391 | $356,089 | $344,910 |
| Materials and Supplies | 1,001 | 1,800 | 1,800 | 1,200 |
| Contractual Services | 46,116 | 45,580 | 44,794 | 44,750 |
| **TOTAL** | **$386,392** | **$408,771** | **$402,683** | **$390,860** |

**BUDGET HIGHLIGHTS (FY2026 BUDGET OVER/UNDER FY2025 ESTIMATED)**

Personnel Services - Net decrease (-$11,179) includes a 10% increase (+$4,030) in Group Health insurance, and a decrease (-$15,209) in annnualized personnel costs after a department restructure .
Materials and Supplies - Net decrease (-$600) includes for office supplies and minor equipment.

**PERFORMANCE INDICATORS**

| INDICATORS | FY2023 ACTUAL | FY2024 ACTUAL | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Purchase Orders Issued | 1,780 | 1,962 | 2,700 | 2,500 |
| Purchase Order Expenditures | $93,176,753 | $75,941,292 | $125,000,000 | $120,000,000 |
| Seal Bids/RFP Solicited | 34 | 36 | 35 | 35 |

**PERSONNEL**

| POSITION | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Purchasing Supervisor | 1.00 | 1.00 | 1.00 | 1.00 |
| Purchasing Specialist | 1.00 | 1.00 | 1.00 | 2.00 |
| Contract Administrator | 1.00 | 1.00 | 1.00 | 0.00 |
| **TOTAL** | **3.00** | **3.00** | **3.00** | **3.00** |

**FY2026 BUDGET**
**FINANCE PURCHASING**

**LINE ITEM DETAIL**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **Personnel Services** | | | | |
| 511001 Regular Payroll | $246,459 | $263,783 | $259,443 | $246,460 |
| 511005 Longevity | 622 | 720 | 723 | 720 |
| 511510 Group Health Insurance | 39,853 | 39,680 | 39,680 | 43,710 |
| 511515 Worker's Compensation | 223 | 450 | 450 | 900 |
| 511520 Group Life Insurance | 1,212 | 1,210 | 1,278 | 1,210 |
| 511530 Social Security - Employment | 15,122 | 16,404 | 16,033 | 15,330 |
| 511535 Medicare - Employer's | 3,537 | 3,831 | 3,750 | 3,580 |
| 511542 City Employee Retirement | 32,247 | 35,313 | 34,732 | 33,000 |
| **Total Personnel Services** | **$339,275** | **$361,391** | **$356,089** | **$344,910** |
| | | | | |
| **Materials and Supplies** | | | | |
| 521065 Office Supplies | 592 | 800 | 800 | 600 |
| 521067 Minor Office Equipment | 409 | 1,000 | 1,000 | 600 |
| **Total Materials and Supplies** | **$1,001** | **$1,800** | **$1,800** | **$1,200** |
| | | | | |
| **Contractual Services** | | | | |
| 531025 Memberships | 212 | 2,250 | 1,610 | 1,000 |
| 531360 Computer Charges | 19,470 | 19,470 | 19,470 | 19,080 |
| 532062 Postage | 0 | 50 | 50 | 50 |
| 532083 Telephone Service | 206 | 350 | 199 | 220 |
| 532084 Cellular Service | 1,043 | 960 | 966 | 1,000 |
| 533085 Travel/Training | 2,351 | 2,500 | 2,500 | 1,400 |
| 533100 Advertising | 22,834 | 20,000 | 20,000 | 22,000 |
| **Total Contractual Services** | **$46,116** | **$45,580** | **$44,794** | **$44,750** |
| | | | | |
| **Total Expenses** | **$386,392** | **$408,771** | **$402,683** | **$390,860** |


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# BUDGET DIVISION

## MISSION STATEMENT

The mission of the Budget Division is to provide assistance and technical expertise to the City Council, City Manager and departments on the allocation of resources through and established budget process, resulting in an accurate and transparent budget document that accomplishes the goals and objectives of the City.

## ACCOMPLISHMENTS

- Produced the Annual Budget for the fiscal year 2024-2025.
- Assisted with the Long-Range Financial Forecast for the City for FY2025-FY2029.
- Produced Quarterly Budget Reports including fiscal year end projections of expenditures and revenues for all budgeted funds.
- Produced the Five-Year Capital Improvement Plan for FY2025-FY2029.
- Assisted the Accounting Division and Finance Director with year-end close.
- Improve efficiency within the Public Works and Police Department's budget by adding two additional Budget Analyst positions.

## GOALS

- Improve technical aspect of the budgeting document to improve efficiency.
- Work with City Staff to improve budget efficiency while transitioning to the new ERP System.
- Ensure all financial documents are placed onto the City's Financial Transparency web page in a timely manner to encourage citizen feedback.
- Obtain the Certificate for Excellence in Budgeting for FY2026.

**FY2026 BUDGET**
**FINANCE BUDGET**

## EXPENDITURE SUMMARY

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Personnel Services | $426,324 | $582,419 | $528,150 | $483,500 |
| Materials and Supplies | 1,706 | 4,000 | 2,804 | 3,000 |
| Contractual Services | 19,198 | 23,030 | 21,915 | 22,670 |
| Other Charges and Services | 0 | 600 | 0 | 600 |
| **TOTAL** | **$447,228** | **$610,049** | **$552,868** | **$509,770** |

## BUDGET HIGHLIGHTS (FY2026 BUDGET OVER/UNDER FY2025 ESTIMATED)

Personnel Services - Net decrease (-$44,650) includes a reduction (-$89,454) in a Budget Analyst position, and the annualized cost of personnel (+44,804)

Materials and Supplies - Net increase (+$196) for miscellaneous office supplies and equipment.

Contractual Services - Net increase (+$755) includes increases to various contractual line items.

Other Services and Charges - Net increase (+$600) to maintain funding for GFOA Budget Award submission fee.

## PERFORMANCE INDICATORS

| INDICATORS | FY2023 ACTUAL | FY2024 ACTUAL | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Department and Fund Budgets Reviewed | 175 | 177 | 177 | 185 |
| Percent of General Fund Revenue Over/(Under) | 4.4% | 0.3% | 0.5% | 0.5% |
| Percent of General Fund Expenses Over/(Under) | -2.5% | -0.5% | -0.5% | -0.5% |
| Budget Transfers | 202 | 255 | 350 | 350 |
| Requisitions Approved | 2,351 | 2,132 | 2,800 | 3,000 |

## PERSONNEL

| POSITION | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Budget Manager | 1.00 | 1.00 | 1.00 | 1.00 |
| Sr. Budget Analyst | 1.00 | 2.00 | 2.00 | 2.00 |
| Budget Analyst | 0.00 | 2.00 | 1.00 | 1.00 |
| **TOTAL** | **2.00** | **5.00** | **4.00** | **4.00** |

**FY2026 BUDGET**
**FINANCE BUDGET**

**LINE ITEM DETAIL**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **Personnel Services** | | | | |
| 511001 Regular Payroll | $307,687 | $418,940 | $374,162 | $355,690 |
| 511005 Longevity | 2,981 | 3,240 | 3,134 | 3,330 |
| 511125 Residency Pay | 2,510 | 2,510 | 2,518 | 2,510 |
| 511510 Group Health Insurance | 45,748 | 66,120 | 66,120 | 43,710 |
| 511515 Worker's Compensation | 145 | 480 | 480 | 600 |
| 511520 Group Life Insurance | 1,477 | 1,940 | 2,039 | 1,740 |
| 511530 Social Security - Employment | 19,467 | 26,327 | 23,496 | 22,410 |
| 511535 Medicare - Employer's | 4,553 | 6,159 | 5,495 | 5,240 |
| 511542 City Employee Retirement | 41,054 | 56,703 | 50,705 | 48,270 |
| **Total Personnel Services** | **$426,324** | **$582,419** | **$528,150** | **$483,500** |
| | | | | |
| **Materials and Supplies** | | | | |
| 521065 Office Supplies | 1,151 | 3,000 | 1,804 | 2,000 |
| 521067 Minor Office Equipment | 555 | 1,000 | 1,000 | 1,000 |
| **Total Materials and Supplies** | **$1,706** | **$4,000** | **$2,804** | **$3,000** |
| | | | | |
| **Contractual Services** | | | | |
| 531025 Memberships | 915 | 1,000 | 1,000 | 1,000 |
| 531360 Computer Charges | 12,980 | 12,980 | 12,980 | 12,720 |
| 532065 Printing, Duplication | 3,500 | 3,800 | 3,800 | 3,800 |
| 532083 Telephone Service | 138 | 250 | 127 | 150 |
| 532087 Aircard Service | 456 | 500 | 258 | 500 |
| 533085 Travel/Training | 525 | 3,000 | 3,000 | 3,000 |
| 533100 Advertising | 685 | 1,500 | 750 | 1,500 |
| **Total Contractual Services** | **$19,198** | **$23,030** | **$21,915** | **$22,670** |
| | | | | |
| **Other Charges and Services** | | | | |
| 544036 Grants & Awards | 0 | 600 | 0 | 600 |
| **Total Other Charges and Services** | **$0** | **$600** | **$0** | **$600** |
| | | | | |
| **Total Expenses** | **$447,228** | **$610,049** | **$552,868** | **$509,770** |

**FY2026 BUDGET**
**GOVERNMENTAL EXPENDITURES**

| DEPARTMENT | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Taxation | $342,412 | $368,000 | $367,338 | $395,000 |
| Facilities | 1,607,952 | 1,642,193 | 1,642,193 | 1,351,710 |
| Non-Departmental | 9,795,519 | 10,608,785 | 9,894,159 | 9,780,700 |
| **Governmental Expenditures Total** | **$11,745,883** | **$12,618,978** | **$11,903,690** | **$11,527,410** |

| CATEGORY | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Personnel Services | $196,000 | $0 | $0 | $0 |
| Contractual Services | 6,156 | 250,000 | 4,000 | 0 |
| Other Charges and Services | 1,956,276 | 2,525,533 | 2,064,533 | 1,755,310 |
| Operating Transfers | 7,707,485 | 7,479,535 | 7,479,535 | 8,277,100 |
| Capital Outlay | 1,448,440 | 1,895,910 | 1,886,899 | 1,000,000 |
| Special Programs and Events | 431,527 | 468,000 | 468,724 | 495,000 |
| **Governmental Expenditures Total** | **$11,745,883** | **$12,618,978** | **$11,903,690** | **$11,527,410** |

**HIGHLIGHTS (FY2026 Budget Over/Under FY2025 Estimated)**

Other Charges and Services - Decrease (-$290,483) includes an increase in the General Fund portion of Insurance polices (+$19,564), decrease (-$18,740) for General Fund portion for Community Outreach and Public Information, and a decrease of (-$310,047) for the General Fund portion of Facilities maintenance costs related to shifting certain revenue generating facilities to the Revenue Producing Parks Special Revenue Fund.

Operating Transfers - Increase (+$797,565) includes an increase (+$247,565) for Charter mandated transfer to infrastructure/debt service fund and an increase (+$550,000) to transfer funding to the general fund portion of the Separation Pay Fund.

Capital Outlay - Net Decrease (-$886,899) includes vehicles ordered in FY2024 but arrived in FY2025 due to supply chain issues.

Special Programs and Events - Net increase (+$27,662) based on information provided by the Tax Collection Fee and Galveston Central Appraisal District.

**FY2026 BUDGET**
**TAXATION**

**EXPENDITURE SUMMARY**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Special Programs and Events | $342,412 | $368,000 | $367,338 | $395,000 |
| **TOTAL** | **$342,412** | **$368,000** | **$367,338** | **$395,000** |

**BUDGET HIGHLIGHTS (FY2026 BUDGET OVER/UNDER FY2025 ESTIMATED)**

Special Programs and Events - Net increase (+$27,662) based on information provided by the Tax Collection Fee and Galveston Central Appraisal District.

**LINE ITEM DETAIL**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **Special Events and Programs** | | | | |
| 591004 Tax Collection Fee | $7,338 | $8,000 | $7,338 | $8,000 |
| 591005 Central Appraisal District | 335,074 | 360,000 | 360,000 | 387,000 |
| **Total Special Events and Programs** | **$342,412** | **$368,000** | **$367,338** | **$395,000** |
| **Total Expenses** | **$342,412** | **$368,000** | **$367,338** | **$395,000** |

**FY2026 BUDGET**
**FACILITIES MAINTENANCE SERVICES**

**EXPENDITURE SUMMARY**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Other Charges and Services | 1,607,952 | 1,642,193 | 1,642,193 | 1,351,710 |
| **TOTAL** | **$1,607,952** | **$1,642,193** | **$1,642,193** | **$1,351,710** |

**BUDGET HIGHLIGHTS (FY2026 BUDGET OVER/UNDER FY2025 ESTIMATED)**

Other Charges and Services - Decrease (-$290,483) includes an increase in the General Fund portion of Insurance polices (+$19,564) and a decrease of (-$310,047) for the General Fund portion of Facilities maintenance costs related to shifting certain revenue generating facilities to the Revenue Producing Parks Special Revenue Fund.

**LINE ITEM DETAIL**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **Other Charges and Services** | | | | |
| 547070 Insurance Expense | 682,147 | 658,946 | 658,946 | 678,510 |
| 547075 Facilities Maintenance | 925,805 | 983,247 | 983,247 | 673,200 |
| **Total Other Charges and Services** | **$1,607,952** | **$1,642,193** | **$1,642,193** | **$1,351,710** |
| **Total Expenses** | **$1,607,952** | **$1,642,193** | **$1,642,193** | **$1,351,710** |

**FY2026 BUDGET**
**NON-DEPARTMENTAL EXPENDITURES**

**EXPENDITURE SUMMARY**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Personnel Services | $196,000 | $0 | $0 | $0 |
| Materials and Supplies | 0 | 0 | 0 | 0 |
| Contractual Services | 6,156 | 250,000 | 4,000 | 0 |
| Other Charges and Services | 348,324 | 883,340 | 422,340 | 403,600 |
| Operating Transfers | 7,707,485 | 7,479,535 | 7,479,535 | 8,277,100 |
| Capital Outlay | 1,448,440 | 1,895,910 | 1,886,899 | 1,000,000 |
| Debt Service | 0 | 0 | 0 | 0 |
| Special Programs and Events | 89,115 | 100,000 | 101,386 | 100,000 |
| **TOTAL** | **$9,795,519** | **$10,608,785** | **$9,894,159** | **$9,780,700** |

**BUDGET HIGHLIGHTS (FY2026 BUDGET OVER/UNDER FY2025 ESTIMATED)**

Other Charges and Services - Net decrease (-$18,740) for General Fund portion for Community Outreach and Public Information.
Operating Transfers - Increase (+$797,565) includes an increase (+$247,565) for Charter mandated transfer to infrastructure/debt service fund and an increase (+$550,000) to transfer funding to the general fund portion of the Separation Pay Fund.
Capital Outlay - Net Decrease (-$886,899) includes vehicles ordered in FY2024 but arrived in FY2025 due to supply chain issues.

**FY2026 BUDGET**
**NON-DEPARTMENTAL EXPENDITURES**

**LINE ITEM DETAIL**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **Personnel Services** | | | | |
| 511002 Civilian COLA | $0 | $0 | $0 | $0 |
| 511004 CBA Salary Increases | 0 | 0 | 0 | 0 |
| 511515 Worker's Compensation | 196,000 | 0 | 0 | 0 |
| 511545 Pension and Fringe Benefits | 0 | 0 | 0 | 0 |
| **Total Personnel Services** | **$196,000** | **$0** | **$0** | **$0** |
| | | | | |
| **Contractual Services** | | | | |
| 531004 Consultant Services | 1,450 | 0 | 0 | 0 |
| 531005 Other Services | 0 | 0 | 2,000 | 0 |
| 531006 Attorney's Fees | 0 | 0 | 2,000 | 0 |
| 531125 Other Contracts | 0 | 250,000 | 0 | 0 |
| 533200 Food Services | 4,706 | 0 | 0 | 0 |
| **Total Contractual Services** | **$6,156** | **$250,000** | **$4,000** | **$0** |
| | | | | |
| **Other Charges and Services** | | | | |
| 544075 Receivable Adjustments | 0 | 461,000 | 0 | 0 |
| 544076 Appraisal Refund | 0 | 0 | 0 | 0 |
| 544087 Expense Reimbursement | 0 | 0 | 0 | 0 |
| 544095 Community Outreach/Public Info | 348,324 | 422,340 | 422,340 | 403,600 |
| **Total Other Charges and Services** | **$348,324** | **$883,340** | **$422,340** | **$403,600** |
| | | | | |
| **Operating Transfers** | | | | |
| 553030 Transfer to Infrastructure Fund | 6,257,485 | 6,529,535 | 6,529,535 | 6,777,100 |
| 553035 Transfer to Separation Pay Fund | 1,450,000 | 950,000 | 950,000 | 1,500,000 |
| **Total Operating Transfers** | **$7,707,485** | **$7,479,535** | **$7,479,535** | **$8,277,100** |
| | | | | |
| **Capital Outlay** | | | | |
| 564003 Vehicle Capital Outlay | 1,279,811 | 1,895,910 | 1,538,887 | 1,000,000 |
| 564005 Capital Outlay-Improvments | 168,628 | 0 | 348,012 | 0 |
| 564117 Machinery and Equipment | 0 | 0 | 0 | 0 |
| **Total Capital Outlay** | **$1,448,440** | **$1,895,910** | **$1,886,899** | **$1,000,000** |
| | | | | |
| **Special Events and Programs** | | | | |
| 591035 Litigation/Damage Claims | 9,452 | 0 | 79,694 | 0 |
| 592001 General Fund Contingency | 79,663 | 100,000 | 21,692 | 100,000 |
| **Total Special Events and Programs** | **$89,115** | **$100,000** | **$101,386** | **$100,000** |
| | | | | |
| **Total Expenses** | **$9,795,519** | **$10,608,785** | **$9,894,159** | **$9,780,700** |


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# SPECIAL REVENUE FUNDS

# FY2026 BUDGET
# SPECIAL REVENUE FUNDS

## Summary Schedule of Revenues and Expenditures

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **Beginning Fund Balance** | | | | |
| Rosenberg Library | $0 | $0 | $0 | $0 |
| Seawall Parking* | 3,239,656 | 2,396,266 | 2,396,266 | 0 |
| Convention Center Surplus | 10,442,133 | 8,371,864 | 8,371,864 | 9,122,451 |
| Infrastructure Fund | 5,288,829 | 6,126,242 | 6,126,242 | 9,803,992 |
| Separation Pay Fund | 150,949 | 215,006 | 215,006 | 0 |
| Public Access Channel Fund | 1,664,148 | 1,874,112 | 1,874,112 | 1,958,738 |
| Parking Management Fund | 1,208,447 | 1,407,568 | 1,407,568 | 1,223,626 |
| Lasker Pool Fund* | 94,328 | 87,503 | 87,503 | 0 |
| Pension Reform Fund | 1,019,114 | 1,071,713 | 1,071,713 | 1,112,213 |
| Asset Forfeiture Fund | 334,592 | 578,113 | 578,113 | 271,026 |
| Police Special Revenue Fund | 84,703 | 50,795 | 50,795 | 40,656 |
| Police Quartermaster Fund | 63,008 | 91,573 | 91,573 | (937) |
| Alarm Permit Fund | 110,297 | 81,504 | 81,504 | 47,214 |
| Fire Special Revenue Fund | 262,348 | 363,822 | 363,822 | 312,612 |
| Municipal Court Building Security Fund | 11,499 | 6,168 | 6,168 | 3 |
| Municipal Court Technology Fund | 56,534 | 52,850 | 52,850 | 55,350 |
| Local Truancy and Diversion Fund | 224,216 | 245,153 | 245,153 | 267,853 |
| Recovery and Capital Reserve Fund | 628,911 | 809,937 | 809,937 | 676,937 |
| Technology Improvement Fund | 3,611,306 | 5,234,561 | 5,234,561 | 3,230,248 |
| STR Regulation Fund | 783,244 | 1,638,448 | 1,638,448 | 2,352,448 |
| Hurricane Harvey | 24,194 | 24,194 | 24,194 | 24,194 |
| Revenue Producing Parks* | 989,493 | 891,125 | 891,125 | 2,054,274 |
| Island Transit | 12,410 | 932,526 | 932,526 | 410,418 |
| HOT Fund Summary | 26,875,365 | 27,760,296 | 27,760,296 | 27,814,155 |
| **Total** | **$57,179,723** | **$60,311,339** | **$60,311,339** | **$60,777,470** |
| **Revenues** | | | | |
| Rosenberg Library | $5,570,724 | $6,155,322 | $6,165,322 | $6,247,020 |
| Seawall Parking* | 521,995 | 600,000 | 255,600 | 0 |
| Convention Center Surplus | 5,030,606 | 5,504,200 | 5,300,000 | 4,995,133 |
| Infrastructure Fund | 5,941,026 | 6,704,535 | 6,495,812 | 6,952,300 |
| Separation Pay Fund | 1,585,570 | 1,075,570 | 1,075,570 | 1,638,570 |
| Public Access Channel Fund | 228,506 | 210,000 | 196,000 | 185,000 |
| Parking Management Fund | 1,527,852 | 1,550,000 | 1,525,279 | 1,550,000 |
| Lasker Pool Fund* | 690,565 | 712,400 | 715,500 | 0 |
| Pension Reform Fund | 52,599 | 45,000 | 40,500 | 37,500 |
| Asset Forfeiture Fund | 386,460 | 165,000 | 181,000 | 165,000 |
| Police Special Revenue Fund | 127,772 | 80,400 | 138,880 | 111,000 |
| Police Quartermaster Fund | 89,166 | 88,500 | 4,500 | 88,000 |
| Alarm Permit Fund | 38,994 | 40,500 | 36,100 | 26,800 |
| Fire Special Revenue Fund | 117,985 | 64,300 | 77,790 | 62,800 |
| Municipal Court Building Security Fund | 28,932 | 25,500 | 29,500 | 29,450 |
| Municipal Court Technology Fund | 26,368 | 25,500 | 26,800 | 25,500 |
| Local Truancy and Diversion Fund | 40,709 | 36,500 | 41,200 | 36,500 |
| Recovery and Capital Reserve Fund | 168,475 | 0 | 0 | 0 |
| Technology Improvement Fund | 3,793,282 | 1,050,000 | 1,543,800 | 450,000 |
| STR Regulation Fund | 855,204 | 755,000 | 714,000 | 1,225,000 |
| Hurricane Harvey | 10,441 | 0 | 0 | 0 |
| Revenue Producing Parks* | 242,876 | 340,450 | 328,548 | 6,953,200 |
| Island Transit | 5,013,508 | 4,788,980 | 4,160,183 | 5,141,720 |
| HOT Fund Summary | 36,529,551 | 37,147,700 | 35,856,700 | 35,726,250 |
| **Total** | **$68,619,167** | **$67,165,357** | **$64,908,585** | **$71,646,743** |

# FY2026 BUDGET
# SPECIAL REVENUE FUNDS

## Summary Schedule of Revenues and Expenditures

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **Expenditures** | | | | |
| Rosenberg Library | $5,570,724 | $6,155,322 | $6,165,322 | $6,247,020 |
| Seawall Parking* | 1,365,385 | 2,555,262 | 1,098,380 | 0 |
| Convention Center Surplus | 7,100,876 | 14,481,040 | 4,549,413 | $14,117,584 |
| Infrastructure Fund | 5,103,613 | 9,966,341 | 2,818,062 | $16,756,292 |
| Separation Pay Fund | 1,521,513 | 1,247,089 | 1,290,576 | $1,638,570 |
| Public Access Channel Fund | 18,542 | 1,813,496 | 111,374 | $2,143,738 |
| Parking Management Fund | 1,328,732 | 3,073,459 | 1,709,220 | $2,773,626 |
| Lasker Pool Fund* | 697,390 | 751,527 | 702,818 | $0 |
| Pension Reform Fund | 0 | 1,107,235 | 0 | $1,149,713 |
| Asset Forfeiture Fund | 142,939 | 640,052 | 488,087 | $436,026 |
| Police Special Revenue Fund | 161,680 | 139,175 | 149,020 | $151,656 |
| Police Quartermaster Fund | 60,601 | 100,200 | 97,010 | $87,063 |
| Alarm Permit Fund | 67,787 | 117,037 | 70,390 | $74,014 |
| Fire Special Revenue Fund | 16,511 | 421,832 | 129,000 | $375,412 |
| Municipal Court Building Security Fund | 34,263 | 33,410 | 35,665 | $29,453 |
| Municipal Court Technology Fund | 30,051 | 77,871 | 24,300 | $80,850 |
| Local Truancy and Diversion Fund | 19,772 | 278,003 | 18,500 | $304,353 |
| Recovery and Capital Reserve Fund | (12,552) | 587,386 | 133,000 | $676,937 |
| Technology Improvement Fund | 2,170,027 | 5,891,285 | 3,548,114 | $3,680,248 |
| STR Regulation Fund | 0 | 1,390,200 | 0 | $3,577,448 |
| Hurricane Harvey | 10,441 | 0 | 0 | $0 |
| Revenue Producing Parks* | 341,245 | 1,106,478 | 819,071 | 8,237,494 |
| Island Transit | 4,105,765 | 5,044,148 | 4,682,291 | $5,279,720 |
| HOT Fund Summary | 35,644,620 | 39,524,281 | 35,802,841 | $38,511,197 |
| **Total** | **$65,499,924** | **$96,502,129** | **$64,442,453** | **$106,328,414** |
| **Prior Year Adjustment** | | | | |
| Island Transit | 12,374 | 0 | 0 | 0 |
| HOT Fund Summary | 0 | 0 | 0 | 0 |
| **Total** | **$12,374** | **$0** | **$0** | **$0** |
| **Ending Balances** | | | | |
| Rosenberg Library | $0 | $0 | $0 | $0 |
| Seawall Parking* | 2,396,266 | 441,004 | 1,553,486 | 0 |
| Convention Center Surplus | 8,371,864 | (604,976) | 9,122,451 | 0 |
| Infrastructure Fund | 6,126,242 | 2,864,436 | 9,803,992 | 0 |
| Separation Pay Fund | 215,006 | 43,487 | 0 | 0 |
| Public Access Channel Fund | 1,874,112 | 270,616 | 1,958,738 | 0 |
| Parking Management Fund | 1,407,568 | (115,891) | 1,223,626 | 0 |
| Lasker Pool Fund* | 87,503 | 48,376 | 100,185 | 0 |
| Pension Reform Fund | 1,071,713 | 9,478 | 1,112,213 | 0 |
| Asset Forfeiture Fund | 578,113 | 103,061 | 271,026 | 0 |
| Police Special Revenue Fund | 50,795 | (7,980) | 40,656 | 0 |
| Police Quartermaster Fund | 91,573 | 79,873 | (937) | 0 |
| Alarm Permit Fund | 81,504 | 4,967 | 47,214 | 0 |
| Fire Special Revenue Fund | 363,822 | 6,290 | 312,612 | 0 |
| Municipal Court Building Security Fund | 6,168 | (1,742) | 3 | 0 |
| Municipal Court Technology Fund | 52,850 | 479 | 55,350 | 0 |
| Local Truancy and Diversion Fund | 245,153 | 3,650 | 267,853 | 0 |
| Recovery and Capital Reserve Fund | 809,937 | 222,551 | 676,937 | 0 |
| Technology Improvement Fund | 5,234,561 | 393,276 | 3,230,248 | 0 |
| STR Regulation Fund | 1,638,448 | 1,003,248 | 2,352,448 | 0 |
| Hurricane Harvey | 24,194 | 24,194 | 24,194 | 24,194 |
| Revenue Producing Parks* | 891,125 | 125,097 | 400,602 | 769,980 |
| Island Transit | 932,526 | 677,358 | 410,418 | 272,418 |
| HOT Fund Summary | 27,760,296 | 25,383,715 | 27,814,155 | 25,029,208 |
| **Total** | **$60,311,339** | **$30,974,567** | **$60,777,467** | **$26,095,799** |

# FY2026 BUDGET
# EXPENDITURE OVERVIEW

**Expenditure Summary**

| DEPARTMENT | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Rosenberg Library | $5,570,724 | $6,155,322 | $6,165,322 | $6,247,020 |
| Seawall Parking | 1,365,385 | 2,555,262 | 1,098,380 | 0 |
| Convention Center Surplus | 7,100,876 | 14,481,040 | 4,549,413 | 14,117,584 |
| Infrastructure Fund | 5,103,613 | 9,966,341 | 2,818,062 | 16,756,292 |
| Separation Pay Fund | 1,521,513 | 1,247,089 | 1,290,576 | 1,638,570 |
| Public Access Channel Fund | 18,542 | 1,813,496 | 111,374 | 2,143,738 |
| Parking Management Fund | 1,328,732 | 3,073,459 | 1,709,220 | 2,773,626 |
| Lasker Pool Fund | 697,390 | 751,527 | 702,818 | 0 |
| Pension Reform Fund | 0 | 1,107,235 | 0 | 1,149,713 |
| Asset Forfeiture Fund | 142,939 | 640,052 | 488,087 | 436,026 |
| Police Special Revenue Fund | 161,680 | 139,175 | 149,020 | 151,656 |
| Police Quartermaster Fund | 60,601 | 100,200 | 97,010 | 87,063 |
| Alarm Permit Fund | 67,787 | 117,037 | 70,390 | 74,014 |
| Fire Special Revenue Fund | 16,511 | 421,832 | 129,000 | 375,412 |
| Municipal Court Building Security Fund | 34,263 | 33,410 | 35,665 | 29,453 |
| Municipal Court Technology Fund | 30,051 | 77,871 | 24,300 | 80,850 |
| Local Truancy and Diversion Fund | 19,772 | 278,003 | 18,500 | 304,353 |
| Recovery and Capital Reserve Fund | (12,552) | 587,386 | 133,000 | 676,937 |
| Technology Improvement Fund | 2,170,027 | 5,891,285 | 3,548,114 | 3,680,248 |
| STR Regulation Fund | 0 | 1,390,200 | 0 | 3,577,448 |
| Hurricane Harvey | 10,441 | 0 | 0 | 0 |
| Revenue Producing Parks | 341,245 | 1,106,478 | 819,071 | 8,237,494 |
| Island Transit | 4,105,765 | 5,044,148 | 4,682,291 | 5,279,720 |
| HOT Fund Summary | 35,644,620 | 39,524,281 | 35,802,841 | 38,511,197 |
| **TOTAL** | **$65,499,924** | **$96,502,129** | **$64,442,453** | **$106,328,414** |

| CATEGORY | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Personnel Services | $7,213,273 | $9,041,398 | $8,157,400 | $11,170,091 |
| Materials and Supplies | 1,585,915 | 1,250,425 | 1,040,233 | 2,231,523 |
| Contractual Services | 17,638,831 | 16,690,478 | 16,689,916 | 17,869,491 |
| Other Charges and Services | 25,232,629 | 36,106,061 | 26,238,710 | 41,124,898 |
| Operating Transfers | 1,617,043 | 1,980,756 | 2,059,062 | 1,664,720 |
| Capital Outlay | 10,020,776 | 21,287,702 | 7,838,128 | 21,089,899 |
| Debt Service | 1,942,588 | 1,963,590 | 1,963,188 | 1,994,600 |
| Special Programs and Events | 248,869 | 8,181,719 | 455,816 | 9,183,192 |
| **TOTAL** | **$65,499,924** | **$96,502,129** | **$64,442,453** | **$106,328,414** |

See the following pages for detailed discussions of each budget.

**FY2026 BUDGET**
**SPECIAL REVENUE FUND - ROSENBERG LIBRARY**

**LINE ITEM DETAIL**

| REVENUES | FY2024 ACTUAL CITY SUPPORT | CITY SUPPORT FY2025 BUDGET | FY2025 ESTIMATED CITY SUPPORT | CITY SUPPORT FY2026 BUDGET |
|---|---|---|---|---|
| 311100 Real Property | $5,535,357 | 6,115,322 | 6,115,322 | 6,207,020 |
| 311110 Real Property - Delinquent | 35,367 | 40,000 | 50,000 | 40,000 |
| **TOTAL REVENUES** | **$5,570,724** | **$6,155,322** | **$6,165,322** | **$6,247,020** |
| | | | | |
| **EXPENDITURES** | | | | |
| **Other Charges and Services** | | | | |
| 544028 Contributions | 5,570,724 | 6,155,322 | 6,165,322 | 6,247,020 |
| **Total Other Charges and Services** | **$5,570,724** | **$6,155,322** | **$6,165,322** | **$6,247,020** |
| | | | | |
| **TOTAL EXPENDITURES** | **$5,570,724** | **$6,155,322** | **$6,165,322** | **$6,247,020** |
| | | | | |
| **REVENUES OVER/(UNDER) EXPENDITURES** | **$0** | **$0** | **$0** | **$0** |
| | | | | |
| **BEGINNING FUND BALANCE-RESTRICTED** | **$0** | **$0** | **$0** | **$0** |
| | | | | |
| **ENDING FUND BALANCE-RESTRICTED** | **$0** | **$0** | **$0** | **$0** |

**FUND HIGHLIGHTS**

Rosenberg Library Fund (1040) - To account for ad valorem taxes collected and transferred to the library, to be used for library purposes, as authorized by City Charter.

Highlights - Includes an increase of additional $81,698 based on .05 cents of the property tax collections and paid monthly to the Rosenberg Library per the City Charter.

Property tax amounts are based on $0.05 per $100 of taxable value which does not change when the City's rate overall increases or decreases.

Library Contribution to City - Does not reflect a contribution by the Rosenberg Library to the City as provided in the amended Memorandum of Understanding between the Library and the City. This FY 2026 contribution is reflected as part of "Other Revenue" in the General Fund totaling $1,653,180, which ensures that the Library and the City will each have an 2.40 percent increase in tax revenue in FY 2026. The FY 2025 contribution is estimated to be 6.09% percent for purposes of a year-end true up that will be calculated once all taxes have been recorded for FY 2025.

**FY2026 ADOPTED BUDGET**
**SPECIAL REVENUE FUND - ROSENBERG LIBRARY**

| SPECIAL FUND REVENUE | FY2024 ACTUAL CITY SUPPORT | CITY SUPPORT FY2025 BUDGET | FY2025 ESTIMATED CITY SUPPORT | CITY SUPPORT FY2026 BUDGET |
|---|---|---|---|---|
| 311100 Real Property | $5,535,357 | $6,115,322 | $6,115,322 | $6,207,020 |
| 311110 Real Property - Delinquent | 35,367 | 40,000 | 50,000 | 40,000 |
| **TOTAL REVENUES** | **$5,570,724** | **$6,155,322** | **$6,165,322** | **$6,247,020** |
| **EXPENDITURES** | | | | |
| **Other Charges and Services** | | | | |
| 544028 Contributions to Rosenberg Library | 4,225,695 | 4,483,040 | 4,483,040 | 4,590,700 |
| 544028 Contributions to City of Galveston | 1,345,029 | 1,672,280 | 1,672,280 | 1,656,320 |
| **Total Other Charges and Services** | **$5,570,724** | **$6,155,320** | **$6,155,320** | **$6,247,020** |

| | FY2024 ACTUAL CITY SUPPORT | CITY SUPPORT FY2025 BUDGET | FY2025 ESTIMATED CITY SUPPORT | CITY SUPPORT FY2026 BUDGET |
|---|---|---|---|---|
| **REVENUE, GAINS, AND OTHER SUPPORT** | | | | |
| Rosenberg Library - Property Tax Contribution | 4,225,695 | 4,483,040 | 4,483,040 | 4,590,700 |
| **Total Revenue, Gains and Other Support** | **$4,225,695** | **$4,483,040** | **$4,483,040** | **$4,590,700** |
| **EXPENDITURES** | | | | |
| Salaries & Wages | | 2,511,298 | | |
| Fringe Benefits | | 827,385 | | |
| Staff Development | | | | |
| **Personnel Subtotal** | **$0** | **$3,338,683** | **$0** | **$0** |
| Programs & Promotions | | 180,000 | | |
| Cons. Aquis. & Exhibits | | 0 | | |
| Supplies | | 52,597 | | |
| **Direct Program Expense Subtotal** | **$0** | **$232,597** | **$0** | **$0** |
| Book/EBook Purchases | | 40,000 | | |
| Memorial Donations | | 0 | | |
| Materials & Periodicals | | 110,000 | | |
| Interest Expense | | 0 | | |
| **Books and Periodicals Subtotal** | **$0** | **$150,000** | **$0** | **$0** |
| Professional Fees | | 75,000 | | |
| Administrative | | 0 | | |
| **Service and Professional Fees Subtotal** | **$0** | **$75,000** | **$0** | **$0** |
| Building System Maintenance, Security and Equipment | | 206,000 | | |
| Computer Maintenance | | 190,000 | | |
| Utilities | | 144,760 | | |
| Facility Insurance | | 146,000 | | |
| **Office and Occupancy Subtotal** | **$0** | **$686,760** | **$0** | **$0** |
| County Libraries | | 0 | | |
| **Depreciation Subtotal** | **$0** | **$0** | **$0** | **$0** |
| Vehicle & Transportation | | 0 | | |
| **Vehicle and Travel Subtotal** | **$0** | **$0** | **$0** | **$0** |
| Rest. End. Designated Phase VII | | 0 | | |
| **Rest. End. Designated Phase VII Subtotal** | **$0** | **$0** | **$0** | **$0** |
| **Total Functional Expenses** | **$0** | **$4,483,040** | **$0** | **$0** |
| **Beginning Unrestricted Funds Balance** | | | | |
| **Revenue Over/(Under) Expenditures** | **$4,225,695** | **$0** | **$4,483,040** | **$4,590,700** |

PENDING

**FY2026 BUDGET**
**SPECIAL REVENUE FUND - CONVENTION CENTER SURPLUS**

**SUMMARY - BY PROJECT**

| REVENUES: | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Convention Center Surplus | $4,510,922 | $5,014,200 | $4,700,000 | $4,505,133 |
| Other Revenue | 23,981 | 50,000 | 50,000 | 50,000 |
| Interest | 495,704 | 440,000 | 550,000 | 440,000 |
| **TOTAL REVENUES** | **$5,030,606** | **$5,504,200** | **$5,300,000** | **$4,995,133** |
| | | | | |
| **EXPENDITURES:** | | | | |
| **Special Events (City)** | | | | |
| Special Events (General Fund costs) | $50,000 | $150,000 | $150,000 | $150,000 |
| Public Safety/Tourism Reserve | 0 | 500,000 | 500,000 | 500,000 |
| Summer Band Concert | 32,120 | 32,120 | 32,120 | 32,120 |
| 25th Street Lighting | 26,595 | 70,000 | 70,035 | 60,000 |
| Fireworks Displays | 77,454 | 49,500 | 0 | 0 |
| Mardi Gras | 485,853 | 490,000 | 496,000 | 500,000 |
| Juneteenth Fireworks Display | 0 | 100,000 | 0 | 0 |
| Sandhill Crane Project | 1,733,310 | 757,855 | 709,757 | 0 |
| Portable ADA Restrooms | 0 | 0 | 0 | 60,000 |
| Sports Tourism | 2,236 | 3,076,025 | 0 | 3,000,000 |
| **Subtotal Special Events (City)** | **$2,407,567** | **$5,225,500** | **$1,957,912** | **$4,302,120** |
| **Seawall and Related Activities (City)** | | | | |
| Seawall Police Services (GPD) | 613,392 | 700,000 | 680,000 | 700,000 |
| Light Towers/Generators | 0 | 30,000 | 11,645 | 15,000 |
| Restrooms (Operations & Maintenance) | 0 | 30,000 | 0 | 0 |
| **Subtotal Seawall (City)** | **$613,392** | **$760,000** | **$691,645** | **$715,000** |
| **Park Board** | | | | |
| East End Lagoon | 50,000 | 50,000 | 50,000 | 50,000 |
| Seawall Litter Detail | 200,000 | 200,000 | 200,000 | 200,000 |
| Stewart Beach Pavilion/Beach Patrol | 6,911 | 0 | 14,413 | 0 |
| Stewart Beach Master Plan | 88,049 | 0 | 76,828 | 90,000 |
| **Subtotal Park Board** | **$344,960** | **$250,000** | **$341,241** | **$340,000** |
| **Island Transit** | | | | |
| Bus Trolley Operations | 607,742 | 610,570 | 718,435 | 793,140 |
| Rail Trolley Operations | 684,675 | 720,186 | 690,627 | 721,580 |
| Trolley Cars/ Buses | 2,308,739 | 15,373 | 15,753 | 0 |
| **Subtotal Island Transit** | **$3,601,157** | **$1,346,129** | **$1,424,815** | **$1,514,720** |
| **Administration/Tourism Reserve** | | | | |
| Administrative Service Charge | 133,800 | 133,800 | 133,800 | 180,210 |
| Surplus Reserve | 0 | 6,765,611 | 0 | 7,065,534 |
| **Subtotal Administration/Tourism** | **$133,800** | **$6,899,411** | **$133,800** | **$7,245,744** |
| | | | | |
| **TOTAL EXPENDITURES** | **$7,100,876** | **$14,481,040** | **$4,549,413** | **$14,117,584** |
| | | | | |
| **REVENUES OVER/(UNDER) EXPENDITURES** | **($2,070,269)** | **($8,976,840)** | **$750,587** | **($9,122,451)** |
| | | | | |
| **BEGINNING FUND BALANCE-RESTRICTED** | **$10,442,133** | **$8,371,864** | **$8,371,864** | **$9,122,451** |
| | | | | |
| **ENDING FUND BALANCE-RESTRICTED** | **$8,371,864** | **($604,976)** | **$9,122,451** | **$0** |

**FY2026 BUDGET**
**SPECIAL REVENUE FUND - CONVENTION CENTER SURPLUS**

**LINE ITEM DETAIL**

| | FY2024 | FY2025 | FY2025 | FY2026 |
|---|---|---|---|---|
| **REVENUES** | **ACTUAL** | **BUDGET** | **ESTIMATED** | **BUDGET** |
| 314060 Hotel Occupancy Tax | $4,510,922 | $5,014,200 | $4,700,000 | $4,505,133 |
| 311120 Penalties & Interest | 23,981 | 50,000 | 50,000 | 50,000 |
| 361110 Interest Earned-Operating | 495,704 | 440,000 | 550,000 | 440,000 |
| **TOTAL REVENUES** | **$5,030,606** | **$5,504,200** | **$5,300,000** | **$4,995,133** |
| **EXPENDITURES** | | | | |
| **Personnel Services** | | | | |
| 511650 Salary Reimbursements | 644,494 | 1,210,000 | 1,220,877 | 1,250,000 |
| **Total Personnel Services** | **$644,494** | **$1,210,000** | **$1,220,877** | **$1,250,000** |
| **Materials and Supplies** | | | | |
| 522099 Other Supplies | 4,549 | 10,000 | 0 | 10,000 |
| **Total Materials and Supplies** | **$4,549** | **$10,000** | **$0** | **$10,000** |
| **Contractual Services** | | | | |
| 531016 Professional Services | 49,500 | 149,500 | 0 | 0 |
| 531111 Asbestos Testing | 2,125 | 0 | 6,210 | 0 |
| 531125 Other Contracts | 282,120 | 282,120 | 282,120 | 282,120 |
| 531230 Equipment Repairs | 18,897 | 80,000 | 80,000 | 50,000 |
| 531250 Vehicle Repairs | 80,297 | 0 | 0 | 0 |
| 531320 Equipment Rental | 0 | 30,000 | 30,000 | 30,000 |
| **Total Contractual Services** | **$432,938** | **$541,620** | **$398,330** | **$362,120** |
| **Other Charges and Services** | | | | |
| 543099 Project Management Fees | 71,378 | 0 | 21,667 | 0 |
| 547040 Administrative Service Charge | 133,800 | 133,800 | 133,800 | 180,210 |
| 548010 Special Events | 485,853 | 490,000 | 490,167 | 500,000 |
| **Total Other Charges and Services** | **$691,030** | **$623,800** | **$645,634** | **$680,210** |
| **Operating Transfers** | | | | |
| 553550 HOT Tax Transfer Out | 1,342,418 | 1,480,756 | 1,559,062 | 1,664,720 |
| **Total Operating Transfers** | **$1,342,418** | **$1,480,756** | **$1,559,062** | **$1,664,720** |
| **Capital Outlay** | | | | |
| 564003 Vehicle Capital Outlay | 2,222,205 | 0 | 0 | 0 |
| 564005 Capital Outlay - Improvements | 1,726,047 | 3,847,753 | 724,010 | 3,083,500 |
| 565506 Engineering | 37,193 | 1,500 | 1,500 | 1,500 |
| **Total Capital Outlay** | **$3,985,445** | **$3,849,253** | **$725,510** | **$3,085,000** |
| **Special Events and Programs** | | | | |
| 592004 Surplus Reserve | 0 | 6,765,611 | 0 | 7,065,534 |
| **Total Special Events and Programs** | **$0** | **$6,765,611** | **$0** | **$7,065,534** |
| **TOTAL EXPENDITURES** | **$7,100,876** | **$14,481,040** | **$4,549,413** | **$14,117,584** |
| **REVENUES OVER/(UNDER) EXPENDITURES** | **($2,070,269)** | **($8,976,840)** | **$750,587** | **($9,122,451)** |
| **BEGINNING FUND BALANCE-RESTRICTED** | **$10,442,133** | **$8,371,864** | **$8,371,864** | **$9,122,451** |
| **ENDING FUND BALANCE-RESTRICTED** | **$8,371,864** | **($604,976)** | **$9,122,451** | **$0** |

**FUND HIGHLIGHTS**

Convention Center Surplus Fund (1090) – To account for local hotel occupancy tax, to be used to enhance and promote tourism and the convention and hotel industry.

Highlights - Includes funding for Seawall District Police Services, Mardi Gras, Summer Band Concerts, maintenance of restrooms on the Seawall, Seawall Litter Pickup, and funding for the Rail and Trolley Cars.

## FY2026 BUDGET
## SPECIAL REVENUE FUND - INFRASTRUCTURE AND DEBT FUND

### LINE ITEM DETAIL

| REVENUES | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| 361110 Interest Earned-Operating | 240,942 | 175,000 | 235,000 | 175,000 |
| 363200 Other Revenues | 2,952 | 0 | 3,327 | 0 |
| 379000 Operating Transfer In | 5,697,131 | 6,529,535 | 6,257,485 | 6,777,300 |
| **TOTAL REVENUES** | **$5,941,026** | **$6,704,535** | **$6,495,812** | **$6,952,300** |
| **EXPENDITURES** | | | | |
| **Personnel Services** | | | | |
| 511001 Regular Payroll | $0 | $16,843 | $103,411 | $0 |
| 511009 Overtime | 0 | 26 | 775 | 0 |
| 511021 Part-time Payroll | 0 | 0 | 19,450 | 0 |
| 511510 Group Health Insurance | 0 | 2,306 | 16,315 | 0 |
| 511520 Group Life Insurance | 0 | 67 | 392 | 0 |
| 511530 Social Security - Employment | 0 | 1,015 | 7,611 | 0 |
| 511535 Medicare - Employer's | 0 | 237 | 1,080 | 0 |
| 511542 City Employee Retirement | 0 | 2,252 | 14,056 | 0 |
| 511650 Salary Reimbursements | 324,333 | 157,573 | 78,787 | 157,573 |
| **Total Personnel Services** | **$324,333** | **$180,319** | **$241,877** | **$157,573** |
| **Materials and Supplies** | | | | |
| 522015 Concrete and Aggregate | 966,469 | 488,475 | 244,238 | 1,350,000 |
| 522017 Sign Materials | 49,768 | 0 | 0 | 0 |
| **Total Materials and Supplies** | **$1,016,237** | **$488,475** | **$244,238** | **$1,350,000** |
| **Contractual Services** | | | | |
| 531004 Consultant Services | 378,283 | 88,718 | 78,920 | 0 |
| 531028 Software Licenses | 48,546 | 0 | 0 | 0 |
| 531320 Equipment Rental | 28,006 | 0 | 0 | 0 |
| **Total Contractual Services** | **$454,835** | **$88,718** | **$78,920** | **$0** |
| **Other Charges and Services** | | | | |
| 543095 Materials Testing | 0 | 0 | 0 | 100,000 |
| 543099 Project Management Cost | 223,565 | 629,726 | 74,162 | 571,988 |
| 544097 Expense Reimbursement - Other | 221,843 | 250,000 | 0 | 250,000 |
| 544125 Capital Reserve | 0 | 152,193 | 0 | 4,053,679 |
| **Total Other Charges and Services** | **$445,408** | **$1,031,919** | **$74,162** | **$4,975,667** |
| **Operating Transfers** | | | | |
| 553033 Transfer to Debt Service Fund | 237,128 | 0 | 0 | 0 |
| 553022 Transfer to Technology Improvement | 0 | 500,000 | 500,000 | 0 |
| 553025 Operating Transfer Out | 37,498 | 0 | 0 | 0 |
| **Total Operating Transfers** | **$274,626** | **$500,000** | **$500,000** | **$0** |
| **Capital Outlay** | | | | |
| 564003 Vehicle Capital Outlay | 519,936 | 2,143,289 | 0 | 2,143,289 |
| 564005 Capital Outlay - Improvements | 966,804 | 3,635,142 | 1,122,420 | 5,271,288 |
| 564117 Machinery & Equipment | 9,214 | 0 | 0 | 600,000 |
| 565506 Engineering Services | 1,075,877 | 1,615,005 | 306,132 | 1,758,475 |
| **Total Capital Outlay** | **$2,571,831** | **$7,393,436** | **$1,428,552** | **$9,773,052** |
| **Special Events and Programs** | | | | |
| 591026 Fixed Asset Study | 16,343 | 256,250 | 250,314 | 0 |
| 592002 Construction Contingency | 0 | 27,225 | 0 | 500,000 |
| **Total Special Events and Programs** | **$16,343** | **$283,475** | **$250,314** | **$500,000** |
| **TOTAL EXPENDITURES** | **$5,103,613** | **$9,966,341** | **$2,818,062** | **$16,756,292** |
| **REVENUES OVER/(UNDER) EXPENDITURES** | **$837,413** | **($3,261,806)** | **$3,677,750** | **($9,803,992)** |
| **BEGINNING FUND BALANCE-RESTRICTED** | **$5,288,829** | **$6,126,242** | **$6,126,242** | **$9,803,992** |
| **ENDING FUND BALANCE-RESTRICTED** | **$6,126,242** | **$2,864,436** | **$9,803,992** | **$0** |

### FUND HIGHLIGHTS

Infrastructure Fund (3199) – To account for funds for capital improvement and/or debt service allocating 1% of the General Fund Operating Budget beginning in FY 2013 and an additional 1% in each successive fiscal year thereafter until the cumulative annual allocation reaches a minimum of 8% of the total General Fund Operating Budget.

Highlights - Streets mill and overlay rehabilitation performed by city crews to bring less than satisfactory streets up to standard after annual street assessment. Funding is being provided for Traffic Signal and Safety Improvements, as well as a new Garage Fuel Storage Tanks. The budget includes the carry forward from FY 2024 of a $2 million allowance for a firefighting apparatus (Tower Truck). Additionally engineering services related to numerous City Capital Projects are funded through this year's budget. The cumulative annual allocation is 8% of the total General Fund Operating Budget.

**FY2026 BUDGET**
**SPECIAL REVENUE FUND - SEPARATION PAY FUND**

**LINE ITEM DETAIL**

| | | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|---|
| **REVENUES** | | | | | |
| 379100 | Waterworks - Transfer In | 32,440 | 22,440 | 22,440 | 35,440 |
| 379200 | Sewer System - Transfer In | 40,800 | 40,800 | 40,800 | 40,800 |
| 379300 | Sanitation Transfer In | 35,700 | 35,700 | 35,700 | 35,700 |
| 379325 | Drainage Transfers - In | 20,000 | 20,000 | 20,000 | 20,000 |
| 379400 | General Fund | 1,450,000 | 950,000 | 950,000 | 1,500,000 |
| 379700 | Airport - Transfer In | 6,630 | 6,630 | 6,630 | 6,630 |
| **TOTAL REVENUES** | | **$1,585,570** | **$1,075,570** | **$1,075,570** | **$1,638,570** |
| **EXPENDITURES** | | | | | |
| **Personnel Services** | | | | | |
| 511410 | Separation Vacation | $507,861 | $567,089 | $307,500 | $540,730 |
| 511420 | Separation Sick Pay | 668,101 | 650,000 | $434,700 | $1,065,070 |
| 511430 | Separation Compensatory Time | 56,402 | 30,000 | $51,876 | $32,770 |
| 511530 | Social Security - Employer's | 55,786 | 0 | $45,100 | $0 |
| 511535 | Medicare - Employer's | 17,869 | 0 | $11,400 | $0 |
| 511542 | City Employee Retirement | 34,938 | 0 | $23,800 | $0 |
| 511543 | Firemen's Retirement | 67,185 | 0 | $13,000 | $0 |
| 511544 | Police Retirement | 113,371 | 0 | $98,700 | $0 |
| **Total Personnel Services** | | **$1,521,513** | **$1,247,089** | **$1,290,576** | **$1,638,570** |
| **TOTAL EXPENDITURES** | | **$1,521,513** | **$1,247,089** | **$1,290,576** | **$1,638,570** |
| **REVENUES OVER/(UNDER) EXPENDITURES** | | **$64,057** | **($171,519)** | **($215,006)** | **$0** |
| **BEGINNING FUND BALANCE-ASSIGNED** | | **$150,949** | **$215,006** | **$215,006** | **$0** |
| **ENDING FUND BALANCE-ASSIGNED** | | **$215,006** | **$43,487** | **$0** | **$0** |

**FUND HIGHLIGHTS**

Separation Pay Fund (1099) – To account for funds from the General, Waterworks, Sewer System, Sanitation, Drainage and Airport for accrued benefits paid to an employee who terminates employment from the City.

Highlights - Maintain current level of funding for separation from service with the City.

**FY2026 BUDGET**
**SPECIAL REVENUE FUND - PUBLIC ACCESS CHANNEL FUND**

**LINE ITEM DETAIL**

| REVENUES | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| 342420 P.E.G. Fees | 140,367 | 160,000 | 132,000 | 135,000 |
| 361110 Interest Earned - Operating | 88,139 | 50,000 | 64,000 | 50,000 |
| **TOTAL REVENUES** | **$228,506** | **$210,000** | **$196,000** | **$185,000** |
| | | | | |
| **EXPENDITURES** | | | | |
| **Materials and Supplies** | | | | |
| 522056 Minor Equipment | 0 | 0 | 6,000 | 0 |
| **Total Materials and Supplies** | **$0** | **$0** | **$6,000** | **$0** |
| | | | | |
| **Contractual Services** | | | | |
| 531013 Media Services | 0 | 0 | 55,374 | 60,950 |
| **Total Contractual Services** | **$0** | **$0** | **$55,374** | **$60,950** |
| | | | | |
| **Capital Outlay** | | | | |
| 564005 Capital Outlay - Improvements | 18,542 | 1,813,496 | 50,000 | 2,082,788 |
| **Total Capital Outlay** | **$18,542** | **$1,813,496** | **$50,000** | **$2,082,788** |
| | | | | |
| **TOTAL EXPENDITURES** | **$18,542** | **$1,813,496** | **$111,374** | **$2,143,738** |
| | | | | |
| **REVENUES OVER/(UNDER) EXPENDITURES** | **$209,964** | **($1,603,496)** | **$84,626** | **($1,958,738)** |
| | | | | |
| **BEGINNING FUND BALANCE-RESTRICTED** | **$1,664,148** | **$1,874,112** | **$1,874,112** | **$1,958,738** |
| | | | | |
| **ENDING FUND BALANCE-RESTRICTED** | **$1,874,112** | **$270,616** | **$1,958,738** | **$0** |

**FUND HIGHLIGHTS**

Public Access Channel Fund (1092) – To account for funds used for improvements and equipment related to the City's public access channel. The revenues from this fund come from Comcast. It is a legal requirement that the funds be spent to improve the public access channel.

Highlights - The Public Information Office would like to build an in-house studio after obtaining a cost analysis. The goal is to improve quality for videos and information shared on our local access channel.


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# PARKING MANAGEMENT

## MISSION STATEMENT

The mission of the Parking Management Division is to provide support and enforcement of parking ordinances in the city's downtown area, Seawall, residential, and other areas as directed by the City Council. To facilitate payment for parking in locations where required. Furthermore, to provide any additional support as requested by City Council and City Management to any public service that may be requested.

## ACCOMPLISHMENTS

- Replaced faded Pay to Park Signs
- Implemented Ticket by Mail along the Seawall
- Replaced some red zones and yellow zones along the south side of the Seawall with Pay to Park spaces.
- Repainted red zones, loading zones, and handicap spaces throughout the island.

## GOALS

- Replace 4 outdated parking control units with 4 new Ford Explorers
- Implement the Ticket by Mail procedure in the downtown and UTMB zones
- Incorporate neighborhood permits and decals into the ALPR system.
- Continue to replace all faded or missing signs for parking regulations.
- Continue to have red zones, loading zones and handicap spaces repainted.
- Replace Pay Stations in the downtown zone and add 2 new locations for the added pay to park spaces.

**FY2026 BUDGET**
**SPECIAL REVENUE FUND - PARKING MANAGEMENT FUND**

**LINE ITEM DETAIL**

| | | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|---|
| **REVENUES** | | | | | |
| 342510 | Parking Meter Fees | $1,450,378 | $1,500,000 | $1,469,054 | $1,500,000 |
| 361110 | Interest Earned-Operating | 70,397 | 50,000 | 55,666 | 50,000 |
| 363200 | Other Revenue | 7,077 | 0 | 558 | 0 |
| **TOTAL REVENUES** | | **$1,527,852** | **$1,550,000** | **$1,525,279** | **$1,550,000** |
| | | | | | |
| **EXPENDITURES** | | | | | |
| **Personnel Services** | | | | | |
| 511001 | Regular Payroll | $270,215 | $270,450 | $253,370 | $283,970 |
| 511002 | Civilian COLA | 0 | 16,300 | 0 | 0 |
| 511005 | Longevity | 1,243 | 1,450 | 1,393 | 1,630 |
| 511009 | Overtime | 2,035 | 7,500 | 7,500 | 7,500 |
| 511110 | Incentive Pay | 1,204 | 1,230 | 1,439 | 1,230 |
| 511125 | Residency Pay | 3,765 | 3,780 | 3,776 | 3,780 |
| 511410 | Separation Vacation | 0 | 0 | 7,578 | 0 |
| 511420 | Separation Sick Pay | 0 | 0 | 22,936 | 0 |
| 511510 | Group Health Insurance | 66,734 | 66,120 | 66,120 | 72,840 |
| 511515 | Worker's Compensation | 1,161 | 2,330 | 2,913 | 2,330 |
| 511520 | Group Life Insurance | 1,343 | 1,330 | 1,378 | 1,390 |
| 511530 | Social Security - Employment | 17,303 | 17,630 | 18,385 | 18,480 |
| 511535 | Medicare - Employer's | 3,990 | 4,120 | 4,300 | 4,320 |
| 511542 | City Employee Retirement | 36,570 | 37,970 | 39,440 | 39,800 |
| 511545 | Pension and Fringe Benefits Adjustmen | 0 | 0 | 0 | 0 |
| 511650 | Salary Reimbursements | 491,979 | 500,000 | 523,012 | 500,000 |
| **Total Personnel Services** | | **$897,543** | **$930,210** | **$953,540** | **$937,270** |
| | | | | | |
| **Materials and Supplies** | | | | | |
| 521065 | Office Supplies | 1,029 | 1,500 | 1,500 | 1,500 |
| 521067 | Minor Office Equipment | 11,164 | 15,000 | 15,000 | 12,000 |
| 522013 | Clothing | 1,384 | 1,000 | 1,000 | 1,000 |
| 522037 | Janitorial Supplies | 1,403 | 4,000 | 2,530 | 3,000 |
| 522085 | Equipment Parts | 0 | 10,000 | 5,000 | 8,000 |
| 525032 | Natural Gas | 11,517 | 12,500 | 13,720 | 12,500 |
| **Total Materials and Supplies** | | **$26,498** | **$44,000** | **$38,751** | **$38,000** |
| | | | | | |
| **Contractual Services** | | | | | |
| 531026 | Transaction Fees | 194,923 | 195,000 | 194,301 | 200,000 |
| 531028 | Software Licenses | 21,036 | 22,500 | 22,500 | 22,100 |
| 531119 | Landscaping Services | 19,140 | 0 | 0 | 0 |
| 531125 | Other Contracts | 0 | 1,500 | 2,352 | 2,360 |
| 531240 | Maintenance Contracts | 33,244 | 33,250 | 33,244 | 33,250 |
| 531350 | Garage Charges | 54,487 | 45,500 | 44,389 | 36,140 |
| 531360 | Computer Charges | 25,152 | 32,450 | 32,450 | 31,810 |
| 532084 | Cellular Service | 2,409 | 2,500 | 1,543 | 1,620 |
| 532087 | Aircard Service | 3,991 | 1,400 | 1,784 | 1,860 |
| **Total Contractual Services** | | **$354,383** | **$334,100** | **$332,563** | **$329,140** |
| | | | | | |
| **Other Charges and Services** | | | | | |
| 544125 | Capital Reserve | 0 | 1,380,783 | 0 | 1,469,216 |
| 544087 | Expense Reimbursement | 0 | 0 | 0 | 0 |
| **Total Other Charges and Services** | | **$0** | **$1,380,783** | **$0** | **$1,469,216** |

**FY2026 BUDGET**
**SPECIAL REVENUE FUND - PARKING MANAGEMENT FUND**

**LINE ITEM DETAIL**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **Capital Outlay** | | | | |
| 564003 Vehicle Capital Outlay | 50,308 | 206,288 | 206,288 | 0 |
| 564005 Capital Outlay - Improvements | 0 | 178,078 | 178,078 | 0 |
| **Total Capital Outlay** | **$50,308** | **$384,366** | **$384,366** | **$0** |
| **TOTAL EXPENDITURES** | **$1,328,732** | **$3,073,459** | **$1,709,220** | **$2,773,626** |
| **REVENUES OVER/(UNDER) EXPENDITURES** | **$199,120** | **($1,523,459)** | **($183,941)** | **($1,223,626)** |
| **BEGINNING FUND BALANCE-RESTRICTED** | **$1,208,447** | **$1,407,568** | **$1,407,568** | **$1,223,626** |
| **ENDING FUND BALANCE-RESTRICTED** | **$1,407,568** | **($115,891)** | **$1,223,626** | **$0** |

**FUND HIGHLIGHTS**

Parking Management Fund (1096) - To account for collection of parking revenue and fees around the downtown area.

Personnel Services - Net Increases (-16,270) includes a 10% increase for Group Health insurance (+$6,720), no funds are budgeted for Separation Pay in Special Revenue Funds (-$30,514), annualized cost for personnel for the year (+$30,536), and a decrease in reimbursements (-23,012)

Materials and Supplies - Net decrease of (-$751) for office supplies, minor office equipment and equipment parts.

Contractual Services - Net decreases (-$3,423) includes decreases in garage charges (-$8,249), and increase in expected transaction fees (+$5,699) and decreases (-874) in various contractual line items.

Other Charges and Services - Net increases (+$1,469,216) for Capital Reserve if needed in FY26.

Capital Outlay - Net decrease (-$384,366) due to the completion of FY25 projects.

**PERSONNEL**

| POSITION | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| City Marshal | 0.50 | 0.50 | 0.50 | 0.50 |
| Deputy City Marshal | 0.50 | 0.50 | 0.50 | 0.50 |
| Parking Enforcement Supervisor | 1.00 | 1.00 | 1.00 | 1.00 |
| Parking Enforcement Officer | 3.00 | 3.00 | 3.00 | 3.00 |
| **TOTAL** | **5.00** | **5.00** | **5.00** | **5.00** |


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**FY2026 BUDGET**
**SPECIAL REVENUE FUND - PENSION REFORM FUND**

**LINE ITEM DETAIL**

| REVENUES | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| 361110 Interest Earned-Operating | 52,599 | 45,000 | 40,500 | 37,500 |
| **TOTAL REVENUES** | **$52,599** | **$45,000** | **$40,500** | **$37,500** |
| | | | | |
| **EXPENDITURES** | | | | |
| **Personnel Services** | | | | |
| 511542 City Employee Retirement | 0 | 0 | 0 | 0 |
| **Total Personnel Services** | **$0** | **$0** | **$0** | **$0** |
| | | | | |
| **Contractual Services** | | | | |
| 531004 Consultant Services | 0 | 0 | 0 | 0 |
| **Total Contractual Services** | **$0** | **$0** | **$0** | **$0** |
| | | | | |
| **Operating Transfers** | | | | |
| 553025 Operating Transfer Out | 0 | 0 | 0 | 0 |
| **Total Operating Transfers** | **$0** | **$0** | **$0** | **$0** |
| | | | | |
| **Special Events and Programs** | | | | |
| 592000 Contingency Reserve | 0 | 1,107,235 | 0 | 1,149,713 |
| **Total Special Events and Programs** | **$0** | **$1,107,235** | **$0** | **$1,149,713** |
| | | | | |
| **TOTAL EXPENDITURES** | **$0** | **$1,107,235** | **$0** | **$1,149,713** |
| | | | | |
| **REVENUES OVER/(UNDER) EXPENDITURES** | **$52,599** | **($1,062,235)** | **$40,500** | **($1,112,213)** |
| | | | | |
| **BEGINNING FUND BALANCE-ASSIGNED** | **$1,019,114** | **$1,071,713** | **$1,071,713** | **$1,112,213** |
| | | | | |
| **ENDING FUND BALANCE-ASSIGNED** | **$1,071,713** | **$9,478** | **$1,112,213** | **$0** |

**FUND HIGHLIGHTS**

Pension Reform Fund (1020) – To account for funds set aside to be used for reforming the City of Galveston Police, Fire and Civilian Pension Plan.

Highlights - Funds are spent based on the recommendations of the City Manager and as approved by City Council. An Actuary was hired by the City as recommended and approved by City Council.

**FY2026 BUDGET**
**SPECIAL REVENUE FUND - ASSET FORFEITURE FUND**

**LINE ITEM DETAIL**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **REVENUES** | | | | |
| 332110 Drug Enforcement Agency | $362,075 | $150,000 | $161,300 | $150,000 |
| 361110 Interest Earned-Operating | 24,385 | 15,000 | 19,700 | 15,000 |
| **TOTAL REVENUES** | **$386,460** | **$165,000** | **$181,000** | **$165,000** |
| | | | | |
| **EXPENDITURES** | | | | |
| **Materials and Supplies** | | | | |
| 522056 Minor Equipment | 62,531 | 85,200 | 78,300 | 70,000 |
| **Total Materials and Supplies** | **$62,531** | **$85,200** | **$78,300** | **$70,000** |
| | | | | |
| **Contractual Services** | | | | |
| 531124 Towing Payment | 5,935 | 0 | 0 | 25,000 |
| 531230 Equipment Repairs | 0 | 24,000 | 23,940 | 0 |
| 531325 Vehicle Rental | 27,833 | 20,000 | 15,000 | 30,000 |
| 533085 Travel/Training | 18,075 | 25,000 | 25,000 | 40,000 |
| **Total Contractual Services** | **$51,843** | **$69,000** | **$63,940** | **$95,000** |
| | | | | |
| **Other Charges and Services** | | | | |
| 544125 Capital Reserve | 0 | 129,852 | 0 | 191,026 |
| **Total Other Charges and Services** | **$0** | **$129,852** | **$0** | **$191,026** |
| | | | | |
| **Capital Outlay** | | | | |
| 563015 Technology Improvements | 28,565 | 10,000 | 0 | 80,000 |
| 564117 Machinery and Equipment | 0 | 346,000 | 345,847 | 0 |
| **Total Capital Outlay** | **$28,565** | **$356,000** | **$345,847** | **$80,000** |
| | | | | |
| **TOTAL EXPENDITURES** | **$142,939** | **$640,052** | **$488,087** | **$436,026** |
| | | | | |
| **REVENUES OVER/(UNDER) EXPENDITURES** | **$243,521** | **($475,052)** | **($307,087)** | **($271,026)** |
| | | | | |
| **BEGINNING FUND BALANCE-RESTRICTED** | **$334,592** | **$578,113** | **$578,113** | **$271,026** |
| | | | | |
| **ENDING FUND BALANCE-RESTRICTED** | **$578,113** | **$103,061** | **$271,026** | **$0** |

**FUND HIGHLIGHTS**

Asset Forfeiture Funds (1811) – To account for the equitable sharing of assets received from federal and state agencies to be used for law enforcement purposes. Funds are used to enhance and supplement, not supplant or replace the Police Department's appropriated budget.

Highlights - Includes funding for specialized training, UTV rentals for special events, and Police Storage Building pending real estate sale monies.

**FY2026 BUDGET**
**SPECIAL REVENUE FUND - POLICE SPECIAL REVENUE FUND**

**LINE ITEM DETAIL**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **REVENUES** | | | | |
| 334030 TX Dept. of Public Safety | $19,394 | $8,700 | $18,970 | $15,300 |
| 335005 Local Forfeiture Receipts | 85,669 | 67,200 | 117,500 | 91,700 |
| 361110 Interest Earned-Operating | 4,373 | 4,500 | 1,910 | 4,000 |
| 363270 Towed/Abandoned Vehicles | 18,335 | 0 | 500 | 0 |
| 378000 Sale of Gen Fixed Assets | 0 | 0 | 0 | 0 |
| **TOTAL REVENUES** | **$127,772** | **$80,400** | **$138,880** | **$111,000** |
| | | | | |
| **EXPENDITURES** | | | | |
| **Materials and Supplies** | | | | |
| 521095 Petty Cash | 12,801 | 20,000 | 20,000 | 15,000 |
| 522025 Fuel and Lubricants | 15,358 | 15,000 | 20,000 | 15,000 |
| 522056 Minor Equipment | 61,249 | 37,500 | 76,020 | 25,000 |
| 522099 Other Supplies | 5,075 | 10,000 | 13,000 | 25,000 |
| **Total Materials and Supplies** | **$94,483** | **$82,500** | **$129,020** | **$80,000** |
| | | | | |
| **Contractual Services** | | | | |
| 531240 Maintenance Contracts | 58,756 | 29,020 | 0 | 0 |
| 531325 Vehicle Rental | 0 | 0 | 0 | 0 |
| 533085 Travel/Training | 8,440 | 20,000 | 20,000 | 10,000 |
| **Total Contractual Services** | **$67,197** | **$49,020** | **$20,000** | **$10,000** |
| | | | | |
| **Other Charges and Services** | | | | |
| 544125 Capital Reserve | 0 | 7,655 | 0 | 61,656 |
| **Total Other Charges and Services** | **$0** | **$7,655** | **$0** | **$61,656** |
| | | | | |
| **TOTAL EXPENDITURES** | **$161,680** | **$139,175** | **$149,020** | **$151,656** |
| | | | | |
| **REVENUES OVER/(UNDER) EXPENDITURES** | **($33,908)** | **($58,775)** | **($10,140)** | **($40,656)** |
| | | | | |
| **BEGINNING FUND BALANCE-RESTRICTED** | **$84,703** | **$50,795** | **$50,795** | **$40,656** |
| | | | | |
| **ENDING FUND BALANCE-RESTRICTED** | **$50,795** | **($7,980)** | **$40,656** | **$0** |

**FUND HIGHLIGHTS**

Police Special Revenue Fund (1812) – To account for funds donated from the community to be used for Police Department needs.

Highlights - Funds used for buy money for Narcotic officers, purchase of pole and mobile cameras, equipment needs of Dive Team, SWAT Team, and SRG Team and training expenses as needed.

**FY2026 BUDGET**
**SPECIAL REVENUE FUND - POLICE QUARTERMASTER FUND**

**LINE ITEM DETAIL**

| REVENUES | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| 361110 Interest Earned-Operating | $5,166 | $4,500 | $4,500 | $4,000 |
| 379000 Operating Transfer In | 84,000 | 84,000 | 0 | 84,000 |
| **TOTAL REVENUES** | **$89,166** | **$88,500** | **$4,500** | **$88,000** |
| | | | | |
| **EXPENDITURES** | | | | |
| **Materials and Supplies** | | | | |
| 522013 Clothing | 60,601 | 100,200 | 97,010 | 87,063 |
| **Total Materials and Supplies** | **$60,601** | **$100,200** | **$97,010** | **$87,063** |
| | | | | |
| **TOTAL EXPENDITURES** | **$60,601** | **$100,200** | **$97,010** | **$87,063** |
| | | | | |
| **REVENUES OVER/(UNDER) EXPENDITURES** | **$28,565** | **($11,700)** | **($92,510)** | **$937** |
| | | | | |
| **BEGINNING FUND BALANCE-RESTRICTED** | **$63,008** | **$91,573** | **$91,573** | **($937)** |
| | | | | |
| **ENDING FUND BALANCE-RESTRICTED** | **$91,573** | **$79,873** | **($937)** | **$0** |

**FUND HIGHLIGHTS**

Police Quartermaster Fund (1813) – To account for funds to maintain and purchase clothing and equipment as determined by the Police Administration for all full time paid police officers

Highlights - Funding of $750 per Officer annually transferred from the Police Department.

**FY2026 BUDGET**
**SPECIAL REVENUE FUND - FIRE SPECIAL REVENUE FUND**

**LINE ITEM DETAIL**

| REVENUES | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| 334030 TX Dept. of Public Safety | $1,868 | $1,800 | $1,800 | $1,800 |
| 361110 Interest Earned-Operating | 16,171 | 10,000 | 12,000 | 1,000 |
| 363200 Other Revenues | 99,946 | 52,500 | 63,990 | 60,000 |
| **TOTAL REVENUES** | **$117,985** | **$64,300** | **$77,790** | **$62,800** |
| | | | | |
| **EXPENDITURES** | | | | |
| **Materials and Supplies** | | | | |
| 522055 MinorTools | 0 | 0 | 0 | 0 |
| **Total Materials and Supplies** | **$0** | **$0** | **$0** | **$0** |
| | | | | |
| **Contractual Services** | | | | |
| 533088 Training Expenses | 913 | 2,559 | 0 | 2,560 |
| **Total Contractual Services** | **$913** | **$2,559** | **$0** | **$2,560** |
| | | | | |
| **Other Charges and Services** | | | | |
| 544087 Expense Reimbursement | 0 | 0 | 0 | 0 |
| **Total Other Charges and Services** | **$0** | **$0** | **$0** | **$0** |
| | | | | |
| **Capital Outlay** | | | | |
| 564117 Machinery and Equipment | 15,599 | 419,273 | 129,000 | 372,852 |
| **Total Capital Outlay** | **$15,599** | **$419,273** | **$129,000** | **$372,852** |
| | | | | |
| **TOTAL EXPENDITURES** | **$16,511** | **$421,832** | **$129,000** | **$375,412** |
| | | | | |
| **REVENUES OVER/(UNDER) EXPENDITURES** | **$101,474** | **($357,532)** | **($51,210)** | **($312,612)** |
| | | | | |
| **BEGINNING FUND BALANCE-RESTRICTED** | **$262,348** | **$363,822** | **$363,822** | **$312,612** |
| | | | | |
| **ENDING FUND BALANCE-RESTRICTED** | **$363,822** | **$6,290** | **$312,612** | **$0** |

**FUND HIGHLIGHTS**

Fire Special Revenue Fund (1816) – To account for funds donated from the community to be used for Fire Department needs.

Highlights - Funds used to purchase safety equipment for the Fire Department.

**FY2026 BUDGET**
**SPECIAL REVENUE FUND - ALARM PERMIT FUND**

**LINE ITEM DETAIL**

| | | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|---|
| **REVENUES** | | | | | |
| 321325 | Alarm Permit | $34,100 | $36,000 | $32,200 | $23,600 |
| 361110 | Interest Earned-Operating | 4,894 | 4,500 | 3,900 | 3,200 |
| **TOTAL REVENUES** | | **$38,994** | **$40,500** | **$36,100** | **$26,800** |
| **EXPENDITURES** | | | | | |
| **Personnel Services** | | | | | |
| 511001 | Regular Payroll | $36,224 | $36,220 | $38,133 | $31,230 |
| 511005 | Longevity | 352 | 390 | 370 | 410 |
| 511006 | Differential Pay | 678 | 680 | 680 | 680 |
| 511009 | Overtime | 0 | 0 | 0 | 0 |
| 511125 | Residency Pay | 1,882 | 1,880 | 1,887 | 1,880 |
| 511510 | Group Health Insurance | 9,956 | 9,920 | 9,920 | 10,930 |
| 511520 | Group Life Insurance | 179 | 180 | 189 | 160 |
| 511530 | Social Security - Employment | 2,164 | 2,430 | 2,426 | 2,120 |
| 511535 | Medicare - Employer's | 506 | 570 | 567 | 500 |
| 511542 | City Employee Retirement | 5,108 | 5,230 | 5,483 | 4,570 |
| 511650 | Salary Reimbursements | 0 | 500 | 0 | 0 |
| **Total Personnel Services** | | **$57,048** | **$58,000** | **$59,655** | **$52,480** |
| **Materials and Supplies** | | | | | |
| 521065 | Office Supplies | 0 | 0 | 0 | 0 |
| **Total Materials and Supplies** | | **$0** | **$0** | **$0** | **$0** |
| **Contractual Services** | | | | | |
| 531028 | Software Licenses | 7,600 | 10,500 | 5,408 | 5,700 |
| 532062 | Postage | 2,543 | 3,000 | 2,483 | 1,700 |
| 532065 | Printing, Duplication | 596 | 1,500 | 2,844 | 3,000 |
| **Total Contractual Services** | | **$10,739** | **$15,000** | **$10,735** | **$10,400** |
| **Other Charges and Services** | | | | | |
| 544125 | Capital Reserve | 0 | 44,037 | 0 | 11,134 |
| **Total Other Charges and Services** | | **$0** | **$44,037** | **$0** | **$11,134** |
| **TOTAL EXPENDITURES** | | **$67,787** | **$117,037** | **$70,390** | **$74,014** |
| **REVENUES OVER/(UNDER) EXPENDITURES** | | **($28,793)** | **($76,537)** | **($34,290)** | **($47,214)** |
| **BEGINNING FUND BALANCE-RESTRICTED** | | **$110,297** | **$81,504** | **$81,504** | **$47,214** |
| **ENDING FUND BALANCE-RESTRICTED** | | **$81,504** | **$4,968** | **$47,214** | **$0** |

**FUND HIGHLIGHTS**

Alarm Permit Fund (1814) – To account for fees paid by permit holders for annual alarm system permits issued by the city. Fees shall be used for the general administration and enforcement of the city alarm systems program as required by Local Government Code, Section 214.194.

**PERSONNEL**

| POSITION | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Administrative Assistant | 0.75 | 0.75 | 0.75 | 0.75 |
| **TOTAL** | **0.75** | **0.75** | **0.75** | **0.75** |

**FY2026 BUDGET**
**SPECIAL REVENUE FUND - MUNICIPAL COURT BUILDING SECURITY FUND**

**LINE ITEM DETAIL**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **REVENUES** | | | | |
| 351170 Building Security Funding Fee | $28,463 | $25,000 | $29,200 | $29,200 |
| 361110 Interest Earned-Operating | 469 | 500 | 300 | 250 |
| **TOTAL REVENUES** | **$28,932** | **$25,500** | **$29,500** | **$29,450** |
| | | | | |
| **EXPENDITURES** | | | | |
| **Personnel Services** | | | | |
| 511650 Salary Reimbursements | 21,410 | 21,410 | 21,380 | 15,453 |
| **Total Personnel Services** | **$21,410** | **$21,410** | **$21,380** | **$15,453** |
| | | | | |
| **Contractual Services** | | | | |
| 531007 Security Service | 12,853 | 12,000 | 14,285 | 14,000 |
| **Total Contractual Services** | **$12,853** | **$12,000** | **$14,285** | **$14,000** |
| | | | | |
| **TOTAL EXPENDITURES** | **$34,263** | **$33,410** | **$35,665** | **$29,453** |
| | | | | |
| **REVENUES OVER/(UNDER) EXPENDITURES** | **($5,331)** | **($7,910)** | **($6,165)** | **($3)** |
| | | | | |
| **BEGINNING FUND BALANCE-ASSIGNED** | **$11,499** | **$6,168** | **$6,168** | **$3** |
| | | | | |
| **ENDING FUND BALANCE-ASSIGNED** | **$6,168** | **($1,741)** | **$3** | **$0** |

**FUND HIGHLIGHTS**

Municipal Court Building Security Fund (1821) – To account for a fee of $3.00 per misdemeanor conviction and is collected for future improvements to the security of the court facilities.

Highlights - Reimburse salaries for bailiff and armored truck services.

**FY2026 BUDGET**
**SPECIAL REVENUE FUND - MUNICIPAL COURT TECHNOLOGY FUND**

**LINE ITEM DETAIL**

| | FY2024 | FY2025 | FY2025 | FY2026 |
|---|---|---|---|---|
| **REVENUES** | **ACTUAL** | **BUDGET** | **ESTIMATED** | **BUDGET** |
| 351172 Municipal Court Technology Fee | $24,243 | $24,000 | $24,500 | $24,000 |
| 361110 Interest Earned-Operating | 2,125 | 1,500 | 2,300 | 1,500 |
| **TOTAL REVENUES** | **$26,368** | **$25,500** | **$26,800** | **$25,500** |
| | | | | |
| **EXPENDITURES** | | | | |
| **Contractual Services** | | | | |
| 531240 Maintenance Contracts | 30,051 | 30,000 | 24,300 | 30,000 |
| **Total Contractual Services** | **$30,051** | **$30,000** | **$24,300** | **$30,000** |
| | | | | |
| **Other Charges and Services** | | | | |
| 544125 Capital Reserve | 0 | 47,871 | 0 | 50,850 |
| **Total Other Charges and Services** | **$0** | **$47,871** | **$0** | **$50,850** |
| | | | | |
| **TOTAL EXPENDITURES** | **$30,051** | **$77,871** | **$24,300** | **$80,850** |
| | | | | |
| **REVENUES OVER/(UNDER) EXPENDITURES** | **($3,684)** | **($52,371)** | **$2,500** | **($55,350)** |
| | | | | |
| **BEGINNING FUND BALANCE-ASSIGNED** | **$56,534** | **$52,850** | **$52,850** | **$55,350** |
| | | | | |
| **ENDING FUND BALANCE-ASSIGNED** | **$52,850** | **$479** | **$55,350** | **$0** |

**FUND HIGHLIGHTS**

Municipal Court Technology Fund (1822) – To account for a fee of $4.00 per misdemeanor conviction and is collected for future improvements to technology of the court facilities.

**FY2026 BUDGET**
**SPECIAL REVENUE FUND - LOCAL TRUANCY PREVENTION & DIVERSION FUND**

**LINE ITEM DETAIL**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **REVENUES** | | | | |
| 351176 Juvenile Case Manager Fees | $28,815 | $28,000 | $29,800 | $28,000 |
| 361110 Interest Earned-Operating | 11,894 | 8,500 | 11,400 | 8,500 |
| 363200 Other Revenues | 0 | 0 | 0 | 0 |
| 379000 Operating Transfer In | 0 | 0 | 0 | 0 |
| **TOTAL REVENUES** | **$40,709** | **$36,500** | **$41,200** | **$36,500** |
| | | | | |
| **EXPENDITURES** | | | | |
| **Personnel Services** | | | | |
| 511650 Salary Reimbursements | 19,772 | 20,000 | 17,500 | 6,000 |
| **Total Personnel Services** | **$19,772** | **$20,000** | **$17,500** | **$6,000** |
| | | | | |
| **Materials and Supplies** | | | | |
| 521067 Minor Office Equipment | 0 | 0 | 0 | 1,000 |
| **Total Materials and Supplies** | **$0** | **$0** | **$0** | **$1,000** |
| | | | | |
| **Contractual Services** | | | | |
| 533085 Travel/Training | 0 | 1,000 | 1,000 | 0 |
| **Total Contractual Services** | **$0** | **$1,000** | **$1,000** | **$0** |
| | | | | |
| **Other Charges and Services** | | | | |
| 544125 Capital Reserve | 0 | 257,003 | 0 | 297,353 |
| **Total Other Charges and Services** | **$0** | **$257,003** | **$0** | **$297,353** |
| | | | | |
| **TOTAL EXPENDITURES** | **$19,772** | **$278,003** | **$18,500** | **$304,353** |
| | | | | |
| **REVENUES OVER/(UNDER) EXPENDITURES** | **$20,937** | **($241,503)** | **$22,700** | **($267,853)** |
| | | | | |
| **BEGINNING FUND BALANCE-ASSIGNED** | **$224,216** | **$245,153** | **$245,153** | **$267,853** |
| | | | | |
| **ENDING FUND BALANCE-ASSIGNED** | **$245,153** | **$3,650** | **$267,853** | **$0** |

**FUND HIGHLIGHTS**

Local Truancy and Diversion Fund (1823) – To account for a fee of $6.00 per misdemeanor conviction (90% State, 10% City) to promote the efficient operation of the court and the investigation, prosecution, and enforcement of the offenses within the court's jurisdiction.

**FY2026 BUDGET**
**SPECIAL REVENUE FUND - RECOVERY AND CAPITAL RESERVE FUND**

**LINE ITEM DETAIL**

| | FY2024 | FY2025 | FY2025 | FY2026 |
|---|---|---|---|---|
| **REVENUES** | **ACTUAL** | **BUDGET** | **ESTIMATED** | **BUDGET** |
| 363200 Other Revenues | 168,475 | 0 | 0 | 0 |
| **TOTAL REVENUES** | **$168,475** | **$0** | **$0** | **$0** |
| | | | | |
| **EXPENDITURES** | | | | |
| **Contractual Services** | | | | |
| 531006 Attorney's Fees | 12,540 | 200,000 | 133,000 | 200,000 |
| **Total Contractual Services** | **$12,540** | **$200,000** | **$133,000** | **$200,000** |
| | | | | |
| **Other Charges and Services** | | | | |
| 544027 Court Costs and Judgements | 0 | 10,000 | 0 | 10,000 |
| 544125 Capital Reserve | 0 | 377,386 | 0 | 466,937 |
| **Total Other Charges and Services** | **$0** | **$387,386** | **$0** | **$476,937** |
| | | | | |
| **Capital Outlay** | | | | |
| 564005 Capital Outlay - Improvements | (25,091) | 0 | 0 | 0 |
| **Total Capital Outlay** | **($25,091)** | **$0** | **$0** | **$0** |
| | | | | |
| **TOTAL EXPENDITURES** | **($12,552)** | **$587,386** | **$133,000** | **$676,937** |
| | | | | |
| **REVENUES OVER/(UNDER) EXPENDITURES** | **$181,027** | **($587,386)** | **($133,000)** | **($676,937)** |
| | | | | |
| **BEGINNING FUND BALANCE-COMMITTED** | **$628,911** | **$809,937** | **$809,937** | **$676,937** |
| | | | | |
| **ENDING FUND BALANCE-COMMITTED** | **$809,937** | **$222,551** | **$676,937** | **$0** |

**FUND HIGHLIGHTS**

Recovery and Capital Reserve Fund (3050) - To account for funds collected through the legal department.

Highlights - Includes funding $210,000 for attorney fees and court cost and judgements.

**FY2026 BUDGET**
**SPECIAL REVENUE FUND - TECHNOLOGY IMPROVEMENT FUND**

**SUMMARY - BY PROJECT**

| REVENUES | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Central Service Fund | $500,000 | $0 | $900,000 | $250,000 |
| General Fund - Police Department | 0 | 300,000 | 0 | 100,000 |
| Infrastructure Transfer In | 3,000,000 | 500,000 | 500,000 | 0 |
| Interest Earned | 293,282 | 250,000 | 143,800 | 100,000 |
| **TOTAL REVENUES** | **$3,793,282** | **$1,050,000** | **$1,543,800** | **$450,000** |
| | | | | |
| **EXPENDITURES** | | | | |
| **Capital Outlay** | | | | |
| Technology Projects: | | | | |
| Accela Software Upgrade | 0 | 500,000 | 215,000 | 162,530 |
| Municipal Court Software Upgrade | 0 | 0 | 0 | 400,000 |
| Security System Upgrade (Security Cameras) | 0 | 800,000 | 387,000 | 600,000 |
| Enterprise Resource Planning System | 15,075 | 0 | 0 | 0 |
| Fin.\HR System Implementation | 1,937,404 | 2,806,235 | 2,420,469 | 700,000 |
| CAD/RMS System Replacement | 0 | 900,000 | 0 | 900,000 |
| Back Up and Recovery Expansion Project | 61,014 | 0 | 0 | 0 |
| Switch Replacement Projects (10 Years) | 156,534 | 200,000 | 173,970 | 0 |
| Faster Softare Upgrade | 0 | 125,000 | 104,754 | 0 |
| Agenda Center Upgrade | 0 | 50,000 | 17,017 | 0 |
| WiFi Replacement Project | 0 | 110,000 | 65,439 | 0 |
| Telephone System Upgrade (Contract Center) | 0 | 400,000 | 164,464 | 250,000 |
| Firewall Replacement Project | 0 | 0 | 0 | 275,000 |
| Server Replacement Project | 0 | 0 | 0 | 80,000 |
| New World Data Migration | 0 | 0 | 0 | 25,000 |
| Technology Acquisition Reserve | 0 | 0 | 0 | 287,718 |
| **Total Capital Outlay** | **$2,170,027** | **$5,891,235** | **$3,548,113** | **$3,680,248** |
| | | | | |
| **TOTAL EXPENDITURES** | **$2,170,027** | **$5,891,235** | **$3,548,113** | **$3,680,248** |
| | | | | |
| **REVENUES OVER/(UNDER) EXPENDITURES** | **$1,623,255** | **($4,841,235)** | **($2,004,313)** | **($3,230,248)** |
| | | | | |
| **BEGINNING FUND BALANCE-ASSIGNED** | **$3,611,306** | **$5,234,561** | **$5,234,561** | **$3,230,248** |
| | | | | |
| **ENDING FUND BALANCE-ASSIGNED** | **$5,234,561** | **$393,326** | **$3,230,248** | **$0** |

**FUND HIGHLIGHTS**

Technology Improvement Fund (1097) - To account for projects that emphasize basic city services and improving efficiency and accountability. To include permitting and inspections, business licensing, infrastructure maintenance, drainage fee collections, document imaging, inventory and fixed asset management and control.

Highlights - Major projects planned for FY2026 include implementation of a new Financial/HR System and a CAD/RMS system replacement for public safety.

**FY2026 BUDGET**
**SPECIAL REVENUE FUND - TECHNOLOGY IMPROVEMENT FUND**

**LINE ITEM DETAIL**

| | | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|---|
| **REVENUES** | | | | | |
| 379400 | General Fund | $0 | $300,000 | $0 | $100,000 |
| 379820 | Central Services - Transfer In | 500,000 | 0 | 900,000 | 250,000 |
| 379825 | Infrastructure/Debt-Transfer In | 3,000,000 | 500,000 | 500,000 | 0 |
| 361110 | Interest Earned-Operating | 293,282 | 250,000 | 143,800 | 100,000 |
| **TOTAL REVENUES** | | **$3,793,282** | **$1,050,000** | **$1,543,800** | **$450,000** |
| **EXPENDITURES** | | | | | |
| **Personnel Services** | | | | | |
| 511650 | Salary Reimbursements | 0 | 0 | 28,241 | 149,100 |
| **Total Personnel Services** | | **$0** | **$0** | **$28,241** | **$149,100** |
| **Contractual Services** | | | | | |
| 531029 | Software Maintenance Contracts | 164,225 | 396,389 | 369,462 | 950,000 |
| 533085 | Travel/Training | 194,988 | 19,200 | 85,147 | 25,000 |
| **Total Contractual Services** | | **$359,213** | **$415,589** | **$454,608** | **$975,000** |
| **Capital Outlay** | | | | | |
| 563015 | Technology Improvements | 0 | 4,435,170 | 7,168 | 0 |
| 564008 | Data Processing Equipment | 213,759 | 381,196 | 469,890 | 670,000 |
| 564012 | Professional Services (Projects) | 1,597,055 | 641,904 | 2,420,469 | 1,522,430 |
| **Total Capital Outlay** | | **$1,810,814** | **$5,458,269** | **$2,897,527** | **$2,192,430** |
| **Special Events and Programs** | | | | | |
| 592000 | Contingency Reserve | 0 | 17,427 | 167,738 | 363,718 |
| **Total Special Events and Programs** | | **$0** | **$17,427** | **$167,738** | **$363,718** |
| **TOTAL EXPENDITURES** | | **$2,170,027** | **$5,891,285** | **$3,548,114** | **$3,680,248** |
| **REVENUES OVER/(UNDER) EXPENDITURES** | | **$1,623,255** | **($4,841,285)** | **($2,004,314)** | **($3,230,248)** |
| **BEGINNING FUND BALANCE-ASSIGNED** | | **$3,611,306** | **$5,234,561** | **$5,234,561** | **$3,230,248** |
| **ENDING FUND BALANCE-ASSIGNED** | | **$5,234,561** | **$393,276** | **$3,230,248** | **$0** |

**FUND HIGHLIGHTS**

Technology Improvement Fund (1097) - To account for projects that emphasize basic city services and improving efficiency and accountability. To include permitting and inspections, business licensing, infrastructure maintenance, drainage fee collections, document imaging, inventory and fixed asset management and control.

Highlights - Major projects planned for FY2026 include implementation of a new Financial/HR System and a CAD/RMS system replacement for public safety.

**FY2026 BUDGET**
**SPECIAL REVENUE FUND - SHORT TERM RENTAL REGULATION FUND**

**LINE ITEM DETAIL**

| | FY2024 | FY2025 | FY2025 | FY2026 |
|---|---|---|---|---|
| **REVENUES** | **ACTUAL** | **BUDGET** | **ESTIMATED** | **BUDGET** |
| 311120 Penalties & Interest | $44,518 | $60,000 | $25,000 | $25,000 |
| 322135 STR Licenses & Fees (Rec by PB) | 1,219,500 | 1,110,000 | 1,104,000 | 1,150,000 |
| 322135 STR Licenses & Fees (PB Expenses) | (408,814) | (415,000) | (415,000) | 0 |
| 361110 Interest Earned-Operating | 0 | 0 | 0 | 50,000 |
| **TOTAL REVENUES** | **$855,204** | **$755,000** | **$714,000** | **$1,225,000** |
| | | | | |
| **EXPENDITURES** | | | | |
| **Personnel Services** | | | | |
| 511001 Regular Payroll | $0 | $0 | $0 | $280,550 |
| 511005 Longevity | 0 | 0 | 0 | 240 |
| 511009 Overtime | 0 | 0 | 0 | 7,500 |
| 511021 Part-time Payroll | 0 | 0 | 0 | 31,200 |
| 511110 Incentive Pay | 0 | 0 | 0 | 1,230 |
| 511510 Group Health Insurance | 0 | 0 | 0 | 72,840 |
| 511515 Workers' Compensation | 0 | 0 | 0 | 350 |
| 511520 Group Life Insurance | 0 | 0 | 0 | 1,290 |
| 511530 Social Security - Employment | 0 | 0 | 0 | 19,880 |
| 511535 Medicare - Employer's | 0 | 0 | 0 | 4,650 |
| 511542 City Employee Retirement | 0 | 0 | 0 | 42,820 |
| 511650 Salary Reimbursements | 0 | 800,000 | 0 | 0 |
| **Total Personnel Services** | **$0** | **$800,000** | **$0** | **$462,550** |
| | | | | |
| **Materials and Supplies** | | | | |
| 521065 Office Supplies | 0 | 0 | 0 | 1,500 |
| 521067 Minor Office Equipment | 0 | 0 | 0 | 1,500 |
| 522013 Clothing | 0 | 0 | 0 | 1,000 |
| 522037 Janitorial Supplies | 0 | 0 | 0 | 3,000 |
| 522055 Minor Tools | 0 | 0 | 0 | 1,000 |
| 522056 Minor Equipment | 0 | 0 | 0 | 5,000 |
| **Total Materials and Supplies** | **$0** | **$0** | **$0** | **$13,000** |
| | | | | |
| **Contractual Services** | | | | |
| 531026 Transaction Fees | 0 | 0 | 0 | 52,875 |
| 531028 Software Licenses | 0 | 0 | 0 | 300,000 |
| 531350 Garage Charges | 0 | 0 | 0 | 15,000 |
| 531360 Computer Charges | 0 | 0 | 0 | 20,000 |
| 532084 Cellular Service | 0 | 0 | 0 | 1,620 |
| 532087 Aircard Service | 0 | 0 | 0 | 1,860 |
| 533085 Travel/Training | 0 | 0 | 0 | 2,500 |
| **Total Contractual Services** | **$0** | **$0** | **$0** | **$393,855** |
| | | | | |
| **Other Charges and Services** | | | | |
| 544087 Expense Reimbursement | 0 | 590,200 | 0 | 0 |
| 544125 Capital Reserve | 0 | 0 | 0 | 2,662,043 |
| 547040 Administrative Service Charge | 0 | 0 | 0 | 46,000 |
| **Total Other Charges and Services** | **$0** | **$590,200** | **$0** | **$2,708,043** |
| | | | | |
| **TOTAL EXPENDITURES** | **$0** | **$1,390,200** | **$0** | **$3,577,448** |
| | | | | |
| **REVENUES OVER/(UNDER) EXPENDITURES** | **$855,204** | **($635,200)** | **$714,000** | **($2,352,448)** |
| | | | | |
| **BEGINNING FUND BALANCE-ASSIGNED** | **$783,244** | **$1,638,448** | **$1,638,448** | **$2,352,448** |
| | | | | |
| **ENDING FUND BALANCE-ASSIGNED** | **$1,638,448** | **$1,003,248** | **$2,352,448** | **$0** |

**FUND HIGHLIGHTS**

Short Term Rental Regulation Fund (1088) – To account for the portion the short term registration fee allocated to the City. The registration fee was increased to $250/registration effective January 2023. The City takes over collections beginning FY 2026. Funding will be used to collect registrations, related HOT, and to provide code enforcement related to STRs.

**FY2026 BUDGET**
**SPECIAL REVENUE FUND - HURRICANE HARVEY**

**LINE ITEM DETAIL**

| | REVENUES | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|---|
| | Transfer In (Reimbursable at 90%) | | | | |
| 379400 | General Fund | $10,441 | $0 | $0 | $0 |
| 379625 | Island Transit | 0 | 0 | 0 | 0 |
| 379700 | Airport | 0 | 0 | 0 | 0 |
| 379800 | Central Garage | 0 | 0 | 0 | 0 |
| | **Reimbursable Subtotal** | **$10,441** | **$0** | **$0** | **$0** |
| | Transfer In (Local Match 10%) | | | | |
| 379700 | Airport | 0 | 0 | 0 | 0 |
| | **Local Match Subtotal** | **$0** | **$0** | **$0** | **$0** |
| | Insurance Proceeds/Donations | | | | |
| 348645 | General Fund | 0 | 0 | 0 | 0 |
| **TOTAL REVENUES** | | **$10,441** | **$0** | **$0** | **$0** |
| | | | | | |
| **EXPENDITURES** | | | | | |
| **Other Charges and Services** | | | | | |
| 564005 | General Fund | | | | |
| | Disaster Consulting | $0 | $0 | $0 | $0 |
| | Streets | 0 | 0 | 0 | 0 |
| | Traffic | 0 | 0 | 0 | 0 |
| | Parks | 0 | 0 | 0 | 0 |
| | **Subtotal - General Fund** | **$0** | **$0** | **$0** | **$0** |
| 564005 | Island Transit | 0 | 0 | 0 | 0 |
| 564005 | Central Garage | 0 | 0 | 0 | 0 |
| 564005 | Airport | 0 | 0 | 0 | 0 |
| 564005 | Facilities (City Hall) | 10,441 | 0 | 0 | 0 |
| | **Subtotal - Other Funds** | **$10,441** | **$0** | **$0** | **$0** |
| | | | | | |
| **TOTAL EXPENDITURES** | | **$10,441** | **$0** | **$0** | **$0** |
| | | | | | |
| **REVENUES OVER/(UNDER) EXPENDITURES** | | **$0** | **$0** | **$0** | **$0** |
| | | | | | |
| **BEGINNING FUND BALANCE-COMMITTED** | | **$24,194** | **$24,194** | **$24,194** | **$24,194** |
| | | | | | |
| **ENDING FUND BALANCE-COMMITTED** | | **$24,194** | **$24,194** | **$24,194** | **$24,194** |

**FUND HIGHLIGHTS**

Hurricane Harvey Fund – A Major Disaster Declaration for the State of Texas (FEMA-4332-DR) was issued August 25, 2017 for Hurricane Harvey, qualifying all Harvey eligible expenses for reimbursement with federal funds. The City worked with FEMA to identify $3,818,564 in the cost of response and repair to damages from the event. The Hurricane Harvey Fund is funded with 100% local funds in recognition of the fact that the City is required to fund each project first and then seek reimbursement. Each affected fund that contributes to repair of its own facilities or the cost of its own force account labor and equipment will receive reimbursement for whatever portion of its own costs originally expended.

**FY2026 BUDGET**
**PARKS SPECIAL FUND SUMMARY**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **Beginning Fund Balance** | **$4,323,477** | **$3,374,894** | **$3,374,894** | **$2,054,274** |
| Revenues: | | | | |
| Beach User Fees | $576,130 | $740,000 | $376,600 | $2,327,800 |
| Recreation Fees | 48,184 | 55,000 | 55,000 | 355,000 |
| Concessions | 23,501 | 113,200 | 113,200 | 215,100 |
| Fishing | 0 | 0 | 0 | 1,151,300 |
| Rentals | 10,088 | 12,450 | 12,450 | 792,700 |
| Memberships & Admissions | 104,362 | 121,000 | 121,000 | 222,000 |
| Interest | 190,847 | 110,000 | 119,098 | 129,000 |
| Other Revenue | 2,325 | 2,300 | 2,300 | 9,800 |
| IDC Transfer In | 500,000 | 500,000 | 500,000 | 500,000 |
| Other Funding Sources | 0 | 0 | 0 | 1,250,500 |
| Total Revenues | $1,455,436 | $1,653,950 | $1,299,648 | $6,953,200 |
| Expenditures: | | | | |
| Revenue Producing City/County Parks | 0 | 0 | 0 | 498,000 |
| Revenue Producing City/County Parks | 341,245 | 1,106,478 | 819,071 | 771,003 |
| Lasker Community Pool | 697,390 | 751,527 | 702,818 | 824,985 |
| Dellanera RV Park | 0 | 0 | 0 | 1,287,190 |
| Seawolf Park | 0 | 0 | 0 | 1,451,130 |
| Seawall Urban Park | 1,365,385 | 2,555,262 | 1,098,380 | 3,405,186 |
| Total Expenditures | $2,404,019 | $4,413,267 | $2,620,269 | $8,237,494 |
| **Excess (deficiency) of revenues over (under) expenditures** | **($948,583)** | **($2,759,317)** | **($1,320,620)** | **($1,284,294)** |
| **Ending Fund Balance** | **$3,374,894** | **$615,577** | **$2,054,274** | **$769,980** |

| PERSONNEL SUMMARY | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Parks Special Revenue - Full Time Positions | 5.00 | 4.70 | 4.70 | 19.70 |
| Parks Special Revenue - Personnel Costs | $626,432 | $795,160 | $831,254 | $2,584,945 |

**FY2026 BUDGET**
**PARKS SPECIAL FUND REVENUE DETAIL**

| LINE ITEM DETAIL | | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|---|
| **Restricted Park Revenue** | | | | | |
| 347150 | Beach User Fees - Pocket Parks | $169,610 | $190,000 | $190,000 | $215,000 |
| 347150 | Beach User Fees - Dellanera RV | 0 | 0 | 0 | 318,100 |
| 347150 | Beach User Fees - Seawall Urban | 393,220 | 540,000 | 176,600 | 1,775,000 |
| 347152 | Season Pass | 13,300 | 10,000 | 10,000 | 19,700 |
| | **Restricted Revenue Subtotal** | **$576,130** | **$740,000** | **$376,600** | **$2,327,800** |
| **Unrestricted Park Revenue** | | | | | |
| **City/County Parks** | | | | | |
| 347154 | Vendor/Concessions | 11,325 | 100,000 | 100,000 | 127,400 |
| 347156 | Pavilion Rental/Weddings | 0 | 0 | 0 | 20,000 |
| 347200 | Memberships/Admissions | 0 | 0 | 0 | 90,000 |
| 347300 | Rentals (Parks & Rec.) | 738 | 450 | 450 | 8,000 |
| | **City/County Parks Unrestricted Subtotal** | **$12,063** | **$100,450** | **$100,450** | **$245,400** |
| **Lasker Community Pool** | | | | | |
| 347100 | Recreation Fees | $48,184 | $55,000 | $55,000 | $55,000 |
| 347200 | Memberships/Admissions | 104,362 | 121,000 | 121,000 | 127,000 |
| 347300 | Rentals | 9,350 | 12,000 | 12,000 | 12,000 |
| 347400 | Concessions | 12,176 | 13,200 | 13,200 | 14,500 |
| 347420 | Training/Education | 2,325 | 2,300 | 2,300 | 2,300 |
| | **Lasker Pool Unrestricted Subtotal** | **$176,397** | **$203,500** | **$203,500** | **$210,800** |
| **Dellanera RV & Seawolf Park** | | | | | |
| 347100 | Recreation Fees | 0 | 0 | 0 | 300,000 |
| 347200 | Memberships/Admissions | 0 | 0 | 0 | 5,000 |
| 347XXX | Camping | 0 | 0 | 0 | 752,700 |
| 347XXX | Fishing | 0 | 0 | 0 | 1,151,300 |
| 347400 | Concessions | 0 | 0 | 0 | 73,200 |
| | **Dellanera & Seawolf Unrestricted Subtotal** | **$0** | **$0** | **$0** | **$2,282,200** |
| **Other Revenues** | | | | | |
| 361110 | Interest Earned - Operating | 190,847 | 110,000 | 119,098 | 129,000 |
| 348320 | Other Revenues | 0 | 0 | 0 | 7,500 |
| | **Other Revenues Subtotal** | **$190,847** | **$110,000** | **$119,098** | **$136,500** |
| **Other Funding Sources** | | | | | |
| 370000 | Other Funding Sources | 0 | 0 | 0 | 1,250,500 |
| 379660 | I.D.C. Transfer In (Lasker) | 500,000 | 500,000 | 500,000 | 500,000 |
| | **Other Funding Sources Subtotal** | **$500,000** | **$500,000** | **$500,000** | **$1,750,500** |
| **Total Revenue Producing Parks Revenue** | | **$1,455,436** | **$1,653,950** | **$1,299,648** | **$6,953,200** |

**FY2026 BUDGET**
**PARK SPECIAL REVENUE FUND**
**EXPENDITURE SUMMARY**

| DEPARTMENT | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Revenue Producing City-Owned Parks | $0 | $0 | $0 | $498,000 |
| Revenue Producing City/County Parks | 341,245 | 1,106,478 | 819,071 | 771,003 |
| Lasker Community Pool | 697,390 | 751,527 | 702,818 | 824,985 |
| Dellanera RV Park | 0 | 0 | 0 | 1,287,190 |
| Seawolf Park | 0 | 0 | 0 | 1,451,130 |
| Seawall Urban Park | 1,365,385 | 2,555,262 | 1,098,380 | 3,405,186 |
| **TOTAL** | **$2,404,019** | **$4,413,267** | **$2,620,269** | **$8,237,494** |

| CATEGORY | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Personnel Services | $626,432 | $795,160 | $831,254 | $2,584,945 |
| Materials and Supplies | 97,265 | 118,360 | 109,749 | 238,100 |
| Contractual Services | 194,012 | 406,985 | 414,425 | 1,482,516 |
| Other Charges and Services | 148,143 | 1,932,514 | 168,090 | 2,573,929 |
| Capital Outlay | 1,338,167 | 1,152,277 | 1,096,750 | 1,253,777 |
| Contingency Reserve | 0 | 7,971 | 0 | 104,227 |
| **TOTAL** | **$2,404,019** | **$4,413,267** | **$2,620,269** | **$8,237,494** |

**HIGHLIGHTS (FY2026 Budget Over/Under FY2025 Estimated)**

NOTE: In FY 2026 the City taking over the Operations for Seawolf Park, Dellanera, and Seawall Parking from the Park Board. All of these revenue producing parks were brought into the City's Revenue Producing Parks Special Revenue Fund. The proposed budget is based on estimates of known factors.

Personnel Services - Net increases (+$1,782,790) includes increases related to adding operational staff to the City related to Seawolf, Dellanera, and Seawall (+1,946,070) and decreases in County revenue producing parks and Lasker Pool (-162,679).

Materials and Supplies - Net increase (+$128,351) includes an increase (+$81,000) for adding the three parks into the City's operational portfolio and increases (+$49,530) related to supplies items in existing parks that have been moved into this fund as a part of the accounting organization for the expanded Parks system.

Contractual Services - Net increase (+$1,068,091) includes increases for Dellanera and Seawolf Park contracts (+423,300) and for contracting with the Park Board to perform maintanence functions related to Seawall amenities (+687,000) and decreases in the other areas netting (-25,174),

Other Charges and Services - Net increase (+2,405,839) includes an increase (+1,798,106) for adding the three parks into the City's operational portfolio, (+423,800) in City Reveneue Producing parks resulting from the consolidation of the expanded Parks system, and increase of (+152,233) for capital reserve in the County Revenue Producing parks, and an increase (+31,634) in Lasker Pool related to insurance and facilities.

Capital Outlay - Net increase (+157,027) includes an increase to improvements at Jones Park (+18,277), vehicle capital outlay for Dellanera and Seawolf Parks (+120,000), and (+18,750) increase for the Pedestrian Crossing on the Seawall at 75th to 89th.

Contingency Reserve - Net increase of (+104,227) for the Lasker Pool contingency.

**FY2026 BUDGET**
**SPECIAL REVENUE FUND - REVENUE PRODUCING CITY PARKS**

**LINE ITEM DETAIL**

| REVENUE | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| 347154 Vendor/Concessions | 0 | 0 | 0 | 15,000 |
| 347156 Pavilion Rental/Weddings | 0 | 0 | 0 | 20,000 |
| 347200 Memberships/Admissions | 0 | 0 | 0 | 90,000 |
| 347300 Rentals (Parks & Rec.) | 0 | 0 | 0 | 8,000 |
| 361110 Interest Earned - Operating | 0 | 0 | 0 | 15,000 |
| 370000 Other Funding Sources | 0 | 0 | 0 | 350,000 |
| **City/County Parks Unrestricted Subtotal** | **$0** | **$0** | **$0** | **$498,000** |
| | | | | |
| **Materials and Supplies** | | | | |
| 522003 Agriculture Supplies | 0 | 0 | 0 | 1,000 |
| 522012 Park Supplies & Equipment | 0 | 0 | 0 | 5,000 |
| 522056 Minor Equipment | 0 | 0 | 0 | 12,000 |
| 525031 Electricity | 0 | 0 | 0 | 18,000 |
| **Total Materials and Supplies** | **$0** | **$0** | **$0** | **$36,000** |
| | | | | |
| **Contractual Services** | | | | |
| 531014 Building Security | 0 | 0 | 0 | 2,000 |
| 531130 Improvement Expenditure | 0 | 0 | 0 | 20,000 |
| 531220 Building Repairs | 0 | 0 | 0 | 5,000 |
| 531230 Equipment Repairs | 0 | 0 | 0 | 10,000 |
| 532086 Other Communications | 0 | 0 | 0 | 1,200 |
| **Total Contractual Services** | **$0** | **$0** | **$0** | **$38,200** |
| | | | | |
| **Other Charges and Services** | | | | |
| 544125 Capital Reserve | 0 | 0 | 0 | 102,490 |
| 547075 Facilities Maintenance | 0 | 0 | 0 | 321,310 |
| **Total Other Charges and Services** | **$0** | **$0** | **$0** | **$423,800** |
| | | | | |
| **TOTAL EXPENDITURES** | **$0** | **$0** | **$0** | **$498,000** |
| | | | | |
| **REVENUES OVER/(UNDER) EXPENDITURES** | **$0** | **$0** | **$0** | **$0** |
| | | | | |
| **BEGINNING FUND BALANCE-ASSIGNED** | **$0** | **$0** | **$0** | **$0** |
| | | | | |
| **ENDING FUND BALANCE-ASSIGNED** | **$0** | **$0** | **$0** | **$0** |

**FUND HIGHLIGHTS**

Highlights – This group of City-owned parks generate revenues, but producing revenue has not been the primary function of these parks. Additionally, some are going through major infrastructure improvements and City staff expect them to produce more revenue in the coming years. These include Garten Verein, McGuire Dent, Wright Cuney, Sandhill Crane, and 30th Street Historical Water and Electric.

Note - Other Funding Source is an estimate based on consolidating related Fund Balances.

Materials and Supplies - Net increase (+$36,000) for minor equipment and supplies needed in FY2026.

Contractual Services - Net increases (+$38,200) for funding improvements and repairs to be completed in FY26.

Other Charges and Services - Net increase (+$423,800) in Facilities costs (+$321,310) transferred from the General Fund and a Capital Reserve (+$102,490).

**FY2026 BUDGET**
**SPECIAL REVENUE FUND - REVENUE PRODUCING PARKS (CITY/COUNTY PARKS)**

**LINE ITEM DETAIL**

| | | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|---|
| **REVENUE** | | | | | |
| 347150 | Beach User Fees | $169,610 | $190,000 | $190,000 | $215,000 |
| 347152 | Season Pass | 13,300 | 10,000 | 10,000 | 13,000 |
| 347154 | Vendor/Concessions | 11,325 | 100,000 | 100,000 | 112,400 |
| 347300 | Rentals (Parks & Rec.) | 738 | 450 | 450 | 0 |
| 361110 | Interest Earned - Operating | 47,904 | 40,000 | 28,098 | 30,000 |
| **TOTAL REVENUES** | | **$242,876** | **$340,450** | **$328,548** | **$370,400** |
| | | | | | |
| **EXPENDITURES** | | | | | |
| **Personnel Services** | | | | | |
| 511001 | Regular Payroll | 107,266 | 126,680 | 178,436 | 103,890 |
| 511002 | Civilian COLA | 0 | 6,330 | 0 | 0 |
| 511005 | Longevity | 127 | 230 | 286 | 370 |
| 511006 | Differential Pay | 632 | 630 | 634 | 630 |
| 511009 | Overtime | 4,576 | 500 | 500 | 1,000 |
| 511021 | Part-time Payroll | 27,203 | 100,000 | 100,000 | 50,000 |
| 511410 | Separation Vacation | 1,963 | 0 | 0 | 0 |
| 511420 | Separation Sick Pay | 1,663 | 0 | 0 | 0 |
| 511430 | Separation Compensatory Time | 239 | 0 | 0 | 0 |
| 511510 | Group Health Insurance | 23,628 | 22,490 | 35,289 | 26,450 |
| 511515 | Workers' Compensation | 126 | 250 | 250 | 250 |
| 511520 | Group Life Insurance | 542 | 620 | 960 | 690 |
| 511530 | Social Security - Employment | 8,859 | 11,430 | 17,230 | 9,670 |
| 511535 | Medicare - Employer's | 2,072 | 2,670 | 4,029 | 2,263 |
| 511542 | City Employee Retirement | 15,522 | 24,610 | 30,187 | 14,140 |
| **Total Personnel Services** | | **$194,418** | **$296,440** | **$367,803** | **$209,353** |
| | | | | | |
| **Materials and Supplies** | | | | | |
| 521065 | Office Supplies | 243 | 4,000 | 3,890 | 4,000 |
| 521067 | Minor Office Equipment | 0 | 2,500 | 2,290 | 0 |
| 521073 | Printed Materials | 0 | 2,000 | 1,075 | 2,000 |
| 522012 | Park Supplies and Equipment | 691 | 7,000 | 4,714 | 7,000 |
| 522013 | Clothing | 0 | 1,700 | 1,881 | 2,000 |
| 522017 | Sign Materials | 187 | 1,800 | 1,800 | 1,500 |
| 522056 | Minor Equipment | 446 | 1,500 | 1,500 | 1,500 |
| 522065 | Paint and Lumber | 1,612 | 500 | 507 | 350 |
| 525031 | Electricity | 1,326 | 1,760 | 1,262 | 1,850 |
| **Total Materials and Supplies** | | **$4,505** | **$22,760** | **$18,920** | **$20,200** |
| | | | | | |
| **Contractual Services** | | | | | |
| 531014 | Building Security | 916 | 0 | 0 | 0 |
| 531016 | Professional Services | 3,000 | 50,000 | 50,000 | 0 |
| 531028 | Software Licenses | 0 | 1,575 | 1,575 | 1,580 |
| 531130 | Improvement Expenditure | 31,276 | 48,110 | 62,733 | 76,710 |
| 531220 | Building Repairs | 42,316 | 131,000 | 131,000 | 56,000 |
| 531230 | Equipment Repairs | 584 | 0 | 0 | 500 |
| 531320 | Equipment Rental | 24,853 | 53,000 | 47,600 | 65,000 |
| 531360 | Computer Charges | 0 | 0 | 0 | 32,960 |
| 532084 | Cellular Service | 1,117 | 2,260 | 2,054 | 1,500 |
| 532087 | Aircard Services | 608 | 1,680 | 737 | 240 |
| 533083 | Travel Expenses | 0 | 200 | 200 | 0 |
| **Total Contractual Services** | | **$104,669** | **$287,825** | **$295,898** | **$234,490** |

**FY2026 BUDGET**
**SPECIAL REVENUE FUND - REVENUE PRODUCING PARKS (CITY/COUNTY PARKS)**

**LINE ITEM DETAIL**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **Other Charges and Services** | | | | |
| 543099 Project Management Cost | 0 | 60,000 | 60,000 | 0 |
| 544125 Capital Reserve | 0 | 281,226 | 0 | 208,363 |
| 547040 Administrative Service Charge | 14,113 | 10,950 | 10,950 | 14,820 |
| **Total Other Charges and Services** | **$14,113** | **$352,176** | **$70,950** | **$223,183** |
| | | | | |
| **Capital Outlay** | | | | |
| 564003 Vehicle Capital Outlay | 13,078 | 0 | 0 | 0 |
| 564005 Capital Outlay - Improvements | 10,461 | 147,277 | 65,500 | 83,777 |
| **Total Capital Outlay** | **$23,539** | **$147,277** | **$65,500** | **$83,777** |
| | | | | |
| **TOTAL EXPENDITURES** | **$341,245** | **$1,106,478** | **$819,071** | **$771,003** |
| | | | | |
| **REVENUES OVER/(UNDER) EXPENDITURES** | **($98,368)** | **($766,028)** | **($490,522)** | **($400,603)** |
| | | | | |
| **BEGINNING FUND BALANCE-RESTRICTED** | **$989,493** | **$891,125** | **$891,125** | **$400,603** |
| | | | | |
| **ENDING FUND BALANCE-RESTRICTED** | **$891,125** | **$125,097** | **$400,602** | **$0** |

**FUND HIGHLIGHTS**

Revenue Producing Parks (1031) – To account for the collections of fees at Beach Pocket Parks, Seawall/Fort Crockett Park, McAllis Point and Ostermayer Bayou.

Highlights - Beginning January 1, 2018 and ending ten (10) years after commencement date the County shall charge no rent to the City for operations of the above named Parks. Public recreational uses include but are not limited to recreation, special events, an RV Park, overnight camping and specialty parks such as dog parks.

Personnel Services - Net decreases (-$158,450) includes decreases (-$108,450) in annualized personnel costs inclusive of adjustment to personnel allocations, and decrease (-$50,000) in part-time payroll.

Materials and Supplies - Net increase (+$3,460) for minor equipment needed in FY2026.

Contractual Services - Net decreases (-$44,373) includes decreases (-$75,000) for funding improvements completed in FY25 to the Pocket Parks and various line item increases (+$30,627).

Other Charges and Services - Net increase (+$152,233) resulting in a reduction (-$60,000) in project management costs and an increase (+208,363) in set aside as needed for capital reserve and (+$3,870) in administrative charge.

Capital Outlay - Net increase (+$18,277) includes funding carried over from District 5 Council Projects funds for improvements to Jones Park.

**PERSONNEL**

| POSITION | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Special Project Manager | 0.00 | 0.70 | 0.70 | 0.70 |
| Aquatics Manager | 0.50 | 0.00 | 0.00 | 0.00 |
| Assistant Aquatics Manager | 0.20 | 0.00 | 0.00 | 0.00 |
| Recreation Coordinator | 1.40 | 1.00 | 1.00 | 0.70 |
| **TOTAL** | **2.10** | **1.70** | **1.70** | **1.40** |

# COMMUNITY POOL

## MISSION STATEMENT

The mission of the Parks and Recreation Department is to create, promote, administer, and maintain exceptional recreational programs, facilities, and parks to the best of our ability. The Parks and Recreation Department strives to enhance the quality of life by continuing improvements in each of these areas, accomplishing our objectives by seeking community input and available resources, while also maintaining fiscal responsibility, often searching for additional funding through grants and donations.

## ACCOMPLISHMENTS

- Hired twenty-five (23) Lifeguards for summer season.
- Trained additional employees to be Water Safety Instructors, Lifeguard Instructors, and CPR Instructors.
- Increased swimming lessons by 10% compared to 2024.
- Lasker Pool Memberships include over 180 Youth, 499 Adults, and 334 Senior Annual Memberships.
- Introduced the Summer Pass in 2025 and have sold at least 171 Youth, 182 Adult and 44 Senior Passes.
- Offered Approximately 60 water fitness classes each month from April – October.
- Staff participated in recruitment at eight (8) community events.
- Worked with multiple local agencies such as Galveston Police, Galveston Fire, Port of Galveston Police, Rosenberg Library, and National Oceanic and Atmospheric Association.
- Offered junior lifeguard class from July to August for 11–14-year old's
- Offered three special events for the community: Pumpkin Plunge, Polar Plunge and Easter Splash.
- Party Deck was rented out forty-one (41) times for pool parties.
- Party Deck was rented out to six (6) area schools for the end of year events.
- The Summer Recreation League Swim Team grew from 76 to 87 participants.
- Offered City Departments and Members of the Community an opportunity for CPR and First Aid Certification.
- Offered fall and spring swim clinics for Swim Team participants.
- Offered Private and Semi-Private Lessons.
- Partnered with American Red Cross to become a Centennial Program to offer swim lesson scholarships to the community.
- The Leisure Pool Play Structure had a complete overhaul with new netting and paint.
- A lifeguard team participated in the 2025 Regional Lifeguard Competition.

## GOALS

- Offer off-season lifeguard courses for staff.
- Provide a safe place for police, fire, and lifeguards to train and develop.
- Create an outreach program to teach children and adults about water safety.
- Offer additional classes to the public on basic first aid, CPR, and babysitting.
- Overhaul and update the acid room.
- Partner with schools and local colleges to provide the American Red Cross Lifeguarding course as part of their curriculum to help with acquiring future staff.

**FY2026 BUDGET**
**PARKS SPECIAL REVENUE FUND - LASKER PARK POOL**

**LINE ITEM DETAIL**

| | | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|---|
| **REVENUE** | | | | | |
| 347100 | Recreation Fees | $48,184 | $55,000 | $55,000 | $55,000 |
| 347200 | Memberships/Admissions | 104,362 | 121,000 | 121,000 | 127,000 |
| 347300 | Rentals | 9,350 | 12,000 | 12,000 | 12,000 |
| 347400 | Concessions | 12,176 | 13,200 | 13,200 | 14,500 |
| 347420 | Training/Education | 2,325 | 1,200 | 2,300 | 2,300 |
| 361110 | Interest Earned - Operating | 14,168 | 10,000 | 12,000 | 14,000 |
| 379660 | I.D.C. Transfer In (Lasker) | 500,000 | 500,000 | 500,000 | 500,000 |
| | **Lasker Pool Unrestricted Subtotal** | **$690,565** | **$712,400** | **$715,500** | **$724,800** |
| **Personnel Services** | | | | | |
| 511001 | Regular Payroll | 134,412 | 168,870 | 141,073 | 141,182 |
| 511002 | Civilian COLA | 0 | 0 | 0 | 0 |
| 511005 | Longevity | 139 | 410 | 148 | 260 |
| 511006 | Differential Pay | 272 | 370 | 272 | 290 |
| 511009 | Overtime | 3,776 | 2,500 | 1,400 | 2,500 |
| 511021 | Part-time Payroll | 206,451 | 232,000 | 232,000 | 235,000 |
| 511410 | Separation Vacation | 1,963 | 0 | 0 | 0 |
| 511420 | Separation Sick Pay | 1,663 | 0 | 0 | 0 |
| 511430 | Separation Compensatory Time | 239 | 0 | 0 | 0 |
| 511510 | Group Health Insurance | 38,350 | 39,670 | 39,670 | 33,510 |
| 511515 | Workers' Compensation | 81 | 160 | 160 | 200 |
| 511520 | Group Life Insurance | 649 | 830 | 727 | 690 |
| 511530 | Social Security - Employment | 21,275 | 25,060 | 23,232 | 21,340 |
| 511535 | Medicare - Employer's | 4,975 | 5,860 | 5,433 | 4,990 |
| 511542 | City Employee Retirement | 18,392 | 22,990 | 19,236 | 19,260 |
| 511650 | Salary Reimbursements | (624) | 0 | 0 | (600) |
| **Total Personnel Services** | | **$432,014** | **$498,720** | **$463,452** | **$458,622** |
| **Materials and Supplies** | | | | | |
| 521065 | Office Supplies | 4,429 | 5,000 | 5,000 | 7,000 |
| 522033 | Agriculture Supplies | 48 | 0 | 0 | 0 |
| 522011 | Chemicals | 29,208 | 34,000 | 32,000 | 37,000 |
| 522013 | Clothing | 2,693 | 5,000 | 5,000 | 6,000 |
| 522037 | Janitorial Supplies | 5,036 | 4,000 | 4,000 | 5,000 |
| 522038 | Safety Supplies | 1,696 | 3,000 | 2,691 | 3,000 |
| 522040 | Recreation Supplies | 777 | 4,200 | 3,000 | 4,000 |
| 522055 | Minor Tools | 0 | 2,500 | 2,500 | 2,000 |
| 522056 | Minor Equipment | 6,082 | 3,000 | 3,000 | 3,000 |
| 522065 | Paint and Lumber | 423 | 0 | 0 | 0 |
| 525031 | Electricity | 21,382 | 22,900 | 21,300 | 21,600 |
| 525032 | Natural Gas | 12,363 | 12,000 | 12,338 | 12,300 |
| **Total Materials and Supplies** | | **$84,137** | **$95,600** | **$90,829** | **$100,900** |

**FY2026 BUDGET**
**SPECIAL REVENUE FUND - LASKER PARK POOL FUND**

| LINE ITEM DETAIL | | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|---|
| **Contractual Services** | | | | | |
| 531012 | Records Management | 1,876 | 1,500 | 2,000 | 2,200 |
| 531014 | Building Security | 114 | 1,500 | 1,342 | 2,500 |
| 531025 | Memberships | 1,675 | 1,500 | 1,500 | 1,700 |
| 531028 | Software Licenses | 0 | 2,900 | 1,575 | 1,575 |
| 531119 | Landscaping Services | 26,393 | 28,530 | 28,523 | 20,000 |
| 531220 | Building Repairs | 11,573 | 7,000 | 9,500 | 3,000 |
| 531240 | Maintenance Contracts | 515 | 1,500 | 4,000 | 20,000 |
| 531360 | Computer Charges | 23,580 | 23,580 | 23,580 | 0 |
| 532065 | Printing, Duplication | 200 | 200 | 318 | 500 |
| 532083 | Telephone Service | 206 | 250 | 207 | 207 |
| 532084 | Cellular Service | 1,354 | 1,300 | 1,354 | 1,354 |
| 532086 | Other Communications | 8,244 | 9,000 | 8,000 | 5,760 |
| 532087 | Aircard Service | 190 | 300 | 228 | 230 |
| 533085 | Travel/Training | 5,478 | 4,900 | 3,500 | 5,000 |
| 533100 | Advertising | 1,422 | 1,700 | 1,400 | 2,000 |
| 533200 | Food Services | 6,524 | 8,500 | 6,500 | 8,500 |
| **Total Contractual Services** | | **$89,343** | **$94,160** | **$93,527** | **$74,526** |
| **Other Charges and Services** | | | | | |
| 544087 | Expense Reimbursement | (88) | 0 | (66) | 0 |
| 544105 | Bank Service Fees | 211 | 200 | 200 | 200 |
| 547070 | Insurance Expenses | 49,480 | 54,876 | 54,876 | 59,510 |
| 547075 | Facilities Maintenance | 42,293 | 0 | 0 | 27,000 |
| **Total Other Charges and Services** | | **$91,896** | **$55,076** | **$55,010** | **$86,710** |
| **Special Events and Programs** | | | | | |
| 592002 | Contingency Reserve | 0 | 7,971 | 0 | 104,227 |
| **Total Special Events and Programs** | | **$0** | **$7,971** | **$0** | **$104,227** |
| **TOTAL EXPENDITURES** | | **$697,390** | **$751,527** | **$702,818** | **$824,985** |
| **REVENUES OVER/(UNDER) EXPENDITURES** | | **($6,825)** | **($39,127)** | **$12,682** | **($100,185)** |
| **BEGINNING FUND BALANCE-RESTRICTED** | | **$94,328** | **$87,503** | **$87,503** | **$100,185** |
| **ENDING FUND BALANCE-RESTRICTED** | | **$87,503** | **$48,376** | **$100,185** | **$0** |

**FY2026 BUDGET**
**SPECIAL REVENUE FUND - LASKER PARK POOL FUND**

## FUND HIGHLIGHTS

Lasker Pool Fund (1094) – To account for funds received through donations, grants and IDC funding to be used for the first community pool in the City of Galveston.

Highlights - Completed construction of the first community pool which opened in August 2017. Plans to maintain and promote a safe and healthy environment for families visiting the pool facility. Also to offer swimming lessons, host swimming competitions, and water aerobics classes.

Personnel Services - Net decreases (-$4,230) includes full cost of staffing for Pool operations.

Materials and Supplies - Net increases (+$10,071) includes safety supplies, recreation supplies and maintain funding for electricity and natural gas.

Contractual Services - Net decrease (-$19,001) include decreases in various other contractual accounts.

Other Charges and Services - Net increases (+$31,634) for insurance liability for community pool and facilities maintenance costs.

Special Events and Programs - Set aside (+$104,227) of Capital Reserve for contingency.

## PERSONNEL

| POSITION | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Aquatics Manager | 0.50 | 1.00 | 1.00 | 1.00 |
| Assistant Aquatics Manager | 0.80 | 1.00 | 1.00 | 1.00 |
| Pool Maintenance Technician | 1.00 | 0.00 | 0.00 | 0.00 |
| Recreation Coordinator | 0.60 | 1.00 | 1.00 | 0.30 |
| **TOTAL** | **2.90** | **3.00** | **3.00** | **2.30** |

**FY2026 BUDGET**
**PARKS SPECIAL REVENUE FUND - DELLANERA RV PARK**

**LINE ITEM DETAIL**

| | | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|---|
| **REVENUES** | | | | | |
| 347100 | Recreation Fees | $0 | $0 | $0 | $20,000 |
| 347200 | Memberships/Admissions | 0 | 0 | 0 | $2,500 |
| 347XXX | Camping - Non-Beach User Fee | 0 | 0 | 0 | $752,700 |
| 347XXX | Camping - Beach User Fee (29.71%) | 0 | 0 | 0 | $318,100 |
| 347400 | Concessions | 0 | 0 | 0 | $64,100 |
| 348320 | Other Revenues | 0 | 0 | 0 | $7,500 |
| 370000 | Other Funding Sources | 0 | 0 | 0 | 496,600 |
| | **Dellanera RV Revenue Subtotal** | **$0** | **$0** | **$0** | **$1,661,500** |
| | | | | | |
| **Personnel Services** | | | | | |
| 511001 | Regular Payroll | 0 | 0 | 0 | 293,000 |
| 511021 | Part-time Payroll | 0 | 0 | 0 | 15,000 |
| 511510 | Group Health Insurance | 0 | 0 | 0 | 58,300 |
| 511515 | Workers' Compensation | 0 | 0 | 0 | 4,780 |
| 511520 | Group Life Insurance | 0 | 0 | 0 | 1,600 |
| 511530 | Social Security - Employment | 0 | 0 | 0 | 19,700 |
| 511535 | Medicare - Employer's | 0 | 0 | 0 | 4,610 |
| 511542 | City Employee Retirement | 0 | 0 | 0 | 40,500 |
| 511650 | Salary Reimbursements | 0 | 0 | 0 | 0 |
| **Total Personnel Services** | | **$0** | **$0** | **$0** | **$447,490** |
| | | | | | |
| **Materials and Supplies** | | | | | |
| 521065 | Office Supplies | 0 | 0 | 0 | 5,000 |
| 522013 | Clothing | 0 | 0 | 0 | 1,000 |
| 522056 | Minor Equipment | 0 | 0 | 0 | 10,000 |
| **Total Materials and Supplies** | | **$0** | **$0** | **$0** | **$16,000** |
| | | | | | |
| **Contractual Services** | | | | | |
| 531028 | Software Licenses | 0 | 0 | 0 | 15,000 |
| 531125 | Other Contracts | 0 | 0 | 0 | 330,000 |
| 531350 | Garage Charges | 0 | 0 | 0 | 5,000 |
| 531360 | Computer Charges | 0 | 0 | 0 | 1,000 |
| 532084 | Cellular Service | 0 | 0 | 0 | 500 |
| 533085 | Travel/Training | 0 | 0 | 0 | 2,500 |
| **Total Contractual Services** | | **$0** | **$0** | **$0** | **$354,000** |

**FY2026 BUDGET**
**PARKS SPECIAL REVENUE FUND - DELLANERA RV PARK**

**LINE ITEM DETAIL**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **Other Charges and Services** | | | | |
| 544105 Bank Service Fees | 0 | 0 | 0 | 45,000 |
| 544125 Capital Reserve | 0 | 0 | 0 | 318,100 |
| 547040 Administrative Service Charge | 0 | 0 | 0 | 46,600 |
| **Total Other Charges and Services** | **$0** | **$0** | **$0** | **$409,700** |
| | | | | |
| **Capital Outlay** | | | | |
| 564003 Vehicle Capital Outlay | 0 | 0 | 0 | 60,000 |
| **Total Capital Outlay** | **$0** | **$0** | **$0** | **$60,000** |
| | | | | |
| **TOTAL EXPENDITURES** | **$0** | **$0** | **$0** | **$1,287,190** |
| | | | | |
| **REVENUES OVER/(UNDER) EXPENDITURES** | **$0** | **$0** | **$0** | **$374,310** |
| | | | | |
| **BEGINNING FUND BALANCE-UNRESTRICTED** | **$0** | **$0** | **$0** | **$0** |
| | | | | |
| **ENDING FUND BALANCE-UNRESTRICTED** | **$0** | **$0** | **$0** | **$374,310** |

**FUND HIGHLIGHTS**

Dellanera RV Park – Operations will move from the Galveston Park Board to the City of Galveston October 1, 2025.
Note - Other Funding Source is an Estimate based related Fund Balance and Fund Balance Transfer from the Parks Board.

Personnel Services - Calculated based on actual estimated salaries for Galveston Park Board employees transferring to the City of Galveston.

Materials and Supplies - Based on Prior Galveston Park Board budgets and expectations based on other City of Galveston Parks.
Contractual Services - Based on Prior Galveston Park Board budgets and expectations based on other City of Galveston Parks.
Other Charges and Services - Includes expected Merchant Fees and the 4% Administrative Charge for Administrative Overhead.
Capital Outlay - Includes funds available if a replacement truck is needed in FY26 before the park gets on the Garage replacement schedule.

**PERSONNEL**

| POSITION | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Recreation Manager | 0.00 | 0.00 | 0.00 | 1.00 |
| Parks Crew Leader | 0.00 | 0.00 | 0.00 | 1.00 |
| Recreation Coordinator | 0.00 | 0.00 | 0.00 | 1.00 |
| Sr. Parks Maintenance Worker | 0.00 | 0.00 | 0.00 | 1.00 |
| **TOTAL** | **0.00** | **0.00** | **0.00** | **4.00** |

**FY2026 BUDGET**
**PARKS SPECIAL REVENUE FUND - SEAWOLF PARK**

**LINE ITEM DETAIL**

| REVENUES | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| 347100 Recreation Fees | $0 | $0 | $0 | $280,000 |
| 347200 Memberships/Admissions | 0 | 0 | 0 | 2,500 |
| 347XXX Fishing | 0 | 0 | 0 | 1,151,300 |
| 347400 Concessions | 0 | 0 | 0 | 9,100 |
| 370000 Other Funding Sources | 0 | 0 | 0 | 403,900 |
| **Seawolf Unrestricted Subtotal** | **$0** | **$0** | **$0** | **$1,846,800** |
| | | | | |
| **Personnel Services** | | | | |
| 511001 Regular Payroll | 0 | 0 | 0 | 787,900 |
| 511009 Overtime | 0 | 0 | 0 | 10,000 |
| 511021 Part-time Payroll | 0 | 0 | 0 | 55,000 |
| 511510 Group Health Insurance | 0 | 0 | 0 | 145,700 |
| 511515 Workers' Compensation | 0 | 0 | 0 | 24,900 |
| 511520 Group Life Insurance | 0 | 0 | 0 | 1,500 |
| 511530 Social Security - Employment | 0 | 0 | 0 | 52,880 |
| 511535 Medicare - Employer's | 0 | 0 | 0 | 12,370 |
| 511542 City Employee Retirement | 0 | 0 | 0 | 113,860 |
| **Total Personnel Services** | **$0** | **$0** | **$0** | **$1,204,110** |
| | | | | |
| **Materials and Supplies** | | | | |
| 521065 Office Supplies | 0 | 0 | 0 | 2,500 |
| 522033 Agriculture Supplies | 0 | 0 | 0 | 5,000 |
| 522013 Clothing | 0 | 0 | 0 | 5,000 |
| 522037 Janitorial Supplies | 0 | 0 | 0 | 2,500 |
| 522056 Minor Equipment | 0 | 0 | 0 | 10,000 |
| 525031 Electricity | 0 | 0 | 0 | 15,000 |
| **Total Materials and Supplies** | **$0** | **$0** | **$0** | **$40,000** |
| | | | | |
| **Contractual Services** | | | | |
| 531028 Software Licenses | 0 | 0 | 0 | 20,000 |
| 531125 Other Contracts | 0 | 0 | 0 | 40,000 |
| 531350 Garage Charges | 0 | 0 | 0 | 5,000 |
| 531360 Computer Charges | 0 | 0 | 0 | 1,000 |
| 532084 Cellular Service | 0 | 0 | 0 | 800 |
| 533085 Travel/Training | 0 | 0 | 0 | 2,500 |
| **Total Contractual Services** | **$0** | **$0** | **$0** | **$69,300** |
| **Other Charges and Services** | | | | |
| 544105 Bank Service Fees | 0 | 0 | 0 | 20,000 |
| 544125 Capital Reserve | 0 | 0 | 0 | 0 |
| 547040 Administrative Service Charge | 0 | 0 | 0 | 57,720 |
| **Total Other Charges and Services** | **$0** | **$0** | **$0** | **$77,720** |

**FY2026 BUDGET**
**PARKS SPECIAL REVENUE FUND - SEAWOLF PARK**

**LINE ITEM DETAIL**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **Capital Outlay** | | | | |
| 564003 Vehicle Capital Outlay | 0 | 0 | 0 | 60,000 |
| **Total Capital Outlay** | **$0** | **$0** | **$0** | **$60,000** |
| **TOTAL EXPENDITURES** | **$0** | **$0** | **$0** | **$1,451,130** |
| **REVENUES OVER/(UNDER) EXPENDITURES** | **$0** | **$0** | **$0** | **$395,670** |
| **BEGINNING FUND BALANCE-UNRESTRICTED** | **$0** | **$0** | **$0** | **$0** |
| **ENDING FUND BALANCE-UNRESTRICTED** | **$0** | **$0** | **$0** | **$395,670** |

**FUND HIGHLIGHTS**

Seawolf Park – Operations will move from the Galveston Park Board to the City of Galveston October 1, 2025.
Note - Other Funding Source is an Estimate based related Fund Balance and Fund Balance Transfer from the Parks Board.

Personnel Services - Calculated based on actual estimated salaries for Galveston Park Board employees transferring to the City of Galveston.
Materials and Supplies - Based on Prior Galveston Park Board budgets and expectations based on other City of Galveston Parks.
Contractual Services - Based on Prior Galveston Park Board budgets and expectations based on other City of Galveston Parks.
Other Charges and Services - Includes expected Merchant Fees and the 4% Administrative Charge for Administrative Overhead.
Capital Outlay - Includes funds available if a replacement truck is needed in FY26 before the park gets on the Garage replacement schedule.

**PERSONNEL**

| POSITION | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Multi-Park Manager | 0.00 | 0.00 | 0.00 | 1.00 |
| Recreation Manager | 0.00 | 0.00 | 0.00 | 1.00 |
| Parks Crew Leader | 0.00 | 0.00 | 0.00 | 1.00 |
| Sr. Parks Maintenance Worker | 0.00 | 0.00 | 0.00 | 1.00 |
| Lead Gate Attendant | 0.00 | 0.00 | 0.00 | 2.00 |
| Gate Attendant/Cashier | 0.00 | 0.00 | 0.00 | 3.00 |
| **TOTAL** | **0.00** | **0.00** | **0.00** | **9.00** |

**FY2026 BUDGET**
**SPECIAL REVENUE FUND - SEAWALL PARKING FUND**

**LINE ITEM DETAIL**

| | | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|---|
| **REVENUES** | | | | | |
| 347152 | Season Pass | $0 | $0 | $0 | $6,700 |
| 348230 | Seawall Parking-Transient Fees | $393,220 | $540,000 | $176,600 | $1,775,000 |
| 361110 | Interest Earned-Operating | 128,775 | 60,000 | 79,000 | 70,000 |
| **TOTAL REVENUES** | | **$521,995** | **$600,000** | **$255,600** | **$1,851,700** |
| **Personnel Services** | | | | | |
| 511001 | Regular Payroll | $0 | $0 | $0 | $126,700 |
| 511021 | Part-time Payroll | 0 | 0 | 0 | 62,700 |
| 511510 | Group Health Insurance | 0 | 0 | 0 | 43,700 |
| 511515 | Workers' Compensation | 0 | 0 | 0 | 250 |
| 511520 | Group Life Insurance | 0 | 0 | 0 | 620 |
| 511530 | Social Security - Employment | 0 | 0 | 0 | 11,740 |
| 511535 | Medicare - Employer's | 0 | 0 | 0 | 2,750 |
| 511542 | City Employee Retirement | 0 | 0 | 0 | 16,910 |
| 511650 | Salary Reimbursements | 0 | 0 | 0 | 0 |
| **Total Personnel Services** | | **$0** | **$0** | **$0** | **$265,370** |
| **Materials and Supplies** | | | | | |
| 522017 | Sign Materials | 8,623 | 0 | 0 | 25,000 |
| **Total Materials and Supplies** | | **$8,623** | **$0** | **$0** | **$25,000** |
| **Contractual Services** | | | | | |
| 531028 | Software Licenses | 0 | 0 | 0 | 12,000 |
| 531125 | Other Contracts | 0 | 0 | 0 | 700,000 |
| 531130 | Improvement Expenditure | 0 | 25,000 | 25,000 | 0 |
| **Total Contractual Services** | | **$0** | **$25,000** | **$25,000** | **$712,000** |
| **Other Charges and Services** | | | | | |
| 543095 | Materials Testing | 0 | 35,000 | 0 | 20,000 |
| 543099 | Project Management Cost | 0 | 60,000 | 0 | 30,000 |
| 544105 | Bank Service Charges | 0 | 0 | 0 | 130,000 |
| 544125 | Capital Reserve | 0 | 1,388,132 | 0 | 1,101,816 |
| 547040 | Administrative Service Charge | 42,134 | 42,130 | 42,130 | 71,000 |
| **Total Other Charges and Services** | | **$42,134** | **$1,525,262** | **$42,130** | **$1,352,816** |
| **Capital Outlay** | | | | | |
| 564005 | Capital Outlay-Improvements | 1,252,378 | 770,000 | 855,000 | 900,000 |
| 565506 | Engineering Services | 62,250 | 235,000 | 176,250 | 150,000 |
| **Total Capital Outlay** | | **$1,314,628** | **$1,005,000** | **$1,031,250** | **$1,050,000** |
| **TOTAL EXPENDITURES** | | **$1,365,385** | **$2,555,262** | **$1,098,380** | **$3,405,186** |
| **REVENUES OVER/(UNDER) EXPENDITURES** | | **($843,390)** | **($1,955,262)** | **($842,780)** | **($1,553,486)** |
| **BEGINNING FUND BALANCE-RESTRICTED** | | **$3,239,656** | **$2,396,266** | **$2,396,266** | **$1,553,486** |
| **ENDING FUND BALANCE-RESTRICTED** | | **$2,396,266** | **$441,004** | **$1,553,486** | **$0** |

## FUND HIGHLIGHTS

Seawall Parking Fund (1095) - To account for receipts of Seawall Parking revenue and expenditures related to the operation and capital improvement of the Seawall.

Highlights - From 2016 through 2025, The Park Board has remited on a quarterly basis to the City 15% of gross revenue to be held in reserves for the replacement of capital improvements. Beginning October 1, 2025, the City will begin collecting all fees, managing the Call Center, and contracting with the Galveston Park Board to maintain the Seawall Urban Park.

Personnel Services - A net increase (+$265,370) for call center employees supporting the Seawall parking operation.

Materials and Supplies - A net increase (+$25,000) for maintenance of signage on the Seawall.

Contractual Services - A net increase (+$687,000) including (+$700,000) subject to the interlocal agreement with the Park Board for Seawall amenity maintenance, (+$12,000) for software contracts, and a decrease (-$25,000) from FY 2025.

Other Charges and Services - A net increase (+$1,310,686) including (+$50,000) in Pedestrian Crossing project costs, (+$130,000) in bank service charges, (+$1,101,816) capital reserve, and an administrative service charge of (+$71,000).

Capital Outlay - A net increase (+$18,750) for only capital improvements at pedestrian crossing and associated engineering.

## PERSONNEL

| POSITION | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Call Center Supervisor | 0.00 | 0.00 | 0.00 | 1.00 |
| Customer Service Agent | 0.00 | 0.00 | 0.00 | 2.00 |
| **TOTAL** | **0.00** | **0.00** | **0.00** | **3.00** |

# ISLAND TRANSIT

## MISSION STATEMENT

The mission of Island Transit is to build, establish and operate a safe, efficient and effective transportation system that provides mobility for residents and visitors and improving the quality of life in Galveston.

## ACCOMPLISHMENTS

- Reduction of Preventable Accidents through additional training opportunities.
- Successfully negotiated "split-letter" with TxDOT, securing federal formula funding for the next 10-years.
- Increased overall ridership by 9%.
- Implemented Mobility Coordination/Management into ADA and Fixed Route operations.
- Developed and implemented Maintenance Procedure Manual as part of overall cost reduction program for Maintenance Department

## GOALS

- Secure funding and implement scheduling software to include AVL/APC.
- Begin LCI Project by partnering with HGAC to open the UTMB line for the rail trolleys.
- Secure funding for capital improvements to the Trolley Barn, Maintenance Facility and Administrative Building.
- Installation of Security Camera's at the Transit Terminal.
- Conduct Route Study of current fixed route system.

**FY2026 BUDGET**
**ISLAND TRANSIT SPECIAL FUND SUMMARY**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **Beginning Fund Balance** | $12,410 | $932,526 | $932,526 | $410,418 |
| Revenues: | | | | |
| FTA-Operating Grant | $1,163,858 | $1,791,800 | $1,291,800 | $1,900,000 |
| FTA-ARP Act Funding | 375,122 | 0 | 0 | 0 |
| FTA E & D Grant | 200,747 | 165,000 | 165,000 | 165,000 |
| State DOT Grants | 650,222 | 459,000 | 459,000 | 450,000 |
| Fare Box Revenues | 149,071 | 120,000 | 146,000 | 150,000 |
| UTMB Shuttles | 20,063 | 10,000 | 20,416 | 17,000 |
| Charter Revenue | 34,050 | 30,000 | 35,000 | 30,000 |
| Other Revenue | 152,958 | 111,000 | 147,174 | 151,000 |
| HOT Transfer In | 1,292,418 | 1,277,180 | 1,395,793 | 1,478,720 |
| General Fund | 975,000 | 825,000 | 500,000 | 800,000 |
| Total Revenues | $5,013,508 | $4,788,980 | $4,160,183 | $5,141,720 |
| Expenditures: | | | | |
| Administration | $221,296 | $222,900 | $217,120 | $284,700 |
| Transit System | 1,869,059 | 2,226,210 | 2,142,656 | 2,369,080 |
| FTA Maintenance | 689,754 | 1,261,070 | 913,453 | 1,111,220 |
| Bus Trolley System | 629,200 | 613,570 | 718,435 | 793,140 |
| Rail Trolley System | 696,456 | 720,398 | 690,627 | 721,580 |
| Total Expenditures | $4,105,765 | $5,044,148 | $4,682,291 | $5,279,720 |
| Excess (deficiency) of revenues over (under) expenditures | $907,743 | ($255,168) | ($522,108) | ($138,000) |
| Prior Year Adjustment | $12,374 | $0 | $0 | $0 |
| Ending Fund Balance - Committed | $932,526 | $677,358 | $410,418 | $272,418 |

| PERSONNEL SUMMARY | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Island Transit - Full Time Positions | 38.00 | 44.00 | 36.00 | 46.00 |
| Island Transit - Personnel Costs | $2,993,186 | $3,674,870 | $3,385,243 | $3,806,150 |

**FY2026 BUDGET**
**ISLAND TRANSIT SPECIAL FUND REVENUE DETAIL**

| LINE ITEM DETAIL | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **Intergovernmental Revenue** | | | | |
| 331300 FTA-Operating Grants | $1,163,858 | $1,791,800 | $1,291,800 | $1,900,000 |
| 331313 FTA-ARP Act Funding | 375,122 | 0 | 0 | 0 |
| 331315 FTA E & D Grant | 200,747 | 165,000 | 165,000 | 165,000 |
| 334300 TXDOT Revenue (State) | 650,222 | 459,000 | 459,000 | 450,000 |
| 331180 Farebox Revenues | 149,071 | 120,000 | 146,000 | 150,000 |
| **Intergovernmental Revenue Subtotal** | **$2,539,020** | **$2,535,800** | **$2,061,800** | **$2,665,000** |
| **Charges for Services** | | | | |
| 341590 General Fund | 975,000 | 825,000 | 500,000 | 800,000 |
| 347510 UTMB Shuttles | 20,063 | 10,000 | 20,416 | 17,000 |
| 347530 Charter Revenue | 34,050 | 30,000 | 35,000 | 30,000 |
| **Charges for Services Subtotal** | **$1,029,113** | **$865,000** | **$555,416** | **$847,000** |
| **Other Revenues** | | | | |
| 363150 Parking Garage Revenues | 31,783 | 31,000 | 44,000 | 30,000 |
| 348320 Other Revenues | 121,174 | 75,000 | 103,174 | 116,000 |
| **Other Revenues Subtotal** | **$152,958** | **$106,000** | **$147,174** | **$146,000** |
| **Other Funding Sources** | | | | |
| 378000 Sale Of Gen.Fixed Assets | 0 | 5,000 | 0 | 5,000 |
| 379000 Operating Transfers - In | 1,292,418 | 1,277,180 | 1,395,793 | 1,478,720 |
| **Other Funding Sources Subtotal** | **$1,292,418** | **$1,282,180** | **$1,395,793** | **$1,483,720** |
| **Total Island Transit Special Fund Revenue** | **$5,013,508** | **$4,788,980** | **$4,160,183** | **$5,141,720** |

**FY2026 BUDGET**
**ISLAND TRANSIT FUND**
**EXPENDITURE SUMMARY**

| DEPARTMENT | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Administration | 221,296 | 222,900 | 217,120 | 284,700 |
| Transit System | 1,869,059 | 2,226,210 | 2,142,656 | 2,369,080 |
| FTA Maintenance | 689,754 | 1,261,070 | 913,453 | 1,111,220 |
| Bus Trolley System | 629,200 | 613,570 | 718,435 | 793,140 |
| Rail Trolley System | 696,456 | 720,398 | 690,627 | 721,580 |
| **TOTAL** | **$4,105,765** | **$5,044,148** | **$4,682,291** | **$5,279,720** |

| CATEGORY | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Personnel Services | $2,993,186 | $3,674,870 | $3,385,243 | $3,806,150 |
| Materials and Supplies | 223,750 | 321,690 | 337,166 | 344,360 |
| Contractual Services | 769,036 | 921,778 | 853,050 | 984,750 |
| Other Charges and Services | 119,793 | 125,810 | 106,832 | 144,460 |
| **TOTAL** | **$4,105,765** | **$5,044,148** | **$4,682,291** | **$5,279,720** |

**HIGHLIGHTS (FY2026 Budget Over/Under FY2025 Estimated)**

Personnel Services - Net increases (+$420,907) includes an increase (+$58,300) in Group Health Insurance, and other annualized personnel costs (+$362,607)including unfilled vacant positions in FY25.

Materials and Supplies - Net increase (+$7,194) includes an increases miscellaneous materials and supplies accounts.

Contractual Services - Net increase (+$3,642) in various contractual accounts.

Other Charges and Services - Net decrease (-$37,628) includes a decreases in Island Transit's portion of Casualty and Liability and reduction in reimbursements from insurance.

**FY2026 BUDGET**
**ADMINISTRATION**

**EXPENDITURE SUMMARY**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Personnel Services | $137,235 | $149,710 | $140,140 | $153,690 |
| Materials and Supplies | 5,158 | 5,800 | 5,544 | 6,800 |
| Contractual Services | 77,523 | 66,190 | 69,677 | 122,410 |
| Other Charges and Services | 1,380 | 1,200 | 1,759 | 1,800 |
| **TOTAL** | **$221,296** | **$222,900** | **$217,120** | **$284,700** |

**BUDGET HIGHLIGHTS (FY2026 BUDGET OVER/UNDER FY2025 ESTIMATED)**

Personnel Services - Net increases (-$13,550) includes an adjustment to how Island Transit's labor is allocated as well as annualized personnel costs.

Materials and Supplies - Net increase (+$1,256) in miscellaneous material and supply line items.

Contractual Services - Net increase of (+$52,733) includes an increase (+$69,450) in in Software to manage routes and various reductions to other contractual line items (-$16,717).

Other Charges and Services - Increase in bank service fees (+$41).

**PERSONNEL**

| POSITION | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Public Transportation General Manager | 0.25 | 0.25 | 0.25 | 0.25 |
| ADA Coordinator | 0.40 | 0.40 | 0.40 | 0.40 |
| Training Coordinator | 0.20 | 0.20 | 0.20 | 0.20 |
| Senior Administrative Assistant | 0.75 | 0.75 | 0.75 | 0.75 |
| **TOTAL** | **1.60** | **1.60** | **1.60** | **1.60** |

**FY2026 BUDGET**
**ADMINISTRATION**

**LINE ITEM DETAIL**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **Personnel Services** | | | | |
| 511001 Regular Payroll | $95,261 | $98,640 | $94,945 | $103,830 |
| 511002 Civilian Pension/Comp Adjust. | 0 | 4,900 | 0 | 0 |
| 511005 Longevity | 836 | 920 | 711 | 790 |
| 511006 Differential Pay | 361 | 0 | 168 | 130 |
| 511009 Overtime | 1,548 | 1,600 | 1,600 | 1,600 |
| 511125 Residency Pay | 0 | 0 | 147 | 520 |
| 511510 Group Health Insurance | 18,708 | 21,200 | 21,200 | 23,310 |
| 511515 Worker's Compensation | 272 | 550 | 550 | 550 |
| 511520 Group Life Insurance | 476 | 650 | 468 | 510 |
| 511530 Social Security - Employment | 5,752 | 6,270 | 5,937 | 6,630 |
| 511535 Medicare - Employer's | 1,345 | 1,470 | 1,388 | 1,550 |
| 511542 City Employee Retirement | 12,676 | 13,510 | 13,026 | 14,270 |
| **Total Personnel Services** | **$137,235** | **$149,710** | **$140,140** | **$153,690** |
| | | | | |
| **Materials and Supplies** | | | | |
| 521065 Office Supplies | 791 | 1,000 | 1,154 | 2,100 |
| 522037 Janitorial Supplies | 3,277 | 3,000 | 2,946 | 3,200 |
| 522099 Other Supplies | 489 | 1,000 | 919 | 800 |
| 525031 Electricity | 601 | 800 | 526 | 700 |
| **Total Materials and Supplies** | **$5,158** | **$5,800** | **$5,544** | **$6,800** |
| | | | | |
| **Contractual Services** | | | | |
| 531007 Security Service | 14,823 | 13,000 | 16,526 | 17,500 |
| 531025 Memberships | 879 | 650 | 900 | 900 |
| 531029 Software Maintenance Contracts | 0 | 0 | 0 | 69,450 |
| 531125 Other Contracts | 27,932 | 30,000 | 26,612 | 6,200 |
| 531220 Building Repairs | 279 | 1,000 | 1,000 | 1,000 |
| 531360 Computer Charges | 17,520 | 10,840 | 10,840 | 10,500 |
| 532062 Postage | 300 | 600 | 514 | 500 |
| 532065 Printing, Duplication | 6,302 | 4,700 | 4,558 | 5,400 |
| 532083 Telephone Service | 1,170 | 1,200 | 1,173 | 1,200 |
| 532084 Cellular Service | 3,699 | 3,000 | 5,379 | 4,000 |
| 532086 Other Communications | 1,190 | 1,200 | 1,189 | 4,760 |
| 533085 Travel/Training | 3,428 | 0 | 987 | 1,000 |
| **Total Contractual Services** | **$77,523** | **$66,190** | **$69,677** | **$122,410** |
| | | | | |
| **Other Charges and Services** | | | | |
| 544105 Bank Service Charges | 1,380 | 1,200 | 1,759 | 1,800 |
| **Total Other Charges and Services** | **$1,380** | **$1,200** | **$1,759** | **$1,800** |
| | | | | |
| **Total Expenses** | **$221,296** | **$222,900** | **$217,120** | **$284,700** |

**FY2026 BUDGET**
**TRANSIT SYSTEM**

## EXPENDITURE SUMMARY

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Personnel Services | $1,286,870 | $1,531,560 | $1,521,310 | $1,660,700 |
| Materials and Supplies | 21,740 | 87,560 | 86,107 | 87,260 |
| Contractual Services | 490,269 | 536,220 | 464,369 | 537,970 |
| Other Charges and Services | 70,180 | 70,870 | 70,870 | 83,150 |
| **TOTAL** | **$1,869,059** | **$2,226,210** | **$2,142,656** | **$2,369,080** |

## BUDGET HIGHLIGHTS (FY2026 BUDGET OVER/UNDER FY2025 ESTIMATED)

Personnel Services - Net increases (+$139,390) includes an adjustment to how Island Transit's labor is allocated as well as annualized personnel costs.

Materials and Supplies - Net increase (+$1,153) includes increases for office supplies and minor equipment.

Contractual Services - Net increase (+$73,601) includes increases to various contractual accounts.

Other Charges and Services - Includes a increase (+$12,280) in Island Transit's portion of Casualty and Liability.

## PERFORMANCE INDICATORS

| INDICATORS | FY2023 ACTUAL | FY2024 ACTUAL | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Ridership | 220,784 | 245,212 | 277,200 | 325,000 |

## PERSONNEL

| POSITION | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Public Transportation Operations Manager | 0.25 | 0.25 | 0.25 | 0.25 |
| Assistant General Manager | 0.50 | 0.50 | 0.50 | 0.50 |
| Public Transportation Supervisors | 3.00 | 3.00 | 3.00 | 3.00 |
| Public Transportation Dispatcher | 1.00 | 2.00 | 1.00 | 2.00 |
| Bus & Rail Safety Officer | 0.50 | 0.50 | 0.50 | 0.50 |
| ADA Coordinator | 0.60 | 0.60 | 0.60 | 0.60 |
| Training Coordinator | 0.80 | 0.80 | 0.80 | 0.80 |
| Transit Operators | 12.00 | 16.00 | 11.00 | 16.00 |
| Parts Coordinator | 0.50 | 0.50 | 0.50 | 0.50 |
| **TOTAL** | **19.15** | **24.15** | **18.15** | **24.15** |

**FY2026 BUDGET**
**TRANSIT SYSTEM**

**LINE ITEM DETAIL**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **Personnel Services** | | | | |
| 511001 Regular Payroll | $810,823 | $844,050 | $901,133 | $942,750 |
| 511002 Civilian Pension/Comp Adjust. | 0 | 49,700 | 0 | 0 |
| 511005 Longevity | 5,312 | 6,510 | 4,534 | 5,690 |
| 511006 Differential Pay | 532 | 0 | 760 | 840 |
| 511009 Overtime | 34,307 | 70,000 | 47,049 | 60,000 |
| 511125 Residency Pay | 10,341 | 12,000 | 9,775 | 10,440 |
| 511410 Separation Vacation | 282 | 0 | 3,224 | 0 |
| 511420 Separation Sick Pay | 203 | 0 | 768 | 0 |
| 511510 Group Health Insurance | 217,790 | 293,000 | 293,000 | 351,820 |
| 511515 Workers' Compensation | 27,792 | 55,590 | 55,590 | 69,490 |
| 511520 Group Life Insurance | 3,828 | 4,870 | 3,951 | 5,530 |
| 511530 Social Security - Employment | 51,409 | 57,820 | 59,102 | 63,220 |
| 511535 Medicare - Employer's | 12,023 | 13,520 | 13,822 | 14,790 |
| 511542 City Employee Retirement | 112,229 | 124,500 | 128,602 | 136,130 |
| 511545 Pension and Benefits Adjustment | 0 | 0 | 0 | 0 |
| **Total Personnel Services** | **$1,286,870** | **$1,531,560** | **$1,521,310** | **$1,660,700** |
| **Materials and Supplies** | | | | |
| 521065 Office Supplies | 1,339 | 3,500 | 4,761 | 3,500 |
| 521067 Minor Office Equipment | 0 | 1,000 | 1,000 | 700 |
| 522025 Fuel And Lubricants | 0 | 60,000 | 58,000 | 60,000 |
| 525031 Electricity | 17,992 | 18,560 | 18,516 | 18,560 |
| 525032 Natural Gas | 2,408 | 4,500 | 3,830 | 4,500 |
| **Total Materials and Supplies** | **$21,740** | **$87,560** | **$86,107** | **$87,260** |
| **Contractual Services** | | | | |
| 530025 Harris County Rides Program | 275,851 | 279,600 | 241,692 | 275,900 |
| 531025 Memberships | 0 | 500 | 250 | 250 |
| 531220 Building Repairs | 49 | 3,000 | 1,000 | 3,000 |
| 531350 Garage Charges | 140,742 | 180,640 | 144,122 | 170,830 |
| 531360 Computer Charges | 58,730 | 58,730 | 58,730 | 68,490 |
| 532065 Printing, Duplication | 211 | 750 | 465 | 500 |
| 533085 Travel/Training | 3,016 | 3,000 | 3,548 | 4,000 |
| 533301 Cleaning Service | 11,670 | 10,000 | 14,563 | 15,000 |
| **Total Contractual Services** | **$490,269** | **$536,220** | **$464,369** | **$537,970** |
| **Other Charges and Services** | | | | |
| 547070 Insurance Expense | 70,180 | 70,870 | 70,870 | 83,150 |
| **Total Other Charges and Services** | **$70,180** | **$70,870** | **$70,870** | **$83,150** |
| **Total Expenses** | **$1,869,059** | **$2,226,210** | **$2,142,656** | **$2,369,080** |

**FY2026 BUDGET**
**FTA MAINTENANCE**

**EXPENDITURE SUMMARY**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Personnel Services | $469,323 | $938,830 | $613,868 | $790,250 |
| Materials and Supplies | 131,424 | 150,500 | 144,336 | 157,800 |
| Contractual Services | 95,164 | 171,740 | 174,786 | 163,170 |
| Other Charges and Services | (6,157) | 0 | (19,537) | 0 |
| **TOTAL** | **$689,754** | **$1,261,070** | **$913,453** | **$1,111,220** |

**BUDGET HIGHLIGHTS (FY2026 BUDGET OVER/UNDER FY2025 ESTIMATED)**

Personnel Services - Net increases (+$176,382) includes an adjustment to how Island Transit's labor is allocated as well as annualized personnel costs.

Materials and Supplies - Net increase (+$13,464) for motor vehicle parts and miscellaneous supplies items.

Contractual Services - Net decrease (-$11,616) includes increases in various contractual line items.

Other Charges and Services - Net decrease of (+$19,537) for insurance reimbursements.

**PERSONNEL**

| POSITION | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Automotive Mechanic | 6.00 | 6.00 | 6.00 | 7.00 |
| Apprentice Mechanic | 1.00 | 1.00 | 0.00 | 1.00 |
| Automotive Parts Technician | 0.00 | 1.00 | 0.00 | 0.00 |
| Bus Service Attendant | 3.00 | 4.00 | 4.00 | 4.00 |
| **TOTAL** | **10.00** | **12.00** | **10.00** | **12.00** |

**FY2026 BUDGET**
**FTA MAINTENANCE**

**LINE ITEM DETAIL**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **Personnel Services** | | | | |
| 511001 Regular Payroll | $282,941 | $561,750 | $318,314 | $452,220 |
| 511002 Civilian Pension/Comp Adjust. | 0 | 28,000 | 0 | 0 |
| 511005 Longevity | 3,338 | 4,490 | 2,784 | 3,360 |
| 511009 Overtime | 21,376 | 25,000 | 25,000 | 25,000 |
| 511125 Residency Pay | 2,670 | 3,260 | 1,089 | 780 |
| 511410 Separation Vacation | 0 | 0 | 2,135 | 0 |
| 511420 Separation Sick Pay | 0 | 0 | 1,120 | 0 |
| 511430 Separation Compensatory Pay | 0 | 0 | 0 | 0 |
| 511510 Group Health Insurance | 79,599 | 158,700 | 158,700 | 174,820 |
| 511515 Worker's Compensation | 15,018 | 30,040 | 30,040 | 30,040 |
| 511520 Group Life Insurance | 1,471 | 2,740 | 1,719 | 2,940 |
| 511530 Social Security - Employment | 18,337 | 36,860 | 21,225 | 29,840 |
| 511535 Medicare - Employer's | 4,288 | 8,620 | 4,964 | 6,980 |
| 511542 City Employee Retirement | 40,284 | 79,370 | 46,778 | 64,270 |
| 511545 Pension and Benefits Adjustment | 0 | 0 | 0 | 0 |
| **Total Personnel Services** | **$469,323** | **$938,830** | **$613,868** | **$790,250** |
| | | | | |
| **Materials and Supplies** | | | | |
| 521065 Office Supplies | 747 | 1,000 | 750 | 1,100 |
| 522025 Fuel And Lubricants | 10,840 | 10,000 | 8,444 | 15,000 |
| 522037 Janitorial Supplies | 3,363 | 3,000 | 3,349 | 3,700 |
| 522055 Minor Tools | 923 | 3,000 | 2,250 | 2,000 |
| 522059 Motor Vehicle Parts | 94,113 | 108,500 | 111,110 | 110,000 |
| 522065 Paint and Lumber | 2,198 | 0 | 0 | 1,000 |
| 522099 Other Supplies | 19,240 | 25,000 | 18,432 | 25,000 |
| **Total Materials and Supplies** | **$131,424** | **$150,500** | **$144,336** | **$157,800** |
| | | | | |
| **Contractual Services** | | | | |
| 531125 Other Contracts | 23,579 | 30,000 | 26,511 | 30,000 |
| 531220 Building Repairs | 7,129 | 15,000 | 16,637 | 15,000 |
| 531224 General Repairs | 0 | 1,500 | 1,960 | 0 |
| 531250 Vehicle Repairs | 13,003 | 75,000 | 74,373 | 65,000 |
| 531360 Computer Charges | 40,240 | 40,240 | 40,240 | 38,170 |
| 533301 Cleaning Service | 11,212 | 10,000 | 15,064 | 15,000 |
| **Total Contractual Services** | **$95,164** | **$171,740** | **$174,786** | **$163,170** |
| | | | | |
| **Other Charges and Services** | | | | |
| 544098 Reimbursable From Insurance Claims | (6,157) | 0 | (19,537) | 0 |
| **Total Other Charges and Services** | **($6,157)** | **$0** | **($19,537)** | **$0** |
| | | | | |
| **Total Expenses** | **$689,754** | **$1,261,070** | **$913,453** | **$1,111,220** |

**FY2026 BUDGET**
**BUS TROLLEY SYSTEM**

**EXPENDITURE SUMMARY**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Personnel Services | $534,869 | $510,730 | $613,502 | $670,280 |
| Materials and Supplies | 26,481 | 26,000 | 31,000 | 35,000 |
| Contractual Services | 67,850 | 76,840 | 73,933 | 87,860 |
| **TOTAL** | **$629,200** | **$613,570** | **$718,435** | **$793,140** |

**BUDGET HIGHLIGHTS (FY2026 BUDGET OVER/UNDER FY2025 ESTIMATED)**

Personnel Services - Net increases (+$56,778) includes an adjustment to how Island Transit's labor is allocated as well as annualized personnel costs.

Materials and Supplies - Net increase (+$4,000) for motor vehicle parts.

Contractual Services - Net increase (+$13,927) includes increases in vehicle repairs, garage charges, and computer charges.

**PERSONNEL**

| POSITION | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Public Transportation General Manager | 0.25 | 0.25 | 0.25 | 0.25 |
| Public Transportation Supervisors | 1.00 | 1.00 | 1.00 | 1.00 |
| Senior Administrative Assistant | 0.25 | 0.25 | 0.25 | 0.25 |
| Transit Operators | 4.00 | 4.00 | 3.00 | 4.00 |
| Parts Coordinator | 0.50 | 0.50 | 0.50 | 0.50 |
| **TOTAL** | **6.00** | **6.00** | **5.00** | **6.00** |

**FY2026 BUDGET**
**BUS TROLLEY SYSTEM**

**LINE ITEM DETAIL**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **Personnel Services** | | | | |
| 511001 Regular Payroll | $341,762 | $316,020 | $412,513 | $459,610 |
| 511002 Civilian Pension/Comp Adjust. | 0 | 14,900 | 0 | 0 |
| 511005 Longevity | 1,270 | 1,300 | 1,910 | 2,200 |
| 511006 Differential Pay | 10 | 0 | 0 | 0 |
| 511009 Overtime | 21,012 | 22,000 | 22,000 | 15,000 |
| 511125 Residency Pay | 2,033 | 1,960 | 2,227 | 1,960 |
| 511510 Group Health Insurance | 91,141 | 79,340 | 79,340 | 87,410 |
| 511515 Workers' Compensation | 1,260 | 2,520 | 2,520 | 2,520 |
| 511520 Group Life Insurance | 1,727 | 1,010 | 1,878 | 1,040 |
| 511530 Social Security - Employment | 21,622 | 21,160 | 26,674 | 29,680 |
| 511535 Medicare - Employer's | 5,057 | 4,950 | 6,238 | 6,940 |
| 511542 City Employee Retirement | 47,977 | 45,570 | 58,164 | 63,920 |
| **Total Personnel Services** | **$534,869** | **$510,730** | **$613,502** | **$670,280** |
| | | | | |
| **Materials and Supplies** | | | | |
| 522059 Motor Vehicle Parts | 26,481 | 26,000 | 31,000 | 35,000 |
| **Total Materials and Supplies** | **$26,481** | **$26,000** | **$31,000** | **$35,000** |
| | | | | |
| **Contractual Services** | | | | |
| 531250 Vehicle Repairs | 4,430 | 14,000 | 14,000 | 22,500 |
| 531350 Garage Charges | 53,681 | 49,100 | 46,193 | 48,180 |
| 531360 Computer Charges | 9,740 | 13,740 | 13,740 | 17,180 |
| **Total Contractual Services** | **$67,850** | **$76,840** | **$73,933** | **$87,860** |
| | | | | |
| **Total Expenses** | **$629,200** | **$613,570** | **$718,435** | **$793,140** |

**FY2026 BUDGET**
**RAIL TROLLEY SYSTEM**

## EXPENDITURE SUMMARY

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Personnel Services | $564,890 | $544,040 | $496,424 | $531,230 |
| Materials and Supplies | 38,947 | 51,830 | 70,180 | 57,500 |
| Contractual Services | 38,229 | 70,788 | 70,284 | 73,340 |
| Other Charges and Services | 54,390 | 53,740 | 53,740 | 59,510 |
| **TOTAL** | **$696,456** | **$720,398** | **$690,627** | **$721,580** |

## BUDGET HIGHLIGHTS (FY2026 BUDGET OVER/UNDER FY2025 ESTIMATED)

Personnel Services - Net increase (+$34,806) for annualized cost of personnel attributed to a full year operation for rail trolley system.

Materials and Supplies - Net decrease (-$12,680) for cost of fuel and lubricants and vehicle parts and supplies.

Contractual Services - Net increase (+$3,056) for a miscellaneous contractual accounts.

Other Charges and Services - Net increase (+$5,770) for Casualty and Liability Insurance

## PERSONNEL

| POSITION | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Public Transportation Manager | 0.25 | 0.25 | 0.25 | 0.25 |
| Assistant General Manager | 0.50 | 0.50 | 0.50 | 0.50 |
| Transit Operators | 0.00 | 1.00 | 0.00 | 1.00 |
| Bus & Rail Safety Officer | 0.50 | 0.50 | 0.50 | 0.50 |
| **TOTAL** | **1.25** | **2.25** | **1.25** | **2.25** |

**FY2026 BUDGET**
**RAIL TROLLEY SYSTEM**

**LINE ITEM DETAIL**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **Personnel Services** | | | | |
| 511001 Regular Payroll | $363,014 | $359,630 | $326,015 | $377,260 |
| 511002 Civilian Pension/Comp Adjust. | 0 | 7,200 | 0 | 0 |
| 511005 Longevity | 3,115 | 2,830 | 3,262 | 3,370 |
| 511006 Differential Pay | 0 | 0 | 0 | 0 |
| 511009 Overtime | 22,306 | 20,000 | 20,000 | 20,000 |
| 511125 Residency Pay | 7,312 | 6,530 | 6,727 | 6,530 |
| 511510 Group Health Insurance | 85,090 | 59,600 | 59,600 | 32,780 |
| 511515 Workers' Compensation | 1,260 | 5,040 | 5,040 | 5,040 |
| 511520 Group Life Insurance | 1,655 | 1,480 | 1,476 | 750 |
| 511530 Social Security - Employment | 23,542 | 24,130 | 21,699 | 25,240 |
| 511535 Medicare - Employer's | 5,506 | 5,640 | 5,075 | 5,900 |
| 511542 City Employee Retirement | 52,091 | 51,960 | 47,530 | 54,360 |
| 511545 Pension and Benefits Adjustment | 0 | 0 | 0 | 0 |
| **Total Personnel Services** | **$564,890** | **$544,040** | **$496,424** | **$531,230** |
| | | | | |
| **Materials and Supplies** | | | | |
| 522025 Fuel And Lubricants | 20,408 | 25,000 | 25,000 | 25,000 |
| 522059 Motor Vehicle Parts | 10,319 | 15,000 | 33,000 | 20,000 |
| 522099 Other Supplies | 8,221 | 11,830 | 12,180 | 12,500 |
| **Total Materials and Supplies** | **$38,947** | **$51,830** | **$70,180** | **$57,500** |
| | | | | |
| **Contractual Services** | | | | |
| 531120 Lot Maintenance | 1,418 | 3,000 | 1,500 | 3,000 |
| 531125 Other Contracts | 14,637 | 48,788 | 48,816 | 50,000 |
| 531220 Building Repairs | 545 | (330) | 638 | 2,500 |
| 531250 Vehicle Repairs | 0 | 4,000 | 4,000 | 3,000 |
| 531350 Garage Charges | 0 | 0 | 0 | 0 |
| 531360 Computer Charges | 21,630 | 15,330 | 15,330 | 14,840 |
| **Total Contractual Services** | **$38,229** | **$70,788** | **$70,284** | **$73,340** |
| | | | | |
| **Other Charges and Services** | | | | |
| 544070 Insurance Expense | 54,390 | 53,740 | 53,740 | 59,510 |
| **Total Other Charges and Services** | **$54,390** | **$53,740** | **$53,740** | **$59,510** |
| | | | | |
| **Total Expenses** | **$696,456** | **$720,398** | **$690,627** | **$721,580** |

**FY2026 BUDGET**
**SPECIAL REVENUE FUND - HOTEL OCCUPANCY TAX FUNDS SUMMARY**

| SUMMARY | | | | |
|---|---|---|---|---|
| | FY2024 | FY2025 | FY2025 | FY2026 |
| **REVENUES** | **ACTUAL** | **BUDGET** | **ESTIMATED** | **BUDGET** |
| Local Hotel Occupancy Tax | $29,316,293 | $29,700,000 | $28,567,000 | $28,813,000 |
| Transfer In - State HOT | 5,888,446 | 6,600,000 | 6,268,000 | 6,414,000 |
| Interest Earned-Operating | 1,324,812 | 847,700 | 1,021,700 | 817,500 |
| **Subtotal** | **$36,529,551** | **$37,147,700** | **$35,856,700** | **$36,044,500** |
| **TOTAL REVENUES** | **$36,529,551** | **$37,147,700** | **$35,856,700** | **$36,044,500** |
| | | | | |
| **EXPENDITURES** | | | | |
| Reimburse Park Board Operating Budget | $18,233,294 | $19,800,000 | $19,001,000 | $18,729,840 |
| Administrative Service Fees | $0 | $0 | $0 | $625,400 |
| City of Galveston HOT Expenditures (Beach | 400,783 | 0 | 444,190 | 0 |
| City of Galveston HOT Expenditures | 24,236 | 3,739,239 | 365,094 | 3,864,807 |
| Cultural Arts Payments | 2,003,505 | 2,169,700 | 2,019,700 | 2,169,700 |
| City of Galveston HOT Expenditures (Cultural | 107,541 | 104,340 | 107,257 | 110,000 |
| Convention Center Operations | 2,547,933 | 1,550,000 | 1,705,000 | 1,900,000 |
| HOT Bonds Debt Service | 1,942,588 | 1,963,590 | 1,963,188 | 1,994,600 |
| **Subtotal** | **$25,259,880** | **$29,326,869** | **$25,605,429** | **$29,394,347** |
| Surplus Payments to Convention Center Operator | $5,292,370 | $5,148,706 | $5,148,706 | $4,885,250 |
| Surplus Payments to the City | $5,092,370 | $5,048,706 | $5,048,706 | $4,985,250 |
| **Subtotal** | **$10,384,740** | **$10,197,412** | **$10,197,412** | **$9,870,500** |
| **TOTAL EXPENDITURES** | **$35,644,620** | **$39,524,281** | **$35,802,841** | **$39,264,847** |
| | | | | |
| **REVENUES OVER/(UNDER) EXPENDITURES** | **$884,931** | **($2,376,581)** | **$53,859** | **($3,220,347)** |
| | | | | |
| **BEGINNING FUND BALANCE-ASSIGNED** | **$26,875,365** | **$27,760,296** | **$27,760,296** | **$27,814,155** |
| | | | | |
| **PRIOR YEAR ADJUSTMENT** | **$0** | **$0** | **$0** | **$0** |
| | | | | |
| **ENDING FUND BALANCE-ASSIGNED** | **$27,760,296** | **$25,383,715** | **$27,814,155** | **$24,593,808** |

**FY2026 BUDGET**
**SPECIAL REVENUE FUND - HOTEL OCCUPANCY TAX FUNDS SUMMARY**

## FUND HIGHLIGHTS

Included in the totals are separate special funds for Beach Maintenance, Beach Patrol, Beach Renourishment, Advertising/Tourism (CVB), HOT Debt Service, Convention Center Operations, Arts (Cultural Events) and Arts (Historic Preservation, held previously by the City). Convention Center Surplus Fund is not included

Amounts shown in the FY 2025 Estimate are based on an estimate of $3.3 million per penny of tax collected over twelve months time, including proportional amounts for each of the purposes and categories shown in the table below and presented in the separate special funds listed above. FY 2025 Budget columns are based on an estimate of $3.21 million per penny of tax collected over twelve months time.

The FY 2026 budget for Reimbursement for Park Board is equal to the Budget amounts expected to be submitted to City Council for operations only. Special projects and Contingencies will be considered separately by City Council and the Park Board.

**ALLOCATION OF HOTEL OCCUPANCY TAX REVENUE**
**ACCORDING TO STATE LAW, CITY CHARTER AND BOND COVENANTS**

| City Fund Number | Purpose/City Fund Name | HOT Local Allocation (Nine Pennies) | State HOT Allocation (Two Pennies) | Totals |
|---|---|---|---|---|
| | | | | |
| **1082** | **Beach Cleaning/Maintenance** | **0.500** | | **0.500** |
| 1085 | State HOT Beach Cleaning/Maint | | 0.760 | 0.760 |
| | Subtotal Beach Cleaning/Maint | 0.500 | 0.760 | 1.260 |
| | | | | |
| **1083** | **Beach Patrol** | **0.500** | | **0.500** |
| 1086 | State HOT - Beach Patrol | | 0.670 | 0.670 |
| | Subtotal Beach Patrol | 0.500 | 0.670 | 1.170 |
| | | | | |
| 1087 | State HOT - Beach Renourishment | | 0.570 | 0.570 |
| **1081** | **Advertising/Tourism (CVB)** | **3.000** | | **3.000** |
| **1084** | **Arts (Cultural Events)** | **0.750** | | **0.750** |
| **1080** | **Convention Center Operations** | **0.125** | | **0.125** |
| **2015** | **Debt Service (Local HOT)** | **2.000** | | **2.000** |
| **2015** | **Venue HOT (Brimer Bill) - Debt Service** | **2.000** | | **2.000** |
| | | | | |
| | | 8.875 | 2.000 | 10.875 |
| **1093** | **Arts (Historical Preservation)** | **0.125** | | **0.125** |
| ALL | Local Tax | 9.000 | | 9.000 |
| | State Tax | | 2.000 | 2.000 |
| | Total Tax | 9.000 | 2.000 | 11.000 |

**FY2026 BUDGET**
**SPECIAL REVENUE FUND - HOT BEACH CLEANING MAINTENANCE**

**SUMMARY**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **REVENUES** | | | | |
| 314060 Hotel Occupancy Tax | $1,504,257 | $1,650,000 | $1,567,000 | $1,604,000 |
| 379551 Transfer In - State HOT | 2,237,610 | 2,508,000 | 2,382,000 | 2,438,000 |
| 361110 Interest Earned-Operating | 119,875 | 80,430 | 97,700 | 78,160 |
| **Subtotal** | **$3,861,742** | **$4,238,430** | **$4,046,700** | **$4,120,160** |
| **TOTAL REVENUES** | **$3,861,742** | **$4,238,430** | **$4,046,700** | **$4,120,160** |
| **EXPENDITURES** | | | | |
| **Other Charges and Services** | | | | |
| 544101 Reimburse Park Board | 3,758,774 | 4,158,000 | 3,949,000 | 3,977,840 |
| 547040 Administrative Service Charge | 0 | 0 | 0 | 64,160 |
| **Total Other Charges and Services** | **$3,758,774** | **$4,158,000** | **$3,949,000** | **$4,042,000** |
| **TOTAL EXPENDITURES** | **$3,758,774** | **$4,158,000** | **$3,949,000** | **$4,042,000** |
| **REVENUES OVER/(UNDER) EXPENDITURES** | **$102,968** | **$80,430** | **$97,700** | **$78,160** |
| **BEGINNING FUND BALANCE-ASSIGNED** | **$3,093,523** | **$3,196,491** | **$3,196,491** | **$3,294,191** |
| **ENDING FUND BALANCE-ASSIGNED** | **$3,196,491** | **$3,276,921** | **$3,294,191** | **$3,372,351** |

**FUND HIGHLIGHTS**

Beach Cleaning Maintenance Fund (1082) – Revenue includes Local HOT ($.005) and State HOT ($.0057), and interest income on City cash balance.

**FY2026 BUDGET**
**SPECIAL REVENUE FUND - HOT BEACH PATROL**

**SUMMARY**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **REVENUES** | | | | |
| 314060 Hotel Occupancy Tax | $1,504,257 | $1,650,000 | $1,567,000 | $1,604,000 |
| 379551 Transfer In - State HOT | 1,972,630 | 2,211,000 | 2,100,000 | 2,148,000 |
| 361110 Interest Earned-Operating | 134,942 | 86,980 | 90,300 | 72,240 |
| **Subtotal** | **$3,611,829** | **$3,947,980** | **$3,757,300** | **$3,824,240** |
| **TOTAL REVENUES** | **$3,611,829** | **$3,947,980** | **$3,757,300** | **$3,824,240** |
| **EXPENDITURES** | | | | |
| **Contractual Services** | | | | |
| 531016 Professional Services | 52,639 | 0 | 210 | 0 |
| 531131 Demolition Cost | 0 | 0 | 156,345 | 0 |
| **Total Contractual Services** | **$52,639** | **$0** | **$156,555** | **$0** |
| **Other Charges and Services** | | | | |
| 544101 Reimburse Park Board | 3,490,292 | 3,861,000 | 3,861,000 | 3,687,840 |
| 547040 Administrative Service Charge | 0 | 0 | 0 | 64,160 |
| **Total Other Charges and Services** | **$3,490,292** | **$3,861,000** | **$3,861,000** | **$3,752,000** |
| **Capital Outlay** | | | | |
| 564005 Capital Outlay - Improvements | 146,739 | 0 | 146,740 | 0 |
| 564012 Professional Services (Projects) | 0 | 0 | 63,900 | 0 |
| 565506 Engineering Services | 18,878 | 0 | 39,231 | 0 |
| **Total Capital Outlay** | **$165,618** | **$0** | **$249,871** | **$0** |
| **Special Events and Programs** | | | | |
| 591026 Fixed Asset Study | 182,526 | 0 | 37,764 | 0 |
| **Total Special Events and Programs** | **$182,526** | **$0** | **$37,764** | **$0** |
| **TOTAL EXPENDITURES** | **$3,891,075** | **$3,861,000** | **$4,305,190** | **$3,752,000** |
| **REVENUES OVER/(UNDER) EXPENDITURES** | **($279,246)** | **$86,980** | **($547,890)** | **$72,240** |
| **BEGINNING FUND BALANCE-ASSIGNED** | **$3,345,320** | **$3,066,074** | **$3,066,074** | **$2,518,184** |
| **ENDING FUND BALANCE-ASSIGNED** | **$3,066,074** | **$3,153,054** | **$2,518,184** | **$2,590,424** |

**FUND HIGHLIGHTS**

Beach Patrol Fund (1083) – Revenue includes Local HOT ($.005) and State HOT ($.0067), and interest income on City cash balance only.

**FY2026 BUDGET**
**SPECIAL REVENUE FUND - HOT BEACH RENOURISHMENT**

**SUMMARY**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **REVENUES** | | | | |
| 379551 Transfer In - State HOT | 1,678,207 | 1,881,000 | 1,786,000 | 1,828,000 |
| 361110 Interest Earned-Operating | 135,319 | 74,050 | 121,700 | 97,400 |
| **Subtotal** | **$1,813,526** | **$1,955,050** | **$1,907,700** | **$1,925,400** |
| **TOTAL REVENUES** | **$1,813,526** | **$1,955,050** | **$1,907,700** | **$1,925,400** |
| **EXPENDITURES** | | | | |
| **Other Charges and Services** | | | | |
| 544101 Reimburse Park Board | 1,700,396 | 1,881,000 | 1,786,000 | 1,828,000 |
| 547040 Administrative Service Charge | 0 | 0 | 0 | 0 |
| **Total Other Charges and Services** | **$1,700,396** | **$1,881,000** | **$1,786,000** | **$1,828,000** |
| **TOTAL EXPENDITURES** | **$1,700,396** | **$1,881,000** | **$1,786,000** | **$1,828,000** |
| **REVENUES OVER/(UNDER) EXPENDITURES** | **$113,130** | **$74,050** | **$121,700** | **$97,400** |
| **BEGINNING FUND BALANCE-ASSIGNED** | **$2,847,987** | **$2,961,117** | **$2,961,117** | **$3,082,817** |
| **ENDING FUND BALANCE-ASSIGNED** | **$2,961,117** | **$3,035,167** | **$3,082,817** | **$3,180,217** |

**FUND HIGHLIGHTS**

Beach Renourishment Fund (1087) – Revenue includes State HOT ($.0067), and interest income on City cash balance only.

**FY2026 BUDGET**
**SPECIAL REVENUE FUND - HOT ADVERTISING/TOURISM (CVB)**

**SUMMARY**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **REVENUES** | | | | |
| 314060 Hotel Occupancy Tax | $9,024,731 | $9,900,000 | $9,405,000 | $9,621,000 |
| 361110 Interest Earned-Operating | 376,340 | 227,180 | 279,200 | 223,400 |
| **Subtotal** | **$9,401,072** | **$10,127,180** | **$9,684,200** | **$9,844,400** |
| **TOTAL REVENUES** | **$9,401,072** | **$10,127,180** | **$9,684,200** | **$9,844,400** |
| | | | | |
| **EXPENDITURES** | | | | |
| **Other Charges and Services** | | | | |
| 544101 Reimburse Park Board | 8,949,462 | 9,900,000 | 9,405,000 | 9,236,160 |
| 544029 Contributions from the City | 334,370 | 0 | 0 | 0 |
| 547040 Administrative Service Charge | 0 | 0 | 0 | 384,840 |
| **Total Other Charges and Services** | **$9,283,832** | **$9,900,000** | **$9,405,000** | **$9,621,000** |
| | | | | |
| **TOTAL EXPENDITURES** | **$9,283,832** | **$9,900,000** | **$9,405,000** | **$9,621,000** |
| | | | | |
| **REVENUES OVER/(UNDER) EXPENDITURES** | **$117,240** | **$227,180** | **$279,200** | **$223,400** |
| | | | | |
| **BEGINNING FUND BALANCE-ASSIGNED** | **$8,737,810** | **$8,855,050** | **$8,855,050** | **$9,134,250** |
| | | | | |
| **ENDING FUND BALANCE-ASSIGNED** | **$8,855,050** | **$9,082,230** | **$9,134,250** | **$9,357,650** |

**FUND HIGHLIGHTS**

Advertising/Tourism (CVB) Fund (1081) – Revenue includes 3 percent of Local HOT and interest income on City cash balance only.

**FY2026 BUDGET**
**SPECIAL REVENUE FUND - HOT ARTS (CULTURAL EVENTS/PRESERVATION)**

**SUMMARY**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **REVENUES** | | | | |
| 314060 Hotel Occupancy Tax | $2,256,115 | $2,475,000 | $2,351,000 | $2,405,000 |
| 361110 Interest Earned-Operating | 119,298 | 81,350 | 98,100 | 78,500 |
| **Subtotal** | **$2,375,413** | **$2,556,350** | **$2,449,100** | **$2,483,500** |
| **TOTAL REVENUES** | **$2,375,413** | **$2,556,350** | **$2,449,100** | **$2,483,500** |
| **EXPENDITURES** | | | | |
| **Personnel Services** | | | | |
| 511650 Salary Reimbursements | 107,541 | 104,340 | 107,257 | 110,000 |
| **Total Personnel Services** | **$107,541** | **$104,340** | **$107,257** | **$110,000** |
| **Contractual Services** | | | | |
| 531032 Preservation Contracts | 1,823,750 | 1,823,750 | 1,823,750 | 1,823,750 |
| 531033 Cultural Arts Contracts | 129,755 | 345,950 | 195,950 | 345,950 |
| **Total Contractual Services** | **$1,953,505** | **$2,169,700** | **$2,019,700** | **$2,169,700** |
| **Other Charges and Services** | | | | |
| 547040 Administrative Service Charge | 0 | 0 | 0 | 96,200 |
| **Total Other Charges and Services** | **$0** | **$0** | **$0** | **$96,200** |
| **Special Events and Programs** | | | | |
| 592025 City Council Fund Balance Alloc | $50,000 | $0 | $0 | $0 |
| **Total Special Events and Programs** | **$50,000** | **$0** | **$0** | **$0** |
| **TOTAL EXPENDITURES** | **$2,111,046** | **$2,274,040** | **$2,126,957** | **$2,375,900** |
| **REVENUES OVER/(UNDER) EXPENDITURES** | **$264,367** | **$282,310** | **$322,143** | **$107,600** |
| **BEGINNING FUND BALANCE-ASSIGNED** | **$2,542,231** | **$2,806,598** | **$2,806,598** | **$3,128,741** |
| **ENDING FUND BALANCE-ASSIGNED** | **$2,806,598** | **$3,088,908** | **$3,128,741** | **$3,236,341** |

**FUND HIGHLIGHTS**

Arts (Cultural Events/Preservation) Fund (1084) – Revenue includes Local HOT ($0.75) and interest income on City cash balance only.

**FY2026 BUDGET**
**SPECIAL REVENUE FUND - HOT ARTS (CITY OWNED HISTORIC PROPERTIES)**

**SUMMARY**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **REVENUES** | | | | |
| 314060 Hotel Occupancy Tax | $376,064 | $412,500 | $391,000 | $401,000 |
| 361110 Interest Earned-Operating | 162,913 | 87,510 | 113,600 | 90,900 |
| **Subtotal** | **$538,978** | **$500,010** | **$504,600** | **$491,900** |
| **TOTAL REVENUES** | **$538,978** | **$500,010** | **$504,600** | **$491,900** |
| | | | | |
| **EXPENDITURES** | | | | |
| **Materials and Supplies** | | | | |
| 522045 Electrical Hardware | 0 | 8,668 | 8,667 | 0 |
| 522056 Minor Equipment | 17,361 | 0 | 0 | 0 |
| **Total Materials and Supplies** | **$17,361** | **$8,668** | **$8,667** | **$0** |
| | | | | |
| **Contractual Services** | | | | |
| 531005 Other Services | 0 | 5,000 | 4,950 | 0 |
| 531014 Building Security | 0 | 0 | 945 | 0 |
| 531230 Equipment Parts | 0 | 0 | 1,076 | 0 |
| 535345 Historic Preservation - Grant | 6,875 | 0 | 68,750 | 0 |
| **Total Contractual Services** | **$6,875** | **$5,000** | **$75,721** | **$0** |
| | | | | |
| **Other Charges and Services** | | | | |
| 547040 Administrative Service Charge | 0 | 0 | 0 | 16,040 |
| 544125 Capital Reserve | 0 | 3,514,239 | 0 | 1,864,807 |
| **Total Other Charges and Services** | **$0** | **$3,514,239** | **$0** | **$1,880,847** |
| | | | | |
| **Capital Outlay** | | | | |
| 564005 Capital Outlay - Improvements | 0 | 211,332 | 114,413 | 2,000,000 |
| 564009 Fence Replacement | 0 | 0 | 166,293 | 0 |
| **Total Capital Outlay** | **$0** | **$211,332** | **$280,706** | **$2,000,000** |
| | | | | |
| **TOTAL EXPENDITURES** | **$24,236** | **$3,739,239** | **$365,094** | **$3,880,847** |
| | | | | |
| **REVENUES OVER/(UNDER) EXPENDITURES** | **$514,741** | **($3,239,229)** | **$139,506** | **($3,388,947)** |
| | | | | |
| **BEGINNING FUND BALANCE-ASSIGNED** | **$2,734,699** | **$3,249,441** | **$3,249,441** | **$3,388,947** |
| | | | | |
| **PRIOR YEAR ADJUSTMENT** | **$0** | **$0** | **$0** | **$0** |
| | | | | |
| **ENDING FUND BALANCE-ASSIGNED** | **$3,249,441** | **$10,212** | **$3,388,947** | **$0** |

**FUND HIGHLIGHTS**

Arts (City Owned Historic Properties) Fund (1093) – Includes 0.125 percent of Local HOT Tax and has been received directly by the City for some time.

**FY2026 BUDGET**
**SPECIAL REVENUE FUND - HOT DEBT SERVICE (LOCAL)**

**SUMMARY**

| | FY2024 ACTUAL | FY2025 BUDGET | FY205 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **REVENUES** | | | | |
| 314060 Local Hotel Occupancy Tax | $14,609,063 | $13,612,500 | $13,286,000 | $13,178,000 |
| 379551 Transfer In - State HOT (Credited to Convention Center) | (2,125,806) | (1,712,500) | (1,775,000) | (1,900,000) |
| 361110 Interest Earned-Operating | 241,723 | 192,000 | 192,600 | 154,100 |
| **Subtotal** | **$12,724,979** | **$12,092,000** | **$11,703,600** | **$11,432,100** |
| **TOTAL REVENUES** | **$12,724,979** | **$12,092,000** | **$11,703,600** | **$11,432,100** |
| **EXPENDITURES** | | | | |
| **Contractual Services** | | | | |
| 531125 Other Contracts | 10,730,662 | 10,128,410 | 10,128,410 | 9,870,500 |
| **Total Contractual Services** | **$10,730,662** | **$10,128,410** | **$10,128,410** | **$9,870,500** |
| **Debt Service** | | | | |
| 571010 Interest Expenditure | 592,588 | 538,590 | 538,188 | 494,600 |
| 571050 Principal Expenditure | 1,350,000 | 1,425,000 | 1,425,000 | 1,500,000 |
| **Total Debt Service** | **$1,942,588** | **$1,963,590** | **$1,963,188** | **$1,994,600** |
| **TOTAL EXPENDITURES** | **$12,673,250** | **$12,092,000** | **$12,091,598** | **$11,865,100** |
| **REVENUES OVER/(UNDER) EXPENDITURES** | **$51,730** | **$0** | **($387,998)** | **($433,000)** |
| **Surplus to Allocate** | **$10,784,740** | **$10,197,412** | **$10,128,410** | **$9,870,500** |
| **City of Galveston Allocation** | **$5,092,370** | **$5,048,706** | **$5,048,706** | **$4,985,250** |
| **Landry's Allocation** | **$5,292,370** | **$5,148,706** | **$5,148,706** | **$4,885,250** |
| **Landry's Liquidity** | **$400,000** | **$0** | **$0** | **$0** |
| | **$10,784,740** | **$10,197,412** | **$10,197,412** | **$9,870,500** |
| **REVENUES OVER/(UNDER) EXPENDITURES** | **$51,730** | **$0** | **($457,000)** | **($433,000)** |
| **BEGINNING FUND BALANCE-ASSIGNED** | **$2,873,795** | **$2,925,525** | **$2,925,525** | **$2,468,525** |
| **PRIOR YEAR ADJUSTMENT** | **$0** | **$0** | **$0** | **$0** |
| **ENDING FUND BALANCE-ASSIGNED** | **$2,925,525** | **$2,925,525** | **$2,468,525** | **$2,035,525** |

**FUND HIGHLIGHTS**

Debt Service Local HOT Fund (2015) - Four cents ($0.04) of Local HOT (including the Brimer Bill 2 cents) is dedicated to retire the Convention Center bonds, subsidize the operations of the Convention Center such that the operator (Landry's) is made whole and does not lose any money.

**FY2026 BUDGET**
**SPECIAL REVENUE FUND - CONVENTION CENTER OPERATIONS**

**SUMMARY**

| REVENUES | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| 314060 Hotel Occupancy Tax (Credited to Convention Center) Prior Year Adjustment | 2,167,611 | 1,712,500 | 1,775,000 | 1,900,000 |
| 361110 Interest Earned-Operating | 34,401 | 18,200 | 28,500 | 22,800 |
| **Subtotal** | **$2,202,012** | **$1,730,700** | **$1,803,500** | **$1,922,800** |
| **TOTAL REVENUES** | **$2,202,012** | **$1,730,700** | **$1,803,500** | **$1,922,800** |
| **EXPENDITURES** | | | | |
| **Contractual Services** | | | | |
| 531125 Convention Center Operations | 2,151,473 | 900,000 | 1,055,000 | 1,250,000 |
| 531133 CC Operator & Developer Fees | 0 | 400,000 | 400,000 | 400,000 |
| **Total Contractual Services** | **$2,151,473** | **$1,300,000** | **$1,455,000** | **$1,650,000** |
| **Capital Outlay** | | | | |
| 564005 Capital Outlay - Improvements | 50,538 | 250,000 | 250,000 | 250,000 |
| **Total Capital Outlay** | **$50,538** | **$250,000** | **$250,000** | **$250,000** |
| **TOTAL EXPENDITURES** | **$2,202,011** | **$1,550,000** | **$1,705,000** | **$1,900,000** |
| **REVENUES OVER/(UNDER) EXPENDITURES** | **$1** | **$180,700** | **$98,500** | **$22,800** |
| **BEGINNING FUND BALANCE-ASSIGNED** | **$699,999** | **$700,000** | **$700,000** | **$798,500** |
| **PRIOR YEAR ADJUSTMENT** | **$0** | **$0** | **$0** | **$0** |
| **ENDING FUND BALANCE-ASSIGNED** | **$700,000** | **$880,700** | **$798,500** | **$821,300** |

**FUND HIGHLIGHTS**

Convention Center Operations Fund (1080) – Includes all transactions setting aside funds to cover Convention Center Operations including funds required to cover operating deficits and capital improvements to Convention Center facilities and parking garage.


CITY OF GALVESTON
1839
TEXAS

# DEBT SERVICE FUND

# FY2026 BUDGET
# DEBT SERVICE FUND

**Overview**

The Debt Service fund is used to record debt service payable with the annual debt levy that is a part of the property tax. This includes (1) General Obligation bonds approved by the voters and payable with property tax revenue as well as (2) General Obligation Refunding bonds issued under state law and the city charter to reduce interest costs on outstanding bonds of all types. All the $62 million in property tax supported bonds approved by the voters in May 2017 were issued in 2017 and 2019. The city is planning a November 2026 General Obligation Bond Election for a Fire Station and Street Improvements. A sale of General Obligation debt related to this election will be contingent on voter approval and would likely occur in late 2026 to coincide with related construction activities.

The Debt Service Fund does not include tax-supported revenue bonds payable with revenue streams from other sources. This debt, primarily issued to design and construct water and sewer projects, is paid from the Combined Utility System Fund. These payments are budgeted in the Waterworks and Sewer sub funds, respectively. Refer to the Capital Improvements section for a detailed discussion of tax supported and revenue bond debt service. Other self-supporting City debt is budgeted and paid with revenue from the Hotel Occupancy Tax, the Sanitation Fund, or Wharves Authority. The City sold Certificates of Obligation, funded via the Industrial Development Corporation during FY 2026.

As of October 1, 2026, the City of Galveston (including the Port and the Convention Center) will have total outstanding bonded indebtedness of $638.4 million, including $401.5 in principal and $236.9 million in interest. This total includes $581.6 million in principal and interest for self-supporting Water & Sewer revenue bonds, Hotel Occupancy Tax, Wharves Board revenue bonds, IDC, and Sanitation fund bonds. Property taxes support payments for $56.8 million of this total, including $43.2 million in principal and $13.7 million in interest.

In order to comply with State law regarding disclosure of all debt service of the City of Galveston, all of the City's various debt is reflected in the table on the following page.

| OUTSTANDING DEBT AS OF OCTOBER 1, 2026 | | | |
|---|---|---|---|
| **Debt and Funding Source** | **Principal** | **Interest** | **Total** |
| **Debt Service Fund (Property Taxes)** | | | |
| General Obligation Bonds | $41,635,000 | $13,378,750 | $55,013,750 |
| General Obligation Refunding Bonds | $1,526,400 | $295,281 | $1,821,681 |
| **Subtotal Property Tax Supported Debt Service** | **$43,161,400** | **$13,674,031** | **$56,835,431** |
| **Hotel Occupancy Tax Revenue Bonds*** | **$14,240,000** | **$2,446,769** | **$16,686,769** |
| **Certificates of Obligation for Sanitation Fleet (paid by Sanitation Fund)*** | **$2,275,000** | **$76,380** | **$2,351,380** |
| **Certificates of Obligation for Park Improvements (paid by IDC)*** | **$3,250,000** | **$183,192** | **$3,433,192** |
| **Consolidated Utility System Fund Debt Service (Water Portion)*** | | | |
| Certificate of Obligations | $74,772,905 | $52,262,405 | $127,775,205 |
| GO Refunding Bonds | $7,007,600 | $739,896 | $7,747,496 |
| **Subtotal Water Fund Debt Service** | **$81,780,505** | **$53,002,300** | **$134,782,805** |
| **Consolidated Utility System Fund Debt Service (Sewer Portion)*** | | | |
| Certificate of Obligations | $41,972,095 | $31,744,852 | $73,716,947 |
| GO Refunding Bonds | $6,736,000 | $941,829 | $7,677,829 |
| **Subtotal Sewer Fund Debt Service** | **$48,708,095** | **$32,686,680** | **$81,394,775** |
| **Wharves Authority Revenue Bonds*** | **$208,098,384** | **$134,803,238** | **$342,901,622** |
| **Total Outstanding Debt** | **$401,513,384** | **$236,872,590** | **$638,385,974** |
| **Less Self Supporting Debt** | **$358,351,984** | **$223,198,559** | **$581,550,543** |
| **Total Outstanding Debt to be Paid with City Funds** | **$43,161,400** | **$13,674,031** | **$56,835,431** |

*Self supporting debt

**FY 2026 Debt Service Payments**

The City of Galveston retires its outstanding debt with a moderately conservative approach to paying principal and interest. As provided in its Debt Management Policy, every bond issue adopts a level payment approach, level principal structure or a combination of the two. This results in steady retirement of principal amounts outstanding as shown below for FY 2026. The long-term payment schedule for City debt supported by its own revenue and used for its major programs – streets and drainage supported by GO debt and water and sewer bonds supported by utility revenue – is structured to decline over time. (See graphs on next page.)

| FY 2026 DEBT SERVICE PAYMENTS | | | |
|---|---|---|---|
| **Debt and Funding Source** | **Principal** | **Interest** | **Total** |
| **Debt Service Fund (Property Taxes)** | | | |
| General Obligation Bonds | $2,585,000 | $1,861,000 | $4,446,000 |
| General Obligation Refunding Bonds | $162,000 | $66,033 | $228,033 |
| **Subtotal Property Tax Supported Debt Service** | **$2,747,000** | **$1,927,033** | **$4,674,033** |
| **Hotel Occupancy Tax Revenue Bonds*** | **$1,500,000** | **$494,506** | **$1,994,506** |
| **Certificates of Obligation for Sanitation Fleet (paid by Sanitation Fund)*** | **$1,125,000** | **$50,737** | **$1,175,737** |
| **Certificates of Obligation for Park Improvements (paid by IDC)*** | **$785,000** | **$72,471** | **$857,471** |
| **Consolidated Utility System Fund Debt Service (Water Portion)** | | | |
| Certificate of Obligations | $1,700,768 | $3,513,042 | $5,213,810 |
| GO Refunding Bonds | $1,058,000 | $171,005 | $1,229,005 |
| **Subtotal Water Fund Debt Service** | **$2,758,768** | **$3,684,047** | **$6,442,815** |
| **Consolidated Utility System Fund Debt Service (Sewer Portion)*** | | | |
| Certificate of Obligations | $874,232 | $2,025,783 | $2,900,015 |
| GO Refunding Bonds | $1,005,000 | $232,795 | $1,237,795 |
| **Subtotal Sewer Fund Debt Service** | **$1,879,232** | **$2,258,579** | **$4,137,811** |
| **Wharves Authority Revenue Bonds*** | **$3,533,384** | **$10,523,975** | **$14,057,359** |
| **FY 2026 Payments on All City Debt** | **$14,328,384** | **$19,011,348** | **$33,339,732** |
| **Less Self-Supporting Debt Payments** | **$11,581,384** | **$17,084,315** | **$28,665,699** |
| **FY 2026 Budget: City Debt Service Payments** | **$2,747,000** | **$1,927,033** | **$4,674,033** |

***Self supporting revenue bonds.**

**Debt Limitation**

The City's Debt Management Policy provides for a limit on total general obligation debt payable from ad valorem taxes of 1.5 percent of total taxable assessed valuation except in the event of an emergency requiring the use of an Emergency Note. The actual debt limit enforced by the State Attorney General in its review of all Texas municipal bond sales is that annual debt service on tax supported bonds – (GOs, GO Refunding and Cos included) shall not exceed 0.5 percent of total taxable value.

| STATE ATTORNEY GENERAL'S ANNUAL DEBT SERVICE LIMIT ANALYSIS | | | |
|---|---|---|---|
| **Debt and Funding Source** | **Principal** | **Interest** | **Total** |
| Actual FY 2026 Total Debt Service for GO's, CO's and GO Refunding Bonds | $2,747,000 | $1,927,033 | $4,674,033 |
| **FY 2026 Net Taxable Value (estimated)** | | | **$11,456,708,253** |
| **0.5% of Total ($0.50 Tax Rate Maximum for GO Debt)** | | | **$57,000,000** |
| **FY 2026 Total (Over)/Under Annual Debt Maximum** | | | **$52,325,967** |

**Recent Bond Sales**

Since 2014, the City has conducted eleven bond sales, shown in the table on the next page. This includes three General Obligation bond sales (GO's) that refinanced existing debt at lower interest rates but using the same payoff period in years as the preexisting bonds being refunded. The City has also held six bond sales for new projects, including two GO bond sales held for street and drainage projects authorized in the May 2017 bond election, four new money CO sales to provide financing for water and wastewater projects, and a joint sale to provide financing for park improvements, sanitation fleet vehicles, and IDC-funded drainage infrastructure improvements. The only sales that are being retired through the Debt Service Fund are the 2017 and 2019 GOs and a small portion of the 2016 GO refunding bonds. The rest are being retired with non-property tax revenue as shown in the chart.

All of these sales have been conducted according to the City's Debt Management Policy. The City issued much of this debt during the lowest interest rate environment in a generation. The projects financed were identified through the City's long-term Capital Improvement Planning process. The Wharves Board, a component unit to the City, also issues bonds with City Council approval as a utility of the City. Their revenue bonds are not shown in the following chart but are reflected in the previous tables. In 2023 and 2024 the City completed two Revenue-Bond sales on behalf of the Wharves Board/Port of Galveston. These obligations are strictly funded only through the Port's revenue streams.

**Debt Management**

In April of 2019, the City proposed a Debt Management Policy that is designed to guide decisions which affect debt (see appendix). This policy provides parameters, including repayment strategies, designed to ensure that debt is affordable, responsibly planned, and responsibly structured. The City has proposed strategies that make the City's debt more efficient to manage.

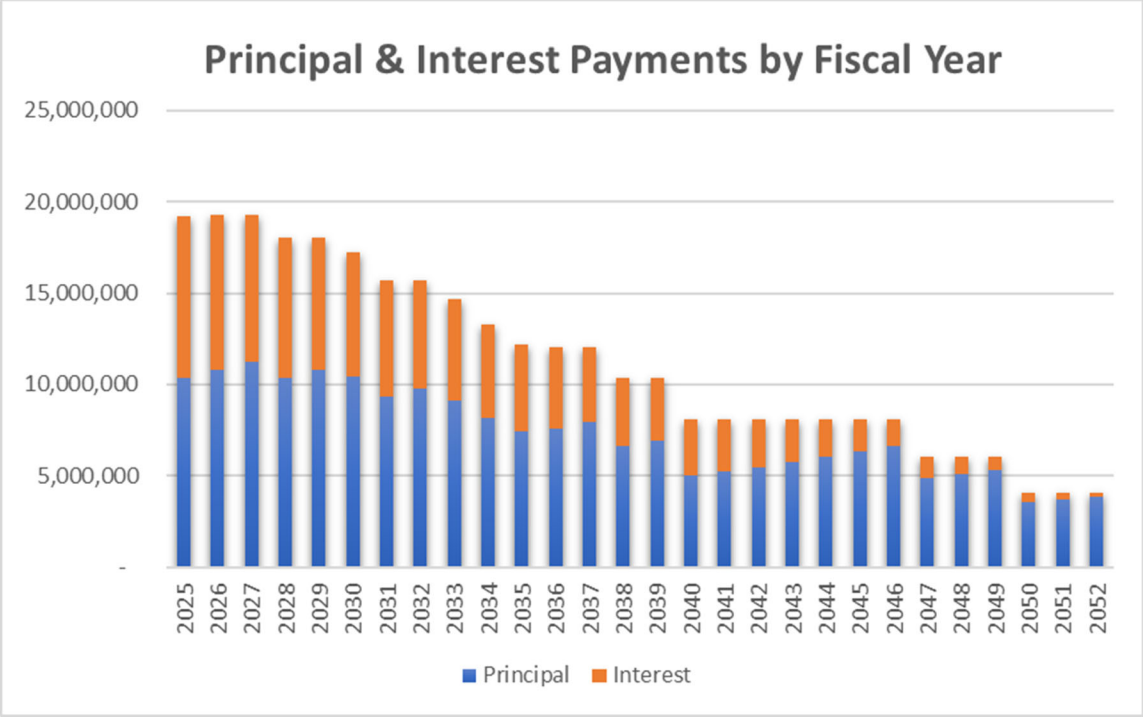
For instance, the five bond sales for new projects have been structured so that the City's debt service schedule is predictable with no "balloon notes" and no lengthy times of interest-only payments. Debt payments for each sale are flat (water and sewer debt) and slightly declining (GO debt). Also, the City has opted to sell Tax and Revenue Certificates of Obligation (COs) instead of selling pure revenue bonds for water and sewer projects. The City uses water and sewer revenue to make these debt service payments

regardless of the type of bonds used. In all cases, bond sales are based on specific projects that align uses with appropriate long-term financing.

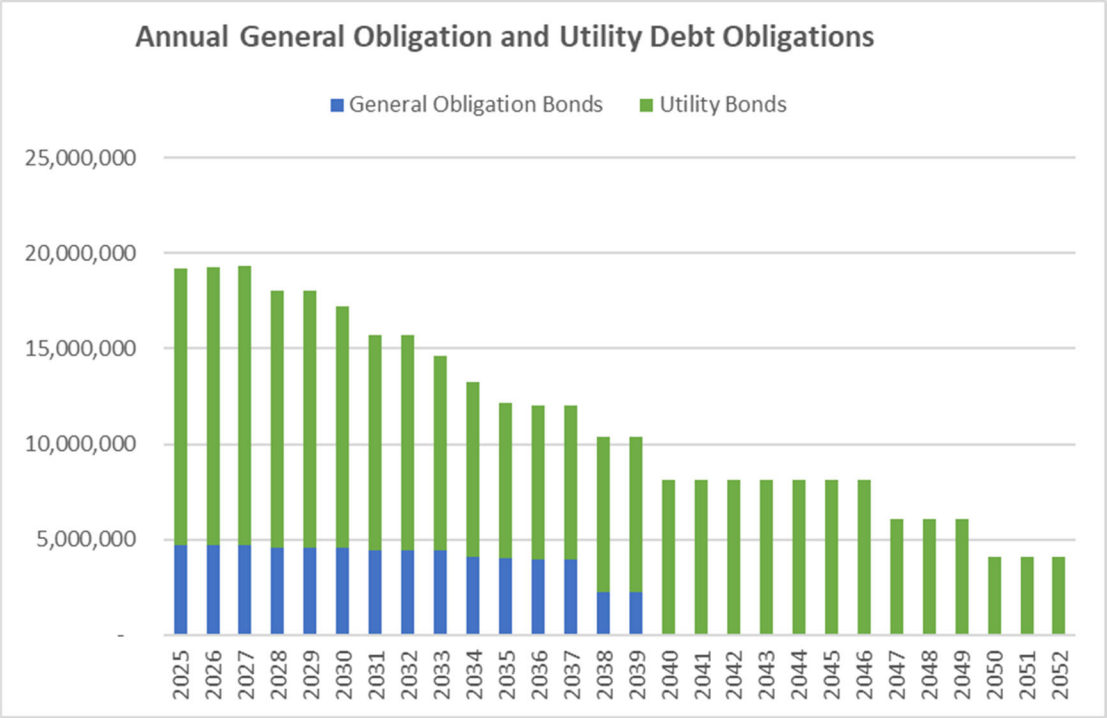
## BOND SALES CONDUCTED FROM 2014 TO 2025

| Type and Title of Sale | Purpose of Issue | Size of Issue | Savings / Benefits | Repayment Period | Total Interest Cost in Percentage terms | Pledged Revenues | Debt Service Paid With |
|---|---|---|---|---|---|---|---|
| 2014 General Obligation Refunding Bonds | Refunding primarily Water and Sewer Debt | $ 5,900,000 | Net Present Value Savings of $416,866 or 6.43% of refunded bonds | Same ending date as Refunded bonds - 2024 | 2.334% | Property taxes (61%) / Water and Sewer (39%) | Taxes and Water and Sewer Revenue |
| 2016 General Obligation Refunding Bonds | Refunding primarily Water and Sewer Debt and defeasing GO debt from 2005 | $ 17,365,000 | Net Present Value Savings of $2,063,141 or 10.53% of refunded bonds | Same ending date as Refunded bonds - 2033 | 2.830% | Property taxes (10%) / Water and Sewer (90%) | Taxes and Water and Sewer Revenue |
| 2017 Certificates of Obligation | Water and Sewer projects | $ 33,300,000 | Netted $35 million for Construction Fund | 30 Years | 3.890% | Water and Sewer revenue supported by property taxes | Water and Sewer Revenue |
| 2017 General Obligation Bonds | Streets, Drainage and directly related or required improvements | $ 20,550,000 | Netted $25 million for Construction Fund | 20 Years | 3.060% | Property Taxes | Property Taxes |
| 2019 Certificates of Obligation | Water and Sewer projects | $ 32,750,000 | Netted $35 million for Construction Fund | 30 Years | 3.895% | Water and Sewer revenue supported by property taxes | Water and Sewer Revenue |
| 2019 General Obligation Bonds | Streets, Drainage and directly related or required improvements | $ 31,205,000 | Netted $37 million for Construction Fund | 20 Years | 2.572% | Property Taxes | Property Taxes |
| 2021 General Obligation Taxable Refunding Bonds | Refunding remaining Water and Sewer Revenue Bond debt | $ 14,895,000 | Net Present Value Savings of $574,776 or 3.85% of refunded bonds | Same ending date as Refunded bonds - 2030 | 1.697% | Water and Sewer revenue supported by property taxes | Water and Sewer Revenue |
| 2022 Certificates of Obligation | Park Improvements / Garbage Trucks | $ 11,000,000 | Netted $11 million for Project Fund | 7 Years | 2.493% | Property Taxes | Property Taxes |
| 2022A Certificates of Obligation | Water and Sewer projects | $ 62,635,000 | Netted $65 million for Project Fund | 30 Years | 4.662% | Water and Sewer revenue supported by property taxes | Water and Sewer Revenue |
| 2024 Certificates of Obligation | Drainage Infrastructure Improvements | $ 18,460,000 | Netted $20 million for Project Fund | 20 Years | 5.000% | Industrial Development Corporation sales tax revenue supported by property taxes | Industrial Development Corporation Revenue |

The use of COs for water and sewer projects allows the City to avoid the cost of setting aside significant amounts of cash for the full term of a revenue bond debt issue (in this case thirty years). Such reserves are normally required to back up a revenue only (non-property tax) pledge of repayment by a City. The City provides an underlying pledge of property taxes to back up the water and sewer revenue pledge which results in a better interest rate at the time of sale and avoids the reserve requirement. This is accomplished through the annual budgetary planning and financial reporting cycle to ensure that water and sewer debt service is paid as planned using water and sewer funds, thereby not becoming an additional burden for the property taxpayer.




The previous graph illustrates the city's overall approach to retiring its two primary types of bonded indebtedness, including those retired with property taxes and those retired with water and wastewater system customer rate payments. Annual principal payments (see the blue shaded bars) steadily pay down the City's debt.




This graph shows the different time periods used to retire General Obligation bonds issued for street and drainage projects (20 years) and Water and Wastewater revenue bonds and certificates of obligation (30 years). As previously stated, the longer amortization period used for water and wastewater projects reflects the larger dollar amount of the capital programs underway to restore the island's water and wastewater infrastructure. Spreading the cost of those two programs over thirty years makes it easier for the city's water and wastewater rate payers to gradually absorb the cost of the effort and require that future system users pay to enjoy the benefits of the system.

**FY2026 BUDGET**
**DEBT SERVICE FUND**

**LINE ITEM DETAIL**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **REVENUES** | | | | |
| 311100 Property Taxes - Current | $4,767,287 | $4,900,500 | $4,677,230 | $4,884,800 |
| 311110 Property Taxes - Delinquent | 37,170 | 40,000 | 36,120 | 36,500 |
| 361110 Interest Earned-Operating | 139,165 | 117,970 | 108,280 | 80,000 |
| 379825 Infrastructure/Debt - Transfer In | 0 | 0 | 0 | 0 |
| **TOTAL REVENUES** | **$4,943,622** | **$5,058,470** | **$4,821,630** | **$5,001,300** |
| | | | | |
| **DEBT SERVICE PAYMENTS** | | | | |
| 571010 Interest Expenditure | 2,164,608 | 2,048,428 | 2,048,428 | 1,927,030 |
| 571040 Agent Fees | 2,100 | 2,750 | 2,750 | 2,750 |
| 571050 Principal Expenditure | 2,512,600 | 2,623,900 | 2,623,900 | 2,747,000 |
| 571070 Other Expenditures | 0 | 0 | 0 | 0 |
| **Total Debt Service** | **$4,679,308** | **$4,675,078** | **$4,675,078** | **$4,676,780** |
| | | | | |
| **TOTAL EXPENDITURES** | **$4,679,308** | **$4,675,078** | **$4,675,078** | **$4,676,780** |
| | | | | |
| **REVENUES OVER/(UNDER) EXPENDITURES** | **$264,314** | **$383,392** | **$146,552** | **$324,520** |
| | | | | |
| **BEGINNING FUND BALANCE-RESTRICTED** | **$1,667,420** | **$1,931,733** | **$1,931,733** | **$2,078,285** |
| | | | | |
| **ENDING FUND BALANCE-RESTRICTED** | **$1,931,733** | **$2,315,125** | **$2,078,285** | **$2,402,805** |

**HIGHLIGHTS**

Property Tax Rate - This year's debt service property tax rate is $0.039349 per $100 of taxable value, a $0.000864 reduction from last year's $0.040213 debt service rate. This rate is derived from the debt service payments included in the tax rate calculaiton provided by the Tax Assessor-Collector's office. The rate reduction is attributable to the almost $1,702 reduction in debt service required for FY 2025. For additional information, please refer to the Revenue Summary section for property revenues.

**Infrastructure and Debt Service Fund Transfer In** - In prior years,this transfer has been used to provide sufficient revenue to make debt service paments and maintain a $0.0525 debt service tax rate. No transfer is necessary this year because the rate provided by the tax rate calculation is more than sufficient without additional funds from the Infrastructure and Debt Service fund. All of the $62M in tax supported bonds approved by voters in May 2017 have been issued and debt service payments are included in the FY 2025 schedule.

# ENTERPRISE FUNDS

# FY 2026 AMENDED BUDGET
# ENTERPRISE FUNDS SUMMARY

## Overview

The City maintains four funds as enterprise funds, which is to say they are each operated like a business enterprise. The funds in this section are accounted for on a full accrual basis and budgeted on a modified accrual basis. This is done with the recognition that the purpose of the budget is to adequately plan, manage, and control the use of enterprise fund cash. Furthermore, City Council approves a modified accrual budget to control how enterprise fund revenue is utilized during the fiscal year. The Budget has a 4.8 percent increase over FY 2025 and includes an increase in overall personnel costs of $1.5 million for 251.9 city employees driven by health insurance cost increases as well the annualized cost of all positions.

## FY 2026 Enterprise Fund Highlights

The **Combined Utility System Fund** (including the Waterworks and Sewer system funds) is primarily funded through customer charges that are tied to water usage. The Combined Utility System Fund Budget includes $45.7 million in operating expenditures, which is a $755,460 increase from the FY 2025 Estimate. The Combined Utility issued $65 million Water and Wastewater System Tax and Revenue Certificate of Obligation in FY 2022. Cash proceeds and debt service payments for these new bonds are divided equally between water and wastewater projects, many of which are shovel ready. A partial revenue sufficiency study was conducted during FY 2024 and sewer rate increases were adopted by City Council in September 2024. To ensure that adequate funding is considered for the newer programs being undertaken to manage and maintain the water and wastewater systems, a Water and Sewer Masterplan will be presented to City Council as a part of the Comprehensive Plan.

The **Sanitation Fund** provides funding through fees charged to customers for the City's garbage collection and disposal services as well as its recycling center operation. This budget reflects the continuing goal of upgrading the fleet of everyday use garbage and trash trucks. Series 2022 Sanitation COs will be fully repaid in FY 2027 and the fund will cash flow future fleets investments. A Sanitation Revenue Sufficiency study was completed in FY 2024 and recommended rate changes were adopted by City Council in September 2024. The rate changes performed as projected, and the Sanitation Fund achieved adequate funding levels in FY 2025 and is budgeted to continue this trend in FY 2026.

The **Drainage Fund** is financed through fees charged through the water bill specifically for drainage. Drainage fund personnel perform maintenance on the City's storm sewer and open ditch drainage system. The FY 2026 Amended Budget is presented at a time that the drainage master plan is being reviewed for inclusion in the future Comprehensive Plan.

The **Airport Fund** is funded through income from Scholes International Airport tenants and customers. The Airport proposes to continue increasing its revenue production potential through improved facilities and business practices in FY 2026. The Airport Fund is expected to end FY 2026 with a fund balance of $1.5 million, which is 377 days of operating cost and is being held in reserve to offset the cost of future needs.

The City established a new Call Center in FY 2024 with the purpose of servicing customer service needs across the City, but primarily in the Enterprise Funds. The costs related to the Call Center are shared by all the groups it services.

Additional information on Enterprise Fund revenue can be found in the Citywide Revenue Summary. Detailed explanations of every Enterprise Fund budget, including the associated line item detail can be found in the appropriate portion of this Enterprise fund section for that budget.

**FY2026 BUDGET**
**ENTERPRISE FUNDS**

**Summary Schedule of Revenues and Expenditures**

| | FY2023 ADOPTED BUDGET | FY2023 AMENDED BUDGET | FY2023 ACTUAL | FY2024 ADOPTED BUDGET | FY2024 AMENDED BUDGET | FY2024 ACTUAL | FY2025 ADOPTED BUDGET | FY2025 AMENDED BUDGET | FY2025 ESTIMATED ACTUAL | FY2026 BUDGET |
|---|---|---|---|---|---|---|---|---|---|---|
| **Beginning Fund Balance** | | | | | | | | | | |
| Combined Utility System Fund | $18,927,339 | $18,927,339 | $18,927,339 | $19,190,179 | $19,190,179 | $19,190,179 | $14,598,370 | $14,598,370 | $14,598,370 | $15,474,992 |
| Sanitation Fund | $2,483,491 | $2,483,491 | 2,483,491 | 1,888,977 | 1,888,977 | $1,888,977 | 1,492,282 | 1,492,282 | 1,492,282 | 2,602,002 |
| Drainage Utility Fund | $1,512,239 | $1,512,239 | 1,512,239 | 1,476,606 | 1,476,606 | $1,476,606 | 1,084,189 | 1,084,189 | 1,084,189 | 1,112,654 |
| Scholes Airport Fund | $1,311,393 | $1,311,393 | 1,311,393 | 1,519,711 | 1,519,711 | $1,519,711 | 1,456,436 | 1,456,436 | 1,456,436 | 1,387,050 |
| **Total** | **$24,234,462** | **$24,234,462** | **$24,234,462** | **$24,075,473** | **$24,075,473** | **$24,075,473** | **$18,631,276** | **$18,631,276** | **$18,631,276** | **$20,576,698** |
| **Revenues** | | | | | | | | | | |
| Combined Utility System Fund | $40,304,000 | $40,309,000 | $44,322,243 | $43,074,295 | $43,074,295 | $43,472,702 | $45,761,100 | $48,383,600 | $47,814,290 | $47,672,000 |
| Sanitation Fund | 8,042,300 | 8,042,300 | 8,406,124 | 8,105,500 | 8,105,500 | 8,743,476 | 9,808,340 | 10,832,649 | 11,253,150 | 11,191,130 |
| Drainage Utility Fund | 2,897,300 | 2,897,300 | 3,014,093 | 3,670,000 | 3,670,000 | 3,354,867 | 3,675,000 | 3,665,000 | 3,615,695 | 3,646,000 |
| Scholes Airport Fund | 1,354,674 | 1,354,674 | 1,484,468 | 1,431,576 | 1,431,576 | 1,490,985 | 1,499,664 | 1,499,664 | 1,423,471 | 1,564,900 |
| | **$52,598,274** | **$52,603,274** | **$57,226,928** | **$56,281,371** | **$56,281,371** | **$57,062,029** | **$60,744,104** | **$64,380,913** | **$64,106,606** | **$64,074,030** |
| **Expenditures** | | | | | | | | | | |
| Combined Utility System Fund | $42,575,450 | $41,274,948 | $41,853,496 | $46,601,982 | $46,381,980 | $44,971,067 | $47,040,468 | $44,913,190 | $43,978,511 | $45,668,650 |
| Sanitation Fund | 9,045,057 | 9,045,057 | 8,982,349 | 9,300,957 | 9,425,897 | 9,140,171 | 10,429,115 | 10,310,430 | 10,143,430 | 10,771,780 |
| Drainage Utility Fund | 3,228,655 | 3,228,655 | 2,921,169 | 3,647,709 | 3,647,709 | 3,519,222 | 3,773,970 | 3,583,860 | 3,441,850 | 3,880,970 |
| Scholes Airport Fund | 1,205,575 | 1,205,575 | 1,138,554 | 1,304,254 | 1,304,254 | 1,274,051 | 1,380,742 | 1,351,370 | 1,353,098 | 1,452,441 |
| **Total** | **$56,054,735** | **$54,754,235** | **$54,895,567** | **$60,854,902** | **$60,759,841** | **$58,904,510** | **$62,624,295** | **$60,158,850** | **$58,916,889** | **$61,773,841** |
| **Revenues over/(under) Expenditures** | | | | | | | | 0 | | |
| Combined Utility System Fund | ($2,271,450) | ($965,948) | $2,468,747 | ($3,527,687) | ($3,307,685) | ($1,498,365) | ($1,279,368) | $3,470,410 | $3,835,779 | $2,003,350 |
| Sanitation Fund | (1,002,757) | (1,002,757) | (576,224) | (1,195,457) | (1,320,397) | (396,695) | (620,775) | 522,219 | 1,109,720 | 419,350 |
| Drainage Utility Fund | (331,355) | (331,355) | 92,924 | 22,291 | 22,291 | (164,355) | (98,970) | 81,140 | 173,845 | (234,970) |
| Scholes Airport Fund | 149,099 | 149,099 | 345,914 | 127,322 | 127,322 | 216,934 | 118,922 | 148,294 | 70,373 | 112,459 |
| **Total** | **($3,456,462)** | **($2,150,962)** | **$2,331,361** | **($4,573,531)** | **($4,478,470)** | **($1,842,481)** | **($1,880,191)** | **$4,222,063** | **$5,189,717** | **$2,300,189** |
| **Transfer to Improvement Account/Capital Outlay** | | | | | | | | | | |
| Combined Utility System Fund | $300,000 | $2,459,343 | $1,791,862 | $2,593,395 | $3,354,721 | $3,093,444 | $2,505,000 | $2,756,195 | $2,959,157 | $1,400,000 |
| Sanitation Fund | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 650,000 |
| Drainage Utility Fund | 62,781 | 231,510 | 128,494 | 516,693 | 601,809 | 228,063 | 135,000 | 135,000 | 145,380 | 40,000 |
| Scholes Airport Fund | 167,500 | 167,500 | 137,432 | 110,000 | 369,289 | 280,209 | 55,000 | 139,759 | 139,759 | 0 |
| **Total** | **$530,281** | **$2,858,353** | **$2,057,788** | **$3,220,088** | **$4,325,819** | **$3,601,716** | **$2,695,000** | **$3,030,954** | **$3,244,296** | **$2,090,000** |
| **Appropriation of Fund Balance** | | | | | | | | | | |
| Combined Utility System Fund | ($2,571,450) | ($3,425,291) | $676,885 | ($6,121,082) | ($6,662,406) | ($4,591,809) | ($3,784,368) | $714,215 | $876,622 | $603,350 |
| Sanitation Fund | (1,002,757) | (1,002,757) | (576,224) | (1,195,457) | (1,320,397) | (396,695) | (620,775) | 522,219 | 1,109,720 | (230,650) |
| Drainage Utility Fund | (394,136) | (562,865) | (35,570) | (494,402) | (579,518) | (392,418) | (233,970) | (53,860) | 28,465 | (274,970) |
| Scholes Airport Fund | (18,401) | (18,401) | 208,483 | 17,322 | (241,967) | (63,275) | 63,922 | 8,535 | (69,386) | 112,459 |
| **Total** | **($3,986,743)** | **($5,009,315)** | **$273,572** | | **($8,804,289)** | **($5,444,197)** | **($4,575,191)** | **$1,191,109** | **$1,945,422** | **$210,189** |
| **Prior Year Adjustments** | | | | | | | | | | |
| Combined Utility System Fund | $0 | $0 | ($414,044) | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Sanitation Fund | 0 | 0 | (18,290) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Drainage Utility Fund | 0 | 0 | (62) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Scholes Airport Fund | 0 | 0 | (165) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Total** | **$0** | **$0** | **($432,561)** | | **$0** | **$0** | | **$0** | **$0** | **$0** |
| **Ending Fund Balances** | | | | | | | | | | |
| Combined Utility System Fund | $16,355,889 | $15,502,048 | $19,190,179 | $13,069,097 | $12,527,773 | $14,598,370 | $10,814,002 | $15,312,585 | $15,474,992 | $16,078,343 |
| Sanitation Fund | 1,480,734 | 1,480,734 | 1,888,977 | 693,519 | 568,579 | 1,492,282 | 871,507 | 2,014,501 | 2,602,002 | 2,371,352 |
| Drainage Utility Fund | 1,118,103 | 386,508 | 1,476,606 | 982,205 | 897,089 | 1,084,189 | 850,219 | 1,030,329 | 1,112,654 | 837,684 |
| Scholes Airport Fund | 1,292,992 | 1,292,992 | 1,519,711 | 1,537,033 | 1,277,744 | 1,456,436 | 1,520,358 | 1,464,971 | 1,387,050 | 1,499,509 |
| **Total** | **$20,247,719** | **$18,662,282** | **$24,075,473** | **$16,281,854** | **$15,271,185** | **$18,631,276** | **$14,056,085** | **$19,822,386** | **$20,576,698** | **$20,786,887** |

**FY2026 BUDGET**
**ENTERPRISE FUNDS EXPENDITURE OVERVIEW**

**Expenditure Summaries by Fund**

| DEPARTMENT | FY2023 ADOPTED BUDGET | FY2023 AMENDED BUDGET | FY2023 ACTUAL | FY2024 ADOPTED BUDGET | FY2024 AMENDED BUDGET | FY2024 ACTUAL | FY2025 ADOPTED BUDGET | FY2025 AMENDED BUDGET | FY2025 ESTIMATED ACTUAL | FY2026 BUDGET |
|---|---|---|---|---|---|---|---|---|---|---|
| Combined Utility System Fund | 42,875,450 | 43,734,291 | 43,645,358 | 49,195,377 | 49,736,701 | 48,064,511 | 49,545,468 | 47,669,385 | 46,937,668 | 47,068,650 |
| Sanitation | 9,045,057 | 9,045,057 | 8,982,349 | 9,300,957 | 9,425,897 | 9,140,171 | 10,429,115 | 10,310,430 | 10,143,430 | 11,421,780 |
| Drainage Utility | 3,291,436 | 3,460,165 | 3,049,663 | 4,164,402 | 4,249,518 | 3,747,285 | 3,908,970 | 3,718,860 | 3,587,230 | 3,920,970 |
| Airport | 1,373,075 | 1,373,075 | 1,275,985 | 1,414,254 | 1,673,543 | 1,554,260 | 1,435,742 | 1,491,129 | 1,492,857 | 1,452,441 |
| **Enterprise Fund Total** | **$56,585,017** | **$57,612,588** | **$56,953,356** | **$64,074,990** | **$65,085,660** | **$62,506,226** | **$65,319,295** | **$63,189,804** | **$62,161,184** | **$63,863,841** |

**Expenditure Summaries by Category**

| CATEGORY | FY2023 ADOPTED BUDGET | FY2023 AMENDED BUDGET | FY2023 ACTUAL | FY2024 ADOPTED BUDGET | FY2024 AMENDED BUDGET | FY2024 ACTUAL | FY2025 ADOPTED BUDGET | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|---|---|---|---|---|---|
| Personnel Services | $18,595,880 | $19,195,880 | $18,849,124 | $21,625,832 | $21,625,832 | $20,668,202 | $22,575,608 | $22,324,980 | $21,320,982 | $22,812,331 |
| Materials and Supplies | 2,997,150 | 2,997,150 | 3,219,355 | 3,392,913 | 3,247,914 | 3,268,926 | 3,736,780 | 3,402,157 | 3,154,715 | 3,287,700 |
| Contractual Services | 7,258,917 | 7,258,918 | 6,967,331 | 7,911,543 | 7,961,483 | 7,575,998 | 8,731,917 | 8,321,933 | 8,194,193 | 8,896,490 |
| Other Charges and Services | 13,297,261 | 13,297,261 | 13,285,621 | 14,098,372 | 14,098,372 | 13,963,720 | 14,397,280 | 14,234,570 | 14,371,788 | 14,877,370 |
| Operating Transfers | 425,570 | 275,762 | 349,762 | 1,893,765 | 2,313,765 | 2,323,765 | 2,033,070 | 725,570 | 725,570 | 1,438,570 |
| Capital Outlay | 1,530,781 | 2,708,161 | 1,908,596 | 2,920,088 | 3,605,819 | 2,881,716 | 2,095,000 | 2,430,954 | 2,644,296 | 790,000 |
| Debt Service | 12,479,457 | 11,879,457 | 12,366,967 | 12,232,477 | 12,232,475 | 11,823,900 | 11,749,640 | 11,749,640 | 11,749,640 | 11,761,380 |
| Special Programs and Events | 0 | 0 | 6,600 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Enterprise Fund Total** | **$56,585,017** | **$57,612,588** | **$56,953,356** | **$64,074,990** | **$65,085,660** | **$62,506,226** | **$65,319,295** | **$63,189,804** | **$62,161,184** | **$63,863,841** |

**BUDGET HIGHLIGHTS**

Personnel Services - Net increases (+$1,491,349) includes funding for a 10% increase (+$328,560) in Group Health insurance, (+$293,464) increase in reimbursements to Streets for repairs, and (+$869,325) for annualized personnel costs.

Materials and Supplies - Net increase (+$132,985) includes increases (+$40,942) to electrify, increases (+$51,990) for minor equipment and pipe & plumbing supplies and increases in miscellaneous supply line items (+$40,053).

Contractual Services - Net increases (+$702,296) include includes an increase (+$445,689) in garage charges, computer charges (+$75,620), software licenses (+$81,432), and net increases (+$99,555) across various for contractual line items.

Other Charges and Services - Net increase (+$505,582) includes increased payments to GCWA (+$38,333), increase for Administrative Services Fees (+$387,000) and increases (+$80,249) in city related services including Insurance, Facilities, and Community Outreach.

Operating Transfers - An increase (+$713,000) for transfer to Water (+$13,000), Sewer (+$50,000) and Sanitation (+$650,000) Improvement Funds.

Capital Outlay - Net decrease (-$1,854,296) for Capital purchases in FY2026 with no prior year carryovers.

Debt Service - Net increase (+$11,) for debt payments for FY2026.

See the following pages for detailed discussions of each budget.

# WATER/WASTEWATER COMBINED UTILITY

## MISSION STATEMENT

The mission of the Water/Wastewater Combined Utility group of divisions is to provide safe, reliable, and sustainable water and wastewater services that protect public health, support community growth, quality of life, and preserve the environment. Through responsible and innovative best management practices, and a commitment to customer service, we ensure the delivery of clean drinking water and the effective collection and treatment of wastewater for the well-being of our community – today and into the future.

## GOALS

- Reinforce the execution of the sanitary sewer maintenance program aimed at reducing sanitary sewer overflow and reducing inflow and infiltration and exfiltration. The program will use new reporting methods to effectively identify trouble areas and emerging issues, in a manner that will allow the COG to plan for maintenance and CIP projects. The program uses new technologies such as:
  - Continue using the Sewer Line Rapid Assessment Tool – The data collected will determine which parts of the system will be line cleaned, televised and replaced based on actual need.
  - Continue to improve televising records by incorporating NASSCO Pipe Assessment Certification Program (PACP) standards, Manhole Assessment Certification Program (MACP) standards. The goal of PACP and MACP is to have the COG collection system division create a comprehensive database to properly identify, plan, prioritize, manage and renovate the system based on condition evaluation.
  - Utilize the Water/Wastewater Master Plan data to target high risk infrastructure failures proactively.
  - Utilize Drainage Master Plan ponding maps to target sanitary sewer manhole lid conversions to Super Covers to reduce inflow and infiltration (I&I) and regain capacity in the sewer pipes and wastewater treatment plants.
  - Enhance the Pretreatment program following TCEQ guidelines.
    - Maintain 100% Compliance with Grease Trap Ordinance.
    - Develop and begin a monitoring, televising and sampling program.
    - Develop an educational outreach program
- Continue upgrading the Water/Wastewater SCADA system to the latest versions, true up the programming, renew the communication components of the system and connect the water elevated storage tanks and sewer lift stations to the SCADA system. This will increase employee efficiency by allowing staff to control and monitor sites remotely, while allowing staff to make data driven decisions and focus on system improvements.
- Continue enhancing the COG GIS system to improve construction efforts, reduce change orders caused by system inaccuracies, improve valve isolation times during main breaks, and allow COG to integrate data and begin using the analytic capabilities of the GIS system. As part of this effort the City will complete the following activities:
  - GPS 100% of sanitary sewer manholes, collect manhole attributes and import the data into GIS
  - Correct water/wastewater pipe attributes
  - Continue the AWWA fire hydrant maintenance program which will include the capturing of static & residual pressure, true hydrant flows, and painting the bonnets to match the AWWA flow color codes.
  - Exercise and GPS 100% of the distribution valves, collect valve attributes.
- Refine the water maintenance program aimed at reducing water loss, improving water flow, volumes and pressure. This will be accomplished by:
  - Utilization of the recently completed Sustainable Interactive Customer Connections (SICC) program, and interpretation of the analytics provided to optimize processes and procedures.

**FY2026 BUDGET**
**COMBINED UTILITY SYSTEM FUND SUMMARY**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **Beginning Fund Balance** | **19,190,179** | **14,598,370** | **14,598,370** | **15,474,992** |
| Revenues: | | | | |
| Metered customers | $39,428,849 | $45,397,000 | $45,502,100 | $45,695,000 |
| Service connections | 1,271,128 | 1,937,600 | 1,257,906 | 1,043,000 |
| Waste hauler fees | 99,380 | 80,000 | 89,591 | 90,000 |
| Interest earned | 567,870 | 460,000 | 338,956 | 330,000 |
| Penalties on account | 498,523 | 475,000 | 515,309 | 494,000 |
| Other revenues | 46,677 | 34,000 | 22,781 | 20,000 |
| Other Financing sources | 1,560,276 | 0 | 87,647 | 0 |
| **Total revenues** | **$43,472,702** | **$48,383,600** | **$47,814,290** | **$47,672,000** |
| Expenses: | | | | |
| Management services | $1,567,894 | $1,751,164 | $1,783,680 | $1,928,919 |
| Utility Billing | 1,413,044 | 1,590,398 | 1,520,130 | 2,153,620 |
| Supply | 2,744,606 | 2,871,425 | 2,765,620 | 2,691,520 |
| Distribution | 3,915,939 | 4,047,254 | 3,884,270 | 3,930,230 |
| Industrial Pretreatment | 354,143 | 404,908 | 357,030 | 391,820 |
| Collection | 5,053,695 | 5,553,441 | 5,172,340 | 5,481,110 |
| Wastewater Treatment Plant | 6,027,656 | 5,914,890 | 5,730,450 | 6,035,860 |
| Cost of Water | 8,016,276 | 8,356,000 | 8,340,417 | 8,378,750 |
| Debt Service | 10,659,402 | 10,574,370 | 10,574,370 | 10,585,640 |
| Other Expenses | 5,218,413 | 3,849,340 | 3,850,203 | 4,091,180 |
| **Total expenses** | **$44,971,067** | **$44,913,190** | **$43,978,511** | **$45,668,650** |
| **Operating Income (Loss)** | **($1,498,365)** | **$3,470,410** | **$3,835,779** | **$2,003,350** |
| Capital Outlay/Improvement Fund Transfer | 3,093,444 | 2,756,195 | 2,959,157 | 1,400,000 |
| **Ending balance** | **$14,598,370** | **$15,312,585** | **$15,474,992** | **$16,078,343** |
| ***90 Day Reserve*** | ***$11,088,756*** | ***$11,074,485*** | ***$10,844,016*** | ***$11,260,763*** |
| ***120 Day Reserve*** | ***$14,785,008*** | ***$14,765,980*** | ***$14,458,689*** | ***$15,014,351*** |

| PERSONNEL SUMMARY | FY2024 ACTUAL | FY2026 BUDGET | FY2026 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Management Services | 7.66 | 10.66 | 10.32 | 10.32 |
| Utility Billing | 10.75 | 11.50 | 9.25 | 18.50 |
| Supply | 12.38 | 12.38 | 12.58 | 12.00 |
| Distribution | 30.23 | 31.28 | 27.78 | 27.90 |
| Industrial Pretreatment | 4.00 | 4.00 | 3.00 | 4.00 |
| Collections | 42.23 | 44.28 | 38.35 | 40.90 |
| Wastewater Treatment Plant | 33.88 | 35.88 | 30.88 | 35.50 |
| Total Full Time Positions | 141.12 | 149.97 | 132.15 | 149.12 |
| Total Personnel Costs | $13,020,862 | $14,148,700 | $13,355,281 | $14,396,070 |

**BUDGET HIGHLIGHTS**

Cost of Water - the Cost of Water paid to the Gulf Coast Water Authority (GCWA) comprised 18% of the system's total costs. A portion of this cost has gone to pay debt service on contract revenue bonds issued by GCWA for major capital projects providing benefit to the City of Galveston.

Debt - Overall debt service costs experienced in FY 2025 are projected to increase slightly in FY 2026. These costs will be sustained into the future due to the 30-year term of the 2022 COs.

Fund Balance - The spend down of fund balance in FY 2026 is designated for investments in capital outlay to improve the efficiency and resiliency of the utility system and its maintenance.

**FY2026 BUDGET**
**WATERWORKS FUND SUMMARY**

| | | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|---|
| **Beginning Fund Balance** | **$** | **11,649,683** | **9,039,847** | **9,039,847** | **8,778,569** |
| Revenues: | | | | | |
| Metered Customers | | $23,216,076 | $24,737,000 | $24,553,100 | $24,675,000 |
| Service Connections | | 804,408 | 1,347,600 | 814,551 | 613,000 |
| Interest Earned | | 362,207 | 280,000 | 210,157 | 205,000 |
| Penalties on Account | | 288,057 | 275,000 | 278,014 | 286,000 |
| Other Revenues | | 30,239 | 30,000 | 16,981 | 15,000 |
| Other Funding Sources | | 27,799 | 0 | 40,388 | 0 |
| **Total Revenues** | | **$24,728,786** | **$26,669,600** | **$25,913,190** | **$25,794,000** |
| Expenses: | | | | | |
| Management Services | | $803,522 | $875,582 | $895,820 | $964,460 |
| Utility Billing | | 710,477 | 795,199 | 753,320 | 1,076,810 |
| Supply | | 2,744,606 | 2,871,425 | 2,765,620 | 2,691,520 |
| Distribution | | 3,915,939 | 4,047,254 | 3,884,270 | 3,930,230 |
| Cost of Water | | 8,016,276 | 8,356,000 | 8,340,417 | 8,378,750 |
| Debt Service | | 6,507,989 | 6,435,210 | 6,435,210 | 6,445,320 |
| Other Expenses | | 3,386,220 | 1,966,950 | 1,966,952 | 2,022,630 |
| **Total Expenses** | | **$26,085,028** | **$25,347,620** | **$25,041,611** | **$25,509,720** |
| **Operating Income (Loss)** | | **($1,356,241)** | **$1,321,980** | **$871,579** | **$284,280** |
| Capital Outlay/Improvement Fund Transfer | | $1,253,595 | $1,031,376 | $1,132,857 | $510,000 |
| **Ending balance** | | **$9,039,847** | **$9,330,450** | **$8,778,569** | **$8,552,849** |
| ***90 Day Reserve*** | | ***$6,431,925*** | ***$6,250,098*** | ***$6,174,644*** | ***$6,290,068*** |
| ***120 Day Reserve*** | | ***$8,575,900*** | ***$8,333,464*** | ***$8,232,858*** | ***$8,386,757*** |

| PERSONNEL SUMMARY | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Waterworks - Full Time Positions | 51.81 | 54.74 | 50.14 | 54.31 |
| Waterworks - Personnel Costs | $4,892,199 | $5,076,470 | $4,888,550 | $5,057,900 |

**BUDGET HIGHLIGHTS**

Cost of Water - The Cost of Water for FY 2026 is expected to stay relatively flat year over year.

Through FY 2021, the Cost of Water paid to the Gulf Coast Water Authority (GCWA) comprised about one-third of the water system's total costs. A portion of this cost has gone to pay debt service on contract revenue bonds issued by GCWA for major capital projects providing benefit to the City of Galveston. Final scheduled payments were made on those bonds in FY 2023, resulting in savings of over $3 million per year. This made funds available for the water system share of new debt service resulting from the $65 million Water and Wastewater Tax and Revenue Certificate of Obligation sale in FY 2023.

Debt Service - The FY 2023 debt issuance resulted in an increase in debt service payments in FY 2024 that will be sustained through 2052. The 30-year term of this debt will impact debt service expenses into future years.

Capital Outlay - Many Water System capital projects have been funded from the $65 million Water and Sewer Tax and Revenue Certificates of Obligation sale in 2022. The City is in the process of completing a Water & Sewer Masterplan and expects to include this with the City's Comprehensive Plan.

Based on the Masterplan, the City will make determinations on future capital infrastructure, as well as operational improvements. Rate sufficiency will be determined based on these recommended changes in FY 2026.

**FY2026 BUDGET**
**WATERWORKS FUND**
**EXPENDITURE SUMMARY**

| DEPARTMENT | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Management Services | $803,522 | $911,082 | $931,320 | $964,460 |
| Utility Billing | 710,477 | 795,199 | 753,320 | 1,076,810 |
| Supply | 2,802,867 | 2,887,982 | 2,782,177 | 2,731,520 |
| Distribution | 4,481,253 | 4,726,573 | 4,665,070 | 4,100,230 |
| Cost of Water | 8,016,276 | 8,356,000 | 8,340,417 | 8,378,750 |
| Debt Service | 6,507,989 | 6,435,210 | 6,435,210 | 6,445,320 |
| Other expenses | 3,646,240 | 1,966,950 | 1,966,952 | 2,022,630 |
| **Subtotal** | **26,968,623** | **26,078,996** | **25,874,468** | **25,719,720** |
| Transfer to Improvement Fund | 370,000 | 300,000 | 300,000 | 300,000 |
| **Waterworks Fund Total** | **$27,338,623** | **$26,378,996** | **$26,174,468** | **$26,019,720** |

| CATEGORY | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Personnel Services | $4,892,199 | $5,076,470 | $4,888,550 | $5,057,900 |
| Materials and Supplies | 1,146,635 | 1,227,756 | 1,103,086 | 1,186,020 |
| Contractual Services | 1,718,186 | 1,917,097 | 1,891,172 | 2,004,420 |
| Other Charges and Services | 10,319,385 | 10,668,648 | 10,701,152 | 10,780,620 |
| Operating Transfers | 1,870,635 | 322,440 | 322,440 | 335,440 |
| Capital Outlay | 883,595 | 731,376 | 832,857 | 210,000 |
| Debt Service | 6,507,989 | 6,435,210 | 6,435,210 | 6,445,320 |
| Special Programs and Events | 0 | 0 | 0 | 0 |
| **Waterworks Fund Total** | **$27,338,623** | **$26,378,996** | **$26,174,468** | **$26,019,720** |

**HIGHLIGHTS (FY2026 BUDGET Over/Under FY2025 Estimated)**

Personnel services - Net increase (+$169,350) includes a 10% increase (+$67,370) to Group Health insurance, a decrease (-$44,432) in overtime, annualized cost of personnel (+$24,590), and a increase (+$121,732) in reimbursements to Streets.

Materials and Supplies - Net increase (+$82,934) includes a increase (+$40,942) in electricity, and increases (+$41,992) for various material and supply accounts for FY2026.

Contractual Services - Net increases (+$113,248) include increases for software licenses (+$81,432), increases (+$23,991) to garage charges, increases (+$20,130) in computer charges and decreases (-$12,305) to miscellaneous contractual accounts.

Other Charges and Services - Net increase (+$79,468) includes an increase in payments (+$38,333) to GCWA, an increase in Administrative charges (+$49,000), increases (+$5,207 ) in city related services including Insurance, Facilities, and Community Outreach and decreases (-$13,072) to miscellaneous line items in Other Charges and Services.

Operating Transfers - Net increase (+$13,000) to increase the contribution into the Separation Pay Fund

Capital Outlay - Net decrease (-$622,857) for Capital purchases in FY 2026.

Debt Service - Includes a net increase (+$10,110) for debt service payments.

# MANAGEMENT SERVICES DIVISION
# (Waterworks Share)

## MISSION STATEMENT

The mission of the Management Services/Administration Division is to provide outstanding customer service to our community and fellow employees through effective communication, teamwork and knowledge.

## ACCOMPLISHMENTS

- Created 20079 work orders.
- Completed 841 purchase orders totaling $87,627,840.82
- Processed a total of $231,298.03 credit card transactions.
- Tracked and processed payments on a total of 95 Capital Improvement Projects
- Retained 100% of Staff from FY24

## GOALS

- Train staff members in new processes through the Workday system (Inventory module and finance system)
- Monthly reconciliations of encumbrances both Capital Improvement and Operating accounts
- Complete weekly open encumbrance reports for Department Superintendents
- Invoices submitted for payment within 14 days
- Reimbursements of Public Works projects (IHST, CDBG, IDCDIPP and utility cuts) submitted within 30 days of completion.

**FY2026 BUDGET**
**MANAGEMENT SERVICES (WATERWORKS SHARE)**

**EXPENDITURE SUMMARY**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Personnel Services | $513,592 | $550,552 | $591,050 | $635,580 |
| Materials and Supplies | 18,866 | 21,150 | 17,525 | 19,200 |
| Contractual Services | 143,193 | 156,380 | 156,923 | 179,680 |
| Other Charges and Services | 127,871 | 147,500 | 130,323 | 130,000 |
| Capital Outlay | 0 | 35,500 | 35,500 | 0 |
| **TOTAL** | **$803,522** | **$911,082** | **$931,320** | **$964,460** |

**BUDGET HIGHLIGHTS (FY2026 BUDGET OVER/UNDER FY2025 ESTIMATED)**

Personnel Services - Net increase (+$44,530) includes a 10% increase in Group Health insurance (+$4,690), a increase (+$121,732) for reimbursements for Street repairs, and the annualized cost (-$81,892) of personnel and capital projects payroll allocations.

Materials and Supplies - Net increase (+$1,675) to maintain current spending levels for FY2026.

Contractual Services - Net increase (+$22,757) needed for software licenses (+$6,725), an increase for advertising (+$6,741), computer charges (+$10,000) and decreases (-$709) to various contractual line items.

Other Charges and Services - Net decrease (-$323) to maintain current level funding for Project Management costs not chargeable to the Capital Improvement Program.

Capital Outlay - Net decrease (-$35,500) for expected capital needs in FY2026.

**PERSONNEL**

| POSITION | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Assistant City Manager | 0.33 | 0.33 | 0.33 | 0.33 |
| Director of Public Works | 0.00 | 0.00 | 0.33 | 0.33 |
| Chief Surveyor | 0.50 | 0.50 | 0.50 | 0.50 |
| Survey Party Chief | 0.50 | 0.50 | 0.50 | 0.50 |
| Safety Officer | 0.50 | 0.50 | 0.50 | 0.50 |
| Sr. Admin Service Specialist | 0.00 | 0.50 | 0.50 | 0.50 |
| Administrative Assistant | 0.50 | 0.50 | 0.50 | 0.50 |
| Customer Service Supervisor | 0.50 | 0.50 | 0.50 | 0.50 |
| Customer Service Agent | 1.00 | 2.00 | 1.50 | 1.50 |
| **TOTAL** | **3.83** | **5.33** | **5.16** | **5.16** |

**FY2026 BUDGET**
**MANAGEMENT SERVICES (WATERWORKS SHARE)**

**LINE ITEM DETAIL**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **Personnel Services** | | | | |
| 511001 Regular Payroll | $202,618 | $297,150 | $378,636 | $322,230 |
| 511005 Longevity | 898 | 1,070 | 2,601 | 2,850 |
| 511006 Differential Pay | 808 | 1,000 | 1,504 | 920 |
| 511009 Overtime | 6,866 | 1,000 | 11,996 | 7,900 |
| 511021 Part-time Payroll | 23,122 | 22,190 | 34,925 | 29,100 |
| 511110 Incentive Pay | 0 | 0 | 40 | 0 |
| 511125 Residency Pay | 1,436 | 840 | 4,727 | 2,090 |
| 511510 Group Health Insurance | 50,665 | 70,490 | 70,490 | 75,180 |
| 511515 Worker's Compensation | 237 | 480 | 480 | 480 |
| 511520 Group Life Insurance | 991 | 1,390 | 1,302 | 1,580 |
| 511530 Social Security - Employment | 14,182 | 20,047 | 26,574 | 23,000 |
| 511535 Medicare - Employer's | 3,320 | 4,685 | 6,229 | 5,380 |
| 511542 City Employee Retirement | 27,768 | 40,210 | 53,279 | 44,870 |
| 511650 Salary Reimbursements | 180,681 | 90,000 | (1,732) | 120,000 |
| **Total Personnel Services** | **$513,592** | **$550,552** | **$591,050** | **$635,580** |
| | | | | |
| **Materials and Supplies** | | | | |
| 521065 Office Supplies | 6,755 | 9,000 | 6,611 | 8,000 |
| 521067 Minor Office Equipment | 627 | 750 | 750 | 700 |
| 522013 Clothing | 1,124 | 950 | 720 | 950 |
| 522037 Janitorial Supplies | 1,970 | 0 | 46 | 0 |
| 522038 Safety Supplies | 22 | 500 | 338 | 400 |
| 522055 Minor Tools | 75 | 850 | 850 | 750 |
| 525031 Electricity | 8,294 | 9,100 | 8,210 | 8,400 |
| **Total Materials and Supplies** | **$18,866** | **$21,150** | **$17,525** | **$19,200** |
| | | | | |
| **Contractual Services** | | | | |
| 531005 Other Services | 750 | 700 | 700 | 750 |
| 531006 Attorney's Fees | 50,276 | 50,000 | 50,000 | 50,000 |
| 531007 Security Service | 0 | 0 | 4,613 | 7,320 |
| 531025 Memberships | 157 | 2,000 | 2,070 | 2,000 |
| 531027 Certificate & Permit Fees | 0 | 50 | 50 | 100 |
| 531028 Software Licenses | 21,217 | 21,275 | 21,275 | 28,000 |
| 531029 Software Maint. Contracts | 0 | 6,725 | 6,725 | 6,730 |
| 531115 Refuse Disposal | 703 | 0 | 0 | 3,000 |
| 531240 Maintenance Contracts | 5,732 | 7,000 | 5,712 | 7,000 |
| 531350 Garage Charges | 21,388 | 19,440 | 17,083 | 14,190 |
| 531360 Computer Charges | 24,856 | 24,860 | 24,860 | 34,860 |
| 532062 Postage | 1,050 | 1,500 | 2,986 | 1,920 |
| 532065 Printing, Duplication | 2,618 | 6,000 | 6,490 | 5,400 |
| 532083 Telephone Service | 1,066 | 1,080 | 1,070 | 910 |
| 532084 Cellular Service | 3,082 | 1,350 | 2,901 | 1,040 |
| 532086 Other Communications | 4,265 | 6,000 | 3,871 | 3,880 |
| 532087 Air card Service | 4,905 | 3,900 | 4,086 | 4,080 |
| 533085 Travel/Training | 297 | 2,000 | 1,672 | 1,000 |
| 533100 Advertising | 832 | 2,500 | 759 | 7,500 |
| **Total Contractual Services** | **$143,193** | **$156,380** | **$156,923** | **$179,680** |
| | | | | |
| **Other Charges and Services** | | | | |
| 543099 Project Mgmt. Costs (Capital) | 127,871 | 147,500 | 130,323 | 130,000 |
| **Total Other Charges and Services** | **$127,871** | **$147,500** | **$130,323** | **$130,000** |
| | | | | |
| **Capital Outlay** | | | | |
| 564099 Other Capital Purchases | 0 | 35,500 | 35,500 | 0 |
| **Total Capital Outlay** | **$0** | **$35,500** | **$35,500** | **$0** |
| | | | | |
| **Total Expenses** | **$803,522** | **$911,082** | **$931,320** | **$964,460** |


CITY OF GALVESTON
1839
TEXAS

# UTILITY BILLING DIVISION

## MISSION STATEMENT

The mission of the Utility Billing Division is to ensure accuracy and efficiency in the billing and collection of utility services, while providing excellent customer service to new and existing customers, responding to inquiries, and promptly posting payments.

## ACCOMPLISHMENTS

- Activated 2,851 new customer accounts since the beginning of FY2025
- Answered 90% of all customer's calls on their first attempt
- Increased number of customers paying by ACH by 6%
- Increased number of e-bill customers by 8%
- Decreased the number of receivable balances over 90 days by 3%
- Implemented new drainage rates for current customers and over 1,000 new accounts for unmetered drainage.

## GOALS

- Update Customer Service Utility Billing procedure manual to align with the newly installed advanced technology meters
- Continue to investigate vacant usage accounts
- Investigate zero usage accounts
- Increase number of electronically paying customers and increase the number of customers receiving E-bill statements by (5%)
- Reduce the number of customer account receivable balances over 90-days by (5%).
- Revisit the current adjustment procedures to align with new and improved data received from the new AMI technology.

**FY2026 BUDGET**
**UTILITY BILLING (WATERWORKS SHARE)**

**EXPENDITURE SUMMARY**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Personnel Services | $379,654 | $458,119 | $418,000 | $707,110 |
| Materials and Supplies | 5,374 | 7,150 | 4,460 | 4,650 |
| Contractual Services | 145,374 | 147,443 | 131,090 | 185,050 |
| Other Charges and Services | 180,076 | 182,488 | 199,770 | 180,000 |
| **TOTAL** | **$710,477** | **$795,199** | **$753,320** | **$1,076,810** |

**BUDGET HIGHLIGHTS (FY2026 BUDGET OVER/UNDER FY2025 ESTIMATED)**

Note: Utility Billing office operations allocation is **37.5% Water**, 37.5% Sewer, 15% Sanitation, 10% Drainage.
Note: The Meter Service Group allocation is **50% Water (Distribution)** and 50% Sewer (Collection).

Personnel Services - Net increases (+$289,110) include transfer of Meter Tech group from distribution to Utility Billing (+$240,060) inclusive of benefits and annualized personnel costs from unfilled vacant positions (+$49,050) .
Materials and Supplies - Net increase (+$190) for to maintain funding level for supplies and minor office equipment.
Contractual Services - Net increases (+$53,960) includes an increase for software maintenance contracts (+$21,188), garage charges (+$33,100) for Meter Tech group, and miscellaneous decreases (-$328) to various contractual accounts.
Other Charges and Supply - Slight decrease in bank service charges (-$19,770) for online credit cards and phone payments.

**PERFORMANCE INDICATORS**

| INDICATORS | FY2023 ACTUAL | FY2024 ACTUAL | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Number of Customers | 23,867 | 23,733 | 23,928 | 24,110 |
| Number of service orders | 21,442 | 20,910 | 20,920 | 20,500 |
| Number of water meters not transmitting | 1,190 | 738 | 730 | 600 |
| Number of delinquent customers over 90 days | 1,141 | 1,453 | 1,467 | 1,667 |
| Over 90 day balances for active customers | $492,359 | $473,121 | $484,351 | $494,351 |
| Number of customers paying by auto payment | 10,162 | 10,912 | 11,456 | 11,947 |
| Number of e-bill customers | 6,731 | 7,319 | 7,915 | 8,523 |

**PERSONNEL**

| POSITION | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Utility Customer Service Manager | 0.375 | 0.375 | 0.375 | 0.375 |
| Utility Billing Supervisor | 0.375 | 0.375 | 0.375 | 0.375 |
| Customer Service Supervisor | 0.375 | 0.375 | 0.375 | 0.375 |
| City Cashier Supervisor | 0.000 | 0.375 | 0.375 | 0.375 |
| Sr. Utility Customer Service Specialist | 0.750 | 0.750 | 0.375 | 0.750 |
| Utility Customer Service Specialist | 3.000 | 3.000 | 2.250 | 3.000 |
| Meter Services Supervisor | 0.000 | 0.000 | 0.000 | 0.500 |
| Senior Meter Service Technician | 0.000 | 0.000 | 0.000 | 0.500 |
| Meter Services Technician | 0.000 | 0.000 | 0.000 | 2.500 |
| Accountant | 0.500 | 0.500 | 0.500 | 0.500 |
| **TOTAL** | **5.375** | **5.750** | **4.625** | **9.250** |

**FY2026 BUDGET**
**UTILITY BILLING (WATERWORKS SHARE)**

| LINE ITEM DETAIL | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **Personnel Services** | | | | |
| 511001 Regular Payroll | $233,617 | $295,722 | $262,629 | $452,220 |
| 511005 Longevity | 1,423 | 1,720 | 1,359 | 1,800 |
| 511006 Differential Pay | 688 | 650 | 999 | 1,020 |
| 511009 Overtime | 3,913 | 3,000 | 3,000 | 3,000 |
| 511110 Incentive Pay | 0 | 0 | 30 | 0 |
| 511125 Residency Pay | 953 | 970 | 945 | 970 |
| 511510 Group Health Insurance | 76,038 | 76,040 | 76,040 | 134,760 |
| 511515 Worker's Compensation | 3,295 | 6,590 | 6,590 | 6,590 |
| 511520 Group Life Insurance | 1,171 | 1,380 | 1,285 | 1,750 |
| 511530 Social Security - Employment | 14,916 | 19,223 | 16,764 | 28,950 |
| 511535 Medicare - Employer's | 3,488 | 4,494 | 3,920 | 6,770 |
| 511542 City Employee Retirement | 31,527 | 40,330 | 36,439 | 61,280 |
| **Total Personnel Services** | **$379,654** | **$458,119** | **$418,000** | **$707,110** |
| | | | | |
| **Materials and Supplies** | | | | |
| 521065 Office Supplies | 4,266 | 3,938 | 2,698 | 2,500 |
| 521067 Minor Office Equipment | 267 | (63) | 9 | 500 |
| 521073 Printed Materials | 841 | 3,125 | 1,603 | 1,500 |
| 522037 Janitorial supplies | 0 | 150 | 150 | 150 |
| **Total Materials and Supplies** | **$5,374** | **$7,150** | **$4,460** | **$4,650** |
| | | | | |
| 531007 Security Service | 6,533 | 6,500 | 6,756 | 6,000 |
| 531015 Temporary Employee Services | 5,416 | 8,000 | 0 | 5,000 |
| 531028 Software Licenses | 2,601 | 8,000 | 3,000 | 0 |
| 531029 Software Maintenance Contracts | 15,947 | 23,013 | 19,812 | 41,000 |
| 531125 Other Contracts | 14,472 | 14,000 | 14,000 | 12,000 |
| 531350 Garage Charges | 0 | 0 | 0 | 33,100 |
| 531360 Computer Charges | 40,129 | 31,430 | 31,430 | 36,150 |
| 532062 Postage | 51,668 | 49,000 | 48,489 | 44,000 |
| 532065 Printing, Duplication | 865 | 1,200 | 940 | 1,000 |
| 532083 Telephone Service | 482 | 500 | 483 | 500 |
| 532084 Cellular Service | 1,279 | 300 | 1,270 | 1,300 |
| 532086 Other Communications | 1,083 | 1,100 | 1,095 | 1,100 |
| 532087 Aircard Services | 4,411 | 2,900 | 2,360 | 2,400 |
| 533085 Travel/Training | 490 | 1,500 | 1,454 | 1,500 |
| **Total Contractual Services** | **$145,374** | **$147,443** | **$131,090** | **$185,050** |
| | | | | |
| **Other Charges and Services** | | | | |
| 544105 Bank Service Charges | 180,076 | 182,488 | 199,770 | 180,000 |
| **Total Other Charges and Services** | **$180,076** | **$182,488** | **$199,770** | **$180,000** |
| | | | | |
| **Total Expenses** | **$710,477** | **$795,199** | **$753,320** | **$1,076,810** |


CITY OF GALVESTON
1839
TEXAS

# WATER SUPPLY DIVISION

## MISSION STATEMENT

The mission of the Water Supply Division is to provide a safe, reliable, and resilient supply of clean drinking water to our community through responsible stewardship, innovative practices, emergency preparedness, and a commitment to public health, regulatory compliance, and customer service.

## ACCOMPLISHMENTS

- Continued to operate 30th Street, 59th Street and Airport Pump Stations simultaneously, which has greatly improved system resiliency and stabilized system pressure throughout the city.
- Expanded distribution system dead-end flushing program to 172 fire hydrants, which will lead to improved water quality throughout the identified designated areas.
- Continued to improve Standard Operating Procedures (SOP) on how to operate the water supply facilities more efficiently and effectively by utilizing new industry technology.
- Continued to utilize pressure monitors and water quality monitors to visualize and trend key locations to help find water leaks and aid operators in making adjustments to disinfection, respectively.
- Reduced overall water residency time by optimizing supply tank cycling at 30th Street and 59th Street pump stations.

## GOALS

- Identify and improve water quality in troubled areas throughout the city.
- Reduce water quality customer complaints. The new goal is to reduce complaints by 16 percent.
- In FY25 staff raised the average chlorine residual to 2.7 mg/L which was found to be optimal disinfection resulting in better disinfection in looped areas of the system.
- Have our staff work to achieve “zero” failed Bac-T samples every year.
- Continue to have “zero” violations to Disinfectant Byproduct Sampling and reduce precursors for nitrification by continuing to improve dosing procedures and reducing water residency time through better tank cycling.
- Implement computerized maintenance management system to create work orders and complete assigned tasks.

**FY2026 BUDGET**
**SUPPLY**

**EXPENDITURE SUMMARY**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Personnel Services | $1,282,090 | $1,209,775 | $1,218,190 | $1,123,420 |
| Materials and Supplies | 727,901 | 775,133 | 693,110 | 708,260 |
| Contractual Services | 725,234 | 886,517 | 854,320 | 869,840 |
| Other Charges and Services | 9,382 | 0 | 0 | (10,000) |
| Operating Transfers | 150,000 | 300,000 | 300,000 | 300,000 |
| Capital Outlay | 58,261 | 16,557 | 16,557 | 40,000 |
| **TOTAL** | **$2,952,867** | **$3,187,982** | **$3,082,177** | **$3,031,520** |

**BUDGET HIGHLIGHTS (FY2026 BUDGET OVER/UNDER FY2025 ESTIMATED)**

Personnel Services - Net decreases (-$94,770) includes a 10% increase (+$11,130) for Group Health insurance, a decrease (-$50,000) to overtime funding, and annualized cost of personnel (-$55,900).
Materials and Supplies - Net increase (+$15,150) to maintain current level spending for FY26.

Contractual Services - Net increases (+$15,521) include increases for electricity (+$40,492) and decreases (-$24,971) to miscellaneous contractual accounts.

Other Charges and Services - Net decrease (-$10,000) for anticipated reimbursable expenses.
Capital Outlay - Net increase (+$23,773) for capital purchases in FY2026.

**PERFORMANCE INDICATORS**

| INDICATORS | FY2023 ACTUAL | FY2024 ACTUAL | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Reduce Number of Water Complaints | 150 | 150 | 150 | 125 |
| Reduce Average Disinfection Residual per Year | 2.4 | 2.7 | 2.7 | 2.7 |
| Operator At Fault Failed Bac-T Samples | 1 | 0 | 0 | 0 |
| Benchmark Equipment Mean Time Between Failures | 80% | 85% | 90% | 95% |
| Benchmark Equipment Life Cycle Costs | 55% | 65% | 70% | 75% |
| Benchmark Number of System Failures | 20% | 15% | 10% | <10% |
| Develop a Lubrication Storage and Maintenance Plan | 100% | N/A | 50% | 100% |
| Reduce nitrification precursors by reducing residency time through distribution system | NA | NA | 70% | 80% |
| Violations due to disinfectant byproduct sampling | NA | 0 | 0 | 0 |

**PERSONNEL**

| POSITION | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Director of Public Works & Utilities | 0.13 | 0.13 | 0.13 | 0.00 |
| Deputy Director of PW & MU | 0.25 | 0.25 | 0.25 | 0.00 |
| Interim Director of Public Works | 0.00 | 0.00 | 0.20 | 0.00 |
| Water/Wastewater Superintendent | 1.00 | 1.00 | 1.00 | 1.00 |
| Water Supply Superintendent | 1.00 | 1.00 | 1.00 | 1.00 |
| Water Plant Lead Operator | 1.00 | 1.00 | 1.00 | 1.00 |
| Water Plant Operator | 8.00 | 8.00 | 8.00 | 8.00 |
| Water Supply Trainee | 1.00 | 1.00 | 1.00 | 1.00 |
| **TOTAL** | **12.38** | **12.38** | **12.58** | **12.00** |

**FY2026 BUDGET**
**SUPPLY**

**LINE ITEM DETAIL**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **Personnel Services** | | | | |
| 511001 Regular Payroll | $663,041 | $709,906 | $716,523 | $663,200 |
| 511005 Longevity | 6,363 | 6,810 | 6,795 | 7,370 |
| 511009 Overtime | 187,994 | 90,000 | 90,247 | 50,000 |
| 511110 Incentive Pay | 41,973 | 40,380 | 44,753 | 40,380 |
| 511125 Residency Pay | 2,510 | 2,530 | 2,518 | 2,530 |
| 511510 Group Health Insurance | 183,519 | 163,690 | 163,690 | 174,820 |
| 511515 Worker's Compensation | 7,358 | 14,720 | 14,720 | 14,720 |
| 511520 Group Life Insurance | 3,251 | 3,310 | 3,430 | 10,060 |
| 511530 Social Security - Employment | 54,471 | 52,676 | 51,299 | 47,340 |
| 511535 Medicare - Employer's | 12,739 | 12,320 | 11,997 | 11,070 |
| 511542 City Employee Retirement | 118,323 | 113,433 | 112,218 | 101,930 |
| **Total Personnel Services** | **$1,282,090** | **$1,209,775** | **$1,218,190** | **$1,123,420** |
| | | | | |
| **Materials and Supplies** | | | | |
| 521065 Office Supplies | 8,706 | 7,000 | 5,247 | 5,000 |
| 522011 Chemicals | 70,780 | 112,303 | 112,303 | 130,000 |
| 522013 Clothing | 19,289 | 15,000 | 14,804 | 12,000 |
| 522025 Fuel and Lubricants | 81,096 | 51,000 | 30,868 | 40,280 |
| 522037 Janitorial Supplies | 3,767 | 4,000 | 4,000 | 3,130 |
| 522038 Safety Supplies | 7,835 | 15,000 | 12,139 | 11,500 |
| 522045 Electrical Hardware | 0 | 0 | 2,574 | 0 |
| 522055 Minor Tools | 16,844 | 11,500 | 9,642 | 5,000 |
| 522056 Minor Equipment | 33,077 | 34,000 | 34,000 | 20,000 |
| 522065 Paint And Lumber | 2,555 | 8,500 | 6,375 | 3,900 |
| 522075 Pipe and Plumbing Supplies | 15,563 | 4,000 | 4,000 | 4,000 |
| 522085 Equipment Parts | 45,344 | 45,000 | 45,000 | 20,000 |
| 522099 Other Supplies | 2,206 | 2,500 | 2,500 | 2,850 |
| 525031 Electricity | 420,837 | 465,330 | 409,658 | 450,600 |
| **Total Materials and Supplies** | **$727,901** | **$775,133** | **$693,110** | **$708,260** |
| | | | | |
| **Contractual Services** | | | | |
| 531005 Other Services | 56,560 | 30,000 | 24,560 | 30,000 |
| 531008 Laboratory Testing | 29,949 | 30,000 | 30,000 | 30,000 |
| 531025 Memberships | 2,093 | 2,000 | 2,000 | 2,000 |
| 531027 Certification & Permit Fees | 78,186 | 102,082 | 102,082 | 111,000 |
| 531028 Software Licenses | 2,022 | 182,113 | 182,113 | 259,225 |
| 531029 Software Maintenance Contract | 0 | 2,200 | 2,200 | 0 |
| 531120 Lot Maintenance | 70,117 | 55,000 | 55,000 | 70,520 |
| 531125 Other Contracts | 1,915 | 2,000 | 2,000 | 2,000 |
| 531220 Building Repairs | 2,740 | 6,860 | 6,860 | 3,000 |
| 531230 Equipment Repairs | 43,361 | 46,140 | 25,505 | 30,000 |
| 531240 Maintenance Contracts | 158,099 | 164,102 | 164,102 | 105,000 |
| 531320 Equipment Rental | 7,822 | 0 | 0 | 4,750 |
| 531350 Garage Charges | 175,233 | 160,180 | 156,977 | 122,940 |
| 531360 Computer Charges | 75,653 | 75,200 | 75,200 | 76,360 |
| 532065 Printing, Duplication | 0 | 1,000 | 1,009 | 1,045 |
| 532083 Telephone Service | 5,672 | 5,700 | 5,817 | 5,790 |

**FY2026 BUDGET**
**SUPPLY**

**LINE ITEM DETAIL**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| 532084 Cellular Service | 3,320 | 3,400 | 3,718 | 3,630 |
| 532086 Other Communications | 1,873 | 1,920 | 1,883 | 1,910 |
| 532087 Aircard Service | 1,461 | 1,620 | 1,187 | 1,170 |
| 533085 Travel/Training | 6,095 | 15,000 | 12,035 | 9,500 |
| 533200 Food Services | 3,061 | 0 | 72 | 0 |
| **Total Contractual Services** | **$725,234** | **$886,517** | **$854,320** | **$869,840** |
| | | | | |
| **Other Charges and Services** | | | | |
| 544087 Expense Reimbursement | 9,382 | 0 | 0 | (10,000) |
| **Total Other Charges and Services** | **$9,382** | **$0** | **$0** | **($10,000)** |
| | | | | |
| **Operating Transfers** | | | | |
| 553010 Waterworks - Transfer Out | 150,000 | 300,000 | 300,000 | 300,000 |
| **Total Operating Transfers** | **$150,000** | **$300,000** | **$300,000** | **$300,000** |
| | | | | |
| **Capital Outlay** | | | | |
| 564003 Vehicle Capital Outlay | 21,200 | 16,557 | 16,557 | 40,000 |
| 564117 Machinery & Equipment | 37,061 | 0 | 0 | 0 |
| **Total Capital Outlay** | **$58,261** | **$16,557** | **$16,557** | **$40,000** |
| | | | | |
| **Total Expenses** | **$2,952,867** | **$3,187,982** | **$3,082,177** | **$3,031,520** |

# WATER DISTRIBUTION DIVISION

## MISSION STATEMENT

The mission of the Water Distribution Division is to ensure the safe, efficient, and uninterrupted delivery of high-quality drinking water to our coastal community through proactive system maintenance, responsive service, and sustainable practices. We are dedicated to service reliability, rapid response, and coordinated emergency preparedness to meet the unique demands of our coastal environment with a focus on health, safety, regulatory compliance, and future growth.

## ACCOMPLISHMENTS

- The Distribution proactive maintenance team continues to implement the American Water Works Association compliant program to ensure each fire hydrant is in good working order. Our team is projected to complete 100% of the fire hydrants across the island (approximately 2,610 hydrants total).
- The Distribution tap installation teams have been focusing on faster turnaround time for water tap installations as well as repairing water leaks.

## GOALS

- Inspect and maintain all fire hydrants within the distribution system.
- Repair/replace out of service fire hydrants within an average of 30 days of notification.
- Install water taps within an average of 30 days of the service request.
- Perform valve exercising on a minimum of 10% of all isolation valves in accordance with AWWA recommended practices.
- Repair water leaks within an average of 30 days of notification.

**FY2026 BUDGET**
**DISTRIBUTION**

**EXPENDITURE SUMMARY**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Personnel Services | $2,704,863 | $2,858,024 | $2,661,310 | $2,591,790 |
| Materials and Supplies | 394,495 | 424,323 | 387,990 | 453,910 |
| Contractual Services | 669,535 | 679,907 | 701,990 | 734,530 |
| Other Charges and Services | 147,045 | 85,000 | 132,980 | 150,000 |
| Operating Transfers | 220,000 | 0 | 0 | 0 |
| Capital Outlay | 565,314 | 679,319 | 780,800 | 170,000 |
| **TOTAL** | **$4,701,253** | **$4,726,573** | **$4,665,070** | **$4,100,230** |

**BUDGET HIGHLIGHTS (FY2026 BUDGET OVER/UNDER FY2025 ESTIMATED)**

Personnel Services - Net decrease (-$69,520) includes reductions from a department review and reorganization of positions (-$94,520), and a slight increase (+25,000) in reimbursements to Streets.

Materials and Supplies - Net increase (+$65,920) includes various material and supply accounts for FY2026 due to known and expected price increases due to tariffs and inflation.

Contractual Services - Net increase (+$32,540) to various contractual line items.

Other Charges and Services - Net increase (+$17,020) for anticipated reimbursable expenses to Streets.

Capital Outlay - Net decrease (-$610,800) for expected capital needs in FY2026.

**PERFORMANCE INDICATORS**

| INDICATORS | FY2023 ACTUAL | FY2024 ACTUAL | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Time to Repair/Replace Out of Service Hydrants (Average Days) | 350 | 200 | 340 | 30 |
| Time to Install Water Taps After Service Request (Average Days) | 60 | 60 | 68 | 30 |
| Valves Exercised (% of Total Valves) | 17 | 10 | 10 | 10 |
| Fire Hydrants Inspected & Maintained (Each) | 1,222 | 698 | 38 | 2,614 |
| Time to Repair Watet Leaks After Notification (Average Days) | 65 | 55 | 35 | 30 |

**FY2026 BUDGET**
**DISTRIBUTION**

**PERSONNEL**

| POSITION | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Director of Public Works & Utilities - Removed in FY26 | 0.13 | 0.13 | 0.13 | 0.00 |
| Deputy Director of PW & MU - Removed in FY26 | 0.25 | 0.25 | 0.25 | 0.00 |
| Water Treatment Compliance Manager | 0.00 | 0.50 | 0.50 | 0.50 |
| Utilities Operations & Maintenance - Added in FY25 | 0.00 | 0.00 | 0.50 | 0.50 |
| Combo Building Inspectors | 0.50 | 0.50 | 0.00 | 0.50 |
| Residential/Commercial Combo Bldg. Inspectors | 0.50 | 0.50 | 0.50 | 0.50 |
| Backflow & Floodplain Administrator | 0.50 | 0.50 | 0.50 | 0.50 |
| Backflow/Irrigation Inspector | 0.50 | 0.00 | 0.00 | 0.00 |
| Meter Services Supervisor -> Utility Billing in FY 26 | 0.50 | 0.50 | 0.50 | 0.00 |
| GIS Technician | 1.00 | 1.00 | 1.00 | 1.00 |
| Warehouse Manager | 0.35 | 0.40 | 0.40 | 0.40 |
| D/C Senior Crewleader | 7.00 | 7.00 | 7.00 | 7.00 |
| D/C Technician II | 1.00 | 3.00 | 1.00 | 2.00 |
| D/C Technician | 5.00 | 6.00 | 5.00 | 6.00 |
| D/C Technician Trainee | 7.00 | 7.00 | 7.00 | 8.00 |
| Senior Meter Service Technician -> Utility Billing in FY 26 | 0.50 | 0.50 | 0.50 | 0.00 |
| Meter Services Technician -> Utility Billing in FY 26 | 3.50 | 2.50 | 2.00 | 0.00 |
| Concrete Finisher | 1.00 | 0.00 | 0.00 | 0.00 |
| Parts and Supply Coordinator | 1.00 | 1.00 | 1.00 | 1.00 |
| **TOTAL** | **30.23** | **31.28** | **27.78** | **27.90** |

**LINE ITEM DETAIL**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **Personnel Services** | | | | |
| 511001 Regular Payroll | $1,303,225 | $1,635,035 | $1,471,362 | $1,392,300 |
| 511005 Longevity | 4,057 | 5,830 | 3,680 | 5,020 |
| 511006 Differential Pay | 5,088 | 5,870 | 3,019 | 3,630 |
| 511009 Overtime | 380,902 | 200,000 | 200,000 | 200,000 |
| 511110 Incentive Pay | 52,150 | 57,420 | 46,397 | 46,720 |
| 511125 Residency Pay | 11,861 | 13,050 | 5,074 | 5,020 |
| 511510 Group Health Insurance | 407,004 | 413,620 | 413,620 | 406,450 |
| 511515 Worker's Compensation | 14,518 | 29,040 | 29,040 | 29,040 |
| 511520 Group Life Insurance | 6,325 | 7,140 | 6,517 | 6,540 |
| 511530 Social Security - Employment | 104,347 | 118,865 | 105,207 | 102,470 |
| 511535 Medicare - Employer's | 24,404 | 27,800 | 24,605 | 23,960 |
| 511542 City Employee Retirement | 228,398 | 255,954 | 227,788 | 220,640 |
| 511650 Salary Reimbursements | 162,585 | 88,400 | 125,000 | 150,000 |
| **Total Personnel Services** | **$2,704,863** | **$2,858,024** | **$2,661,310** | **$2,591,790** |
| | | | | |
| **Materials and Supplies** | | | | |
| 521065 Office Supplies | 9,201 | 8,050 | 8,050 | 7,000 |
| 522011 Chemicals | 538 | 550 | 550 | 500 |
| 522013 Clothing | 23,294 | 24,000 | 20,789 | 30,000 |
| 522015 Concrete And Aggregate | 51,949 | 55,000 | 57,899 | 55,000 |
| 522025 Fuel and Lubricants | 95 | 0 | 193 | 0 |
| 522037 Janitorial Supplies | 4,799 | 5,000 | 3,844 | 4,465 |
| 522038 Safety Supplies | 16,443 | 16,000 | 16,000 | 19,000 |

**FY2026 BUDGET**
**DISTRIBUTION**

| LINE ITEM DETAIL | | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|---|
| 522045 | Electrical Hardware | 0 | 0 | 82 | 0 |
| 522055 | Minor Tools | 38,074 | 39,500 | 31,089 | 45,400 |
| 522056 | Minor Equipment | 4,733 | 36,133 | 21,055 | 50,700 |
| 522065 | Paint And Lumber | 1,807 | 2,500 | 2,105 | 2,500 |
| 522075 | Pipe And Plumbing Supplies | 206,419 | 200,000 | 200,000 | 212,100 |
| 522085 | Equipment Parts | 23,557 | 30,000 | 19,330 | 19,095 |
| 522099 | Other Supplies | 12,164 | 6,000 | 6,000 | 6,650 |
| 525031 | Electricity | 1,423 | 1,590 | 1,004 | 1,500 |
| **Total Materials and Supplies** | | **$394,495** | **$424,323** | **$387,990** | **$453,910** |
| **Contractual Services** | | | | | |
| 531005 | Other Services | 125 | 0 | 90 | 0 |
| 531025 | Memberships | 4,361 | 4,000 | 4,000 | 3,895 |
| 531027 | Certification & Permit Fees | 10,044 | 10,000 | 10,000 | 10,000 |
| 531028 | Software Licenses | 7 | 5,100 | 1,506 | 2,100 |
| 531115 | Refuse Disposal | 1,554 | 1,500 | 1,500 | 1,600 |
| 531220 | Building Repairs | 5,573 | 5,000 | 4,180 | 3,600 |
| 531230 | Equipment Repairs | 12,127 | 10,000 | 10,000 | 11,780 |
| 531240 | Maintenance Contracts | 8,274 | 7,367 | 7,367 | 8,000 |
| 531320 | Equipment Rental | 5,906 | 5,000 | 5,000 | 4,845 |
| 531350 | Garage Charges | 444,500 | 461,100 | 487,579 | 515,400 |
| 531360 | Computer Charges | 133,606 | 133,600 | 133,600 | 137,850 |
| 532062 | Postage | 486 | 0 | 498 | 0 |
| 532065 | Printing, Duplication | 198 | 500 | 754 | 0 |
| 532083 | Telephone Service | 241 | 240 | 242 | 210 |
| 532084 | Cellular Service | 8,946 | 8,300 | 7,476 | 7,150 |
| 532086 | Other Communications | 2,162 | 2,200 | 1,946 | 2,100 |
| 532087 | Aircard Service | 6,002 | 6,000 | 6,071 | 6,000 |
| 533085 | Travel/Training | 18,078 | 20,000 | 20,000 | 20,000 |
| 533100 | Advertising | 1,469 | 0 | 0 | 0 |
| 533200 | Food Services | 5,877 | 0 | 182 | 0 |
| **Total Contractual Services** | | **$669,535** | **$679,907** | **$701,990** | **$734,530** |
| **Other Charges and Services** | | | | | |
| 543099 | Project Mgmt. Costs (Capital) | 1,803 | 0 | 0 | 0 |
| 544087 | Expense Reimbursement | 145,598 | 85,000 | 132,980 | 150,000 |
| 544098 | Reimb From Insurance Claims | (356) | 0 | 0 | 0 |
| **Total Other Charges and Services** | | **$147,045** | **$85,000** | **$132,980** | **$150,000** |
| **Operating Transfers** | | | | | |
| 553010 | Waterworks - Transfer Out | 220,000 | 0 | 0 | 0 |
| **Total Operating Transfers** | | **$220,000** | **$0** | **$0** | **$0** |
| **Capital Outlay** | | | | | |
| 564003 | Vehicle Capital Outlay | 126,806 | 606,289 | 710,608 | 120,000 |
| 564117 | Machinery & Equipment | 438,508 | 73,030 | 70,192 | 50,000 |
| **Total Capital Outlay** | | **$565,314** | **$679,319** | **$780,800** | **$170,000** |
| **Total Expenses** | | **$4,701,253** | **$4,726,573** | **$4,665,070** | **$4,100,230** |

**FY2026 BUDGET**
**OTHER EXPENSES**

**EXPENDITURE SUMMARY**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Personnel Services | $12,000 | $0 | $0 | $0 |
| Contractual Services | 34,850 | 46,850 | 46,850 | 35,320 |
| Other Charges and Services | 9,855,011 | 10,253,660 | 10,238,080 | 10,330,620 |
| Operating Transfers | 1,500,635 | 22,440 | 22,440 | 35,440 |
| Capital Outlay | 260,020 | 0 | 0 | 0 |
| Debt Service | 6,507,989 | 6,435,210 | 6,435,210 | 6,445,320 |
| **TOTAL** | **$18,170,505** | **$16,758,160** | **$16,742,580** | **$16,846,700** |

**BUDGET HIGHLIGHTS (FY2026 BUDGET OVER/UNDER FY2025 ESTIMATED)**

Contractual Services - Net decrease (-$11,530) in funding for rate consultant.

Other Charges and Services - Net increase (+$92,540) includes an increase in payments (+$38,333) to GCWA, an increase in Administrative charges (+$49,000), and increases (+$5,207 ) in city related services including Insurance, Facilities, and Community Outreach.

Operating Transfers - Net increase (+$13,000) to increase the contribution into the Separation Pay Fund

Debt Service - Includes a net increase (+$10,110) for debt service payments.

**FY2026 BUDGET**
**OTHER EXPENSES**

**LINE ITEM DETAIL**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **Personnel Services** | | | | |
| 511515 Worker's Compensation | 12,000 | 0 | 0 | 0 |
| **Total Personnel Services** | **$12,000** | **$0** | **$0** | **$0** |
| | | | | |
| **Contractual Services** | | | | |
| 531004 Consultant Services | 0 | 12,000 | 12,000 | 0 |
| 531310 Rental Of Land & Buildings | 34,850 | 34,850 | 34,850 | 35,320 |
| **Total Contractual Services** | **$34,850** | **$46,850** | **$46,850** | **$35,320** |
| | | | | |
| **Other Charges and Services** | | | | |
| 547011 Surface Water Purchase | 2,557,922 | 2,866,000 | 2,810,307 | 2,819,360 |
| 547013 Surface Water - Capital | 1,225,930 | 1,282,000 | 1,281,162 | 1,291,190 |
| 547014 Surface Water - Main. & Operations | 4,232,424 | 4,208,000 | 4,248,949 | 4,268,200 |
| 547040 Administrative Service Charge | 983,000 | 983,000 | 983,000 | 1,032,000 |
| 547050 Payment In Lieu Of Taxes | 300,000 | 300,000 | 300,000 | 300,000 |
| 547070 Insurance Expense | 339,257 | 366,540 | 366,540 | 374,620 |
| 547075 City Hall Maintenance | 92,436 | 97,720 | 97,723 | 101,530 |
| 547095 Community Outreach/Public Info | 124,042 | 150,400 | 150,400 | 143,720 |
| **Total Other Charges and Services** | **$9,855,011** | **$10,253,660** | **$10,238,080** | **$10,330,620** |
| | | | | |
| **Operating Transfers** | | | | |
| 553010 Waterworks - Transfer Out | 1,468,195 | 0 | 0 | 0 |
| 553035 Transfer To Separation Pay Fund | 32,440 | 22,440 | 22,440 | 35,440 |
| **Total Operating Transfers** | **$1,500,635** | **$22,440** | **$22,440** | **$35,440** |
| | | | | |
| **Capital Outlay** | | | | |
| 564117 Machinery and Equipment | 260,020 | 0 | 0 | 0 |
| **Total Capital Outlay** | **$260,020** | **$0** | **$0** | **$0** |
| | | | | |
| **Debt Service** | | | | |
| 571010 Interest Expense | 3,864,818 | 3,774,573 | 3,774,573 | 3,684,050 |
| 571040 Agent Fees | 2,513 | 2,500 | 2,500 | 2,500 |
| 571050 Principal Expenditure | 2,640,658 | 2,658,137 | 2,658,137 | 2,758,770 |
| **Total Debt Service** | **$6,507,989** | **$6,435,210** | **$6,435,210** | **$6,445,320** |
| | | | | |
| **Total Expenses** | **$18,170,505** | **$16,758,160** | **$16,742,580** | **$16,846,700** |

**FY2026 BUDGET**
**SEWER SYSTEM FUND**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **Beginning Fund Balance** | **7,540,496** | **5,558,524** | **5,558,524** | **6,696,424** |
| Revenues: | | | | |
| Metered Customers | $16,212,773 | $20,660,000 | $20,949,000 | $21,020,000 |
| Service Connections | 466,719 | 590,000 | 443,355 | 430,000 |
| Waste Hauler Fees | 99,380 | 80,000 | 89,591 | 90,000 |
| Penalties on Account | 210,466 | 200,000 | 237,295 | 208,000 |
| Interest Earned | 205,664 | 180,000 | 128,799 | 125,000 |
| Other Revenues | 16,437 | 4,000 | 5,800 | 5,000 |
| Other Financing Sources | 1,532,477 | 0 | 47,260 | 0 |
| **Total Revenues** | **$18,743,915** | **$21,714,000** | **$21,901,100** | **$21,878,000** |
| Expenses: | | | | |
| Management Services | $764,372 | $875,582 | $887,860 | $964,460 |
| Utility Billing | 702,567 | 795,199 | 766,810 | 1,076,810 |
| Industrial Pretreatment | 354,143 | 404,908 | 357,030 | 391,820 |
| Collection | 5,053,695 | 5,553,441 | 5,172,340 | 5,481,110 |
| Wastewater Treatment Plant | 6,027,656 | 5,914,890 | 5,730,450 | 6,035,860 |
| Debt Service | 4,151,413 | 4,139,160 | 4,139,160 | 4,140,320 |
| Other Expenses | 1,832,193 | 1,882,390 | 1,883,250 | 2,068,550 |
| **Total Expenses** | **$18,886,039** | **$19,565,570** | **$18,936,900** | **$20,158,930** |
| **Operating Income (Loss)** | **($142,123)** | **$2,148,430** | **$2,964,200** | **$1,719,070** |
| Capital Outlay/Improvement Fund Transfer | 1,839,849 | 1,724,819 | 1,826,300 | 890,000 |
| **Ending Balance** | **$5,558,524** | **5,982,134** | **$6,696,424** | **$7,525,494** |
| ***90 Day Reserve*** | ***$4,656,831*** | ***$4,824,387*** | ***$4,669,373*** | ***$4,970,695*** |
| ***120 Day Reserve*** | ***$6,209,109*** | ***$6,432,516*** | ***$6,225,830*** | ***$6,627,593*** |

| PERSONNEL SUMMARY | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Sewer System - Full Time Positions | 89.31 | 95.24 | 82.01 | 94.81 |
| Sewer System - Personnel Costs | $8,128,663 | $9,072,230 | $8,466,730 | $9,338,170 |

**BUDGET HIGHLIGHTS**

Many Sanitary Sewer System capital projects have been funded from the $65 million Water and Sewer Tax and Revenue Certificates of Obligation sale in 2022. The City is in the process of completing a Water & Sewer Masterplan and expects to include it in the City's Comprehensive Plan.

Rates - Ahead of the completion of the Masterplan, the City has evaluated the cost of operations and determined that the Sewer System did not have sufficient revenue to fund current operations. In September 2024, City Council approved an adjustment to sewer rates to ensure sustainable operations for this utility. This rate change is reflected in the improved and stabilized trajectory of the sewer fund and will contribute the City's ability to implement the Water & Sewer Masterplan.

Capital Outlay - Capital Outlay expenses, while decreasing in FY 2026, continue to support programs with the goal to improve overall efficiency and reliability in the system. The spend down of fund balance to achieve these program improvements is designed to ensure a proactive approach to maintenance and operations.

**FY2026 BUDGET**
**SANITARY SEWER SYSTEM FUND**
**EXPENDITURE SUMMARY**

| DEPARTMENT | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Management Services | $764,372 | $911,082 | $923,360 | $964,460 |
| Utility Billing | 702,567 | 795,199 | 766,810 | 1,076,810 |
| Industrial Pretreatment | 354,143 | 444,908 | 397,030 | 431,820 |
| Collection | 6,116,786 | 6,667,760 | 6,388,140 | 5,831,110 |
| Wastewater Treatment Plant | 6,654,415 | 6,149,890 | 5,965,450 | 6,185,860 |
| Debt Service | 4,151,413 | 4,139,160 | 4,139,160 | 4,140,320 |
| Other Expenses | 1,832,193 | 1,882,390 | 1,883,250 | 2,068,550 |
| **Subtotal** | **20,575,888** | **20,990,389** | **20,463,200** | **20,698,930** |
| Transfer to Improvement account | 150,000 | 300,000 | 300,000 | 350,000 |
| **Sewer System Fund Total** | **$20,725,888** | **$21,290,389** | **$20,763,200** | **$21,048,930** |

| CATEGORY | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Personnel Services | $8,128,663 | $9,072,230 | $8,466,730 | $9,338,170 |
| Materials and Supplies | 1,738,830 | 1,775,965 | 1,660,560 | 1,712,550 |
| Contractual Services | 2,676,164 | 2,414,448 | 2,400,260 | 2,551,480 |
| Other Charges and Services | 2,150,168 | 2,122,968 | 2,229,390 | 2,375,610 |
| Operating Transfers | 190,800 | 340,800 | 340,800 | 390,800 |
| Capital Outlay | 1,689,849 | 1,424,819 | 1,526,300 | 540,000 |
| Debt Service | 4,151,413 | 4,139,160 | 4,139,160 | 4,140,320 |
| **Sewer System Fund Total** | **$20,725,888** | **$21,290,389** | **$20,763,200** | **$21,048,930** |

**HIGHLIGHTS (FY2026 BUDGET Over/Under FY2025 Estimated)**

Personnel Services - Net increase (+$871,440) includes a 10% increase (+$121,750) for Group Health insurance, and the annualized cost of personnel (+$749,690).

Materials and Supplies - Overall increases of (+$51,990) maintains funding levels for minor equipment, pipe and plumbing supplies, chemicals, and miscellaneous materials and supplies.

Contractual Services - Net increase (+$151,220) includes increase (+$82,107) in garage charges, increase in computer charges (+$55,490), and increases (+$13,623) for miscellaneous contractual line items.

Other Charges and Services - Net increases (+$146,220) for city related services including Insurance, Facilities, and Community Outreach.

Operating Transfers - Net increase (+50,000) for transfer to Sewer Improvement Fund.

Capital Outlay - Net decrease (-$986,300) for Capital purchases in FY2026.

Debt Service - Net increase (+$1,160) for debt payments for FY2026.

# MANAGEMENT SERVICES DIVISION
# (Sewer Share)

## MISSION STATEMENT

The mission of the Management Services/Administration Division is to provide outstanding customer service to our community and fellow employees through effective communication, teamwork and knowledge.

## ACCOMPLISHMENTS

- Created 20079 work orders.
- Completed 841 purchase orders totaling $87,627,840.82
- Processed a total of $231,298.03 credit card transactions.
- Tracked and processed payments on a total of 95 Capital Improvement Projects
- Retained 100% of Staff from FY24

## GOALS

- Train staff members in new processes through the Workday system (Inventory module and finance system)
- Monthly reconciliations of encumbrances both Capital Improvement and Operating accounts
- Complete weekly open encumbrance reports for Department Superintendents
- Invoices submitted for payment within 14 days
- Reimbursements of Public Works projects (IHST, CDBG, IDCDIPP and utility cuts) submitted within 30 days of completion.

**FY2026 BUDGET**
**MANAGEMENT SERVICES (SEWER SHARE)**

## EXPENDITURE SUMMARY

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Personnel Services | $479,553 | $550,552 | $590,220 | $635,580 |
| Materials and Supplies | 19,442 | 21,150 | 17,990 | 19,200 |
| Contractual Services | 137,506 | 156,380 | 149,330 | 179,680 |
| Other Charges and Services | 127,871 | 147,500 | 130,320 | 130,000 |
| Capital Outlay | 0 | 35,500 | 35,500 | 0 |
| **TOTAL** | **$764,372** | **$911,082** | **$923,360** | **$964,460** |

## BUDGET HIGHLIGHTS (FY2026 BUDGET OVER/UNDER FY2025 ESTIMATED)

Personnel Services - Net increase (+$45,360) includes a 10% increase in Group Health insurance (+$4,690) and the annualized cost (+$40,670) of personnel and capital projects payroll allocations.

Materials and Supplies - Net increase (+$1,210) to maintain current spending levels for FY2026.

Contractual Services - Net increase (+$30,350) needed for software licenses (+$6,725), an increase for advertising (+$6,741), computer charges (+$10,000) and increases (+$6,884) to various contractual line items.

Other Charges and Services - Net decrease (-$320) to maintain current level funding for Project Management costs not chargeable to the Capital Improvement Program.

Capital Outlay - Net decrease (-$35,500) for expected capital needs in FY2026.

## PERSONNEL

| POSITION | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Assistant City Manager | 0.33 | 0.33 | 0.33 | 0.33 |
| Director of Public Works | 0.00 | 0.00 | 0.33 | 0.33 |
| Chief Surveyor | 0.50 | 0.50 | 0.50 | 0.50 |
| Survey Party Chief | 0.50 | 0.50 | 0.50 | 0.50 |
| Safety Officer | 0.50 | 0.50 | 0.50 | 0.50 |
| Sr. Admin Service Specialist | 0.00 | 0.50 | 0.50 | 0.50 |
| Administrative Assistant | 0.50 | 0.50 | 0.50 | 0.50 |
| Customer Service Supervisor | 0.50 | 0.50 | 0.50 | 0.50 |
| Customer Service Agent | 1.00 | 2.00 | 1.50 | 1.50 |
| **TOTAL** | **3.83** | **5.33** | **5.16** | **5.16** |

**FY2026 BUDGET**
**MANAGEMENT SERVICES (SEWER SHARE)**

**LINE ITEM DETAIL**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **Personnel Services** | | | | |
| 511001 Regular Payroll | $202,664 | $297,150 | $389,918 | $322,230 |
| 511005 Longevity | 898 | 1,070 | 2,600 | 2,850 |
| 511006 Differential Pay | 809 | 1,000 | 1,504 | 920 |
| 511009 Overtime | 6,872 | 1,000 | 12,130 | 7,900 |
| 511021 Part-time Payroll | 23,123 | 22,190 | 46,628 | 29,100 |
| 511110 Incentive Pay | 0 | 0 | 0 | 0 |
| 511125 Residency Pay | 1,434 | 840 | 2,936 | 2,090 |
| 511510 Group Health Insurance | 50,648 | 70,490 | 70,490 | 75,180 |
| 511515 Worker's Compensation | 237 | 480 | 480 | 480 |
| 511520 Group Life Insurance | 991 | 1,390 | 1,328 | 1,580 |
| 511530 Social Security - Employment | 14,185 | 20,047 | 27,852 | 23,000 |
| 511535 Medicare - Employer's | 3,321 | 4,685 | 6,528 | 5,380 |
| 511542 City Employee Retirement | 27,774 | 40,210 | 54,559 | 44,870 |
| 511650 Salary Reimbursements | 146,597 | 90,000 | (26,732) | 120,000 |
| **Total Personnel Services** | **$479,553** | **$550,552** | **$590,220** | **$635,580** |
| | | | | |
| **Materials and Supplies** | | | | |
| 521065 Office Supplies | 6,755 | 9,000 | 6,640 | 8,000 |
| 521067 Minor Office Equipment | 627 | 750 | 750 | 700 |
| 522013 Clothing | 924 | 950 | 950 | 950 |
| 522037 Janitorial Services | 1,970 | 0 | 53 | 0 |
| 522038 Safety Supplies | (103) | 500 | 500 | 400 |
| 522055 Minor Tools | 975 | 850 | 850 | 750 |
| 525031 Electricity | 8,294 | 9,100 | 8,246 | 8,400 |
| **Total Materials and Supplies** | **$19,442** | **$21,150** | **$17,990** | **$19,200** |
| | | | | |
| **Contractual Services** | | | | |
| 531005 Other Services | 750 | 700 | 700 | 750 |
| 531006 Attorney's Fees | 50,276 | 50,000 | 50,000 | 50,000 |
| 531007 Security Services | 0 | 0 | 4,613 | 7,320 |
| 531025 Memberships | 157 | 2,000 | 2,162 | 2,000 |
| 531027 Certification & Permit Fees | 0 | 50 | 50 | 100 |
| 531028 Software Licenses | 21,217 | 21,275 | 21,275 | 28,000 |
| 531029 Software Maint. Contract | 0 | 6,725 | 6,471 | 6,730 |
| 531125 Refuse Disposal | 703 | 0 | 0 | 3,000 |
| 531240 Maintenance Contracts | 5,732 | 7,000 | 5,212 | 7,000 |
| 531350 Garage Charges | 21,388 | 19,440 | 17,087 | 14,190 |
| 531360 Computer Charges | 24,856 | 24,860 | 24,860 | 34,860 |
| 532062 Postage | 1,050 | 1,500 | 2,986 | 1,920 |
| 532065 Printing, Duplication | 2,618 | 6,000 | 4,463 | 5,400 |
| 532083 Telephone Service | 1,066 | 1,080 | 1,069 | 910 |
| 532084 Cellular Service | 131 | 1,350 | 454 | 1,040 |
| 532086 Other Communications | 4,265 | 6,000 | 3,871 | 3,880 |
| 532087 Aircard Service | 2,170 | 3,900 | 1,797 | 4,080 |
| 533085 Travel/Training | 297 | 2,000 | 1,500 | 1,000 |
| 533100 Advertising | 832 | 2,500 | 759 | 7,500 |
| **Total Contractual Services** | **$137,506** | **$156,380** | **$149,330** | **$179,680** |
| | | | | |
| **Other Charges and Services** | | | | |
| 543099 Project Management Cost | 127,871 | 147,500 | 130,320 | 130,000 |
| **Total Other Charges and Services** | **$127,871** | **$147,500** | **$130,320** | **$130,000** |
| | | | | |
| **Total Operating Transfers** | **$0** | **$0** | **$0** | **$0** |
| | | | | |
| **Capital Outlay** | | | | |
| 564005 Capital Outlay - Improvements | 0 | 35,500 | 35,500 | 0 |
| **Total Capital Outlay** | **$0** | **$35,500** | **$35,500** | **$0** |
| | | | | |
| **Total Expenses** | **$764,372** | **$911,082** | **$923,360** | **$964,460** |


CITY OF GALVESTON
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# UTILITY BILLING DIVISION

## MISSION STATEMENT

The mission of the Utility Billing Division is to ensure accuracy and efficiency in the billing and collection of utility services, while providing excellent customer service to new and existing customers, responding to inquiries, and promptly posting payments.

## ACCOMPLISHMENTS

- Activated 2,851 new customer accounts since the beginning of FY2025
- Answered 90% of all customer's calls on their first attempt
- Increased number of customers paying by ACH by 6%
- Increased number of e-bill customers by 8%
- Decreased the number of receivable balances over 90 days by 3%
- Implemented new drainage rates for current customers and over 1,000 new accounts for unmetered drainage.

## GOALS

- Update Customer Service Utility Billing procedure manual to align with the newly installed advanced technology meters
- Continue to investigate vacant usage accounts
- Investigate zero usage accounts
- Increase number of electronically paying customers and increase the number of customers receiving E-bill statements by (5%)
- Reduce the number of customer account receivable balances over 90-days by (5%).
- Revisit the current adjustment procedures to align with new and improved data received from the new AMI technology.

**FY2026 BUDGET**
**UTILITY BILLING (SEWER SHARE)**

**EXPENDITURE SUMMARY**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Personnel Services | $379,196 | $458,119 | $417,480 | $707,110 |
| Materials and Supplies | 5,128 | 7,150 | 5,590 | 4,650 |
| Contractual Services | 135,786 | 147,443 | 141,400 | 185,050 |
| Other Charges and Services | 182,458 | 182,488 | 202,340 | 180,000 |
| **TOTAL** | **$702,567** | **$795,199** | **$766,810** | **$1,076,810** |

**BUDGET HIGHLIGHTS (FY2026 BUDGET OVER/UNDER FY2025 ESTIMATED)**

Note: Utility Billing office operations allocation is 37.5% Water, **37.5% Sewer**, 15% Sanitation, 10% Drainage.
Note: The Meter Service Group allocation is 50% Water (Distribution) and **50% Sewer (Collection)**.

Personnel Services - Net increases (+$289,630) include transfer of Meter Tech group from distribution to Utility Billing (+$240,060) inclusive of benefits and annualized personnel costs from unfilled vacant positions (+$49,570) .
Materials and Supplies - Net decrease (-$940) for to maintain funding level for supplies and minor office equipment.
Contractual Services - Net increases (+$43,650) includes an increase for software maintenance contracts (+$7,372), garage charges (+$33,100) for Meter Tech group, and miscellaneous increases (+$3,178) to various contractual accounts.
Other Charges and Supply - Slight decrease in bank service charges (-$22,340) for online credit cards and phone payments.

**PERFORMANCE INDICATORS**

| INDICATORS | FY2023 ACTUAL | FY2024 ACTUAL | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Number of Customers | 23,867 | 23,733 | 23,928 | 24,110 |
| Number of service orders | 21,442 | 20,910 | 20,920 | 20,500 |
| Number of water meters not transmitting | 1,190 | 738 | 730 | 600 |
| Number of delinquent customers over 90 days | 1,141 | 1,453 | 1,467 | 1,667 |
| Over 90 day balances for active customers | $492,359 | $473,121 | $484,351 | $494,351 |
| Number of customers paying by auto payment | 10,162 | 10,912 | 11,456 | 11,947 |
| Number of e-bill customers | 6,731 | 7,319 | 7,915 | 8,523 |

**PERSONNEL**

| POSITION | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Utility Customer Service Manager | 0.375 | 0.375 | 0.375 | 0.375 |
| Utility Billing Supervisor | 0.375 | 0.375 | 0.375 | 0.375 |
| Customer Service Supervisor | 0.375 | 0.375 | 0.375 | 0.375 |
| City Cashier Supervisor | 0.000 | 0.375 | 0.375 | 0.375 |
| Sr. Utility Customer Service Specialist | 0.750 | 0.750 | 0.375 | 0.750 |
| Utility Customer Service Specialist | 3.000 | 3.000 | 2.250 | 3.000 |
| Meter Services Supervisor | 0.000 | 0.000 | 0.000 | 0.500 |
| Senior Meter Service Technician | 0.000 | 0.000 | 0.000 | 0.500 |
| Meter Services Technician | 0.000 | 0.000 | 0.000 | 2.500 |
| Accountant | 0.500 | 0.500 | 0.500 | 0.500 |
| **TOTAL** | **5.375** | **5.750** | **4.625** | **9.250** |

**FY2026 BUDGET**
**UTILITY BILLING (SEWER SHARE)**

**LINE ITEM DETAIL**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **Personnel Services** | | | | |
| 511001 Regular Payroll | $233,617 | $295,722 | $262,629 | $452,220 |
| 511005 Longevity | 1,424 | 1,720 | 1,359 | 1,800 |
| 511006 Differential Pay | 633 | 650 | 991 | 1,020 |
| 511009 Overtime | 3,917 | 3,000 | 3,000 | 3,000 |
| 511021 Part-time Payroll | 8,624 | 8,000 | 8,000 | 8,000 |
| 511125 Residency Pay | 954 | 970 | 948 | 970 |
| 511510 Group Health Insurance | 76,038 | 76,040 | 76,040 | 134,760 |
| 511515 Worker's Compensation | 3,295 | 6,590 | 6,590 | 6,590 |
| 511520 Group Life Insurance | 1,147 | 1,380 | 1,285 | 1,750 |
| 511530 Social Security - Employment | 14,804 | 19,223 | 16,776 | 28,950 |
| 511535 Medicare - Employer's | 3,462 | 4,494 | 3,923 | 6,770 |
| 511542 City Employee Retirement | 31,280 | 40,330 | 35,910 | 61,280 |
| **Total Personnel Services** | **$379,196** | **$458,119** | **$417,480** | **$707,110** |
| **Materials and Supplies** | | | | |
| 521065 Office Supplies | 4,214 | 3,938 | 3,940 | 2,500 |
| 521067 Minor Office Equipment | 267 | (63) | (63) | 500 |
| 521073 Printed Materials | 647 | 3,125 | 1,563 | 1,500 |
| 522037 Janitorial Supplies | 0 | 150 | 150 | 150 |
| **Total Materials and Supplies** | **$5,128** | **$7,150** | **$5,590** | **$4,650** |
| **Contractual Services** | | | | |
| 531007 Security Service | 6,533 | 6,500 | 6,500 | 6,000 |
| 531015 Temporary Employee Services | 5,416 | 8,000 | 0 | 5,000 |
| 531028 Software Licenses | 2,601 | 8,000 | 3,000 | 0 |
| 531029 Software Maintenance Contracts | 15,947 | 23,013 | 33,628 | 41,000 |
| 531125 Other Contracts | 13,783 | 14,000 | 14,000 | 12,000 |
| 531350 Garage Charges | 0 | 0 | 0 | 33,100 |
| 531360 Computer Charges | 40,129 | 31,430 | 31,430 | 36,150 |
| 532062 Postage | 48,204 | 49,000 | 48,491 | 44,000 |
| 532065 Printing, Duplication | 865 | 1,200 | 1,070 | 1,000 |
| 532083 Telephone Service | 482 | 500 | 442 | 500 |
| 532084 Cellular Service | 254 | 300 | 241 | 1,300 |
| 532086 Other Communications | 1,083 | 1,100 | 1,097 | 1,100 |
| 532087 Aircard Service | 0 | 2,900 | 0 | 2,400 |
| 533085 Travel/Training | 490 | 1,500 | 1,500 | 1,500 |
| **Total Contractual Services** | **$135,786** | **$147,443** | **$141,400** | **$185,050** |
| **Other Charges and Services** | | | | |
| 544105 Bank Service Charges | 182,458 | 182,488 | 202,340 | 180,000 |
| **Total Other Charges and Services** | **$182,458** | **$182,488** | **$202,340** | **$180,000** |
| **Total Expenses** | **$702,567** | **$795,199** | **$766,810** | **$1,076,810** |


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# INDUSTRIAL PRETREATMENT DIVISION

## MISSION STATEMENT

The mission of the Industrial Pretreatment Division is to protect the integrity of the wastewater collection and treatment system, safeguard worker and public health, and preserve the environment by regulating and monitoring industrial discharges. We work collaboratively with industries to ensure compliance with federal, state, and local pretreatment standards, promoting pollution prevention, system reliability, and sustainable operations within our community.

## ACCOMPLISHMENTS

- Over 2500 inspections performed of all commercial and industrial facilities for the year of 2024.
- Collected and sent off 44 samples
- Inspected all grease traps on a monthly basis
- The Continuation of the development of the pretreatment public awareness program by distributing door hangers, flyers and hosting public seminars informing the public of the importance of F.O.G. (fats, oils, and grease) prevention.

## GOALS

- Track and maintain 90% compliance rate of all commercial and industrial facilities throughout the City using our compliance tracking system.
- Conduct inspections of all 324 commercial/industrial facilities throughout the Galveston monthly (1 hospital, 314 restaurants, 8 carwash facilities, & 1 industrial facility) totaling of  inspections annually.
- Staff will inspect and collect an average of 44 samples annually.
- Inspect all grease traps on a bimonthly basis.
- Create a public awareness program by, informing the public of the importance of F.O.G. (fats, oils, and grease) Mitigation. Staff will distribute flyers, include mailers with monthly water bills, distribute door hangers to areas with consistent stoppages and problems, host public seminars by visiting two or more public schools per year, and by putting out up to date information of F.O.G. Mitigation on City website.

**FY2026 BUDGET**
**INDUSTRIAL PRETREATMENT**

**EXPENDITURE SUMMARY**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Personnel Services | $265,298 | $327,908 | $281,390 | $333,700 |
| Materials and Supplies | 15,604 | 13,400 | 12,540 | 10,830 |
| Contractual Services | 73,241 | 63,600 | 63,100 | 47,290 |
| Other Charges and Services | 0 | 0 | 0 | 0 |
| Capital Outlay | 0 | 40,000 | 40,000 | 40,000 |
| **TOTAL** | **$354,143** | **$444,908** | **$397,030** | **$431,820** |

**BUDGET HIGHLIGHTS (FY2026 BUDGET OVER/UNDER FY2025 ESTIMATED)**

Personnel Services - Net increase (+$52,310) includes a 10% increase for Group Health insurance (+$5,380) and a increase (+$46,930) in annualized peronnel costs including unfilled vacant positions in FY25.
Materials & Supplies - Net decrease (-$1,710) for minor equipment and supplies.
Contractual Services - Net decrease (-$15,810) includes a decrease (-$12,489) in garage charges, and decreases (-$2,961) in various minor changes for miscellaneous contractual line items.

**PERFORMANCE INDICATORS**

| INDICATORS | FY2023 ACTUAL | FY2024 ACTUAL | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Food establishments inspected (bi-monthly) | 60% | 65% | 92% | 95% |
| Inspections performed (Industrial & waster haulers) | 2,852 | 2,927 | 1,800 | 2,000 |
| Waster haulers gallons received | 1,445,531 | 1,605,314 | 1,911,621 | 2,000,000 |
| Hosted Public Awareness Seminars | 1 | 3 | 2 | 2 |

**PERSONNEL**

| POSITION | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Pretreatment Coordinator | 1.00 | 1.00 | 1.00 | 1.00 |
| Pretreatment Technician | 2.00 | 2.00 | 2.00 | 2.00 |
| Administrative Assistant | 1.00 | 1.00 | 0.00 | 1.00 |
| **TOTAL** | **4.00** | **4.00** | **3.00** | **4.00** |

**FY2026 BUDGET**
**INDUSTRIAL PRETREATMENT**

**LINE ITEM DETAIL**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **Personnel Services** | | | | |
| 511001 Regular Payroll | $154,128 | $201,642 | $164,872 | $201,640 |
| 511005 Longevity | 1,102 | 1,250 | 445 | 640 |
| 511009 Overtime | 20,084 | 20,000 | 20,000 | 20,000 |
| 511510 Group Health Insurance | 52,896 | 52,900 | 52,900 | 58,280 |
| 511515 Worker's Compensation | 2,190 | 4,380 | 4,380 | 5,480 |
| 511520 Group Life Insurance | 743 | 940 | 543 | 990 |
| 511530 Social Security - Employment | 10,107 | 13,815 | 11,315 | 13,780 |
| 511535 Medicare - Employer's | 2,364 | 3,229 | 2,646 | 3,220 |
| 511542 City Employee Retirement | 22,885 | 29,752 | 24,899 | 29,670 |
| 511650 Salary Reimbursements | (2,230) | 0 | (1,803) | 0 |
| **Total Personnel Services** | **$265,298** | **$327,908** | **$281,390** | **$333,700** |
| **Materials and Supplies** | | | | |
| 521065 Office Supplies | 1,928 | 2,000 | 1,445 | 1,900 |
| 522011 Chemicals | 0 | 100 | 100 | 100 |
| 522013 Clothing | 1,778 | 2,000 | 2,000 | 1,200 |
| 522037 Janitorial Supplies | 416 | 400 | 565 | 0 |
| 522038 Safety Supplies | 1,172 | 1,200 | 1,200 | 1,200 |
| 522055 Minor Tools | 919 | 1,200 | 1,200 | 1,050 |
| 522056 Minor Equipment | 2,518 | 2,500 | 2,030 | 2,380 |
| 522099 Other Supplies | 6,873 | 4,000 | 4,000 | 3,000 |
| **Total Materials and Supplies** | **$15,604** | **$13,400** | **$12,540** | **$10,830** |
| **Contractual Services** | | | | |
| 531008 Laboratory Testing | 0 | 0 | 266 | 2,000 |
| 531025 Memberships | 250 | 50 | 0 | 0 |
| 531027 Certification & Permit Fees | 561 | 600 | 414 | 0 |
| 531028 Software Licenses | 0 | 2,500 | 2,500 | 0 |
| 531220 Building Repairs | 5 | 0 | 0 | 0 |
| 531350 Garage Charges | 38,926 | 32,040 | 31,399 | 18,910 |
| 531360 Computer Charges | 25,960 | 24,100 | 24,100 | 23,330 |
| 532065 Printing, Duplication | 0 | 150 | 150 | 0 |
| 532083 Telephone Service | 138 | 150 | 126 | 120 |
| 532084 Cellular Service | 1,922 | 1,930 | 1,931 | 1,930 |
| 532087 Aircard Service | 63 | 80 | 0 | 0 |
| 533085 Travel/Training | 2,980 | 500 | 500 | 1,000 |
| 533100 Advertising | 2,437 | 1,500 | 1,714 | 0 |
| **Total Contractual Services** | **$73,241** | **$63,600** | **$63,100** | **$47,290** |
| **Capital Outlay** | | | | |
| 564003 Vehicle Capital Outlay | 0 | 40,000 | 40,000 | 40,000 |
| **Total Capital Outlay** | **$0** | **$40,000** | **$40,000** | **$40,000** |
| **Total Expenses** | **$354,143** | **$444,908** | **$397,030** | **$431,820** |


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# WASTEWATER COLLECTION DIVISION

## MISSION STATEMENT

The mission of the Wastewater Collection Division is to protect the public health and the environment by ensuring safe, reliable, and efficient collection and conveyance of wastewater. We are committed to maintaining and operating the sanitary sewer system with professionalism, system integrity, with a focus on regulatory compliance. Through proactive maintenance, rapid response to service issues, and long-term infrastructure planning, we strive to support the well-being and sustainability of the City of Galveston.

## ACCOMPLISHMENTS

- Proactive measures across the island are spread to various teams including main line cleaning trucks, sewer line televising trucks as well as a team dedicated to smoke testing, manhole inspections and utilizing the sewer line rapid assessment tool. All their efforts will have assessed 20% of the sanitary system throughout the island.
- The Collection division has established a sewer construction team that is dedicated to replacing heavily deteriorated gravity sewer pipe, and repairing debilitated manholes throughout the island. The team is working quickly to minimize customer inconvenience by averaging 350-linear ft sewer main projects within two weeks.
- Diligently repairing sanitary sewer cave-ins in a timely manner to prevent sanitary sewer overflows and stay in compliance with TCEQ.

## GOALS

- Repair cave ins in a 30-day average
- Complete tap installations in a 30-day average.
- Survey 20% of our sewer system with our proactive maintenance efforts including mainline cleaning, televising, smoke testing, and manhole inspections and utilizing the sewer line rapid assessment tool.

**FY2026 BUDGET**
**COLLECTION**

**EXPENDITURE SUMMARY**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Personnel Services | $3,750,374 | $4,272,301 | $3,879,160 | $4,111,320 |
| Materials and Supplies | 529,249 | 606,390 | 519,100 | 567,060 |
| Contractual Services | 644,624 | 650,950 | 646,520 | 704,730 |
| Other Charges and Services | 129,448 | 23,800 | 127,560 | 98,000 |
| Capital Outlay | 1,063,090 | 1,114,319 | 1,215,800 | 350,000 |
| **TOTAL** | **$6,116,786** | **$6,667,760** | **$6,388,140** | **$5,831,110** |

**BUDGET HIGHLIGHTS (FY2026 BUDGET OVER/UNDER FY2025 ESTIMATED)**

Personnel Services - Net increase (+$232,160) includes a 10% increase (+$10,240) for Group Health insurance, and the annualized cost (+$221,920) of personnel from unfilled vacant positions in FY25.

Materials and Supplies - Net increase (+$47,960) includes increases for pipe and plumbing supplies (+$22,175), minor equipment (+$20,000) and increases (+$5,785) for miscellaneous materials and supplies.

Contractual Services - Net increase (+$58,210) include increases in garage charges (+$36,955), increases (+$9,000) in maintenance contracts, increases (+$5,966) in software licenses, and various minor increases ($6,289) for miscellaneous contractual line items.

Other Charges and Services - Net decrease (-$29,560) for anticipated reimbursable expenses to Streets.

Capital Outlay - Includes decrease of (-$865,800) for heavy equipment and replacement vehicles.

**PERFORMANCE INDICATORS**

| INDICATORS | FY2023 ACTUAL | FY2024 ACTUAL | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Sewer Line Inspected (%) (Ended FY25) | 7 | 21 | 18 | NA |
| Time to Install Sewer Taps After Service Request (Average Days) | 81 | 67 | 75 | 30 |
| Clean & CCTV Sewer Mains, Laterals, & MHs (LF) | 5,710 | 70,000 | 65,296 | 85,000 |
| Clean Sewer Mains, Laterals, & MHs (LF) | 18,673 | 156,500 | 112,160 | 300,000 |
| Cave-In Repair Time After Notification (Average Days) | 35 | 30 | 80 | 30 |
| Sewer Main, Lateral, & MH Inflow & Infiltration Testing/Inspection (LF) | NA | NA | NA | 30,000 |

**FY2026 BUDGET**
**COLLECTION**

**PERSONNEL**

| POSITION | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Director of Public Works & Utilities | 0.13 | 0.13 | 0.00 | 0.00 |
| Deputy Director of PW & MU | 0.25 | 0.25 | 0.00 | 0.00 |
| Superintendent-Distribution and Collection | 1.00 | 1.00 | 1.00 | 1.00 |
| Utilities Operations & Maintenance Manager | 0.00 | 1.00 | 1.00 | 1.00 |
| Admin & Customer Service Manager | 1.00 | 1.00 | 1.00 | 1.00 |
| Utility Supervisor | 3.00 | 3.00 | 3.00 | 3.00 |
| Program and Maintenance Supervisor | 1.00 | 1.00 | 1.00 | 1.00 |
| Meter Service Supervisor | 0.50 | 0.50 | 0.50 | 0.00 |
| Backflow & Floodplain Administrator | 0.50 | 0.50 | 0.50 | 0.50 |
| Combo Building Inspector | 0.50 | 0.50 | 0.00 | 0.50 |
| Residential/Commercial Combo Bldg. Inspector | 0.50 | 0.50 | 0.50 | 0.50 |
| Senior Meter Service Technician | 0.50 | 0.50 | 0.50 | 0.00 |
| Meter Service Technicians | 3.00 | 2.00 | 2.00 | 0.00 |
| D/C Senior Crewleader | 4.00 | 4.00 | 4.00 | 4.00 |
| D/C Technician II | 9.00 | 9.00 | 7.00 | 9.00 |
| D/C Technician I | 5.00 | 5.00 | 3.00 | 4.00 |
| Sr. CCTV Truck Operator | 2.00 | 2.00 | 2.00 | 2.00 |
| Sr. Administrative Assistant | 2.00 | 2.00 | 2.00 | 2.00 |
| Customer Service Agent | 1.00 | 1.00 | 1.00 | 1.00 |
| D/C Technician Trainee | 6.00 | 8.00 | 7.00 | 9.00 |
| Warehouse Manager | 0.35 | 0.40 | 0.35 | 0.40 |
| GIS Technician | 1.00 | 1.00 | 1.00 | 1.00 |
| **TOTAL** | **42.23** | **44.28** | **38.35** | **40.90** |

**LINE ITEM DETAIL**

| | FY2024 ACTUAL | FY2026 BUDGET | FY2026 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **Personnel Services** | | | | |
| 511001 Regular Payroll | $1,881,025 | $2,384,990 | $2,017,349 | $2,191,500 |
| 511005 Longevity | 8,588 | 10,640 | 8,492 | 10,460 |
| 511006 Differential Pay | 1,563 | 1,360 | 2,354 | 910 |
| 511009 Overtime | 579,098 | 475,000 | 475,000 | 475,000 |
| 511110 Incentive Pay | 74,457 | 75,590 | 76,287 | 73,790 |
| 511125 Residency Pay | 19,532 | 20,100 | 19,620 | 20,100 |
| 511510 Group Health Insurance | 572,707 | 585,600 | 585,600 | 595,840 |
| 511515 Worker's Compensation | 21,210 | 42,420 | 42,420 | 42,420 |
| 511520 Group Life Insurance | 9,263 | 10,890 | 9,691 | 19,230 |
| 511530 Social Security - Employment | 154,136 | 183,998 | 158,462 | 171,850 |
| 511535 Medicare - Employer's | 36,048 | 43,029 | 37,060 | 40,190 |
| 511542 City Employee Retirement | 335,285 | 396,184 | 346,772 | 370,030 |
| 511650 Salary Reimbursements | 57,463 | 42,500 | 100,053 | 100,000 |
| **Total Personnel Services** | **$3,750,374** | **$4,272,301** | **$3,879,160** | **$4,111,320** |

**FY2026 BUDGET**
**COLLECTION**

**LINE ITEM DETAIL**

| | FY2024 ACTUAL | FY2026 BUDGET | FY2026 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **Materials and Supplies** | | | | |
| 521065 Office Supplies | 9,559 | 9,000 | 9,000 | 7,000 |
| 522003 Agriculture Supplies | 142 | 0 | 0 | 0 |
| 522011 Chemicals | 538 | 500 | 15 | 0 |
| 522013 Clothing | 33,682 | 30,000 | 30,000 | 30,000 |
| 522015 Concrete And Aggregate | 41,949 | 75,000 | 67,899 | 75,000 |
| 522025 Fuel and Lubricants | 95 | 200 | 200 | 200 |
| 522037 Janitorial Supplies | 3,943 | 3,600 | 3,600 | 3,420 |
| 522038 Safety Supplies | 16,788 | 17,500 | 17,500 | 19,800 |
| 522045 Electrical Hardware | 0 | 0 | 2,873 | 5,000 |
| 522055 Minor Tools | 38,055 | 49,500 | 36,570 | 41,800 |
| 522056 Minor Equipment | 54,953 | 125,000 | 75,000 | 95,000 |
| 522065 Paint And Lumber | 1,807 | 2,000 | 2,000 | 1,900 |
| 522075 Pipe And Plumbing Supplies | 249,770 | 250,000 | 214,825 | 237,000 |
| 522085 Equipment Parts | 63,887 | 35,000 | 50,926 | 40,000 |
| 522098 Other Materials | 684 | 0 | 67 | 0 |
| 522099 Other Supplies | 11,974 | 7,500 | 7,500 | 9,500 |
| 525031 Electricity | 1,422 | 1,590 | 1,124 | 1,440 |
| **Total Materials and Supplies** | **$529,249** | **$606,390** | **$519,100** | **$567,060** |
| **Contractual Services** | | | | |
| 531005 Other Services | 125 | 0 | 90 | 0 |
| 531025 Memberships | 4,361 | 4,000 | 4,000 | 3,990 |
| 531027 Certification & Permit Fees | 9,930 | 10,000 | 8,462 | 10,000 |
| 531028 Software Licenses | 2,257 | 5,000 | 4,034 | 10,000 |
| 531115 Refuse Disposal | 1,554 | 1,500 | 1,500 | 1,500 |
| 531125 Other Contracts | 0 | 1,000 | 500 | 1,000 |
| 531220 Building Repairs | 5,053 | 1,000 | 1,000 | 2,500 |
| 531230 Equipment Repairs | 11,976 | 15,000 | 15,000 | 14,250 |
| 531240 Maintenance Contracts | 8,274 | 8,000 | 8,000 | 17,100 |
| 531310 Rental Of Land & Buildings | 7,800 | 8,000 | 7,982 | 8,190 |
| 531320 Equipment Rental | 18,438 | 18,000 | 18,000 | 17,100 |
| 531350 Garage Charges | 348,170 | 357,350 | 364,965 | 401,920 |
| 531360 Computer Charges | 178,927 | 178,930 | 178,930 | 182,280 |
| 532062 Postage | 486 | 0 | 495 | 0 |
| 532083 Telephone Service | 241 | 250 | 241 | 200 |
| 532084 Cellular Service | 8,139 | 8,000 | 6,699 | 6,680 |
| 532086 Other Communications | 1,497 | 1,500 | 1,046 | 900 |
| 532087 Aircard Service | 3,419 | 3,420 | 3,109 | 3,120 |
| 533085 Travel/Training | 26,630 | 30,000 | 22,284 | 24,000 |
| 533100 Advertising | 1,469 | 0 | 0 | 0 |
| 533200 Food Services | 5,877 | 0 | 182 | 0 |
| **Total Contractual Services** | **$644,624** | **$650,950** | **$646,520** | **$704,730** |
| **Other Charges and Services** | | | | |
| 544087 Expense Reimbursement | 129,448 | 23,800 | 127,560 | 98,000 |
| **Total Other Charges and Services** | **$129,448** | **$23,800** | **$127,560** | **$98,000** |
| **Capital Outlay** | | | | |
| 564003 Vehicle Capital Outlay | 384,787 | 1,041,289 | 1,145,608 | 250,000 |
| 564117 Machinery & Equipment | 678,303 | 73,030 | 70,192 | 100,000 |
| **Total Capital Outlay** | **$1,063,090** | **$1,114,319** | **$1,215,800** | **$350,000** |
| **Total Expenses** | **$6,116,786** | **$6,667,760** | **$6,388,140** | **$5,831,110** |

# WASTEWATER TREATMENT DIVISION

## MISSION STATEMENT

The mission of the Wastewater Treatment Division is to protect public health and the environment by safely and efficiently treating wastewater to the highest regulatory and environmental standards. We are committed to operational excellence, resource recovery, and continuous improvement – ensuring our community's bays and beaches remain clean, our infrastructure remains resilient, and our service remains reliable for current and future demands.

## ACCOMPLISHMENTS

- Replacement of depreciated equipment at all Wastewater Treatment Plants.
- Operators completed the cleaning of chlorine contact basins at the Airport Wastewater Treatment Plant.
- Completed the rebuild of sludge exclusion valves at Main Wastewater Treatment Plant.

## GOALS

- Benchmark plant regulatory compliance using the following formula:
  - Reg Com-wastewater (%) = total number of compliance events per City's permit – number of events of compliance.
- Keep all facilities and piping painted, cleaned and TCEQ inspection ready at all times.
- Benchmark wastewater treatment costs using the following formula:
  - Treatment O&M cost of wastewater (S/MG) = treatment O&M costs divided by average daily production x 365 days

**FY2026 BUDGET**
**WASTEWATER TREATMENT PLANT**

**EXPENDITURE SUMMARY**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Personnel Services | $3,229,243 | $3,463,350 | $3,298,480 | $3,550,460 |
| Materials and Supplies | 1,169,407 | 1,127,875 | 1,105,340 | 1,110,810 |
| Contractual Services | 1,629,006 | 1,323,665 | 1,326,630 | 1,374,590 |
| Operating Transfers | 150,000 | 300,000 | 300,000 | 350,000 |
| Capital Outlay | 626,759 | 235,000 | 235,000 | 150,000 |
| **TOTAL** | **$6,804,415** | **$6,449,890** | **$6,265,450** | **$6,535,860** |

**BUDGET HIGHLIGHTS (FY2026 BUDGET OVER/UNDER FY2025 ESTIMATED)**

Personnel Services - Net increase (+$251,980) includes a 10% increase (+$42,720) for Group Health insurance, and the annualized cost (+$159,313) of personnel from unfilled vacant positions in FY25.

Materials and supplies - Net increase (+$5,470) for miscellaneous materials and supplies.

Contractual Services - Net increase (+$47,960) includes increase (+$60,539) in garage charges and miscellaneous decreases (-$12,579) for contractual line items.

Operating Transfers - Net increase (+50,000) for transfer to Sewer Improvement Fund.

Capital Outlay - Net decrease (-$85,000) for capital items requested for FY26.

**PERFORMANCE INDICATORS**

| INDICATORS | FY2023 ACTUAL | FY2024 ACTUAL | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Regulatory Compliance | 90% | 91% | 95% | 97% |
| Wastewater Treatment Costs | 3.11 | 4.30 | 4.50 | 4.65 |
| Benchmark Equipment Mean Time Between Failures | 0.65 | 50% | 30% | 20% |
| Benchmark Equipment Life Cycle Costs | 0.5 | 60% | 70% | 80% |
| Benchmark Number of System Failures | 0.26 | 45% | 25% | 20% |
| Develop a Lubrication Storage and Maintenance Plan | 0.25 | 25% | 50% | 100% |

**FY2026 BUDGET**
**WASTEWATER TREATMENT PLANT**

**PERSONNEL**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Director of Public Works & Utilities | 0.13 | 0.13 | 0.13 | 0.00 |
| Deputy Director of PW & MU | 0.25 | 0.25 | 0.25 | 0.00 |
| Water Treatment Compliance Manager | 0.00 | 0.50 | 0.50 | 0.50 |
| Electrical & Instrumentation Superintendent | 0.50 | 0.00 | 0.00 | 0.00 |
| Superintendent-WWTP | 1.00 | 1.00 | 1.00 | 2.00 |
| WWTP Chief Operator | 1.00 | 2.00 | 1.00 | 1.00 |
| Journeyman Electrician | 2.00 | 3.00 | 3.00 | 3.00 |
| Lead WW Plant Mechanic | 1.00 | 1.00 | 0.00 | 1.00 |
| Wastewater Plant Mechanic | 4.00 | 3.00 | 3.00 | 3.00 |
| WWTP Operator | 20.00 | 20.00 | 18.00 | 20.00 |
| Customer Service Agent | 1.00 | 2.00 | 2.00 | 2.00 |
| Sr. Heavy Equipment Operator | 2.00 | 2.00 | 2.00 | 2.00 |
| Parts & Supply Coordinator | 1.00 | 1.00 | 0.00 | 1.00 |
| **TOTAL** | **33.88** | **35.88** | **30.88** | **35.50** |

**LINE ITEM DETAIL**

| | | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|---|
| **Personnel Services** | | | | | |
| 511001 | Regular Payroll | $1,753,484 | $2,096,770 | $1,944,187 | $2,103,500 |
| 511005 | Longevity | 8,573 | 10,390 | 9,274 | 10,980 |
| 511006 | Differential Pay | 125 | 0 | 907 | 0 |
| 511009 | Overtime | 430,081 | 250,000 | 250,000 | 250,000 |
| 511110 | Incentive Pay | 72,288 | 72,300 | 91,345 | 101,270 |
| 511125 | Residency Pay | 10,855 | 10,050 | 10,071 | 10,050 |
| 511510 | Group Health Insurance | 467,835 | 474,450 | 474,450 | 517,170 |
| 511515 | Worker's Compensation | 13,977 | 27,960 | 27,960 | 27,960 |
| 511520 | Group Life Insurance | 8,729 | 9,130 | 9,128 | 9,610 |
| 511530 | Social Security - Employment | 136,387 | 151,247 | 140,505 | 153,500 |
| 511535 | Medicare - Employer's | 31,897 | 35,370 | 32,860 | 35,900 |
| 511542 | City Employee Retirement | 297,570 | 325,683 | 307,793 | 330,520 |
| 511650 | Salary Reimbursements | (2,559) | 0 | 0 | 0 |
| **Total Personnel Services** | | **$3,229,243** | **$3,463,350** | **$3,298,480** | **$3,550,460** |
| | | | | | |
| **Materials and Supplies** | | | | | |
| 521065 | Office Supplies | 9,408 | 7,500 | 7,500 | 6,000 |
| 521067 | Minor Office Equipment | 5,014 | 1,500 | 1,500 | 1,450 |
| 522011 | Chemicals | 241,081 | 205,000 | 235,766 | 223,900 |
| 522013 | Clothing | 28,459 | 30,000 | 27,142 | 26,000 |
| 522025 | Fuel and Lubricants | 36,460 | 4,000 | 4,162 | 10,000 |
| 522037 | Janitorial Supplies | 11,104 | 10,500 | 10,500 | 10,500 |
| 522038 | Safety Supplies | 3,752 | (1,000) | 5,042 | 11,200 |
| 522045 | Electrical Hardware | 18,773 | 0 | 1,291 | 1,000 |
| 522055 | Minor Tools | 12,137 | 10,500 | 8,328 | 7,600 |
| 522056 | Minor Equipment | 55,779 | 55,000 | 43,962 | 9,980 |
| 522065 | Paint And Lumber | 2,765 | 2,800 | 2,789 | 15,960 |
| 522075 | Pipe And Plumbing Supplies | 4,253 | 8,745 | 7,843 | 7,000 |
| 522085 | Equipment Parts | 53,353 | 79,000 | 79,000 | 80,750 |

**FY2026 BUDGET**
**WASTEWATER TREATMENT PLANT**

**LINE ITEM DETAIL**

| | | FY2024 ACTUAL | FY2026 BUDGET | FY2026 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|---|
| 522098 | Other Materials | 1,891 | 0 | 0 | 0 |
| 522099 | Other Supplies | 10,333 | 6,000 | 4,967 | 7,250 |
| 525031 | Electricity | 672,960 | 706,530 | 663,355 | 690,000 |
| 525032 | Natural Gas | 1,884 | 1,800 | 2,192 | 2,220 |
| **Total Materials and Supplies** | | **$1,169,407** | **$1,127,875** | **$1,105,340** | **$1,110,810** |
| | | | | | |
| **Contractual Services** | | | | | |
| 531005 | Other Services | 15,097 | 14,000 | 10,191 | 12,000 |
| 531008 | Laboratory Testing | 60,521 | 65,000 | 62,184 | 61,000 |
| 531028 | Software Licenses | 0 | 3,000 | 3,000 | 0 |
| 531025 | Memberships | 1,857 | 113,000 | 113,000 | 1,100 |
| 531027 | Certification & Permit Fees | 118,850 | 0 | 0 | 115,000 |
| 531110 | Sludge Removal | 603,667 | 398,755 | 385,433 | 366,700 |
| 531120 | Lot Maintenance | 37,141 | 25,000 | 25,000 | 34,200 |
| 531125 | Other Contracts | 118,783 | 60,000 | 60,000 | 61,750 |
| 531220 | Building Repairs | 13,764 | 1,500 | 44,445 | 6,180 |
| 531230 | Equipment Repairs | 102,210 | 98,100 | 82,674 | 90,250 |
| 531240 | Maintenance Contracts | 56,497 | 91,900 | 91,900 | 105,000 |
| 531320 | Equipment Rental | 51,393 | 31,000 | 31,000 | 35,000 |
| 531350 | Garage Charges | 185,664 | 160,180 | 156,971 | 217,510 |
| 531360 | Computer Charges | 173,627 | 173,630 | 173,630 | 183,440 |
| 532065 | Printing, Duplication | 593 | 0 | 0 | 0 |
| 532083 | Telephone Service | 55,491 | 55,800 | 56,962 | 55,000 |
| 532084 | Cellular Service | 5,014 | 4,800 | 5,232 | 4,680 |
| 532086 | Other Communications | 13,580 | 13,500 | 10,725 | 11,930 |
| 532087 | Aircard Service | 7,332 | 7,500 | 6,757 | 7,200 |
| 533085 | Travel/Training | 7,040 | 7,000 | 7,525 | 6,650 |
| 533200 | Food Services | 886 | 0 | 0 | 0 |
| **Total Contractual Services** | | **$1,629,006** | **$1,323,665** | **$1,326,630** | **$1,374,590** |
| | | | | | |
| **Operating Transfers** | | | | | |
| 553011 | Sewer - Transfer Out | 150,000 | 300,000 | 300,000 | 350,000 |
| **Total Operating Transfers** | | **$150,000** | **$300,000** | **$300,000** | **$350,000** |
| | | | | | |
| **Capital Outlay** | | | | | |
| 564003 | Vehicle Capital Outlay | 626,759 | 235,000 | 235,000 | 150,000 |
| **Total Capital Outlay** | | **$626,759** | **$235,000** | **$235,000** | **$150,000** |
| | | | | | |
| **Total Expenses** | | **$6,804,415** | **$6,449,890** | **$6,265,450** | **$6,535,860** |

**FY2026 BUDGET**
**OTHER EXPENSES**

**EXPENDITURE SUMMARY**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Personnel Services | $25,000 | $0 | $0 | $0 |
| Contractual Services | 56,002 | 72,410 | 73,280 | 60,140 |
| Other Charges and Services | 1,710,391 | 1,769,180 | 1,769,170 | 1,967,610 |
| Operating Transfers | 40,800 | 40,800 | 40,800 | 40,800 |
| Debt Service | 4,151,413 | 4,139,160 | 4,139,160 | 4,140,320 |
| **TOTAL** | **$5,983,606** | **$6,021,550** | **$6,022,410** | **$6,208,870** |

**BUDGET HIGHLIGHTS (FY2026 BUDGET OVER/UNDER FY2025 ESTIMATED)**

Contractual Services - Net decrease (-$13,140) for consultant services (-$15,000), and a slight increase (+$1,860) for rental of land and buildings.
Other Charges and Services - Net increases (+$198,440) for city related services including Insurance, Facilities, and Community Outreach.
Debt Service - Net increase (+$1,160) for debt payments for FY2026.

**LINE ITEM DETAIL**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **Personnel Services** | | | | |
| 511545 Worker's Compensation | 25,000 | 0 | 0 | 0 |
| **Total Personnel Services** | **$25,000** | **$0** | **$0** | **$0** |
| | | | | |
| **Contractual Services** | | | | |
| 531004 Consultant Services | 0 | 15,000 | 15,000 | 0 |
| 531310 Rental Of Land & Buildings | 56,002 | 57,410 | 58,280 | 60,140 |
| **Total Contractual Services** | **$56,002** | **$72,410** | **$73,280** | **$60,140** |
| | | | | |
| **Other Charges and Services** | | | | |
| 547040 Administrative Service Charge | 713,000 | 713,000 | 713,000 | 875,000 |
| 547050 Payment In Lieu Of Taxes | 300,000 | 300,000 | 300,000 | 300,000 |
| 547070 Insurance Expense | 367,979 | 391,880 | 391,880 | 423,200 |
| 547075 City Hall Maintenance | 239,756 | 255,600 | 255,590 | 265,530 |
| 547095 Community Outreach/Public Info | 89,656 | 108,700 | 108,700 | 103,880 |
| **Total Other Charges and Services** | **$1,710,391** | **$1,769,180** | **$1,769,170** | **$1,967,610** |
| | | | | |
| **Operating Transfer** | | | | |
| 553035 Transfer To Separation Pay Fund | 40,800 | 40,800 | 40,800 | 40,800 |
| **Total Operating Transfers** | **$40,800** | **$40,800** | **$40,800** | **$40,800** |
| | | | | |
| **Debt Service** | | | | |
| 571010 Interest Expense | 2,322,159 | 2,323,700 | 2,323,700 | 2,258,580 |
| 571040 Agent Fees | 2,513 | 2,500 | 2,500 | 2,500 |
| 571050 Principal Expenditure | 1,826,742 | 1,812,960 | 1,812,960 | 1,879,240 |
| **Total Debt Service** | **$4,151,413** | **$4,139,160** | **$4,139,160** | **$4,140,320** |
| | | | | |
| **Total Expenses** | **$5,983,606** | **$6,021,550** | **$6,022,410** | **$6,208,870** |


CITY OF GALVESTON
1839
TEXAS

**FY2026 BUDGET**
**MUNICIPAL SANITATION SUMMARY**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **Beginning Fund Balance** | **1,888,977** | **1,492,282** | **1,492,282** | **2,602,002** |
| Revenues: | | | | |
| Collection Fees | $7,585,837 | $8,421,000 | $8,582,686 | $8,650,000 |
| Dumpster Fees | 20,840 | 24,000 | 24,380 | 26,000 |
| Rebate Revenue | 0 | 1,320,000 | 1,445,475 | 1,360,000 |
| Trash Pick-up | 153 | 2,000 | 0 | 130 |
| Recycling Fees | 763,000 | 760,000 | 869,024 | 850,000 |
| Penalties on Account | 125,249 | 123,000 | 143,145 | 140,000 |
| Other Revenue | 210,767 | 179,340 | 185,130 | 165,000 |
| Other Funding Sources | 37,629 | 3,309 | 3,310 | 0 |
| **Total Revenues** | **$8,743,476** | **$10,832,649** | **$11,253,150** | **$11,191,130** |
| Expenses: | | | | |
| Refuse Collection | $5,764,642 | $6,897,984 | $6,805,270 | $7,192,390 |
| Recycling | 1,146,822 | 1,124,588 | 1,057,770 | 1,123,650 |
| Utility Billing | 255,307 | 292,558 | 285,090 | 300,030 |
| Other Expenses | 1,973,399 | 1,995,300 | 1,995,300 | 2,155,710 |
| **Total Expenses** | **$9,140,171** | **$10,310,430** | **$10,143,430** | **$10,771,780** |
| **Operating Income (Loss)** | **($396,695)** | **$522,219** | **$1,109,720** | **$419,350** |
| Transfer to Improvement Account/Capital Outlay | $0 | $0 | $0 | $650,000 |
| **Ending Balance** | **$1,492,282** | **$2,014,501** | **$2,602,002** | **$2,371,352** |
| ***90 Day Reserve*** | ***$2,253,741*** | ***$2,216,818*** | ***$2,144,701*** | ***$2,320,713*** |
| ***120 Day Reserve*** | ***$3,004,988*** | ***$2,955,758*** | ***$2,859,601*** | ***$3,094,284*** |

| PERSONNEL SUMMARY | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Municipal Sanitation - Full Time Positions | 60.10 | 60.10 | 59.65 | 60.10 |
| Municipal Sanitation - Personnel Costs | $4,740,734 | $4,955,020 | $4,853,090 | $5,068,340 |

**FY2026 BUDGET**
**MUNICIPAL SANITATION FUND**
**EXPENDITURE SUMMARY**

| DEPARTMENT | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Refuse Collection | $5,764,642 | $6,897,984 | $6,805,270 | $7,192,390 |
| Recycling | 1,146,822 | 1,124,588 | 1,057,770 | 1,123,650 |
| Utility Billing | 255,307 | 292,558 | 285,090 | 300,030 |
| Other expenses | 1,973,399 | 1,995,300 | 1,995,300 | 2,805,710 |
| **Subtotal** | **9,140,171** | **10,310,430** | **10,143,430** | **11,421,780** |
| **Sanitation Fund Total** | **$9,140,171** | **$10,310,430** | **$10,143,430** | **$11,421,780** |

| CATEGORY | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Personnel Services | $4,740,734 | $4,955,020 | $4,853,090 | $5,068,340 |
| Materials and Supplies | 111,503 | 105,996 | 104,300 | 101,950 |
| Contractual Services | 2,256,513 | 3,185,119 | 3,124,799 | 3,377,280 |
| Other Charges and Services | 831,223 | 853,325 | 850,270 | 1,012,770 |
| Operating Transfers | 35,700 | 35,700 | 35,700 | 685,700 |
| Debt Service | 1,164,498 | 1,175,270 | 1,175,270 | 1,175,740 |
| **Sanitation Fund Total** | **$9,140,171** | **$10,310,430** | **$10,143,430** | **$11,421,780** |

**HIGHLIGHTS (FY2026 BUDGET Over/Under FY2025 Estimated)**

Personnel Services - Net increases (+$215,250) includes a 10% increase (+$80,770) in Group Health insurance, a (+$50,000) increase in overtime cost and the annualized cost (+$80,480) of personnel.

Materials and Supplies - Net decrease (-$2,350) to various materials and supplies.

Contractual Services - Net increase (+$252,481) includes an increase (+$187,125) for garage charges, a increase in Disposal costs (+$38,500), a increase (+$36,846) in Other Contracts for sanitation cars and parts, and decreases (-$10,080) in miscellaneous contractual line items.

Other Charges and Services - Net increases (+$162,500) for Interfund transfers for Insurance, Facilities and Community Outreach.

Operating Transfers - Increase (+$650,000) for funding to Sanitation Improvement Fund to cash flow Sanitation Trucks.

Debt Service - Increase (+$470) for principal and interest payments on Bond to purchase new garbage trucks.

# SANITATION DEPARTMENT

## MISSION STATEMENT

The purpose of the Sanitation Department is to create a safe and beautiful environment for our customers, visitors and businesses by providing outstanding customers service and dedicated hard work.

## ACCOMPLISHMENTS

- Performed cleanup from Hurricane Beryl with Force Account labor and equipment.
- Provided A City-Wide Cleanup in Spring of 2025.
- Removed dilapidated structures from the Transfer Station site.
- Reduced new cart purchasing by twenty-five percent.

## GOALS

- Reduce the deployment of rear load trucks
- Continue to control overtime on and off route.
- Introduce additional training for all in-filed personnel.

**FY2026 BUDGET**
**REFUSE COLLECTION**

**EXPENDITURE SUMMARY**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Personnel Services | $3,729,739 | $3,907,412 | $3,881,600 | $4,037,710 |
| Materials and Supplies | 81,463 | 79,196 | 77,370 | 72,550 |
| Contractual Services | 1,968,400 | 2,916,376 | 2,861,300 | 3,092,130 |
| Other Charges and Services | (14,961) | (5,000) | (15,000) | (10,000) |
| **TOTAL** | **$5,764,642** | **$6,897,984** | **$6,805,270** | **$7,192,390** |

**BUDGET HIGHLIGHTS (FY2026 BUDGET OVER/UNDER FY2025 ESTIMATED)**

Personnel Services - Net increases (+$156,110) includes a 10% increase (+$14,780) in Group Health insurance, a (+$50,000) increase in overtime cost and the annualized cost (+$42,940) of personnel.

Materials and Supplies - Net decrease (-$4,820) to various materials and supplies.

Contractual Services - Net increase (+$230,830) includes an increase (+$156,013) for garage charges, a increase in Disposal costs (+$38,500), a increase (+$36,846) in Other Contracts for sanitation cars and parts, and decreases (-$529) in miscellaneous contractual line items.

Other Charges and Services - Net decrease (+$5,000) for expense reimbursement expectations for FY26.

**PERFORMANCE INDICATORS**

| INDICATORS | FY2023 ACTUAL | FY2024 ACTUAL | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Tons Garbage/Trash collected | 32,000 | 31,000 | 31,200 | 31,200 |
| Tons received at Transfer Station | 111,000 | 123,090 | 115,000 | 115,000 |

**PERSONNEL**

| POSITION | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Director of Solid Waste | 1.00 | 1.00 | 1.00 | 1.00 |
| Sanitation Superintendent | 1.00 | 1.00 | 1.00 | 1.00 |
| Supervisor of Sanitation | 2.00 | 2.00 | 2.00 | 2.00 |
| Sanitation Compliance Officer | 1.00 | 1.00 | 1.00 | 1.00 |
| Senior Crew Leader | 12.00 | 12.00 | 11.00 | 12.00 |
| Crew leader | 1.00 | 1.00 | 1.00 | 1.00 |
| Automated Truck Driver | 8.00 | 8.00 | 8.00 | 8.00 |
| Office Assistant | 0.00 | 0.00 | 0.00 | 0.00 |
| Customer Service Agent | 1.00 | 1.00 | 1.00 | 1.00 |
| Sanitation Cart Technician | 2.00 | 2.00 | 2.00 | 2.00 |
| Solid Waste Collectors | 18.00 | 18.00 | 16.00 | 18.00 |
| **TOTAL** | **47.00** | **47.00** | **44.00** | **47.00** |

**FY2026 BUDGET**
**REFUSE COLLECTION**

**LINE ITEM DETAIL**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **Personnel Services** | | | | |
| 511001 Regular Payroll | $2,168,680 | $2,361,241 | $2,343,294 | $2,364,100 |
| 511005 Longevity | 17,634 | 19,190 | 19,109 | 21,360 |
| 511009 Overtime | 349,402 | 250,000 | 250,000 | 300,000 |
| 511125 Residency Pay | 27,605 | 27,610 | 27,503 | 27,610 |
| 511510 Group Health Insurance | 602,947 | 621,530 | 621,530 | 684,700 |
| 511515 Worker's Compensation | 80,352 | 108,710 | 108,710 | 108,710 |
| 511520 Group Life Insurance | 10,772 | 10,930 | 11,463 | 11,480 |
| 511530 Social Security - Employment | 152,521 | 164,803 | 160,347 | 168,210 |
| 511535 Medicare - Employer's | 35,670 | 38,544 | 37,500 | 39,340 |
| 511542 City Employee Retirement | 334,229 | 354,854 | 352,144 | 362,200 |
| 511650 Salary Reimbursements | (50,072) | (50,000) | (50,000) | (50,000) |
| **Total Personnel Services** | **$3,729,739** | **$3,907,412** | **$3,881,600** | **$4,037,710** |
| **Materials and Supplies** | | | | |
| 521065 Office Supplies | 818 | 2,000 | 3,647 | 200 |
| 521067 Minor Office Equipment | 863 | 0 | 0 | 100 |
| 522011 Chemicals | 5,492 | 850 | 850 | 850 |
| 522013 Clothing | 41,047 | 37,000 | 37,000 | 36,400 |
| 522037 Janitorial Supplies | 9,746 | 0 | 42 | 10,000 |
| 522038 Safety Supplies | 12,271 | 10,000 | 12,532 | 11,500 |
| 522055 Minor Tools | 2,672 | 9,000 | 9,000 | 1,500 |
| 522056 Minor Equipment | 589 | 1,000 | 1,000 | 1,500 |
| 522085 Equipment Parts | 1,334 | 6,346 | 3,373 | 800 |
| 522099 Other Supplies | 1,000 | 5,000 | 2,664 | 3,700 |
| 525031 Electricity | 5,572 | 6,500 | 5,762 | 6,000 |
| **Total Materials and Supplies** | **$81,463** | **$79,196** | **$77,370** | **$72,550** |
| **Contractual Services** | | | | |
| 531025 Memberships | 0 | 250 | 125 | 250 |
| 531028 Software Licenses | 109,400 | 0 | 0 | 0 |
| 531029 Software Maint Contracts | 21,813 | 86,940 | 88,923 | 86,940 |
| 531115 Refuse Disposal | 588,151 | 1,800,000 | 1,761,500 | 1,800,000 |
| 531125 Other Contracts | 216,655 | 119,154 | 119,154 | 156,000 |
| 531220 Building Repairs | 3,755 | 19,052 | 11,961 | 7,500 |
| 531230 Equipment Repairs | 7,943 | 5,000 | 2,500 | 6,000 |
| 531240 Maintenance Contracts | 8,350 | 9,000 | 5,968 | 6,700 |
| 531350 Garage Charges | 763,466 | 651,300 | 652,897 | 808,910 |
| 531360 Computer Charges | 219,576 | 195,780 | 195,780 | 195,090 |
| 532062 Postage | 1,207 | 1,200 | 740 | 1,000 |
| 532065 Printing, Duplication | 482 | 1,500 | 750 | 1,300 |
| 532083 Telephone Service | 275 | 300 | 276 | 240 |
| 532084 Cellular Service | 4,267 | 3,900 | 3,588 | 3,000 |
| 532086 Other Communications | 8,424 | 8,400 | 7,441 | 7,400 |
| 532087 Aircard Service | 14,271 | 14,600 | 9,698 | 11,800 |
| **Total Contractual Services** | **$1,968,400** | **$2,916,376** | **$2,861,300** | **$3,092,130** |
| **Other Charges and Services** | | | | |
| 544087 Expense Reimbursement | (14,961) | (5,000) | (15,000) | (10,000) |
| **Total Other Charges and Services** | **($14,961)** | **($5,000)** | **($15,000)** | **($10,000)** |
| **Total Expenses** | **$5,764,642** | **$6,897,984** | **$6,805,270** | **$7,192,390** |


CITY OF GALVESTON
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# RECYCLING DIVISION

## MISSION STATEMENT

The mission of the Recycling division is to reduce the landfill waste stream by providing opportunities for citizens to participate in educational programs and recycling targeted wastes through the Recycling Facility.

## ACCOMPLISHMENTS

- Supported a joint effort to recycle water meters that were replaced through the City's AMI project, which produced additional revenues for the division.
- Improved the Center's aesthetics and operational efficiencies through the purchase and deployment of processing equipment.
- Hosted a community shred day in conjunction with Sanitation's Citywide Cleanup.
- The Recycling Division is on pace to exceed the KPI's for commodity sales, visitor usage and curbside subscription.
- Supported Hurricane Beryl debris removal efforts.

## GOALS

- Expand Commercial recovery through partnerships with institutional customers and the private sector generators.
- Enhance maintenance of site equipment to create better redundancy.
- Develop and implement a zero-waste initiative at the Recycling Center.

**FY2026 BUDGET**
**RECYCLING**

**EXPENDITURE SUMMARY**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Personnel Services | $877,195 | $883,740 | $817,530 | $864,360 |
| Materials and Supplies | 27,963 | 24,100 | 25,080 | 27,500 |
| Contractual Services | 241,664 | 216,748 | 215,160 | 231,790 |
| **TOTAL** | **$1,146,822** | **$1,124,588** | **$1,057,770** | **$1,123,650** |

**BUDGET HIGHLIGHTS (FY2026 BUDGET OVER/UNDER FY2025 ESTIMATED)**

Personnel Services - Net increases (+$46,830) includes a 10% increase (+$14,780) in Group Health insurance and the annualized cost (+$32,050) of personnel.

Materials and Supplies - Net increase (+$2,420) in various supplies and minor equipment.

Contractual Services - Net increase (+$16,630) includes an increase in garage charges (+$31,202) and decreases (-$14,572) to miscellaneous line items.

**PERFORMANCE INDICATORS**

| INDICATORS | FY2023 ACTUAL | FY2024 ACTUAL | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Tonnage Totals | 1,559 | 1,089 | 1,300 | 1,200 |
| Commodity Sales | $171,986 | $210,968 | $129,381 | $135,000 |
| Diversion Rate (Avg.) | 7% | 4% | 5% | 5% |
| Recycling Center Usage | 247,860 | 257,404 | 274,416 | 275,000 |
| Curbside Users | 236 | 281 | 302 | 310 |

**PERSONNEL**

| POSITION | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Recycling Coordinator | 1.00 | 1.00 | 1.00 | 1.00 |
| Crewleader | 2.00 | 2.00 | 2.00 | 2.00 |
| Laborer | 8.00 | 8.00 | 8.00 | 8.00 |
| **TOTAL** | **11.00** | **11.00** | **11.00** | **11.00** |

**FY2026 BUDGET**
**RECYCLING**

**LINE ITEM DETAIL**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **Personnel Services** | | | | |
| 511001 Regular Payroll | $435,013 | $471,545 | $458,958 | $465,690 |
| 511005 Longevity | 3,920 | 4,330 | 3,862 | 4,390 |
| 511009 Overtime | 145,045 | 100,000 | 61,134 | 80,000 |
| 511125 Residency Pay | 11,586 | 12,550 | 10,417 | 10,050 |
| 511510 Group Health Insurance | 145,464 | 145,470 | 145,470 | 160,250 |
| 511515 Worker's Compensation | 12,042 | 24,090 | 24,090 | 24,090 |
| 511520 Group Life Insurance | 2,069 | 2,180 | 2,004 | 2,260 |
| 511530 Social Security - Employment | 35,827 | 36,482 | 32,625 | 34,730 |
| 511535 Medicare - Employer's | 8,379 | 8,536 | 7,630 | 8,120 |
| 511542 City Employee Retirement | 77,850 | 78,557 | 71,339 | 74,780 |
| **Total Personnel Services** | **$877,195** | **$883,740** | **$817,530** | **$864,360** |
| | | | | |
| **Materials and Supplies** | | | | |
| 521065 Office Supplies | 3,661 | 3,000 | 3,000 | 3,500 |
| 522013 Clothing | 6,671 | 7,000 | 7,500 | 7,000 |
| 522037 Janitorial Supplies | 1,804 | 1,500 | 1,500 | 1,300 |
| 522038 Safety Supplies | 4,665 | 4,000 | 3,719 | 4,800 |
| 522055 Minor Tools | 839 | 1,500 | 937 | 1,300 |
| 522056 Minor Equipment | 1,780 | 3,000 | 4,327 | 3,400 |
| 522056 Paint and Lumber | 81 | 200 | 100 | 200 |
| 522085 Equipment Parts | 11 | 300 | 150 | 500 |
| 522099 Other Supplies | 7,348 | 2,600 | 2,600 | 4,000 |
| 525031 Electricity | 1,103 | 1,000 | 1,247 | 1,500 |
| **Total Materials and Supplies** | **$27,963** | **$24,100** | **$25,080** | **$27,500** |
| | | | | |
| **Contractual Services** | | | | |
| 531005 Other Services | 800 | 800 | 800 | 800 |
| 531025 Memberships | 0 | 0 | 407 | 200 |
| 531027 Certification & Permit Fees | 0 | 780 | 390 | 500 |
| 531125 Other Contracts | 13,430 | 29,448 | 29,448 | 15,000 |
| 531230 Equipment Repairs | 6,899 | 5,400 | 8,096 | 5,000 |
| 531320 Equipment Rental | 11,185 | 5,000 | 5,000 | 7,500 |
| 531350 Garage Charges | 167,590 | 133,600 | 130,578 | 161,780 |
| 531360 Computer Charges | 34,613 | 34,620 | 34,620 | 33,930 |
| 532083 Telephone Service | 69 | 100 | 63 | 80 |
| 532084 Cellular Service | 1,558 | 1,500 | 1,448 | 1,500 |
| 532086 Other Communications | 5,520 | 5,500 | 4,310 | 5,500 |
| **Total Contractual Services** | **$241,664** | **$216,748** | **$215,160** | **$231,790** |
| | | | | |
| **Total Expenses** | **$1,146,822** | **$1,124,588** | **$1,057,770** | **$1,123,650** |


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# UTILITY BILLING DIVISION

## MISSION STATEMENT

The mission of the Utility Billing Division is to ensure accuracy and efficiency in the billing and collection of utility services, while providing excellent customer service to new and existing customers, responding to inquiries, and promptly posting payments.

## ACCOMPLISHMENTS

- Activated 2,851 new customer accounts since the beginning of FY2025
- Answered 90% of all customer's calls on their first attempt
- Increased number of customers paying by ACH by 6%
- Increased number of e-bill customers by 8%
- Decreased the number of receivable balances over 90 days by 3%
- Implemented new drainage rates for current customers and over 1,000 new accounts for unmetered drainage.

## GOALS

- Update Customer Service Utility Billing procedure manual to align with the newly installed advanced technology meters
- Continue to investigate vacant usage accounts
- Investigate zero usage accounts
- Increase number of electronically paying customers and increase the number of customers receiving E-bill statements by (5%)
- Reduce the number of customer account receivable balances over 90-days by (5%).
- Revisit the current adjustment procedures to align with new and improved data received from the new AMI technology.

**FY2026 BUDGET**
**UTILITY BILLING (SANITATION SHARE)**

**EXPENDITURE SUMMARY**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Personnel Services | $133,799 | $163,868 | $153,960 | $166,270 |
| Materials and Supplies | 2,077 | 2,700 | 1,850 | 1,900 |
| Contractual Services | 46,449 | 51,995 | 48,340 | 53,360 |
| Other Charges and Services | 72,983 | 73,995 | 80,940 | 78,500 |
| **TOTAL** | **$255,307** | **$292,558** | **$285,090** | **$300,030** |

**BUDGET HIGHLIGHTS (FY2026 BUDGET OVER/UNDER FY2025 ESTIMATED)**

Note: Utility Billing office cost allocation is 37.5% Water, 37.5% Sewer, **15% Sanitation**, 10% Drainage.

Personnel Services - Net increases (+$12,310) includes a 10% increase (+$2,820) in Group Health insurance and the annualized cost (+$9,490) of personnel.
Materials and Supplies - Net increase (+$50) for office supplies and printed materials.
Contractual Services - Net increases (+$5,020) for miscellaneous contractual line items.
Other Charges and Services - Decrease in bank service charges (-$2,440).

**PERFORMANCE INDICATORS**

| INDICATORS | FY2023 ACTUAL | FY2024 ACTUAL | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Number of Customers | 23,867 | 23,733 | 23,928 | 24,110 |
| Number of service orders | 21,442 | 20,910 | 20,920 | 20,500 |
| Number of water meters not transmitting | 1,190 | 738 | 730 | 600 |
| Number of delinquent customers over 90 days | 1,141 | 1,453 | 1,467 | 1,667 |
| Over 90 day balances for active customers | $492,359 | $473,121 | $484,351 | $494,351 |
| Number of customers paying by auto payment | 10,162 | 10,912 | 11,456 | 11,947 |
| Number of e-bill customers | 6,731 | 7,319 | 7,915 | 8,523 |

**PERSONNEL**

| POSITION | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Utility Customer Service Manager | 0.15 | 0.15 | 0.15 | 0.15 |
| Utility Billing Supervisor | 0.15 | 0.15 | 0.15 | 0.15 |
| Customer Service Supervisor | 0.15 | 0.15 | 0.15 | 0.15 |
| City Cashier Supervisor | 0.00 | 0.15 | 0.15 | 0.15 |
| Sr. Utility Customer Service Specialist | 0.45 | 0.30 | 0.15 | 0.30 |
| Utility Customer Service Specialist | 1.20 | 1.20 | 0.90 | 1.20 |
| **TOTAL** | **2.10** | **2.10** | **1.65** | **2.10** |

**FY2026 BUDGET**
**UTILITY BILLING (SANITATION SHARE)**

**LINE ITEM DETAIL**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **Personnel Services** | | | | |
| 511001 Regular Payroll | $81,837 | $106,008 | $98,282 | $105,460 |
| 511005 Longevity | 546 | 660 | 517 | 620 |
| 511006 Differential Pay | 288 | 160 | 406 | 420 |
| 511009 Overtime | 1,485 | 1,500 | 1,500 | 1,500 |
| 511021 Part-time Payroll | 3,450 | 3,100 | 3,100 | 3,100 |
| 511125 Residency Pay | 400 | 420 | 394 | 390 |
| 511510 Group Health Insurance | 27,770 | 27,780 | 27,780 | 30,600 |
| 511515 Worker's Compensation | 123 | 250 | 250 | 250 |
| 511520 Group Life Insurance | 407 | 500 | 451 | 510 |
| 511530 Social Security - Employment | 5,234 | 6,933 | 6,308 | 6,910 |
| 511535 Medicare - Employer's | 1,224 | 1,623 | 1,475 | 1,620 |
| 511542 City Employee Retirement | 11,038 | 14,934 | 13,498 | 14,890 |
| **Total Personnel Services** | **$133,799** | **$163,868** | **$153,960** | **$166,270** |
| | | | | |
| **Materials and Supplies** | | | | |
| 521065 Office Supplies | 1,592 | 975 | 975 | 900 |
| 521067 Minor Office Equipment | 148 | 775 | 400 | 500 |
| 521073 Printed Materials | 336 | 950 | 475 | 500 |
| **Total Materials and Supplies** | **$2,077** | **$2,700** | **$1,850** | **$1,900** |
| | | | | |
| **Contractual Services** | | | | |
| 531007 Security Service | 2,613 | 3,000 | 2,401 | 2,400 |
| 531015 Temporary Employee Services | 2,166 | 4,000 | 0 | 2,000 |
| 531028 Software Licenses | 1,040 | 1,500 | 1,500 | 0 |
| 531029 Software Maintenance Contracts | 5,617 | 8,205 | 12,220 | 2,000 |
| 531125 Other Contracts | 5,476 | 4,000 | 4,000 | 14,000 |
| 531360 Computer Charges | 9,086 | 9,090 | 9,090 | 13,360 |
| 532062 Postage | 19,936 | 21,000 | 18,347 | 18,500 |
| 532065 Printing, Duplication | 346 | 600 | 488 | 500 |
| 532086 Other Communications | 35 | 100 | 43 | 100 |
| 533085 Travel/Training | 134 | 500 | 250 | 500 |
| **Total Contractual Services** | **$46,449** | **$51,995** | **$48,340** | **$53,360** |
| | | | | |
| **Other Charges and Services** | | | | |
| 544105 Bank Service Charges | 72,983 | 73,995 | 80,940 | 78,500 |
| **Total Other Charges and Services** | **$72,983** | **$73,995** | **$80,940** | **$78,500** |
| | | | | |
| **Total Expenses** | **$255,307** | **$292,558** | **$285,090** | **$300,030** |

**FY2026 BUDGET**
**OTHER EXPENSES**

**EXPENDITURE SUMMARY**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Other Charges and Services | 773,201 | 784,330 | 784,330 | 944,270 |
| Operating Transfers | 35,700 | 35,700 | 35,700 | 685,700 |
| Debt Service | 1,164,498 | 1,175,270 | 1,175,270 | 1,175,740 |
| **TOTAL** | **$1,973,399** | **$1,995,300** | **$1,995,300** | **$2,805,710** |

**BUDGET HIGHLIGHTS (FY2026 BUDGET OVER/UNDER FY2025 ESTIMATED)**

Other Charges and Services - Net increases (+$159,940) for Interfund transfers for Insurance, Facilities and Community Outreach.

Operating Transfers - Increase (+$650,000) for funding to Sanitation Improvement Fund to cash flow Sanitation Trucks.
Debt Service - Increase (+$470) for principal and interest payments on Bond to purchase new garbage trucks.

**LINE ITEM DETAIL**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **Other Charges and Services** | | | | |
| 547040 Administrative Service Charge | 293,000 | 293,000 | 293,000 | 447,000 |
| 547050 Payment In Lieu Of Taxes | 300,000 | 300,000 | 300,000 | 300,000 |
| 547070 Insurance Expense | 87,982 | 85,440 | 85,440 | 92,200 |
| 547075 Facilities Maintenance | 43,329 | 46,610 | 46,610 | 48,420 |
| 547095 Community Outreach/Public Info | 48,890 | 59,280 | 59,280 | 56,650 |
| **Total Other Charges and Services** | **$773,201** | **$784,330** | **$784,330** | **$944,270** |
| | | | | |
| **Operating Transfers** | | | | |
| 553016 Sanitation - Transfer Out | 0 | 0 | 0 | 650,000 |
| 553035 Transfer To Separation Pay Fund | 35,700 | 35,700 | 35,700 | 35,700 |
| **Total Operating Transfers** | **$35,700** | **$35,700** | **$35,700** | **$685,700** |
| | | | | |
| **Debt Service** | | | | |
| 571010 Interest Expenditure | 89,498 | 75,270 | 75,270 | 50,740 |
| 571050 Principal Expenditure | 1,075,000 | 1,100,000 | 1,100,000 | 1,125,000 |
| **Total Debt Service** | **$1,164,498** | **$1,175,270** | **$1,175,270** | **$1,175,740** |
| | | | | |
| **Total Expenses** | **$1,973,399** | **$1,995,300** | **$1,995,300** | **$2,805,710** |

**FY2026 BUDGET**
**MUNICIPAL DRAINAGE UTILITY FUND**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **Beginning Fund Balance** | **1,476,606** | **1,084,189** | **1,084,189** | **1,112,654** |
| Revenues: | | | | |
| Drainage District Charge | $3,259,729 | $3,600,000 | $3,552,954 | $3,588,000 |
| Penalties on Account | 45,153 | 40,000 | 50,741 | 48,000 |
| Interest Earned | 32,295 | 25,000 | 12,000 | 10,000 |
| Other Revenue | 17,691 | 0 | 0 | 0 |
| **Total Revenues** | **$3,354,867** | **$3,665,000** | **$3,615,695** | **$3,646,000** |
| Expenses: | | | | |
| Municipal Drainage Utility | $3,349,010 | $3,384,788 | $3,258,010 | $3,683,240 |
| Utility Billing | 170,212 | 199,072 | 183,840 | 197,730 |
| **Total Expenses** | **$3,519,222** | **$3,583,860** | **$3,441,850** | **$3,880,970** |
| **Operating Income (Loss)** | **($164,355)** | **$81,140** | **$173,845** | **($234,970)** |
| Capital Outlay/Improvement Fund Transfer | $228,063 | $135,000 | $145,380 | $40,000 |
| **Ending Balance** | **$1,084,189** | **$1,030,329** | **$1,112,654** | **$837,684** |
| *90 Day Reserve* | *$867,753* | *$883,692* | *$848,675* | *$956,952* |
| *120 Day Reserve* | *$1,157,005* | *$1,178,255* | *$1,131,567* | *$1,275,935* |

| PERSONNEL SUMMARY | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Municipal Drainage - Full Time Positions | 34.58 | 34.58 | 32.28 | 34.68 |
| Municipal Drainage - Personnel Costs | $2,324,143 | $2,595,410 | $2,480,740 | $2,675,970 |

**FY2026 BUDGET**
**MUNICIPAL DRAINAGE UTILITY FUND**
**EXPENDITURE SUMMARY**

| DEPARTMENT | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Drainage Utility & Inspection | $3,349,010 | $3,384,788 | $3,258,010 | $3,683,240 |
| Utility Billing | 170,212 | 199,072 | 183,840 | 197,730 |
| **Subtotal** | **3,519,222** | **3,583,860** | **3,441,850** | **3,880,970** |
| Capital Outlay | 228,063 | 135,000 | 145,380 | 40,000 |
| **Drainage Utility Total** | **$3,747,285** | **$3,718,860** | **$3,587,230** | **$3,920,970** |

| CATEGORY | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Personnel Services | $2,324,143 | $2,595,410 | $2,480,740 | $2,675,970 |
| Materials and Supplies | 184,732 | 195,140 | 187,669 | 181,280 |
| Contractual Services | 672,641 | 530,810 | 503,232 | 680,860 |
| Other Charges and Services | 317,706 | 242,500 | 250,209 | 322,860 |
| Operating Transfers | 20,000 | 20,000 | 20,000 | 20,000 |
| Capital Outlay | 228,063 | 135,000 | 145,380 | 40,000 |
| **Drainage Utility Total** | **$3,747,285** | **$3,718,860** | **$3,587,230** | **$3,920,970** |

**HIGHLIGHTS (FY2026 BUDGET Over/Under FY2025 Estimated)**

Personnel Services - Net increase (+$195,230) includes a 10% increase (+$47,870) in Group Health insurance and an increase (+$147,360) for annualized cost of personnel from unfilled vacant positions in FY25.

Materials and Supplies - Net decrease (-$6,389) includes a decrease (-$8,452) in pipe and plumbing supplies and various other increases (+$2,063) in miscellaneous materials and supplies line items.

Contractual Services - Net increase (+$177,628) includes an increase (+$152,466) in garage charges and increases (+$25,162) in various other accounts.

Other Charges and Services - Net increase (+$68,651) includes the removal of Expense Reimbursements (+$50,000) from IDC and an increase in Project Management Costs and other various line items(+$22,651).

Capital Outlay - Net decrease (-$105,380) for Capital Outlay needs in FY2026.

# MUNICIPAL DRAINAGE UTILITY DIVISION

## MISSION STATEMENT

The Drainage Maintenance & Operations Division will provide quality drainage systems and infrastructure by installing, maintaining and renewing the underground conveyance system as well as the open ditch system across the island.

## ACCOMPLISHMENTS

- The Drainage Division has significantly increased its efforts citywide, focusing on the regrading and mowing of ditches, as well as the cleaning of culverts and storm main lines to improve overall water flow and reduce localized flooding.

- Taking a proactive approach, the team has been actively televising drainage areas that retain excess water during rainfall or tidal events. In addition, they've been preemptively cleaning inlets and drain covers ahead of wet weather, enhancing the island's drainage capacity and enabling quicker response times during storms.

- The Drainage Heavy Construction Crew has consistently met performance benchmarks by completing culvert installations and cave-in repairs within an average of 30 days from the creation of each work order – ensuring timely resolutions to infrastructure issues.

## GOALS

- Desilt 80,000 linear feet and mow 30,000 linear feet of ditches annually.

- Repair cave ins and install culverts on a 30-day average.

- Clean 50,000 feet of culverts and 60,000 feet of main lines.

- Increase proactive televising to 4,000 feet annually.

**FY2026 BUDGET**
**DRAINAGE UTILITY & INSPECTION**

## EXPENDITURE SUMMARY

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Personnel Services | $2,236,805 | $2,486,098 | $2,383,280 | $2,565,250 |
| Materials and Supplies | 183,373 | 193,490 | 186,648 | 180,180 |
| Contractual Services | 639,781 | 492,030 | 471,830 | 647,950 |
| Other Charges and Services | 269,051 | 193,170 | 196,252 | 269,860 |
| Operating Transfers | 20,000 | 20,000 | 20,000 | 20,000 |
| Capital Outlay | 228,063 | 135,000 | 145,380 | 40,000 |
| **TOTAL** | **$3,577,073** | **$3,519,788** | **$3,403,390** | **$3,723,240** |

## BUDGET HIGHLIGHTS (FY2026 BUDGET OVER/UNDER FY2025 ESTIMATED)

Personnel Services - Net increase (+$181,970) includes a 10% increase (+$45,900) in Group Health insurance and an increase (+$135,980) for annualized cost of personnel from unfilled vacant positions in FY25.

Contractual Services - Net increase (+$176,120) includes an increase (+$152,466) in garage charges and increases (+$23,654) in various other accounts.

Other Charges and Services - Net increase (+$69,608) includes the removal of Expense Reimbursements (+$50,000) from IDC and an increase in Project Management Costs and other various line items(+$19,608).

Capital Outlay - Net decrease (-$105,380) for Capital Outlay needs in FY2026.

## PERFORMANCE INDICATORS

| INDICATORS | FY2023 ACTUAL | FY2024 ACTUAL | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| CCTV Inspection of Storm Sewer System (LF) | 47,172 | 62,896 | 1,980 ft | 4,000 ft |
| Ditch Cleaning and Mowing (LF) | 350,000 ft | 204,375 ft | 98,403 ft | 110,000 ft |
| Culvert and Main Line Cleaning (LF) | 47,172 ft | 62,896 ft | 107,613 ft | 110,000 ft |
| Cave in repair and culvert installation completed (day/avg | 30 day/avg | 10 day/avg | 30 day/avg | 30 day/avg |

## PERSONNEL

| POSITION | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Assistant City Manager | 0.34 | 0.34 | 0.34 | 0.34 |
| Director of Public Works & Utilities | 0.24 | 0.24 | 0.24 | 0.34 |
| Public Works Superintendent | 0.50 | 0.50 | 0.50 | 0.50 |
| Public Works Supervisors | 2.00 | 2.00 | 2.00 | 2.00 |
| Inventory Specialist | 0.10 | 0.10 | 0.10 | 0.10 |
| GIS Field Technician | 1.00 | 1.00 | 0.00 | 1.00 |
| Administrative Assistant | 1.00 | 1.00 | 0.00 | 1.00 |
| CCTV Truck Operator | 0.00 | 0.00 | 1.00 | 1.00 |
| Senior Crewleader | 2.00 | 2.00 | 3.00 | 3.00 |
| Drainage Technician II | 14.00 | 14.00 | 10.00 | 10.00 |
| Drainage Technician I | 2.00 | 2.00 | 6.00 | 6.00 |
| Drainage Trainee | 10.00 | 10.00 | 8.00 | 8.00 |
| **TOTAL** | **33.18** | **33.18** | **31.18** | **33.28** |

**FY2026 BUDGET**
**DRAINAGE UTILITY & INSPECTION**

**LINE ITEM DETAIL**

| | | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|---|
| **Personnel Services** | | | | | |
| 511001 | Regular Payroll | $1,274,405 | $1,593,143 | $1,509,075 | $1,618,700 |
| 511005 | Longevity | 4,484 | 6,050 | 6,778 | 8,380 |
| 511006 | Differential Pay | 433 | 910 | 248 | 0 |
| 511009 | Overtime | 191,119 | 75,000 | 75,000 | 75,000 |
| 511110 | Incentive Pay | 542 | 0 | 41 | 0 |
| 511125 | Residency Pay | 6,159 | 5,870 | 8,611 | 5,870 |
| 511510 | Group Health Insurance - Employer's | 452,164 | 438,840 | 438,840 | 484,830 |
| 511515 | Worker's Compensation | 22,094 | 30,190 | 30,190 | 30,190 |
| 511520 | Group Life Insurance | 6,418 | 8,080 | 7,151 | 8,600 |
| 511530 | Social Security - Employer's | 87,375 | 104,220 | 96,709 | 105,890 |
| 511535 | Medicare - Employer's | 20,438 | 24,377 | 22,632 | 24,770 |
| 511542 | City Employee Retirement | 194,119 | 224,418 | 213,005 | 228,020 |
| 511650 | Salary Reimbursements | (22,948) | (25,000) | (25,000) | (25,000) |
| **Total Personnel Services** | | **$2,236,805** | **$2,486,098** | **$2,383,280** | **$2,565,250** |
| | | | | | |
| **Materials and Supplies** | | | | | |
| 521065 | Office Supplies | 4,952 | 5,000 | 5,000 | 4,400 |
| 522011 | Chemicals | 55 | 100 | 100 | 0 |
| 522013 | Clothing | 31,687 | 28,000 | 27,425 | 26,000 |
| 522015 | Concrete And Aggregate | 35,804 | 50,000 | 49,084 | 50,000 |
| 522037 | Janitorial Supplies | 1,979 | 2,000 | 2,000 | 1,900 |
| 522038 | Safety Supplies | 11,387 | 11,500 | 11,500 | 12,600 |
| 522055 | Minor Tools | 29,914 | 15,000 | 12,040 | 14,250 |
| 522056 | Minor Equipment | 15,764 | 7,000 | 7,000 | 6,650 |
| 522065 | Paint And Lumber | 11,399 | 9,500 | 6,631 | 6,650 |
| 522075 | Pipe And Plumbing Supplies | 20,461 | 45,000 | 46,452 | 38,000 |
| 522085 | Equipment Parts | 3,094 | 4,000 | 3,096 | 3,330 |
| 522098 | Other Materials | 3,572 | 3,500 | 3,500 | 3,330 |
| 522099 | Other Supplies | 8,574 | 8,000 | 8,000 | 8,170 |
| 525031 | Electricity | 4,730 | 4,890 | 4,821 | 4,900 |
| **Total Materials and Supplies** | | **$183,373** | **$193,490** | **$186,648** | **$180,180** |

**FY2026 BUDGET**
**DRAINAGE UTILITY & INSPECTION**

**LINE ITEM DETAIL**

| | | FY2024 ACTUAL | FY2026 BUDGET | FY2026 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|---|
| **Contractual Services** | | | | | |
| 531005 | Other Services | 113,760 | 0 | 90 | 0 |
| 531025 | Memberships | 992 | 600 | 1,141 | 600 |
| 531027 | Certification & Permit Fees | 258 | 700 | 700 | 570 |
| 531028 | Software Licenses | 0 | 5,000 | 3,500 | 1,425 |
| 531115 | Refuse Disposal | 1,554 | 1,500 | 1,807 | 1,700 |
| 531125 | Other Contracts | 27,145 | 7,633 | 7,633 | 7,125 |
| 531220 | Building Repairs | 4,459 | 3,000 | 3,000 | 3,000 |
| 531230 | Equipment Repairs | 6,557 | 21,287 | 14,022 | 20,000 |
| 531240 | Maintenance Contracts | 8,274 | 7,367 | 7,367 | 7,200 |
| 531250 | Vehicle Repairs | 0 | 0 | 5,306 | 0 |
| 531320 | Equipment Rental | 28,040 | 15,713 | 7,500 | 19,670 |
| 531350 | Garage Charges | 300,400 | 288,320 | 282,554 | 435,020 |
| 531360 | Computer Charges | 117,057 | 117,060 | 117,060 | 131,700 |
| 532084 | Cellular Service | 8,763 | 9,000 | 8,304 | 8,300 |
| 532086 | Other Communications | 2,200 | 2,250 | 1,544 | 1,800 |
| 532087 | Aircard Service | 2,422 | 2,100 | 2,552 | 2,520 |
| 533085 | Travel/Training | 10,243 | 10,000 | 7,500 | 7,320 |
| 533100 | Advertising | 1,636 | 500 | 250 | 0 |
| 533200 | Food Services | 6,020 | 0 | 0 | 0 |
| **Total Contractual Services** | | **$639,781** | **$492,030** | **$471,830** | **$647,950** |
| **Other Charges and Services** | | | | | |
| 543099 | Project Management Costs | 33,330 | 10,000 | 13,080 | 27,400 |
| 544087 | Expense Reimbursement | 5,060 | (50,000) | (50,000) | 0 |
| 547040 | Administrative Service Charge | 142,000 | 142,000 | 142,000 | 146,000 |
| 547070 | Insurance Expense | 40,619 | 38,120 | 38,120 | 43,140 |
| 547075 | City Hall Maintenance | 30,331 | 31,570 | 31,572 | 32,800 |
| 547095 | Community Outreach/Public Info | 17,711 | 21,480 | 21,480 | 20,520 |
| **Total Other Charges and Services** | | **$269,051** | **$193,170** | **$196,252** | **$269,860** |
| **Operating Transfers** | | | | | |
| 553035 | Transfer To Separation Pay Fund | 20,000 | 20,000 | 20,000 | 20,000 |
| **Total Operating Transfers** | | **$20,000** | **$20,000** | **$20,000** | **$20,000** |
| **Capital Outlay** | | | | | |
| 564003 | Vehicle Capital Outlay | 87,349 | 135,000 | 123,900 | 40,000 |
| 564117 | Machinery And Equipment | 140,714 | 0 | 0 | 0 |
| **Total Capital Outlay** | | **$228,063** | **$135,000** | **$145,380** | **$40,000** |
| **Total Expenses** | | **$3,577,073** | **$3,519,788** | **$3,403,390** | **$3,723,240** |

# UTILITY BILLING DIVISION

## MISSION STATEMENT

The mission of the Utility Billing Division is to ensure accuracy and efficiency in the billing and collection of utility services, while providing excellent customer service to new and existing customers, responding to inquiries, and promptly posting payments.

## ACCOMPLISHMENTS

- Activated 2,851 new customer accounts since the beginning of FY2025
- Answered 90% of all customer's calls on their first attempt
- Increased number of customers paying by ACH by 6%
- Increased number of e-bill customers by 8%
- Decreased the number of receivable balances over 90 days by 3%
- Implemented new drainage rates for current customers and over 1,000 new accounts for unmetered drainage.

## GOALS

- Update Customer Service Utility Billing procedure manual to align with the newly installed advanced technology meters
- Continue to investigate vacant usage accounts
- Investigate zero usage accounts
- Increase number of electronically paying customers and increase the number of customers receiving E-bill statements by (5%)
- Reduce the number of customer account receivable balances over 90-days by (5%).
- Revisit the current adjustment procedures to align with new and improved data received from the new AMI technology.

**FY2026 BUDGET**
**UTILITY BILLING (DRAINAGE UTILITY SHARE)**

**EXPENDITURE SUMMARY**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Personnel Services | $87,338 | $109,312 | $97,460 | $110,720 |
| Materials and Supplies | 1,359 | 1,650 | 1,022 | 1,100 |
| Contractual Services | 32,860 | 38,780 | 31,402 | 32,910 |
| Other Charges and Services | 48,655 | 49,330 | 53,956 | 53,000 |
| **TOTAL** | **$170,212** | **$199,072** | **$183,840** | **$197,730** |

**BUDGET HIGHLIGHTS (FY2026 BUDGET OVER/UNDER FY2025 ESTIMATED)**

Note: Utility Billing office cost allocation is 37.5% Water, 37.5% Sewer, 15% Sanitation, **10% Drainage**.

Personnel Services - Net increases (+$13,260) includes a 10% increase (+$1,880) in Group Health insurance and the annualized cost (+$11,380) of personnel.

Contractual Services - Net increases (+$1,508) for miscellaneous contractual line items.

Other Charges and Services - Decrease in bank service charges (-$956).

**PERFORMANCE INDICATORS**

| INDICATORS | FY2023 ACTUAL | FY2024 ACTUAL | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Number of Customers | 23,867 | 23,733 | 23,928 | 24,110 |
| Number of service orders | 21,442 | 20,910 | 20,920 | 20,500 |
| Number of water meters not transmitting | 1,190 | 738 | 730 | 600 |
| Number of delinquent customers over 90 days | 1,141 | 1,453 | 1,467 | 1,667 |
| Over 90 day balances for active customers | $492,359 | $473,121 | $484,351 | $494,351 |
| Number of customers paying by auto payment | 10,162 | 10,912 | 11,456 | 11,947 |
| Number of e-bill customers | 6,731 | 7,319 | 7,915 | 8,523 |

**PERSONNEL**

| POSITION | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Utility Customer Service Manager | 0.10 | 0.10 | 0.10 | 0.10 |
| Utility Billing Supervisor | 0.10 | 0.10 | 0.10 | 0.10 |
| Customer Service Supervisor | 0.10 | 0.10 | 0.10 | 0.10 |
| City Cashier Supervisor | 0.00 | 0.10 | 0.10 | 0.10 |
| Sr. Utility Customer Service Specialist | 0.30 | 0.20 | 0.10 | 0.20 |
| Utility Customer Service Specialist | 0.80 | 0.80 | 0.60 | 0.80 |
| **TOTAL** | **1.40** | **1.40** | **1.10** | **1.40** |

**FY2026 BUDGET**
**UTILITY BILLING (DRAINAGE UTILITY SHARE)**

**LINE ITEM DETAIL**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **Personnel Services** | | | | |
| 511001 Regular Payroll | $53,115 | $70,665 | $61,116 | $70,310 |
| 511005 Longevity | 363 | 440 | 336 | 400 |
| 511006 Differential Pay | 198 | 200 | 272 | 200 |
| 511009 Overtime | 946 | 1,000 | 1,000 | 1,000 |
| 511021 Part-time Payroll | 2,300 | 2,100 | 2,335 | 2,100 |
| 511125 Residency Pay | 203 | 210 | 141 | 210 |
| 511510 Group Health Insurance | 18,514 | 18,520 | 18,520 | 20,400 |
| 511515 Worker's Compensation | 82 | 170 | 170 | 170 |
| 511520 Group Life Insurance | 264 | 330 | 279 | 340 |
| 511530 Social Security - Employment | 3,404 | 4,629 | 3,957 | 4,600 |
| 511535 Medicare - Employer's | 796 | 1,079 | 926 | 1,080 |
| 511542 City Employee Retirement | 7,153 | 9,969 | 8,408 | 9,910 |
| **Total Personnel Services** | **$87,338** | **$109,312** | **$97,460** | **$110,720** |
| **Materials and Supplies** | | | | |
| 521065 Office Supplies | 1,013 | 850 | 572 | 600 |
| 521067 Minor Office Equipment | 121 | 100 | 100 | 100 |
| 521073 Printed Materials | 224 | 700 | 350 | 400 |
| **Total Materials and Supplies** | **$1,359** | **$1,650** | **$1,022** | **$1,100** |
| **Contractual Services** | | | | |
| 531007 Security Service | 1,742 | 2,100 | 1,750 | 1,900 |
| 531015 Temporary Employee Services | 1,444 | 2,500 | 0 | 1,000 |
| 531028 Software Licenses | 694 | 1,200 | 600 | 0 |
| 531029 Software Maintenance Contracts | 5,579 | 7,870 | 6,357 | 6,800 |
| 533125 Other Contracts | 3,651 | 3,000 | 3,000 | 1,500 |
| 531360 Computer Charges | 6,057 | 6,060 | 6,060 | 8,910 |
| 532062 Postage | 13,290 | 15,000 | 13,081 | 12,000 |
| 532065 Printing, Duplication | 231 | 300 | 275 | 300 |
| 532086 Other Communications | 83 | 250 | 29 | 100 |
| 533085 Travel/Training | 90 | 500 | 250 | 400 |
| **Total Contractual Services** | **$32,860** | **$38,780** | **$31,402** | **$32,910** |
| **Other Charges and Services** | | | | |
| 544105 Bank Service Charges | 48,655 | 49,330 | 53,956 | 53,000 |
| **Total Other Charges and Services** | **$48,655** | **$49,330** | **$53,956** | **$53,000** |
| **Total Expenses** | **$170,212** | **$199,072** | **$183,840** | **$197,730** |


CITY OF GALVESTON
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**FY2026 BUDGET**
**SCHOLES INTERNATIONAL AIRPORT AT GALVESTON**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **Beginning Fund Balance** | **$1,519,711** | **$1,456,436** | **$1,456,436** | **$1,387,050** |
| Revenues: | | | | |
| TXDOT Grant | $55,109 | $100,000 | $14,816 | $100,000 |
| Building Rentals | 47,561 | 45,921 | 45,921 | 47,400 |
| Hangar Rentals | 130,875 | 107,791 | 107,791 | 135,450 |
| Terminal Space Rental | 76,936 | 78,091 | 78,091 | 79,830 |
| Land Rentals | 741,740 | 764,539 | 764,539 | 790,100 |
| Municipal Utilities | 90,852 | 93,123 | 93,123 | 95,450 |
| Golf Course | 105,651 | 108,328 | 108,328 | 111,030 |
| General Fund Rental | 73,024 | 74,850 | 74,850 | 76,720 |
| Fuel Flowage Fees | 48,711 | 48,800 | 48,800 | 50,000 |
| Tiedown Revenue | 1,400 | 1,200 | 2,000 | 1,200 |
| Airport Parking Revenue | 16,671 | 17,021 | 17,021 | 17,720 |
| Interest Earned | 81,110 | 60,000 | 58,090 | 60,000 |
| Other Revenue | 5,142 | 0 | 10,101 | 0 |
| Other Funding Sources | 16,204 | 0 | 0 | 0 |
| **Total revenues** | **$1,490,985** | **$1,499,664** | **$1,423,471** | **$1,564,900** |
| Expenses: | | | | |
| Airport Operations | $1,017,003 | $1,071,300 | $1,079,391 | $1,135,441 |
| Insurance | 214,048 | 237,070 | 230,707 | 256,000 |
| Administrative Service | 43,000 | 43,000 | 43,000 | 61,000 |
| **Total expenses** | **$1,274,051** | **$1,351,370** | **$1,353,098** | **$1,452,441** |
| **Operating Income (Loss)** | **$216,934** | **$148,294** | **$70,373** | **$112,459** |
| Capital Outlay/Improvement Fund Transfer | $280,209 | $139,759 | $139,759 | $0 |
| **Ending balance** | **$1,456,436** | **$1,464,971** | **$1,387,050** | **$1,499,509** |
| *90 Day Reserve* | *$314,150* | *$333,215* | *$333,641* | *$358,136* |
| *120 Day Reserve* | *$418,866* | *$444,286* | *$444,854* | *$477,515* |

| PERSONNEL SUMMARY | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Airport - Full-Time Positions | 8.00 | 8.00 | 8.00 | 8.00 |
| Airport - Personnel Costs | $582,463 | $625,850 | $631,871 | $671,951 |

**FY2026 BUDGET**
**AIRPORT FUND EXPENDITURE SUMMARY**

| DEPARTMENT | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Airport Operations | $1,017,003 | $1,071,300 | $1,079,391 | $1,135,441 |
| Insurance | 214,048 | 237,070 | 230,707 | 256,000 |
| Administrative Service Charge | 43,000 | 43,000 | 43,000 | 61,000 |
| **Subtotal** | **1,274,051** | **1,351,370** | **1,353,098** | **1,452,441** |
| Transfer to improvement account | 200,000 | 0 | 0 | 0 |
| Capital Outlay | 80,209 | 139,759 | 139,759 | 0 |
| **Airport Total** | **$1,554,260** | **$1,491,129** | **$1,492,857** | **$1,452,441** |

| CATEGORY | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Personnel Services | $582,463 | $625,850 | $631,871 | $671,951 |
| Materials and Supplies | 87,227 | 97,300 | 99,100 | 105,900 |
| Contractual Services | 252,494 | 274,460 | 274,730 | 282,450 |
| Other Charges and Services | 345,237 | 347,130 | 340,767 | 385,510 |
| Operating Transfers | 206,630 | 6,630 | 6,630 | 6,630 |
| Capital Outlay | 80,209 | 139,759 | 139,759 | 0 |
| **Airport Total** | **$1,554,260** | **$1,491,129** | **$1,492,857** | **$1,452,441** |

**HIGHLIGHTS (FY2026 Budget Over/Under FY2025 Estimated)**

Personnel Services - Net increase (+$40,080) includes funding for a 10% Group Health increase (+$10,800) and the annualized cost (+$29,280) of personnel.

Materials and Supplies - Net increase (+$6,800) includes purchase of lap top computer and new color printer and the purchase of a new riding mower.

Contractual Services - Net increase (+$7,720) includes increase (+$12,000) for replacement of Stancil Recorder for the Air Traffic Control Tower and decreases (-$4,280) to various service accounts.

Other Charges and Services - Net increase (+$44,743) includes increases to Administrative Service charges and the Airport's portion of insurance premiums.

Capital Outlay - Net decrease (-$139,759) for capital items needed in FY26.

# SCHOLES INTERNATIONAL AIRPORT

## MISSION STATEMENT

The mission of the Scholes International Airport is to provide the City of Galveston with outstanding general aviation services while operating the airport safely and efficiently. The airport will function as a vital community and regional asset and economic development engine, helping promote Galveston Island as a destination.

## ACCOMPLISHMENTS

- Purchased two hangars and an office building to increase revenue and attract aviation-related businesses.
- Received funding to pave the parking lot for Hangars 70, 71, and 73 for business recruitment.
- Recruited Lift Flight Academy, which trains pilots to fly for Republic Airways. Lift signed a 10-year lease agreement for two hangars and office space.
- Completed the Air Traffic Control Tower window and elevator replacement projects.
- Started the engineering and design to move, reconfigure, and reconstruct Taxiway E, build three aircraft pad sites capable of supporting aircraft up to 580,000 pounds, and drainage improvements near Taxiway C and the South Apron.
- Purchased airfield inspection software, and airport staff received training to meet FAA Part 139 inspection requirements.
- Continued to increase public awareness of the Airport by hosting various aviation-related events open to the public and assisted in hosting the Moody Gardens' second Air, Car, & Boat Show.

## GOALS

- Continue to work towards meeting FAA Part 139 compliance requirements to allow for commercial service operations at the airport.
- Continue to seek funding to complete airfield improvements needed to meet Part 139 requirements, including building a new general aviation terminal.
- Complete the engineering, design, and construction of the Runway Safety Area improvement for Runway 14 to meet FAA Part 139 requirements.
- Complete the construction to move, reconfigure, and reconstruct Taxiway E to meet FAA requirements and complete drainage and apron improvements.
- Complete the Airfield Lighting Control & Monitoring System (ALCMS) at the ATCT and electrical vault.
- Purchase aircraft tracking software to more accurately count aircraft operations, fleet mix, and critical aircraft, which will assist in forecasting needed improvements and justify funding.
- Increase development and revenues to match Federal and State grants and cover airport-related expenses while maintaining economic self-sufficiency.
- Continue staff development through established training programs, educational seminars, and conferences specific to aviation.
- Continue to maintain compliance with State and Federal regulations and standards.

**FY2026 BUDGET**
**AIRPORT OPERATIONS**

**EXPENDITURE SUMMARY**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Personnel Services | $582,463 | $625,850 | $631,871 | $671,951 |
| Materials and Supplies | 87,227 | 97,300 | 99,100 | 105,900 |
| Contractual Services | 252,494 | 274,460 | 274,730 | 282,450 |
| Other Charges and Services | 345,237 | 347,130 | 340,767 | 385,510 |
| Operating Transfers | 206,630 | 6,630 | 6,630 | 6,630 |
| Capital Outlay | 80,209 | 139,759 | 139,759 | 0 |
| **TOTAL** | **$1,554,260** | **$1,491,129** | **$1,492,857** | **$1,452,441** |

**BUDGET HIGHLIGHTS (FY2026 BUDGET OVER/UNDER FY2025 ESTIMATED)**

Personnel Services - Net increase (+$40,080) includes funding for a 10% Group Health increase (+$10,800) and the annualized cost (+$29,280) of personnel.

Materials and Supplies - Net increase (+$6,800) includes purchase of lap top computer and new color printer and the purchase of a new riding mower.

Contractual Services - Net increase (+$7,720) includes increase (+$12,000) for replacement of Stancil Recorder for the Air Traffic Control Tower and decreases (-$4,280) to various service accounts.

Other Charges and Services - Net increase (+$44,743) includes increases to Administrative Service charges and the Airport's portion of insurance premiums.

Capital Outlay - Net decrease (-$139,759) for capital items needed in FY26.

**PERFORMANCE INDICATORS**

| INDICATORS | FY2023 ACTUAL | FY2024 ACTUAL | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Take offs and landings | 50,780 | 54,937 | 60,000 | 65,000 |
| Fuel Flowage (gallons) | 1,141,551 | 1,210,621 | 1,220,000 | 1,250,000 |

**PERSONNEL**

| POSITION | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Director of Airport | 1.00 | 1.00 | 1.00 | 1.00 |
| Senior Administrative Assistant | 1.00 | 1.00 | 1.00 | 1.00 |
| Airport Maintenance Crew Leader | 1.00 | 1.00 | 1.00 | 1.00 |
| Office Specialist | 1.00 | 1.00 | 1.00 | 1.00 |
| Airport Maintenance Technician | 4.00 | 4.00 | 4.00 | 4.00 |
| **TOTAL** | **8.00** | **8.00** | **8.00** | **8.00** |

**FY2026 BUDGET**
**AIRPORT OPERATIONS**

**LINE ITEM DETAIL**

| | | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|---|
| **Personnel Services** | | | | | |
| 511001 | Regular Payroll | $381,872 | $414,952 | $414,952 | $438,700 |
| 511005 | Longevity | 2,171 | 2,530 | 2,530 | 1,780 |
| 511006 | Vehicle/Motor Allowance | 831 | 0 | 6,021 | 6,021 |
| 511009 | Overtime | 3,087 | 2,500 | 2,500 | 2,500 |
| 511125 | Residency Pay | 4,327 | 5,060 | 5,060 | 5,060 |
| 511510 | Group Health Insurance - Employer's | 105,792 | 105,800 | 105,800 | 116,600 |
| 511515 | Worker's Compensation | 1,864 | 3,730 | 3,730 | 3,730 |
| 511520 | Group Life Insurance | 1,942 | 1,920 | 1,920 | 2,130 |
| 511530 | Social Security - Employer's | 23,405 | 26,355 | 26,355 | 28,150 |
| 511535 | Medicare - Employer's | 5,474 | 6,166 | 6,166 | 6,580 |
| 511542 | City Employee Retirement | 51,699 | 56,837 | 56,837 | 60,700 |
| **Total Personnel Services** | | **$582,463** | **$625,850** | **$631,871** | **$671,951** |
| **Materials and Supplies** | | | | | |
| 521065 | Office Supplies | 1,484 | 3,200 | 3,500 | 3,500 |
| 521067 | Minor Office Equipment | 1,114 | 1,000 | 1,000 | 3,600 |
| 522003 | Agriculture Supplies | 2,877 | 4,500 | 4,500 | 4,000 |
| 522013 | Clothing | 3,823 | 4,000 | 4,000 | 4,000 |
| 522037 | Janitorial Supplies | 4,550 | 5,000 | 5,000 | 4,500 |
| 522045 | Electrical Hardware | 11,068 | 20,000 | 23,500 | 23,500 |
| 522055 | Minor Tools | 1,861 | 2,000 | 0 | 2,000 |
| 522056 | Minor Equipment | 5,591 | 6,000 | 6,000 | 9,300 |
| 522065 | Paint And Lumber | 108 | 800 | 800 | 500 |
| 522099 | Other Supplies | 5,752 | 5,800 | 5,800 | 6,000 |
| 525031 | Electricity | 48,998 | 45,000 | 45,000 | 45,000 |
| **Total Materials and Supplies** | | **$87,227** | **$97,300** | **$99,100** | **$105,900** |
| **Contractual Services** | | | | | |
| 531025 | Memberships | 3,964 | 4,000 | 4,000 | 4,000 |
| 531027 | Certifications and Permit Fess | 0 | 150 | 420 | 420 |
| 531028 | Software Licenses | 4,683 | 1,000 | 1,000 | 1,000 |
| 531029 | Software Maintenance Contracts | 6,000 | 10,600 | 10,600 | 10,600 |
| 531125 | Other Contracts | 23,423 | 27,500 | 27,500 | 26,800 |
| 531220 | Building Repairs | 30,329 | 50,000 | 50,000 | 50,000 |
| 531230 | Equipment Repairs | 38,730 | 30,000 | 30,000 | 27,500 |
| 531240 | Maintenance Contracts | 15,388 | 25,000 | 25,000 | 37,000 |
| 531350 | Garage Charges | 73,986 | 69,600 | 69,600 | 67,320 |
| 531360 | Computer Charges | 30,827 | 30,830 | 30,830 | 31,890 |
| 532062 | Postage | 104 | 500 | 500 | 500 |
| 532065 | Printing, Duplication | 0 | 300 | 300 | 300 |
| 532083 | Telephone Service | 4,063 | 4,000 | 4,000 | 4,200 |
| 532084 | Cellular Service | 1,000 | 1,000 | 1,000 | 940 |
| 532086 | Other Communications | 11,544 | 12,000 | 12,000 | 12,000 |
| 532087 | Aircard Service | 284 | 480 | 480 | 280 |
| 533085 | Travel/Training | 4,863 | 5,500 | 5,500 | 5,500 |
| 533100 | Advertising | 3,305 | 2,000 | 2,000 | 2,200 |
| **Total Contractual Services** | | **$252,494** | **$274,460** | **$274,730** | **$282,450** |

**FY2026 BUDGET**
**AIRPORT OPERATIONS**

**LINE ITEM DETAIL**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **Other Charges and Services** | | | | |
| 544032 Meeting Expenditures | 1,063 | 1,700 | 1,700 | 1,400 |
| 544099 Miscellaneous Expense | 0 | 1,500 | 1,500 | 1,500 |
| 544105 Bank Service Charges | 981 | 1,500 | 1,500 | 1,500 |
| 547040 Administrative Service Charge | 43,000 | 43,000 | 43,000 | 61,000 |
| 547070 Insurance Expense | 214,048 | 237,070 | 230,707 | 256,000 |
| 547075 Facilities Maintenance | 79,347 | 54,120 | 54,120 | 56,230 |
| 547095 Community Outreach/Public Info | 6,798 | 8,240 | 8,240 | 7,880 |
| **Total Other Charges and Services** | **$345,237** | **$347,130** | **$340,767** | **$385,510** |
| | | | | |
| **Operating Transfers** | | | | |
| 553015 Airport - Transfer Out | 200,000 | 0 | 0 | 0 |
| 553035 Transfer To Separation Pay Fund | 6,630 | 6,630 | 6,630 | 6,630 |
| **Total Operating Transfers** | **$206,630** | **$6,630** | **$6,630** | **$6,630** |
| | | | | |
| **Capital Outlay** | | | | |
| 564005 Capital Outlay - Improvements | 7,344 | 0 | 0 | 0 |
| 564117 Machinery & Equipment | 72,865 | 139,759 | 139,759 | 0 |
| **Total Capital Outlay** | **$80,209** | **$139,759** | **$139,759** | **$0** |
| | | | | |
| **Total Expenses** | **$1,554,260** | **$1,491,129** | **$1,492,857** | **$1,452,441** |


CITY OF GALVESTON
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# INTERNAL SERVICE FUNDS

**FY2026 BUDGET**
**INTERNAL SERVICE FUNDS**

**Summary Schedule of Revenues and Expenditures**

| | FY2023 ADOPTED BUDGET | FY2023 AMENDED BUDGET | FY2023 ACTUAL | FY2024 ADOPTED BUDGET | FY2024 AMENDED BUDGET | FY2024 ACTUAL | FY2025 ADOPTED BUDGET | FY2025 AMENDED BUDGET | FY2025 ESTIMATED ACTUAL | FY2026 BUDGET |
|---|---|---|---|---|---|---|---|---|---|---|
| **Beginning Fund Balance** | | | | | | | | | | |
| Central Services Fund | $1,522,562 | $1,522,562 | $1,522,562 | $1,655,794 | 1,655,794 | $1,655,794 | $2,048,548 | $2,048,548 | $2,048,548 | $2,071,138 |
| Central Garage Fund | 1,192,436 | 1,192,436 | 1,192,436 | 920,107 | 920,107 | $920,107 | $1,116,424 | 1,116,424 | 1,116,424 | 1,265,755 |
| Casualty & Liability Insurance Fund | 1,050,750 | 1,050,750 | 1,050,750 | 710,089 | 710,089 | $710,089 | $675,078 | 675,078 | 675,078 | 707,780 |
| Workers' Compensation Fund | 215,349 | 215,349 | 215,349 | 126,172 | 126,172 | $126,172 | $128,874 | 128,874 | 128,874 | 360,835 |
| Health & Life Insurance Fund | 7,153,765 | 7,153,765 | 7,153,765 | 9,134,177 | 9,134,177 | $9,134,177 | $11,307,859 | 11,307,859 | 11,307,859 | 12,234,811 |
| Project Management Fund | 45,744 | 45,744 | 45,744 | 46,962 | 46,962 | $46,962 | $65,673 | 65,673 | 65,673 | 76,963 |
| **Total** | **$11,180,606** | **$11,180,606** | **$11,180,606** | **$12,593,301** | **$12,593,301** | **$12,593,301** | **$15,342,457** | **$15,342,457** | **$15,342,457** | **$16,717,282** |
| **Revenues** | | | | | | | | | | |
| Central Services Fund | $5,128,913 | $5,128,913 | $5,138,538 | $6,287,238 | $6,287,238 | $6,254,246 | $6,599,254 | $6,421,440 | $6,415,690 | $6,506,200 |
| Central Garage Fund | 6,882,948 | 6,882,948 | 6,531,130 | 7,034,887 | 7,034,887 | 6,724,628 | 7,155,840 | 6,942,900 | 6,673,880 | 7,058,490 |
| Casualty & Liability Insurance Fund | 2,416,783 | 2,416,783 | 2,431,354 | 2,649,952 | 2,647,952 | 2,649,086 | 2,797,014 | 2,797,070 | 2,797,782 | 3,015,290 |
| Workers' Compensation Fund | 535,075 | 535,075 | 481,078 | 501,459 | 501,459 | 772,787 | 1,000,557 | 1,000,557 | 1,000,849 | 1,001,590 |
| Health & Life Insurance Fund | 14,424,500 | 14,424,500 | 16,815,731 | 15,780,000 | 15,780,000 | 16,381,672 | 18,176,300 | 17,036,500 | 16,451,110 | 18,070,200 |
| Project Management Fund | 0 | 0 | 11,094 | 0 | 0 | 19,452 | 10,000 | 10,000 | 11,290 | 10,000 |
| **Total** | **$29,388,219** | **$29,388,219** | **$31,408,925** | **$32,253,536** | **$32,251,536** | **$32,801,871** | **$35,738,965** | **$34,208,467** | **$33,350,602** | **$35,661,770** |
| **Expenditures** | | | | | | | | | | |
| Central Services Fund | $5,123,913 | $5,123,913 | $5,005,307 | $6,266,238 | $6,329,928 | $5,861,492 | $6,599,254 | $6,421,440 | $6,393,100 | $6,524,150 |
| Central Garage Fund | 6,848,478 | 7,001,382 | 6,736,860 | 7,034,886 | 7,304,259 | 6,528,311 | 7,254,776 | 7,040,513 | 6,524,550 | 7,162,580 |
| Casualty & Liability Insurance Fund | 2,416,435 | 2,416,435 | 2,772,014 | 2,647,952 | 2,647,951 | 2,684,098 | 2,797,014 | 2,797,014 | 2,765,080 | 3,013,140 |
| Workers' Compensation Fund | 535,000 | 535,000 | 570,255 | 518,218 | 518,218 | 770,085 | 728,000 | 728,000 | 768,888 | 783,000 |
| Health & Life Insurance Fund | 13,676,022 | 13,676,022 | 14,835,319 | 15,445,500 | 15,445,500 | 14,207,991 | 15,475,754 | 15,475,754 | 15,524,158 | 18,069,800 |
| Project Management Fund | 0 | 0 | 0 | 0 | 0 | 741 | 0 | 0 | 0 | 0 |
| **Total** | **$28,599,848** | **$28,752,753** | **$29,919,755** | **$31,912,794** | **$32,245,856** | **$30,052,717** | **$32,854,798** | **$32,462,721** | **$31,975,776** | **$35,552,670** |
| **Adjustment to Fund Balance** | | | | | | | | | | |
| Central Garage Fund | | | (66,599) | | | 0 | | 0 | 0 | 0 |
| Project Management Fund | | | (9,876) | | | 0 | | 0 | 0 | 0 |
| **Total** | **0** | **0** | **(76,475)** | **0** | **0** | **$0** | **$0** | **$0** | **$0** | **$0** |
| **Ending Fund Balances** | | | | | | | | | | |
| Central Services Fund | $1,527,562 | $1,527,562 | $1,655,794 | $1,676,794 | $1,613,104 | $2,048,548 | $2,048,548 | $2,048,548 | $2,071,138 | $2,053,188 |
| Central Garage Fund | 1,226,906 | 1,074,002 | 920,107 | 920,107 | 650,735 | $1,116,424 | 1,017,488 | 1,018,811 | 1,265,755 | 1,161,665 |
| Casualty & Liability Insurance Fund | 1,051,098 | 1,051,097 | 710,089 | 712,090 | 710,090 | $675,078 | 675,078 | 675,134 | 707,780 | 709,930 |
| Workers' Compensation Fund | 215,424 | 215,424 | 126,172 | 109,413 | 109,413 | $128,874 | 401,431 | 401,431 | 360,835 | 579,425 |
| Health & Life Insurance Fund | 7,902,243 | 7,902,243 | 9,134,177 | 9,468,677 | 9,468,677 | $11,307,859 | 14,008,404 | 12,868,605 | 12,234,811 | 12,235,211 |
| Project Management Fund | 45,744 | 45,744 | 46,962 | 46,962 | 46,962 | $65,673 | 75,673 | 75,673 | 76,963 | 86,963 |
| **Total** | **$11,968,976** | **$11,816,072** | **$12,593,301** | **$12,934,043** | **$12,598,980** | **$15,342,457** | **$18,226,623** | **$17,088,203** | **$16,717,283** | **$16,826,383** |

**OVERVIEW**

The six Internal Service Funds provide a means of sharing the cost of specific support costs and services across the city through a series of direct charges throughout the year. While they operate like enterprise funds and are considered similar, the services provided can actually be considered an extension of the City's General Fund.


CITY OF GALVESTON
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**FY2026 BUDGET**
**INTERNAL SERVICE FUNDS EXPENDITURE OVERVIEW**

**Expenditure Summaries by Fund**

| DEPARTMENT | FY2023 ADOPTED BUDGET | FY2023 AMENDED BUDGET | FY2023 ACTUAL | FY2024 ADOPTED BUDGET | FY2024 AMENDED BUDGET | FY2024 ACTUAL | FY2025 ADOPTED BUDGET | FY2025 AMENDED BUDGET | FY2025 ESTIMATED ACTUAL | FY2026 BUDGET |
|---|---|---|---|---|---|---|---|---|---|---|
| Central Service | $5,123,913 | $5,123,913 | $5,005,307 | $6,266,238 | $6,329,928 | $5,861,492 | $6,599,254 | $6,421,440 | $6,393,100 | $6,524,150 |
| Central Garage | 6,848,478 | 7,001,382 | 6,736,860 | 7,034,886 | 7,304,259 | 6,528,311 | 7,254,776 | 7,040,513 | 6,524,550 | 7,162,580 |
| Casualty & Liability | 2,416,435 | 2,416,435 | 2,772,014 | 2,647,952 | 2,647,951 | 2,684,098 | 2,797,014 | 2,797,014 | 2,765,080 | 3,013,140 |
| Workers' Compensation | 535,000 | 535,000 | 570,255 | 518,218 | 518,218 | 770,085 | 728,000 | 728,000 | 768,888 | 783,000 |
| Health & Life Insurance | 13,676,022 | 13,676,022 | 14,835,319 | 15,445,500 | 15,445,500 | 14,207,991 | 15,475,754 | 15,475,754 | 15,524,158 | 18,069,800 |
| Project Management | 0 | 0 | 0 | 0 | 0 | 741 | 0 | 0 | 0 | 0 |
| **Internal Service Fund Total** | **$28,599,848** | **$28,752,752** | **$29,919,755** | **$31,912,794** | **$32,245,856** | **$30,052,717** | **$32,854,798** | **$32,462,721** | **$31,975,776** | **$35,552,670** |

**Expenditure Summaries by Category**

| CATEGORY | FY2023 ADOPTED BUDGET | FY2023 AMENDED BUDGET | FY2023 ACTUAL | FY2024 ADOPTED BUDGET | FY2024 AMENDED BUDGET | FY2024 ACTUAL | FY2025 ADOPTED BUDGET | FY2025 AMENDED BUDGET | FY2025 ESTIMATED ACTUAL | FY2026 BUDGET |
|---|---|---|---|---|---|---|---|---|---|---|
| Personnel Services | $6,391,649 | $6,391,649 | $5,957,213 | $6,708,838 | $6,708,837 | $6,388,846 | $7,251,373 | $7,042,154 | $5,526,813 | $5,731,720 |
| Materials and Supplies | 3,958,503 | 3,958,503 | 3,495,354 | 3,832,723 | 3,835,723 | 3,084,175 | 3,813,300 | 3,591,133 | 2,928,427 | 3,380,630 |
| Contractual Services | 19,217,120 | 19,217,120 | 20,439,691 | 22,287,606 | 22,339,107 | 20,759,991 | 22,670,800 | 22,714,364 | 22,414,596 | 25,539,700 |
| Other Charges and Services | (1,202,342) | (1,202,342) | (393,908) | (1,065,873) | (1,065,873) | (1,229,131) | (1,070,175) | (1,074,430) | (96,699) | 536,370 |
| Operating Transfers | 0 | 0 | 252,599 | 0 | 0 | 500,000 | 0 | 0 | 900,000 | 0 |
| Capital Outlay | 234,918 | 387,822 | 168,806 | 149,500 | 428,063 | 548,835 | 189,500 | 189,500 | 302,640 | 364,250 |
| **Internal Service Fund Total** | **$28,599,848** | **$28,752,752** | **$29,919,755** | **$31,912,794** | **$32,245,856** | **$30,052,717** | **$32,854,798** | **$32,462,721** | **$31,975,776** | **$35,552,670** |



## BUDGET HIGHLIGHTS

Personnel Services - Net increases (+$204,907) includes a 10% increase (+$104,050) in Group Health Insurance, annualized cost (+$549,070) for personnel expenditures in FY26. The remainder of the increase (-$448,213) will net out in the Other Charges and Services area. This is based on how the new financial system's payroll allocations are how applied directly to capital projects at the end of each payroll cycle.

Materials and Supplies - Net increase (+$452,203) includes funding for fuel and lubricants (+$470,000), and a decrease (-$17,797) to miscellaneous supply accounts throughout the Internal Service Fund.

Contractual Services - Net increase (+$3,125,104) includes increases in group health Insurance claims and casualty and liability policies.

Other Charges and Services - Net increase (+$633,069) includes an increase (+$449,299) in reimbursements for Project Management Fees that are attributed to the allocation process in the new financial system, decrease (+$66,440) for anticipated reimbursements from insurance claims for vehicles damaged in accidents, and includes increases (+$120,310) for insurance and facility internal charges.

Operating Transfers - An estimated $900,000 budgeted underrun is projected for transfer to the Technology Improvement Special Fund at the end of FY 2025. This will help fund continuing citywide technology and system improvements.

Capital Outlay - Net increase (+$61,610) includes Laptop Refresh for Police Department and City Marshal's Office (+$124,610) and decreases (-$63,000) in capital needs in the Garage and Project Management funds.

**FY2026 BUDGET**
**CENTRAL SERVICE FUND SUMMARY**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **Beginning Fund Balance** | **$1,655,794** | **$2,048,548** | **$2,048,548** | **$2,071,138** |
| Revenues: | | | | |
| Charges to Departments | | | | |
| Technology Charges | $3,998,789 | $3,976,290 | $3,976,290 | $4,073,730 |
| Central Mail Charges | 54,211 | 81,350 | 55,140 | 56,100 |
| Facilities Charges | 1,444,223 | 1,503,400 | 1,503,420 | 1,561,950 |
| Communications and Engagement | 635,421 | 770,400 | 770,440 | 739,420 |
| Other Revenue | 121,602 | 90,000 | 110,400 | 75,000 |
| **Total Revenues** | **$6,254,246** | **$6,421,440** | **$6,415,690** | **$6,506,200** |
| Expenses: | | | | |
| Mail | $184,786 | $127,815 | $128,260 | $131,070 |
| Information Technology | 3,311,056 | 4,019,746 | 4,054,790 | 3,848,940 |
| Facilities Department | 1,414,629 | 1,503,436 | 1,402,310 | 1,566,970 |
| Community Outreach | 672,549 | 770,443 | 694,600 | 739,420 |
| **Total Expenses** | **$5,583,020** | **$6,421,440** | **$6,279,960** | **$6,286,400** |
| **Operating Income (Loss)** | **$671,226** | **$0** | **$135,730** | **$219,800** |
| Capital Outlay | $278,472 | $0 | $113,140 | $237,750 |
| **Ending Fund Balance** | **$2,048,548** | **$2,048,548** | **$2,071,138** | **$2,053,188** |

| PERSONNEL SUMMARY | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Internal Services - Full-Time Positions | 26.75 | 33.75 | 28.75 | 33.75 |
| Internal Services - Personnel Costs | $2,944,685 | $3,490,301 | $3,025,180 | $3,606,900 |

**FY2026 BUDGET**
**CENTRAL SERVICE FUND REVENUE**

| LINE ITEM DETAIL | | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|---|
| **Charges for Services** | | | | | |
| 348510 | Data Processing | $3,998,789 | $3,976,290 | $3,976,290 | $4,073,730 |
| 348530 | Central Mail Charges | 54,211 | 81,350 | 55,140 | 56,100 |
| 348590 | Facilities Department | 1,444,223 | 1,503,400 | 1,503,420 | 1,561,950 |
| 348595 | Communications&Engagement | 635,421 | 770,400 | 770,440 | 739,420 |
| | **Charges for Services Subtotal** | **$6,132,644** | **$6,331,440** | **$6,305,290** | **$6,431,200** |
| **Interest Income** | | | | | |
| 361110 | Interest Earned-Operating | 121,524 | 90,000 | 94,560 | 75,000 |
| | **Interest Income Subtotal** | **$121,524** | **$90,000** | **$94,560** | **$75,000** |
| **Other Revenues** | | | | | |
| 363220 | Grant Reimbursement | 52 | 0 | 99 | 0 |
| | **Other Revenues Subtotal** | **$52** | **$0** | **$99** | **$0** |
| **Other Funding Sources** | | | | | |
| 370000 | Other Funding Sources | 27 | 0 | 15,741 | 0 |
| | **Other Funding Sources Subtotal** | **$27** | **$0** | **$15,741** | **$0** |
| | **Total Central Service Fund Revenue** | **$6,254,246** | **$6,421,440** | **$6,415,690** | **$6,506,200** |

**FY2026 BUDGET**
**CENTRAL SERVICE FUND EXPENDITURE SUMMARY**

| DEPARTMENT | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Technology Services | $3,525,839 | $4,019,746 | $4,167,930 | $4,086,690 |
| Facilities | 1,478,318 | 1,503,436 | 1,402,310 | 1,566,970 |
| Community Outreach | 672,549 | 770,443 | 694,600 | 739,420 |
| Mail | 184,786 | 127,815 | 128,260 | 131,070 |
| **Central Service Fund Total** | **$5,861,492** | **$6,421,440** | **$6,393,100** | **$6,524,150** |

| CATEGORY | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Personnel Services | $2,944,685 | $3,490,301 | $3,025,180 | $3,606,900 |
| Materials and Supplies | 168,197 | 350,643 | 194,621 | 182,300 |
| Contractual Services | 1,894,979 | 2,534,076 | 2,104,739 | 2,430,640 |
| Other Charges and Services | 75,159 | 46,420 | 55,420 | 66,560 |
| Operating Transfers | 500,000 | 0 | 900,000 | 0 |
| Capital Outlay | 278,472 | 0 | 113,140 | 237,750 |
| **Central Service Fund Total** | **$5,861,492** | **$6,421,440** | **$6,393,100** | **$6,524,150** |

**HIGHLIGHTS (FY2026 BUDGET Over/Under FY2025 Estimated)**

Personnel Services - Net increases (+$581,720) includes a 10% increase (+$32,120) in Group Health Insurance cost, and the annualized cost (+$549,600) for positions in FY26.

Materials and Supplies - Net decrease (-$12,321) for miscellaneous materials and supplies throughout departments.

Contractual Services - Net increases (+$325,901) include increases in software maintenance contracts (+$287,437) and increases (+$38,464) in various contractual line items.

Other Charges and Service - Increase (+$11,140) in insurance premiums.

Operating Transfers - An estimated $900,000 budgeted underrun is projected for transfer to the Technology Improvement Special Fund at the end of FY 2025. This will help fund continuing citywide technology and system improvements.

Capital Outlay - Net increase (+$124,610) includes Laptop Refresh for Police Department and City Marshal's Office. Items previously budgeted in each respective Departmental Budgets.

**FY2026 BUDGET**
**MAIL SERVICES**

## EXPENDITURE SUMMARY

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Personnel Services | $70,379 | $73,065 | $73,710 | $75,000 |
| Contractual Services | 50,356 | 45,370 | 45,170 | 44,200 |
| Other Charges and Services | 64,052 | 9,380 | 9,380 | 11,870 |
| **TOTAL** | **$184,786** | **$127,815** | **$128,260** | **$131,070** |

## BUDGET HIGHLIGHTS (FY2026 BUDGET OVER/UNDER FY2025 ESTIMATED)

Personnel Services - Net increase (+$1,290) in annualized personnel costs, primarily Group Health Insurance.

Contractual Services - Net decrease (-$970) in miscellaneous contractual line items.

Other Charges and Services - Increase to insurance expenses (+$2,490).

## PERSONNEL

| POSITION | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Support Services | 1.00 | 1.00 | 1.00 | 1.00 |
| **TOTAL** | **1.00** | **1.00** | **1.00** | **1.00** |

## LINE ITEM DETAIL

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **Personnel Services** | | | | |
| 511001 Regular Payroll | $46,966 | $46,960 | $49,427 | $49,310 |
| 511002 Civilian Comp Adjustments | 0 | 2,335 | 0 | 0 |
| 511005 Longevity | 101 | 150 | 145 | 200 |
| 511510 Group Health Insurance - Employer's | 13,285 | 13,230 | 13,230 | 14,570 |
| 511515 Worker's Compensation | 135 | 270 | 270 | 270 |
| 511520 Group Life Insurance | 231 | 230 | 245 | 250 |
| 511530 Social Security - Employer's | 2,851 | 2,920 | 3,059 | 3,070 |
| 511535 Medicare - Employer's | 667 | 680 | 715 | 720 |
| 511542 City Employee Retirement | 6,143 | 6,290 | 6,620 | 6,610 |
| **Total Personnel Services** | **$70,379** | **$73,065** | **$73,710** | **$75,000** |
| **Contractual Services** | | | | |
| 531230 Equipment Repairs | 350 | 350 | 270 | 300 |
| 531320 Equipment Rental | 6,229 | 6,230 | 6,230 | 6,450 |
| 531350 Garage Charges | 6,443 | 4,720 | 4,610 | 5,380 |
| 531360 Computer Charges | 6,490 | 0 | 0 | 0 |
| 532062 Postage | 30,775 | 34,000 | 34,000 | 32,000 |
| 532083 Telephone Service | 69 | 70 | 60 | 70 |
| **Total Contractual Services** | **$50,356** | **$45,370** | **$45,170** | **$44,200** |
| **Other Charges and Services** | | | | |
| 547030 Compensated Absences | 55,870 | 0 | 0 | 0 |
| 547070 Insurance Expense | 8,182 | 9,380 | 9,380 | 11,870 |
| **Total Other Charges and Services** | **$64,052** | **$9,380** | **$9,380** | **$11,870** |
| **Total Expenses** | **$184,786** | **$127,815** | **$128,260** | **$131,070** |

# INFORMATION TECHNOLOGY

## MISSION STATEMENT

To provide reliable, secure, and innovative technology solutions that empower operations, enhance public services, and support the mission and goals of all departments through effective planning, support, and stewardship of technology resources.

## ACCOMPLISHMENTS

- Fully implemented **Workday HCM**, streamlining HR processes such as onboarding, payroll, time tracking, and employee self-service. This increased operational efficiency, improved data accuracy, and empowered employees and managers with real-time access to HR data.
- Successfully deployed a **modern patch management solution**, significantly improving the City's ability to detect, deploy, and manage system updates. This enhanced overall cybersecurity posture and ensured timely protection against vulnerabilities, reducing system downtime and risk exposure.
- Upgraded the **utility billing system** to a newer version, resulting in improved system performance, and user experience also providing better support for customer service operations and ensured long-term system sustainability.
- **Replaced outdated workstations, and laptops** across departments. This ensures continued staff productivity, reduced technical issues, and supported compatibility with modern applications and security standards.
- **Upgraded and expanded surveillance systems** at key facilities, enhancing situational awareness, public safety, and the City's ability to deter and investigate security incidents. The project improves overall facility security.
- Completed replacement of aging core **network switches**. This upgrade ensured continued availability of critical systems and positioned the network infrastructure for future growth and scalability.

## GOALS

- Complete the replacement of **critical firewall infrastructure** that has reached end of useful life to ensure continued network security, enhanced threat protection, and reliable connectivity.
- Migrate and upgrade the **permitting and licensing platform** to improve efficiency, increase reliability, and better support staff and public engagement with city services.
- Complete the **Workday Finance system and Adaptive Planning system**, streamlining financial operations, budgeting, and reporting processes across the City.
- Deploy a modern Computer-Aided Dispatch and Records Management System, enhancing public safety operations, officer efficiency, and incident reporting accuracy.
- Complete development of an in-house **cemetery management solution**, including digitization of all historical records. This multi-year project, initiated in FY24, improves data access, recordkeeping, and public-facing services.
- Upgraded **core hardware** in the data center and restaged production hosts at the disaster recovery site, improving system performance, reliability, and business continuity readiness.
- Replaced outdated devices across departments to maintain productivity, ensure system compatibility, and support modern workplace technologies.

**FY2026 BUDGET**
**TECHNOLOGY SERVICES**

## EXPENDITURE SUMMARY

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Personnel Services | $1,608,887 | $2,036,237 | $1,595,380 | $2,091,680 |
| Materials and Supplies | 43,087 | 189,083 | 62,610 | 31,000 |
| Contractual Services | 1,138,190 | 1,773,536 | 1,475,910 | 1,702,700 |
| Other Charges and Services | 20,892 | 20,890 | 20,890 | 23,560 |
| Operating Transfers | 500,000 | 0 | 900,000 | 0 |
| Capital Outlay | 214,783 | 0 | 113,140 | 237,750 |
| **TOTAL** | **$3,525,839** | **$4,019,746** | **$4,167,930** | **$4,086,690** |

## BUDGET HIGHLIGHTS (FY2026 BUDGET OVER/UNDER FY2025 ESTIMATED)

Personnel Services - Net increases (+$496,300) includes a 10% increase in Group Health ($10,930) and the annualized personnel costs ($485,370) including unfilled vacant positions in FY25.

Materials and Supplies - Net decrease (-$31,610) for desktop computers and other equipment replacement.

Contractual Services - Net increases (+$226,790) include increases in software maintenance contracts (+$287,439) and decreases (-$60,649) in various contractual line items.

Operating Transfers - An estimated $900,000 budgeted underrun is projected for transfer to the Technology Improvement Special Fund at the end of FY 2025. This will help fund continuing citywide technology and system improvements.

Capital Outlay - Net increase (+$124,610) includes Laptop Refresh for Police Department and City Marshal's Office. Items previously budgeted in each respective Departmental Budgets.

## PERFORMANCE INDICATORS

| INDICATORS | FY2023 ACTUAL | FY2024 ACTUAL | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Service tickets closed | 4,797 | 4,932 | 5,000 | 5,500 |
| Major projects | 10 | 9 | 7 | 11 |
| Other projects | 7 | 10 | 7 | 2 |

## PERSONNEL

| POSITION | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Executive Director | 1.00 | 1.00 | 1.00 | 1.00 |
| Infrastructure Manager | 0.00 | 1.00 | 1.00 | 1.00 |
| Enterprise Application Manager | 1.00 | 1.00 | 1.00 | 1.00 |
| Security Analyst | 0.00 | 1.00 | 0.00 | 1.00 |
| IT Support Services Manager | 1.00 | 1.00 | 1.00 | 1.00 |
| GIS Manager | 0.00 | 1.00 | 1.00 | 1.00 |
| GIS Supervisor | 1.00 | 0.00 | 0.00 | 0.00 |
| Developer/Reporting Specialist | 1.00 | 1.00 | 0.00 | 1.00 |
| Business Systems Analyst | 2.00 | 2.00 | 2.00 | 2.00 |
| Infrastructure Administrator | 0.00 | 1.00 | 0.00 | 1.00 |
| Network Administrator | 1.00 | 1.00 | 1.00 | 1.00 |
| GIS Analyst | 1.00 | 1.00 | 1.00 | 1.00 |
| Applications Analyst | 1.00 | 2.00 | 0.00 | 2.00 |
| Desktop Support Specialist | 2.00 | 3.00 | 3.00 | 3.00 |
| Senior Administrative Assistant | 1.00 | 1.00 | 1.00 | 1.00 |
| **TOTAL** | **13.00** | **18.00** | **13.00** | **18.00** |

**FY2026 BUDGET**
**TECHNOLOGY SERVICES**

**LINE ITEM DETAIL**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **Personnel Services** | | | | |
| 511001 Regular Payroll | $1,140,283 | $1,462,727 | $1,145,150 | $1,550,900 |
| 511005 Longevity | 5,477 | 6,280 | 5,660 | 6,530 |
| 511006 Differential Pay | 121 | 0 | 0 | 0 |
| 511009 Overtime | 20,212 | 17,500 | 17,500 | 17,500 |
| 511021 Part Time Payroll | 23,382 | 40,000 | 0 | 0 |
| 511410 Separation Vacation | 3,438 | 0 | 0 | 0 |
| 511420 Separation Sick Pay | 2,210 | 0 | 0 | 0 |
| 511510 Group Health Insurance | 238,032 | 251,300 | 251,300 | 262,230 |
| 511515 Worker's Compensation | 4,635 | 1,270 | 1,270 | 1,590 |
| 511520 Group Life Insurance | 5,616 | 8,070 | 5,410 | 7,940 |
| 511530 Social Security - Employment | 71,788 | 106,730 | 72,440 | 97,650 |
| 511535 Medicare - Employer's | 16,858 | 24,960 | 16,940 | 22,840 |
| 511542 City Employee Retirement | 153,129 | 224,500 | 156,000 | 210,300 |
| 511650 Salary Reimbursements | (76,291) | (107,100) | (76,290) | (85,800) |
| **Total Personnel Services** | **$1,608,887** | **$2,036,237** | **$1,595,380** | **$2,091,680** |
| | | | | |
| **Materials and Supplies** | | | | |
| 521065 Office Supplies | 2,791 | 3,500 | 3,500 | 3,500 |
| 521067 Minor Office Equipment | 39,036 | 183,083 | 57,235 | 25,000 |
| 522013 Clothing | 1,260 | 2,500 | 1,875 | 2,500 |
| **Total Materials and Supplies** | **$43,087** | **$189,083** | **$62,610** | **$31,000** |
| | | | | |
| **Contractual Services** | | | | |
| 530019 Networking & Cabling | 11,988 | 6,000 | 6,500 | 6,000 |
| 531004 Consultant Services | 153,037 | 166,917 | 120,000 | 154,700 |
| 531007 Security Service | 597 | 0 | 0 | 0 |
| 531015 Temporary Employee Services | 28,161 | 96,653 | 96,652 | 0 |
| 531025 Memberships | 3 | 500 | 175 | 300 |
| 531028 Software Licenses | 1,483 | 13,260 | 14,345 | 0 |
| 531029 Software Maintenance Contracts | 473,681 | 895,186 | 753,581 | 1,041,020 |
| 531230 Equipment Repairs | 849 | 1,400 | 500 | 1,000 |
| 531240 Maintenance Contracts | 357,827 | 465,870 | 389,968 | 381,470 |
| 531320 Equipment Rental | 6,669 | 7,500 | 8,874 | 7,300 |
| 531350 Garage Charges | 4,652 | 4,650 | 5,156 | 4,800 |
| 532062 Postage | 888 | 500 | 100 | 0 |
| 532065 Printing, Duplication | 0 | 100 | 100 | 100 |
| 532083 Telephone Service | 1,310 | 1,500 | 1,319 | 1,200 |
| 532084 Cellular Service | 5,832 | 6,000 | 4,693 | 4,500 |
| 532086 Other Communications | 68,451 | 70,000 | 55,307 | 70,010 |
| 532087 Aircard Service | 6,148 | 6,000 | 5,300 | 5,300 |
| 533085 Travel/Training | 15,778 | 30,000 | 13,340 | 25,000 |
| 533100 Advertising | 834 | 1,500 | 0 | 0 |
| **Total Contractual Services** | **$1,138,190** | **$1,773,536** | **$1,475,910** | **$1,702,700** |

**FY2026 BUDGET**
**TECHNOLOGY SERVICES**

**LINE ITEM DETAIL**

| | FY2024 ACTUAL | FY2026 BUDGET | FY2026 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **Other Charges and Services** | | | | |
| 547070 Insurance Charges | 20,892 | 20,890 | 20,890 | 23,560 |
| **Total Other Charges and Services** | **$20,892** | **$20,890** | **$20,890** | **$23,560** |
| | | | | |
| **Operating Transfers** | | | | |
| 553022 Transfer to Tech Impvt Fund | 500,000 | 0 | 900,000 | 0 |
| **Total Operating Transfers** | **$500,000** | **$0** | **$900,000** | **$0** |
| | | | | |
| **Capital Outlay** | | | | |
| 564002 Office Furniture | 10,935 | 0 | 600 | 0 |
| 564010 PC's & Related Equipment | 203,848 | 0 | 112,540 | 237,750 |
| **Total Capital Outlay** | **$214,783** | **$0** | **$113,140** | **$237,750** |
| | | | | |
| **Total Expenses** | **$3,525,840** | **$4,019,746** | **$4,167,930** | **$4,086,690** |

**FY2026 BUDGET**
**TECHNOLOGY SERVICES**

## ALLOCATION OF COSTS TO DEPARTMENTS

| Fund | Division | Positions | Workstations, Laptops, Cell Phones, GPS, etc. | People Plus Computing Devices | FY2025 Allocation | FY2026 Allocation |
|---|---|---|---|---|---|---|
| **General Fund** | | | | | | |
| | City Secretary (includes Council) | 4.0 | 20 | 24 | 49,760 | 50,890 |
| | Courts | 9.0 | 14 | 23 | 49,760 | 48,770 |
| | City Manager | 3.0 | 8 | 11 | 23,800 | 23,330 |
| | City Auditor | 3.0 | 4 | 7 | 15,150 | 14,840 |
| | Finance-Administration | 3.0 | 4 | 7 | 16,330 | 14,840 |
| | Finance-Accounting | 9.0 | 13 | 22 | 47,600 | 46,650 |
| | Finance-Purchasing | 3.0 | 6 | 9 | 19,470 | 19,080 |
| | Finance-Budget | 3.0 | 3 | 6 | 12,980 | 12,720 |
| | City Attorney | 6.0 | 11 | 17 | 36,780 | 36,050 |
| | Human Resources | 5.2 | 9 | 14 | 30,720 | 30,110 |
| | Police Department | 187.0 | 300 | 487 | 1,047,930 | 1,032,680 |
| | Communications | 22.0 | 8 | 30 | 62,930 | 63,620 |
| | Fire Department | 118.0 | 49 | 167 | 359,110 | 339,280 |
| | Emergency Management | 2.0 | 20 | 22 | 52,220 | 46,650 |
| | Public Works-Streets | 37.7 | 19 | 57 | 122,430 | 121,060 |
| | Public Works-Traffic | 20.1 | 22 | 42 | 86,190 | 88,720 |
| | Parks Department | 46.4 | 37 | 84 | 188,690 | 175,790 |
| | Developmental Services | 28.0 | 38 | 66 | 106,010 | 120,870 |
| | City Marshal | 14.0 | 38 | 52 | 107,520 | 110,690 |
| | | | | | | |
| **Special Revenue Funds** | | | | | | |
| | Revenue Producing Parks | 3 | 8 | 11 | 0 | 23,750 |
| | Lasker Pool | 2 | 13 | 15 | 23,580 | 31,380 |
| | Parking Management | 5 | 10 | 15 | 32,450 | 31,810 |
| | Island Transit | 22 | 10 | 32 | 58,730 | 68,490 |
| | FTA Maintenance | 12 | 6 | 18 | 40,240 | 38,170 |
| | Island Transit Administration | 2 | 3 | 5 | 10,840 | 10,500 |
| | Seawall Transportation Route | 6 | 2 | 8 | 13,740 | 17,180 |
| | Rail Trolley System | 2 | 5 | 7 | 15,330 | 14,840 |
| | CDBG Program Management | 4 | 7 | 11 | 0 | 23,330 |

**FY2026 BUDGET**
**TECHNOLOGY SERVICES**

## ALLOCATION OF COSTS TO DEPARTMENTS

| Fund | Division | Positions | Workstations, Laptops, Cell Phones, GPS, etc. | People Plus Computing Devices | FY2025 Allocation | FY2026 Allocation |
|---|---|---|---|---|---|---|
| **Combined Utility System Fund: Waterworks Fund** | | | | | | |
| | Public Works - Administration | 4 | 14 | 18 | 24,860 | 37,240 |
| | Finance - Utility Billing | 6 | 14 | 20 | 31,430 | 41,880 |
| | Public Works - Supply | 12 | 24 | 36 | 75,200 | 76,360 |
| | Public Works - Distribution | 31 | 34 | 65 | 133,600 | 137,850 |
| **Combined Utility System Fund: Sanitary Sewer Fund** | | | | | | |
| | Public Works - Administration | 4 | 11 | 15 | 24,860 | 31,430 |
| | Finance - Utility Billing | 6 | 9 | 14 | 31,430 | 30,430 |
| | Public Works - Pretreatment | 4 | 7 | 11 | 24,100 | 23,330 |
| | Public Works - Collection | 44 | 42 | 86 | 178,930 | 182,280 |
| | Public Works Main - WWTP | 36 | 51 | 87 | 173,630 | 183,440 |
| **Sanitation Fund** | | | | | | |
| | Public Works - Sanitation | 47 | 45 | 92 | 195,780 | 195,090 |
| | Public Works - Recycling | 11 | 5 | 16 | 34,620 | 33,930 |
| | Finance - Utility Billing | 2 | 4 | 6 | 9,090 | 13,360 |
| **Drainage Utility Fund** | | | | | | |
| | Public Works - Drainage Utility | 33 | 29 | 62 | 117,060 | 131,700 |
| | Finance - Utility Billing | 1 | 3 | 4 | 6,060 | 8,910 |
| **Airport Fund** | | | | | | |
| | Airport | 8 | 7 | 15 | 30,830 | 31,810 |
| **Internal Service Funds** | | | | | | |
| | Information Technology | | | 0 | 0 | 0 |
| | Facilities | 8 | 15 | 23 | 49,750 | 48,770 |
| | Mailroom | | | 0 | 0 | 0 |
| | Community Outreach | 5.75 | 13 | 19 | 38,940 | 39,760 |
| | Garage Admin | 2 | 3 | 5 | 10,820 | 10,600 |
| | Garage Operations | 21 | 9 | 30 | 65,710 | 63,620 |
| | Insurance Admin (Risk Mgmt) | 0.5 | 5.7 | 6 | 13,580 | 13,150 |
| | Construction Management | 14 | 25 | 39 | 75,720 | 82,700 |
| | | | | | | |
| **TOTAL** | | | | **1,962** | **3,976,290** | **4,073,730** |
| Cost per Position/Device (People plus Devices for FY2025 allocation was 1,916) | | | | | 2075.31 | 2076.41 |

# FACILITIES DEPARTMENT

## MISSION STATEMENT

The mission of the Facilities Department is to provide the highest quality services while managing resources effectively, efficiently and with accountability. We also strive to continually evaluate and improve our methods and processes in order to expedite services in a timely manner.

## ACCOMPLISHMENTS

- Completed the City Hall South Elevation Brick Mortar Repair Project.
- On going maintenance on the Rosenberg Tree Lights.
- Completed the Seawall Illuminated Bollard Project Phases V & VI.
- Relocated the Finance Department to the north side of the 3rd floor of City Hall.
- Completed the life safety inspections and repairs at various City facilities.
- Prepared for and made the necessary repairs resulting from Winter Storm Enzo.
- Completed the replacement of the damaged sails, cables and associated equipment on the Hampton Battery Park shade structure.
- Installed (17) new trees and (5) esplanades of new irrigation on Rosenberg Street.
- Installed new electrical pedestals for (4) new trees on Rosenberg Street.
- Installed new carpeting in the large room at the 30th Street Water Electric and Light Station.
- Continued maintenance of the landscaping at City Hall and Fire Station 1.
- Replaced the HVAC system at Beach Pocket Park II.
- Completed the annual service on the (22) City's standby emergency generators.
- Tested and purified the diesel fuel in the (22) standby emergency generator fuel tanks.
- Cleaned the heat exchangers at the Main Wastewater Treatment Plant.
- Replaced the (4) information boards and frames at the Hampton Battery Park.
- Restored the Sidney Sherman Monument on 7th & Broadway.
- Completed the diesel fuel testing and purification process on the standby emergency generators.
- Renovated the interior of Beach Pocket Park #2 pavilion.
- Completed the facility assessment on the Garten Verein Pavillion.
- Replaced (3) RTU'S on the roof of the Airport Wastewater Treatment Plant.
- Initiated and closed 4,066, work orders for the first 9 months of this fiscal year.

## GOALS

- Continue to expedite service calls and seek efficient, less costly methods of repairs.
- Continue to seek methods to improve the completion of repair requests.
- Employ additional Maintenance staff to handle the expanding workloads.

**FY2026 BUDGET**
**FACILITIES DEPARTMENT**

## EXPENDITURE SUMMARY

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Personnel Services | $718,995 | $759,646 | $752,550 | $793,280 |
| Materials and Supplies | 118,305 | 151,160 | 125,060 | 144,100 |
| Contractual Services | 588,779 | 579,210 | 511,280 | 612,910 |
| Other Charges and Services | (11,450) | 13,420 | 13,420 | 16,680 |
| Capital Outlay | 63,689 | 0 | 0 | 0 |
| **TOTAL** | **$1,478,318** | **$1,503,436** | **$1,402,310** | **$1,566,970** |

## BUDGET HIGHLIGHTS (FY2026 BUDGET OVER/UNDER FY2025 ESTIMATED)

Personnel Services - Net increase (+$40,724) includes a 10% increase (+$10,750) in Group Health Insurance and the increase (+$29,980) for annualized personnel costs.

Materials and Supplies - Net increase (+$19,040) for annualized cost for all supply line items.

Contractual Services - Includes a net increase (+$101,630) for building repairs, landscaping services and cleaning services for General Fund, Airport and Public Works Facilities.

Other Charges and Service - Increase (+$3,260) for insurance reimbursements received in FY25 for damage to city property.

## PERFORMANCE INDICATORS

| INDICATORS | FY2023 ACTUAL | FY2024 ACTUAL | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Work orders | 5,423 | 6,070 | 5,000 | 6,000 |
| Preventive maintenance | 150 | 150 | 200 | 200 |

## PERSONNEL

| POSITION | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Facilities Director | 1.00 | 1.00 | 1.00 | 1.00 |
| LEAD Facilities Maintenance Specialist | 1.00 | 1.00 | 1.00 | 1.00 |
| Senior Facilities Technician | 1.00 | 1.00 | 1.00 | 1.00 |
| Facilities Maintenance Specialist | 1.00 | 1.00 | 1.00 | 1.00 |
| Facilities Technician | 3.00 | 3.00 | 3.00 | 3.00 |
| Facilities Maintenance Worker | 1.00 | 1.00 | 1.00 | 1.00 |
| **TOTAL** | **8.00** | **8.00** | **8.00** | **8.00** |

**FY2026 BUDGET**
**FACILITIES DEPARTMENT**

**LINE ITEM DETAIL**

| | | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|---|
| **Personnel Services** | | | | | |
| 511001 | Regular Payroll | $482,689 | $490,030 | $495,652 | $518,930 |
| 511002 | Civilian Comp Adjustments | 0 | 11,190 | 0 | 0 |
| 511005 | Longevity | 3,643 | 3,940 | 3,682 | 4,070 |
| 511009 | Overtime | 14,725 | 20,000 | 20,000 | 20,000 |
| 511125 | Residency Pay | 5,019 | 5,020 | 5,036 | 5,020 |
| 511510 | Group Health Insurance - Employer's | 105,959 | 105,800 | 105,800 | 116,550 |
| 511515 | Worker's Compensation | 5,550 | 11,100 | 11,100 | 11,100 |
| 511520 | Group Life Insurance | 2,250 | 4,546 | 2,469 | 2,510 |
| 511530 | Social Security - Employer's | 30,881 | 31,890 | 32,179 | 33,980 |
| 511535 | Medicare - Employer's | 7,222 | 7,460 | 7,526 | 7,950 |
| 511542 | City Employee Retirement | 66,075 | 68,670 | 70,004 | 73,170 |
| 511650 | Salary Reimbursements | (5,018) | 0 | (897) | 0 |
| **Total Personnel Services** | | **$718,995** | **$759,646** | **$752,550** | **$793,280** |
| | | | | | |
| **Materials and Supplies** | | | | | |
| 521065 | Office Supplies | 722 | 550 | 550 | 3,000 |
| 521067 | Minor Office Equipment | 476 | 1,000 | 1,000 | 1,350 |
| 522013 | Clothing | 3,405 | 3,500 | 3,500 | 4,000 |
| 522014 | Protective Gear | 32 | 550 | 550 | 500 |
| 522025 | Fuel And Lubricants | 3,914 | 15,000 | 11,032 | 15,000 |
| 522037 | Janitorial Supplies | 17,389 | 18,000 | 13,500 | 16,350 |
| 522045 | Electrical Hardware | 1,506 | 8,000 | 4,150 | 6,860 |
| 522055 | Minor Tools | 2,306 | 5,000 | 5,000 | 4,500 |
| 522056 | Minor Equipment | 3,060 | 3,000 | 3,000 | 2,530 |
| 522075 | Pipe And Plumbing Supplies | 17,158 | 25,000 | 15,681 | 20,200 |
| 522099 | Other Supplies | 57,291 | 58,560 | 53,689 | 58,560 |
| 525031 | Electricity | 11,046 | 13,000 | 13,409 | 11,250 |
| **Total Materials and Supplies** | | **$118,305** | **$151,160** | **$125,060** | **$144,100** |
| | | | | | |
| **Contractual Services** | | | | | |
| 531005 | Other Services | 6,199 | 15,000 | 11,593 | 15,000 |
| 531010 | Inspection Fees | 7,175 | 9,000 | 9,000 | 9,000 |
| 531014 | Building Security | 0 | 1,000 | 0 | 0 |
| 531028 | Software Licenses | 0 | 30,000 | 0 | 0 |
| 531115 | Refuse Disposal | 3,508 | 5,700 | 5,918 | 6,000 |
| 531119 | Landscape Services | 16,319 | 32,000 | 17,977 | 32,000 |
| 531220 | Building Repairs | 240,737 | 160,000 | 160,000 | 185,000 |
| 531230 | Equipment Repairs | 82,384 | 75,000 | 75,000 | 80,000 |
| 531240 | Maintenance Contracts | 60,569 | 65,000 | 60,884 | 99,560 |
| 531350 | Garage Charges | 26,080 | 24,380 | 23,555 | 28,580 |
| 531360 | Computer Charges | 49,756 | 49,750 | 49,750 | 48,770 |
| 532065 | Printing, Duplication | 1,244 | 2,000 | 828 | 2,000 |

**FY2026 BUDGET**
**FACILITIES DEPARTMENT**

**LINE ITEM DETAIL**

| | | FY2024 ACTUAL | FY2026 BUDGET | FY2026 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|---|
| 532083 | Telephone Service | 3,477 | 3,500 | 3,542 | 3,600 |
| 532084 | Cellular Service | 3,965 | 4,000 | 3,885 | 3,900 |
| 532087 | Aircard Service | 4,253 | 6,000 | 3,576 | 3,000 |
| 532086 | Other Communications | 1,371 | 1,380 | 1,059 | 1,500 |
| 533301 | Cleaning Service | 0 | 5,000 | 2,500 | 5,000 |
| 533085 | Travel/Training | 81,742 | 90,500 | 82,214 | 90,000 |
| **Total Contractual Services** | | **$588,779** | **$579,210** | **$511,280** | **$612,910** |
| | | | | | |
| **Other Charges and Services** | | | | | |
| 544098 | Reimbursable From Insurance Claims | (24,865) | 0 | 0 | 0 |
| 547070 | Insurance Expense | 13,415 | 13,420 | 13,420 | 16,680 |
| **Total Other Charges and Services** | | **($11,450)** | **$13,420** | **$13,420** | **$16,680** |
| | | | | | |
| **Capital Outlay** | | | | | |
| 564003 | Vehicle Capital Outlay | 63,689 | 0 | 0 | 0 |
| **Total Capital Outlay** | | **$63,689** | **$0** | **$0** | **$0** |
| | | | | | |
| **Total Expenses** | | **$1,478,318** | **$1,503,436** | **$1,402,310** | **$1,566,970** |

# COMMUNITY OUTREACH

## MISSION STATEMENT

The mission of the Department of Community Outreach is to inform and educate the public of City operations, its initiatives, and to implement the community's vision for Galveston using a variety of traditional and contemporary outreach tools.

## ACCOMPLISHMENTS

- Received and responded to hundreds of media requests and requests from the general public.
- Posted more than 950 posts on the City of Galveston's Social Media pages.
- Filmed & edited approx. 40 videos.
- Completed approximately 600 edits to the City's website.
- Compiled monthly City Manager's Report from all City Departments.
- Received and processed numerous requests from City departments for communications and/or visual content, such as assisting with reports, filming training videos, designing logos or other graphic material for departments, and changing items on the website.
- Worked with local committees and boards on City-related educational campaigns.
- Issued 55 Special Event Permits and 92 Loudspeaker Permits.

## GOALS

- Continue improvement of all communications with the public and civic organizations by establishing an ongoing dialogue via various communication outlets, as well as conducting surveys.
- Continue Engagement with the community and City Employees by working to help keep the public safe, informed, and engaged on events and happenings in the community.
- Increase the awareness of Special Events through communication & information campaigns and improve the Permitting Process for Applicants.
- Create a studio environment through the renovation of current media resources and improvement of technological equipment related to the Public Access Channel.
- Work to implement the Arts & Culture Master Plan and establish additional short-term and long-term goals for public art.

**FY2026 BUDGET**
**COMMUNITY OUTREACH**

**EXPENDITURE SUMMARY**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Personnel Services | $546,424 | $621,353 | $603,540 | $646,940 |
| Materials and Supplies | 6,805 | 10,400 | 6,950 | 7,200 |
| Contractual Services | 117,654 | 135,960 | 72,380 | 70,830 |
| Other Charges and Services | 1,666 | 2,730 | 11,730 | 14,450 |
| **TOTAL** | **$672,549** | **$770,443** | **$694,600** | **$739,420** |

**BUDGET HIGHLIGHTS (FY2026 BUDGET OVER/UNDER FY2025 ESTIMATED)**

Personnel Services - Net increase (+$43,400) includes a 10% increase (+$9,100) in Group Health Insurance and annualized personnel costs (+$34,300).

Other Charges and Services - Net increase (+$2,720) includes an increase in insurance expenses.

**PERFORMANCE INDICATORS**

| INDICATORS | FY2023 ACTUAL | FY2024 ACTUAL | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Videos Produced | 60 | 40 | 60 | 60 |
| Press Releases / Community News | 130 | 150 | 165 | 150 |
| Media / Public Inquiry Responses | 950 | 850 | 900 | 950 |
| Social Media Posts | 960 | 965 | 1,000 | 950 |
| Community Meeting Attendance | 308 | 275 | 300 | 350 |
| Special Event Permits | 57 | 55 | 60 | 60 |
| Loudspeaker Permits | 114 | 92 | 95 | 100 |

**PERSONNEL**

| POSITION | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Executive Director of Community Outreach | 1.00 | 1.00 | 1.00 | 1.00 |
| Director of Policy & Government Relations | 1.00 | 1.00 | 1.00 | 1.00 |
| Police Media Relations Specialist | 0.00 | 1.00 | 1.00 | 1.00 |
| Rec, Events & Project Administrator | 0.50 | 0.50 | 0.50 | 0.50 |
| Public Information Officer | 1.00 | 1.00 | 1.00 | 1.00 |
| Communications Specialist | 1.00 | 1.00 | 1.00 | 1.00 |
| Cultural Arts Coordinator | 0.00 | 1.00 | 1.00 | 1.00 |
| Sr. Admin Assistant/Events Coordinator | 0.25 | 0.25 | 0.25 | 0.25 |
| **TOTAL** | **4.75** | **6.75** | **6.75** | **6.75** |

**FY2026 BUDGET**
**COMMUNITY OUTREACH**

**LINE ITEM DETAIL**

| | | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|---|
| **Personnel Services** | | | | | |
| 511001 | Regular Payroll | $531,465 | $609,500 | $605,940 | $640,000 |
| 511002 | Civilian Comp Adjustments | 0 | 11,653 | 0 | 0 |
| 511005 | Longevity | 2,330 | 2,610 | 2,577 | 2,900 |
| 511009 | Overtime | 11,244 | 2,500 | 1,200 | 2,500 |
| 511125 | Residency Pay | 6,900 | 6,920 | 6,372 | 6,920 |
| 511510 | Group Health Insurance - Employer's | 76,638 | 89,300 | 89,300 | 98,400 |
| 511515 | Worker's Compensation | 551 | 1,110 | 1,110 | 1,110 |
| 511520 | Group Life Insurance | 2,647 | 2,970 | 3,294 | 3,120 |
| 511530 | Social Security - Employer's | 34,202 | 38,530 | 38,134 | 40,440 |
| 511535 | Medicare - Employer's | 7,999 | 9,010 | 8,928 | 9,460 |
| 511542 | City Employee Retirement | 72,254 | 82,980 | 82,416 | 87,090 |
| 511650 | Salary Reimbursement | (199,804) | (235,730) | (235,730) | (245,000) |
| **Total Personnel Services** | | **$546,424** | **$621,353** | **$603,540** | **$646,940** |
| **Materials and Supplies** | | | | | |
| 521065 | Office Supplies | 6,230 | 9,000 | 6,200 | 6,500 |
| 522013 | Clothing | 575 | 1,000 | 750 | 700 |
| 522038 | Safety Supplies | 0 | 400 | 0 | 0 |
| **Total Materials and Supplies** | | **$6,805** | **$10,400** | **$6,950** | **$7,200** |
| **Contractual Services** | | | | | |
| 531013 | Media Services | 51,669 | 55,000 | 0 | 0 |
| 531025 | Memberships | 2,509 | 1,000 | 2,500 | 2,500 |
| 531028 | Software Licenses | 3,690 | 4,500 | 3,600 | 3,700 |
| 531320 | Equipment Rental | 8,843 | 9,000 | 0 | 0 |
| 531350 | Garage Charges | 2,216 | 2,220 | 2,858 | 3,800 |
| 531360 | Computer Charges | 38,940 | 38,940 | 38,940 | 39,760 |
| 532062 | Postage | 0 | 100 | 40 | 0 |
| 532065 | Printing, Duplication | 130 | 1,000 | 750 | 750 |
| 532083 | Telephone Service | 344 | 360 | 345 | 350 |
| 532084 | Cellular Service | 3,472 | 3,840 | 3,470 | 3,480 |
| 532086 | Other Communications | 0 | 0 | 594 | 0 |
| 532087 | Aircard Service | 239 | 0 | 483 | 490 |
| 533085 | Travel/Training | 3,753 | 18,000 | 17,000 | 11,000 |
| 533100 | Advertising | 1,850 | 2,000 | 1,800 | 5,000 |
| **Total Contractual Services** | | **$117,654** | **$135,960** | **$72,380** | **$70,830** |
| **Other Charges and Services** | | | | | |
| 544087 | Expense Reimbursement | (9,320) | (9,000) | 0 | 0 |
| 547070 | Insurance Expense | 10,986 | 11,730 | 11,730 | 14,450 |
| **Total Other Charges and Services** | | **$1,666** | **$2,730** | **$11,730** | **$14,450** |
| **Total Expenses** | | **$672,549** | **$770,443** | **$694,600** | **$739,420** |


CITY OF GALVESTON
1839
TEXAS

**FY2026 BUDGET**
**CENTRAL GARAGE FUND SUMMARY**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **Beginning Fund Balance** | **$920,107** | **$1,116,424** | **$1,116,424** | **$1,265,755** |
| Revenues | | | | |
| Motor vehicle charges | $5,834,271 | $5,727,100 | $5,752,860 | $6,116,540 |
| Outside agency revenue | 632,739 | 885,500 | 566,920 | 613,950 |
| Ferry Landing Vehicle Usage | 69,045 | 60,000 | 60,000 | 60,000 |
| Other revenue | 97,588 | 204,300 | 218,600 | 200,000 |
| Sale of equipment | 39,446 | 30,000 | 30,000 | 30,000 |
| Interest earned | 51,540 | 36,000 | 45,500 | 38,000 |
| **Total revenues** | **$6,724,628** | **$6,942,900** | **$6,673,880** | **$7,058,490** |
| | | | | |
| Expenses | | | | |
| Administration | $972,009 | $1,014,903 | $1,018,360 | $1,249,390 |
| Operations | 5,287,010 | 5,919,610 | 5,400,190 | 5,853,190 |
| **Total expenses** | **$6,259,018** | **$6,934,513** | **$6,418,550** | **$7,102,580** |
| | | | | |
| **Net income (loss)** | **$465,610** | **$8,387** | **$255,330** | **($44,090)** |
| | | | | |
| Capital Outlay | $269,293 | $106,000 | $106,000 | $60,000 |
| | | | | |
| **Ending Fund Balance** | **$1,116,424** | **$1,018,811** | **$1,265,755** | **$1,161,665** |

| PERSONNEL SUMMARY | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Central Garage - Full Time Positions | 23.00 | 23.00 | 23.00 | 23.00 |
| Central Garage - Personnel Costs | $1,894,972 | $1,933,953 | $1,916,310 | $1,965,460 |

**FY2026 BUDGET**
**CENTRAL GARAGE FUND EXPENDITURE SUMMARY**

| DEPARTMENT | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Garage Administration | $1,241,301 | $1,120,903 | $1,124,360 | $1,249,390 |
| Garage Operations | 5,287,010 | 5,919,610 | 5,400,190 | 5,913,190 |
| **Central Garage Fund Total** | **$6,528,311** | **$7,040,513** | **$6,524,550** | **$7,162,580** |

| CATEGORY | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Personnel Services | $1,894,972 | $1,933,953 | $1,916,310 | $1,965,460 |
| Materials and Supplies | 2,898,227 | 3,222,800 | 2,718,774 | 3,178,520 |
| Contractual Services | 1,136,954 | 1,130,000 | 1,202,146 | 1,190,530 |
| Other Charges and Services | 328,865 | 647,760 | 581,320 | 768,070 |
| Capital Outlay | 269,293 | 106,000 | 106,000 | 60,000 |
| **Central Garage Fund Total** | **$6,528,311** | **$7,040,513** | **$6,524,550** | **$7,162,580** |

**HIGHLIGHTS (FY2026 BUDGET Over/Under FY2025 Estimated)**

Personnel services - Net increase (+$49,150) includes a 10% increase (+$30,920) for Group Health Insurance, and annualize personnel costs (+$18,230).

Materials and Supplies - Net increase (+$459,746) includes funding for fuel and lubricants (+$470,000) and a decrease to miscellaneous supply accounts (-$10,254).

Contractual Services - Net decreases (-$11,616) in miscellaneous contractual accounts.

Other Charges and Services - Net increases (+$186,750) includes increase (+$66,440) for anticipated reimbursements from insurance claims for vehicles damaged in accidents and increases (+$120,310) for insurance and facility internal charges.

Capital Outlay - Net decrease (-$46,000) includes replacement of totaled vehicles for FY2026. These costs are generally reimbursed by insurance (see Other Charges and Services) and were previously reported under Garage Administration.

# MUNICIPAL GARAGE FACILITIES

## MISSION STATEMENT

The mission of the Municipal Garage Facilities is to meet city operational equipment needs by maintaining over five hundred city vehicles and equipment in a safe, operable condition and to assist in prolonging the equipment's life span.

## ACCOMPLISHMENTS

- Installation of improved preventative maintenance systems for fleet vehicles.
- Completed 3,181 general repairs, 1,231 Preventative Maintenance programs that resulted in 222 additional repairs from PM findings, and 849 road calls services.
- Increased auction sales revenue dramatically by utilizing on-line auction systems and improving procedures.
- Added GPS to the entire fleet.

## GOALS

- To install updated fleet software system.
- To continue improving operations at the Municipal Garage Facility and in addition, work in harmony with user departments.
- To continue to improve training for the mechanics and the supporting staff.
- To continue to monitor the reduction of fleet downtime.
- Reduction of fuel usage.
- To continue to develop additional enhanced hierarchy preventative maintenance programs.
- To award annual bids on as many parts and supplies in the garage storeroom as practical.
- To continue to implement the Vehicle Replacement Program and to consider better fuel efficient and "greener" vehicles.
- To identify repair problem consistencies which will assist in decreasing scheduled repairs and unscheduled repairs.
- To rid the fleet of outdated and surplus equipment which will improve the fleet's overall appearance.

**FY2026 BUDGET**
**GARAGE ADMINISTRATION**

**EXPENDITURE SUMMARY**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Personnel Services | $287,164 | $292,213 | $300,720 | $302,920 |
| Materials and Supplies | 199 | 800 | 400 | 400 |
| Contractual Services | 28,936 | 30,130 | 25,480 | 28,000 |
| Other Charges and Services | 655,709 | 797,760 | 797,760 | 918,070 |
| Capital Outlay | 269,293 | 0 | 0 | 0 |
| **TOTAL** | **$1,241,301** | **$1,120,903** | **$1,124,360** | **$1,249,390** |

**BUDGET HIGHLIGHTS (FY2026 BUDGET OVER/UNDER FY2025 ESTIMATED)**

Contractual Services - Net increase (+$2,520) includes increases in maintenance contracts.

Other Charges and Services - Net increase (+$120,310) includes increases for insurance and facility internal charges.

**PERSONNEL**

| POSITION | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Executive Director | 1.00 | 1.00 | 1.00 | 1.00 |
| Senior Administrative Assistant | 1.00 | 1.00 | 1.00 | 1.00 |
| **TOTAL** | **2.00** | **2.00** | **2.00** | **2.00** |

**FY2026 BUDGET**
**GARAGE ADMINISTRATION**

**LINE ITEM DETAIL**

| | | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|---|
| **Personnel Services** | | | | | |
| 511001 | Regular Payroll | $207,027 | $206,450 | $217,331 | $216,780 |
| 511002 | Civilian Comp Adjustments | 0 | 4,763 | 0 | 0 |
| 511005 | Longevity | 3,036 | 3,110 | 3,122 | 3,220 |
| 511009 | Overtime | 4,822 | 5,000 | 5,000 | 5,000 |
| 511510 | Group Health Insurance - Employer's | 26,564 | 26,450 | 26,450 | 29,140 |
| 511515 | Worker's Compensation | 181 | 370 | 370 | 470 |
| 511520 | Group Life Insurance | 1,012 | 1,010 | 1,071 | 1,060 |
| 511530 | Social Security - Employer's | 13,354 | 13,300 | 14,003 | 13,950 |
| 511535 | Medicare - Employer's | 3,123 | 3,110 | 3,275 | 3,260 |
| 511542 | City Employee Retirement | 28,047 | 28,650 | 30,098 | 30,040 |
| 511650 | Salary Reimbursements | 0 | 0 | 0 | 0 |
| **Total Personnel Services** | | **$287,164** | **$292,213** | **$300,720** | **$302,920** |
| **Materials and Supplies** | | | | | |
| 521065 | Office Supplies | 199 | 800 | 400 | 400 |
| **Total Materials and Supplies** | | **$199** | **$800** | **$400** | **$400** |
| **Contractual Services** | | | | | |
| 531025 | Memberships | 549 | 600 | 549 | 600 |
| 531125 | Other Contracts | 0 | 1,000 | 300 | 200 |
| 531240 | Maintenance Contracts | 16,779 | 16,000 | 12,075 | 15,000 |
| 531360 | Computer Charges | 10,817 | 10,820 | 10,820 | 10,600 |
| 532062 | Postage | 43 | 60 | 30 | 60 |
| 532083 | Telephone Service | 138 | 150 | 138 | 140 |
| 532084 | Cellular Service | 610 | 500 | 928 | 1,000 |
| 533085 | Travel/Training | 0 | 1,000 | 640 | 400 |
| **Total Contractual Services** | | **$28,936** | **$30,130** | **$25,480** | **$28,000** |
| **Other Charges and Services** | | | | | |
| 547030 | Compensated Absences | (44,567) | 0 | 0 | 0 |
| 547070 | Insurance Expense | 667,057 | 763,180 | 763,180 | 882,070 |
| 547075 | Facilities Maintenance | 33,219 | 34,580 | 34,580 | 36,000 |
| **Total Other Charges and Services** | | **$655,709** | **$797,760** | **$797,760** | **$918,070** |
| **Capital Outlay** | | | | | |
| 564003 | Vehicle Capital Outlay | 269,293 | 0 | 0 | 0 |
| **Total Capital Outlay** | | **$269,293** | **$0** | **$0** | **$0** |
| **Total Expenses** | | **$1,241,301** | **$1,120,903** | **$1,124,360** | **$1,249,390** |

**FY2026 BUDGET**
**GARAGE OPERATIONS**

## EXPENDITURE SUMMARY

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Personnel Services | $1,607,807 | $1,641,740 | $1,615,590 | $1,662,540 |
| Materials and Supplies | 2,898,028 | 3,222,000 | 2,718,374 | 3,178,120 |
| Contractual Services | 1,108,018 | 1,099,870 | 1,176,666 | 1,162,530 |
| Other Charges and Services | (326,844) | (150,000) | (216,440) | (150,000) |
| Capital Outlay | 0 | 106,000 | 106,000 | 60,000 |
| **TOTAL** | **$5,287,010** | **$5,919,610** | **$5,400,190** | **$5,913,190** |

## BUDGET HIGHLIGHTS (FY2026 BUDGET OVER/UNDER FY2025 ESTIMATED)

Personnel services - Net increase (+$46,950) includes a 10% (+$28,230) for Group Health Insurance, and the annualized personnel costs (+$18,720).

Materials and Supplies - Net increase (+$459,746) includes funding for fuel and lubricants (+$470,000) and a decrease to miscellaneous supply accounts (-$10,254).

Contractual Services - Net decreases (-$14,136) includes adjustments in various other contractual accounts.

Other Charges and Services - Net decrease (+$66,440) for anticipated reimbursements from insurance claims for vehicles damaged in accidents.

Capital Outlay - Net decrease (-$46,000) includes replacement of totaled vehicles for FY2026. These costs are generally reimbursed by insurance (see Other Charges and Services) and were previously reported under Garage Administration.

## PERFORMANCE INDICATORS

| INDICATORS | FY2023 ACTUAL | FY2024 ACTUAL | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Fleet Availability | 89.90% | 89.85% | 89.25% | 90.00% |
| Number of work orders | 2,401 | 2,401 | 2,419 | 2,420 |
| Number of PM services | 1,194 | 1,194 | 1,231 | 1,300 |

## PERSONNEL

| POSITION | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Fleet Maintenance Manager | 0.00 | 1.00 | 1.00 | 1.00 |
| Fleet Maintenance Supervisor | 1.00 | 0.00 | 0.00 | 0.00 |
| Automotive Mechanic | 6.00 | 7.00 | 7.00 | 7.00 |
| Automotive Parts Specialist | 1.00 | 1.00 | 1.00 | 1.00 |
| Fleet Service Technician | 2.00 | 2.00 | 2.00 | 2.00 |
| Automotive Tire Repairer | 2.00 | 2.00 | 2.00 | 2.00 |
| Fleet Service Technician/Station Attendant | 1.00 | 1.00 | 1.00 | 1.00 |
| Fleet Service Writer | 1.00 | 1.00 | 1.00 | 1.00 |
| Fleet Service Attendant | 2.00 | 1.00 | 1.00 | 1.00 |
| Parts Runner | 1.00 | 1.00 | 1.00 | 1.00 |
| Garage Security Attendant | 3.00 | 3.00 | 3.00 | 3.00 |
| Custodian | 1.00 | 1.00 | 1.00 | 1.00 |
| **TOTAL** | **21.00** | **21.00** | **21.00** | **21.00** |

**FY2026 BUDGET**
**GARAGE OPERATIONS**

**LINE ITEM DETAIL**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **Personnel Services** | | | | |
| 511001 Regular Payroll | $932,933 | $953,200 | $983,076 | $996,600 |
| 511002 Civilian Comp Adjustments | 0 | 57,450 | 0 | 0 |
| 511005 Longevity | 10,953 | 12,040 | 11,228 | 12,240 |
| 511009 Overtime | 67,067 | 65,000 | 65,000 | 65,000 |
| 511125 Residency Pay | 32,220 | 32,620 | 30,213 | 30,110 |
| 511510 Group Health Insurance | 277,704 | 277,700 | 277,700 | 305,930 |
| 511515 Worker's Compensation | 13,067 | 16,140 | 16,140 | 16,140 |
| 511520 Group Life Insurance | 4,416 | 4,380 | 4,732 | 4,670 |
| 511530 Social Security - Employment | 65,262 | 65,900 | 66,498 | 68,440 |
| 511535 Medicare - Employer's | 15,263 | 15,410 | 15,552 | 16,010 |
| 511542 City Employee Retirement | 142,207 | 141,900 | 145,451 | 147,400 |
| **Total Personnel Services** | **$1,607,807** | **$1,641,740** | **$1,615,590** | **$1,662,540** |
| **Materials and Supplies** | | | | |
| 521065 Office Supplies | 4,619 | 3,000 | 1,558 | 3,000 |
| 522013 Clothing | 10,996 | 10,000 | 10,000 | 11,720 |
| 522025 Fuel And Lubricants | 2,001,333 | 2,327,000 | 1,730,000 | 2,200,000 |
| 522037 Janitorial Supplies | 3,916 | 5,000 | 2,724 | 3,900 |
| 522055 Minor Tools | 25,206 | 20,000 | 24,258 | 25,000 |
| 522059 Motor Vehicle Parts | 838,295 | 841,000 | 935,000 | 920,000 |
| 525031 Electricity | 9,520 | 9,000 | 8,812 | 9,600 |
| 525032 Natural Gas | 4,142 | 7,000 | 6,021 | 4,900 |
| **Total Materials and Supplies** | **$2,898,028** | **$3,222,000** | **$2,718,374** | **$3,178,120** |
| **Contractual Services** | | | | |
| 531005 Other Services | 57 | 350 | 62 | 100 |
| 531125 Other Contracts | 144,573 | 190,000 | 190,000 | 160,000 |
| 531220 Building Repairs | 0 | 1,000 | 750 | 1,000 |
| 531250 Vehicle Repairs | 854,811 | 800,000 | 873,000 | 900,000 |
| 531350 Garage Charges | 36,641 | 40,110 | 42,743 | 33,000 |
| 531360 Computer Charges | 67,063 | 65,710 | 65,710 | 63,620 |
| 532065 Printing, Duplication | 2,307 | 1,000 | 2,506 | 2,910 |
| 532083 Telephone Service | 1,143 | 1,200 | 1,154 | 1,120 |
| 532084 Cellular Service | 119 | 0 | 483 | 540 |
| 532087 Aircard Service | 456 | 500 | 258 | 240 |
| 533085 Travel/Training | 849 | 0 | 0 | 0 |
| **Total Contractual Services** | **$1,108,018** | **$1,099,870** | **$1,176,666** | **$1,162,530** |
| **Other Charges and Services** | | | | |
| 544098 Reimbursable from Insurance | (326,844) | (150,000) | (216,440) | (150,000) |
| **Total Other Charges and Services** | **($326,844)** | **($150,000)** | **($216,440)** | **($150,000)** |
| **Capital Outlay** | | | | |
| 564003 Vehicle Capital Outlay | 0 | 106,000 | 106,000 | 60,000 |
| **Total Capital Outlay** | **$0** | **$106,000** | **$106,000** | **$60,000** |
| **Total Expenses** | **$5,287,010** | **$5,919,610** | **$5,400,190** | **$5,913,190** |


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**FY2026 BUDGET**
**CASUALTY & LIABILITY INSURANCE FUND**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **Beginning Fund Balance** | $710,089 | $675,078 | $675,078 | $707,780 |
| Revenues: | | | | |
| Charges for services | | | | |
| Waterworks Fund | $339,257 | $366,540 | $366,540 | $374,620 |
| Sewer System Fund | 367,979 | 391,880 | 391,880 | 402,480 |
| Drainage Utility Fund | 40,619 | 38,120 | 38,120 | 43,140 |
| Sanitation Fund | 87,982 | 85,450 | 85,440 | 92,180 |
| Capital Projects Fund | 21,338 | 21,700 | 21,700 | 25,490 |
| Central Services | 53,475 | 54,890 | 55,420 | 66,560 |
| Central Garage | 667,057 | 763,180 | 763,180 | 882,070 |
| Airport Fund | 214,048 | 237,070 | 237,070 | 247,590 |
| Federal/state grants | 124,570 | 124,610 | 124,610 | 143,140 |
| Community Pool | 49,480 | 54,680 | 54,876 | 59,510 |
| General Fund | 682,147 | 658,950 | 658,946 | 678,510 |
| Other revenue | 1,134 | 0 | 0 | 0 |
| **Total revenues** | **$2,649,086** | **$2,797,070** | **$2,797,782** | **$3,015,290** |
| | | | | |
| Expenses: | | | | |
| Administration | $165,460 | $185,250 | $162,770 | $183,640 |
| Insurance polices | 2,126,102 | 2,351,764 | 2,342,310 | 2,569,500 |
| Other expenses | 392,536 | 260,000 | 260,000 | 260,000 |
| **Total expenses** | **$2,684,098** | **$2,797,014** | **$2,765,080** | **$3,013,140** |
| | | | | |
| **Net income (loss)** | **($35,011)** | **$56** | **$32,702** | **$2,150** |
| | | | | |
| **Ending Fund Balance** | **$675,078** | **$675,134** | **$707,780** | **$709,930** |

| **Personnel summary** | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Casualty & Liability - Full-Time Positions | 1.302 | 1.302 | 1.302 | 1.302 |
| Casualty & Liability - Personnel Costs | $137,320 | $157,630 | $137,110 | $159,360 |

**FY2026 BUDGET**
**CASUALTY AND LIABILITY FUND**
**EXPENDITURE SUMMARY**

| DEPARTMENT | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Insurance Administration | $165,460 | $185,250 | $162,770 | $183,640 |
| Policies In Force | 2,126,102 | 2,351,764 | 2,342,310 | 2,569,500 |
| Other Operating Expenses | 392,536 | 260,000 | 260,000 | 260,000 |
| **Casualty and Liability Total** | **$2,684,098** | **$2,797,014** | **$2,765,080** | **$3,013,140** |

| CATEGORY | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Personnel Services | $137,320 | $157,630 | $137,110 | $159,360 |
| Materials and Supplies | 182 | 1,000 | 750 | 1,000 |
| Contractual Services | 2,583,938 | 2,666,784 | 2,641,420 | 2,881,100 |
| Other Charges and Services | (37,342) | (28,400) | (14,200) | (28,320) |
| **Casualty and Liability Total** | **$2,684,098** | **$2,797,014** | **$2,765,080** | **$3,013,140** |

**HIGHLIGHTS (FY2026 BUDGET Over/Under FY2025 Estimated)**

Personnel Services - Net increase (+$22,250) includes a 10% increase (+$1,750) in Group Health Insurance, and a increase (+$20,500) in annualized cost of personnel.

Contractual Services - Net increase (+$239,680) includes an increases in various Policies in Force (+$242,190), and decreases from various contractual line items (-$2,510).

Other Charges and Services - Increase (+$14,120) to maintain budgeted level of reimbursements for FY26.

# MUNICIPAL INSURANCE

## MISSION STATEMENT

The City's insurance program is monitored by both the Risk Management and the Human Resource Departments, which coordinates and supervises the fringe benefit program for City employees. The Human Resource Director works with a third-party Benefit Consultant and the Health Board of Trustees on the overall performance of the self-insured Health plan. The Risk Manager supervises the Worker's Compensation self-insurance plan. He also identifies risk areas and secures insurance coverage for the City's property and liability risk.

## ACCOMPLISHMENTS

- Submitted and managed multiple insurance claims related to auto incidents.
- Reviewed and updated insurance coverage for City owned vehicles and mobile equipment.
- Reviewed and updated building value and contents insurance limits for all City owned and leased properties.

- Monitor and assist employees with the City self-insured Workers Compensation plan including modified duty assignments and return to work issues. Participate in benefit review and appeal hearings with the TPA.
- Managed multiple workers' compensation claims by ensuring reporting procedures were appropriate and adequate.
- Developed and organized all required documentation for the annual Workers Compensation audit.
- Briefed and trained employees and departments on Risk Management policies and procedures.
- Classified, evaluated and monitored multiple liability claims against the City from initial receipt, investigation and ultimate resolution.
- Managed rising pharmacy costs without raising employee costs through a Cooperative Plan for Pharmacy Discounts and Rebates.
- Negotiated supplemental employee benefits without increasing employee premiums to include additional benefits for short term and long term disability and long-term care.
- Implemented and trained employees on Workday HRIS to better manage employee insurance benefits.

## GOALS

- Achieve a better understanding of risk with cost savings through better management of resources.
- Build and improve capabilities to respond effectively to low probability, catastrophic risks.
- Continue to Identify and assess risks. Review risk management efforts in risk control and financing measures.
- Closely monitor the worker's compensation insurance fund.
- Continue to review all city properties and personnel for safety compliance.
- Continue safety inspections and work site-specific courses for employees throughout the City operations.
- Continue reviewing group healthcare and pharmacy insurance to implement additional discounts and rebates to keep employee premiums at same or lower cost.

**FY2026 BUDGET**
**INSURANCE ADMINISTRATION**

**EXPENDITURE SUMMARY**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Personnel Services | $137,320 | $157,630 | $137,110 | $159,360 |
| Materials and Supplies | 182 | 1,000 | 750 | 1,000 |
| Contractual Services | 28,438 | 25,020 | 24,110 | 21,600 |
| Other Charges and Services | (480) | 1,600 | 800 | 1,680 |
| **TOTAL** | **$165,460** | **$185,250** | **$162,770** | **$183,640** |

**BUDGET HIGHLIGHTS (FY2026 BUDGET OVER/UNDER FY2025 ESTIMATED)**

Personnel Services - Net increase (+$22,250) includes a 10% increase (+$1,750) in Group Health Insurance, and a increase (+$20,500) in annualized cost of personnel.

Materials and Supplies - Net increase (+$250) to maintain current level of funding.

Contractual Services - Net decrease (-$2,510) in miscellaneous contractual line items.

Other Charges and Services - Net increase (+$880) for insurance contingencies.

**PERSONNEL**

| POSITION | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Executive Director | 0.50 | 0.50 | 0.50 | 0.50 |
| Human Resources Specialist | 0.20 | 0.20 | 0.20 | 0.20 |
| Senior Administrative Assistant | 0.60 | 0.60 | 0.60 | 0.60 |
| **TOTAL** | **1.30** | **1.30** | **1.30** | **1.30** |

**FY2026 BUDGET**
**INSURANCE ADMINISTRATION**

**LINE ITEM DETAIL**

| | | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|---|
| **Personnel Services** | | | | | |
| 511001 | Regular Payroll | $98,158 | $109,780 | $97,623 | $113,810 |
| 511002 | Civilian Comp Adjustments | 0 | 5,470 | 0 | 0 |
| 511005 | Longevity | 488 | 540 | 513 | 580 |
| 511009 | Overtime | 130 | 0 | 20 | 500 |
| 511125 | Residency Pay | 251 | 260 | 254 | 260 |
| 511510 | Group Health Insurance - Employer's | 17,218 | 17,220 | 17,220 | 18,970 |
| 511515 | Worker's Compensation | 240 | 490 | 490 | 490 |
| 511520 | Group Life Insurance | 479 | 540 | 420 | 560 |
| 511530 | Social Security - Employer's | 5,991 | 6,890 | 6,022 | 7,140 |
| 511535 | Medicare - Employer's | 1,401 | 1,610 | 1,408 | 1,670 |
| 511542 | City Employee Retirement | 12,965 | 14,830 | 13,139 | 15,380 |
| **Total Personnel Services** | | **$137,320** | **$157,630** | **$137,110** | **$159,360** |
| **Materials and Supplies** | | | | | |
| 521065 | Office Supplies | 182 | 500 | 250 | 500 |
| 522055 | Minor Tools | 0 | 500 | 500 | 500 |
| **Total Materials and Supplies** | | **$182** | **$1,000** | **$750** | **$1,000** |
| **Contractual Services** | | | | | |
| 531005 | Other Services | 1,871 | 960 | 840 | 1,140 |
| 531025 | Memberships | 120 | 250 | 125 | 250 |
| 531350 | Garage Charges | 8,303 | 7,450 | 7,373 | 4,580 |
| 531360 | Computer Charges | 16,058 | 13,580 | 13,580 | 13,150 |
| 532062 | Postage | 1 | 50 | 73 | 50 |
| 532083 | Telephone Service | 138 | 150 | 138 | 120 |
| 532084 | Cellular Service | 1,040 | 1,080 | 1,026 | 1,030 |
| 532087 | Aircard Service | 456 | 500 | 456 | 480 |
| 533085 | Travel/Training | 450 | 1,000 | 500 | 800 |
| **Total Contractual Services** | | **$28,438** | **$25,020** | **$24,110** | **$21,600** |
| **Other Charges and Services** | | | | | |
| 547030 | Compensated Absences | (480) | 0 | 0 | 0 |
| 544029 | Miscellaneous Expenses | 0 | 1,600 | 800 | 1,680 |
| **Total Other Charges and Services** | | **($480)** | **$1,600** | **$800** | **$1,680** |
| **Total Expenses** | | **$165,460** | **$185,250** | **$162,770** | **$183,640** |

**FY2026 BUDGET**
**POLICIES IN FORCE**

**EXPENDITURE SUMMARY**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Contractual Services | 2,144,838 | 2,381,764 | 2,357,310 | 2,599,500 |
| Other Charges and Services | (18,736) | (30,000) | (15,000) | (30,000) |
| **TOTAL** | **$2,126,102** | **$2,351,764** | **$2,342,310** | **$2,569,500** |

**BUDGET HIGHLIGHTS (FY2026 BUDGET OVER/UNDER FY2025 ESTIMATED)**

Contractual Services - Net increases (+$242,190) in various policies.

Other Charges and Services - Increase (-$15,000) to maintain budgeted level of reimbursements for FY26.

**LINE ITEM DETAIL**

| | | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|---|
| **Contractual Services** | | | | | |
| 534013 | Automobile Physical Damage | $222,198 | $249,407 | $259,676 | $297,824 |
| 534014 | Windstorm | 666,857 | 737,000 | 656,945 | 721,400 |
| 534015 | Contractor's Equip & Val. Papers | 91,045 | 95,000 | 90,706 | 106,641 |
| 534016 | Flood | 224,168 | 248,482 | 251,026 | 273,400 |
| 534017 | Airport Liability | 1,782 | 2,000 | 1,782 | 2,050 |
| 534018 | Police Liability | 187,474 | 195,000 | 188,228 | 178,909 |
| 534019 | Public Official Liability | 162,819 | 160,000 | 175,891 | 174,607 |
| 534021 | Fire & Ext. Coverage | 86,607 | 148,000 | 151,621 | 193,517 |
| 534026 | Auto Liability | 338,362 | 373,000 | 382,067 | 427,568 |
| 534027 | General Liability | 74,212 | 76,000 | 80,602 | 89,324 |
| 534028 | Employee Blanket Bond | 4,640 | 6,000 | 4,640 | 5,200 |
| 534029 | Unemployment Insurance | 49,520 | 52,000 | 72,249 | 79,500 |
| 534037 | Vehicle - Catastrophic Insurance | 18,629 | 21,000 | 23,520 | 29,155 |
| 534039 | Pollution Control Policy | 16,525 | 17,000 | 16,520 | 18,200 |
| 534056 | Cyber Coverage | 0 | 1,875 | 1,838 | 2,205 |
| **Total Contractual Services** | | **$2,144,838** | **$2,381,764** | **$2,357,310** | **$2,599,500** |
| | | | | | |
| **Other Charges and Services** | | | | | |
| 544087 | Expense Reimbursement | (18,736) | (30,000) | (15,000) | (30,000) |
| **Total Other Charges and Services** | | **($18,736)** | **($30,000)** | **($15,000)** | **($30,000)** |
| | | | | | |
| **Total Expenses** | | **$2,126,102** | **$2,351,764** | **$2,342,310** | **$2,569,500** |

**FY2026 BUDGET**
**OTHER OPERATING EXPENSES**

**EXPENDITURE SUMMARY**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Contractual Services | 410,663 | 260,000 | 260,000 | 260,000 |
| Other Charges and Services | (18,127) | 0 | 0 | 0 |
| **TOTAL** | **$392,536** | **$260,000** | **$260,000** | **$260,000** |

**BUDGET HIGHLIGHTS (FY2026 BUDGET OVER/UNDER FY2025 ESTIMATED)**

Contractual Services - Maintain current spending levels.

**LINE ITEM DETAIL**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **Contractual Services** | | | | |
| 534032 Preventive Health Program | 78,391 | 0 | 0 | 0 |
| 534033 Uninsured Damage Claims | 159,779 | 160,000 | 160,000 | 160,000 |
| 534034 Uninsured Legal Fees | 162,412 | 100,000 | 100,000 | 100,000 |
| 534035 Employee Assistance Program | 10,080 | 0 | 0 | 0 |
| **Total Contractual Services** | **$410,663** | **$260,000** | **$260,000** | **$260,000** |
| | | | | |
| **Other Charges and Services** | | | | |
| 544087 Expense Reimbursement | (12,477) | 0 | 0 | 0 |
| 591068 Settlements | (5,650) | 0 | 0 | 0 |
| **Total Other Charges and Services** | **($18,127)** | **$0** | **$0** | **$0** |
| | | | | |
| **Total Expenses** | **$392,536** | **$260,000** | **$260,000** | **$260,000** |


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**FY2026 BUDGET**
**WORKERS' COMPENSATION FUND**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **Beginning Fund Balance** | $126,172 | $128,874 | $128,874 | $360,835 |
| Revenues: | | | | |
| Charges for Services | | | | |
| Workers' Compensation | $772,779 | $995,557 | $998,590 | $998,590 |
| Interest | 9 | 5,000 | 2,259 | 3,000 |
| **Total revenues** | **$772,787** | **$1,000,557** | **$1,000,849** | **$1,001,590** |
| | | | | |
| Expenses: | | | | |
| Insurance Polices | $770,085 | $728,000 | $768,888 | $783,000 |
| **Total expenses** | **$770,085** | **$728,000** | **$768,888** | **$783,000** |
| | | | | |
| **Net income (loss)** | **$2,702** | **$272,557** | **$231,961** | **$218,590** |
| | | | | |
| **Ending Fund Balance** | **$128,874** | **$401,431** | **$360,835** | **$579,425** |

**FY2026 BUDGET**
**WORKERS' COMPENSATION FUND**
**EXPENDITURE SUMMARY**

| DEPARTMENT | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Policies in Force | $770,085 | $728,000 | $768,888 | $783,000 |
| **Workers' Compensation Total** | **$770,085** | **$728,000** | **$768,888** | **$783,000** |

| CATEGORY | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Contractual Services | 770,085 | 728,000 | 768,888 | 783,000 |
| **Workers' Compensation Total** | **$770,085** | **$728,000** | **$768,888** | **$783,000** |

**HIGHLIGHTS (FY2026 BUDGET Over/Under FY2025 Estimated)**

Contractual Services - Net increase (+$14,112) in Worker's Compensation policies and administrative stop loss payments.

**LINE ITEM DETAIL**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **Contractual Services** | | | | |
| 534023 Workers' Compensation | $605,231 | $550,000 | $590,888 | $600,000 |
| 534054 Administrative & Stop Loss | 164,854 | 178,000 | 178,000 | 183,000 |
| **Total Contractual Services** | **$770,085** | **$728,000** | **$768,888** | **$783,000** |
| **Total Expenses** | **$770,085** | **$728,000** | **$768,888** | **$783,000** |

**FY2026 BUDGET**
**HEALTH AND LIFE INSURANCE FUND SUMMARY**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **Beginning Fund Balance** | $9,134,178 | $11,307,859 | $11,307,859 | $12,234,811 |
| Revenues: | | | | |
| Medical Insurance-Retiree & Cobra | $213,728 | $234,400 | $234,400 | $257,900 |
| Medical Ins. Contributions-City | 11,692,630 | 11,847,400 | 11,847,400 | 13,323,500 |
| Medical Ins. Contributions-Park Board | 994,764 | 922,900 | 704,178 | 422,600 |
| Medical Ins. Contributions-Park Board EE'S | 178,106 | 181,800 | 121,680 | 73,100 |
| Medical Ins. Contributions-EE's | 1,736,608 | 1,922,800 | 1,828,610 | 2,231,500 |
| Stop Loss Reimbursements | 186,940 | 617,000 | 355,965 | 391,600 |
| Life Insurance | 257,739 | 278,800 | 223,479 | 280,000 |
| Other Refunds and No Shows | 628,146 | 681,400 | 681,400 | 690,000 |
| Interest | 493,010 | 350,000 | 454,000 | 400,000 |
| Total revenues | $16,381,671 | $17,036,500 | $16,451,110 | $18,070,200 |
| Expenses: | | | | |
| Consultant Services | $50,000 | $50,000 | $50,000 | $50,000 |
| Employee Life | 259,828 | 300,000 | 308,436 | 308,500 |
| Preventive Health Program | 0 | 85,000 | 85,000 | 85,000 |
| Employee Assistance Program | 0 | 11,000 | 11,000 | 11,000 |
| Health Claims - City | 7,818,870 | 9,286,474 | 9,252,464 | 10,742,200 |
| Health Claims - Park Board | 908,259 | 780,000 | 959,784 | 1,114,400 |
| Prescription - City | 3,027,005 | 2,993,280 | 3,065,161 | 3,558,700 |
| Prescription - Park Board | 232,631 | 200,000 | 221,598 | 250,000 |
| Administrative Costs | 717,907 | 570,000 | 641,516 | 750,000 |
| Stop Loss Premiums | 1,193,491 | 1,200,000 | 929,198 | 1,200,000 |
| Total expenses | $14,207,991 | $15,475,754 | $15,524,158 | $18,069,800 |
| Net income (loss) | $2,173,681 | $1,560,746 | $926,953 | $400 |
| Ending Fund Balance | $11,307,859 | $12,868,605 | $12,234,811 | $12,235,211 |
| Balance Restricted for Post-Employment Insurance Plan | (5,800,000) | (5,800,000) | (5,800,000) | (5,800,000) |
| Unrestricted Balance | $5,507,859 | $7,068,605 | $6,434,811 | $6,435,211 |

**FY2026 BUDGET**
**HEALTH AND LIFE INSURANCE FUND**
**EXPENDITURE SUMMARY**

| DEPARTMENT | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Policies in Force | $14,207,991 | $15,475,754 | $15,524,158 | $18,069,800 |
| **Health and Life Insurance Total** | **$14,207,991** | **$15,475,754** | **$15,524,158** | **$18,069,800** |

| CATEGORY | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Contractual Services | 14,207,991 | 15,475,754 | 15,524,158 | 18,069,800 |
| **Health and Life Insurance Total** | **$14,207,991** | **$15,475,754** | **$15,524,158** | **$18,069,800** |

**HIGHLIGHTS (FY2026 BUDGET Over/Under FY2025 Estimated)**

Contractual Services - Includes increase $2,545,642. (Reference the Health and Life Insurance Summary schedule in this section)

**OVERVIEW**

The Health and Life Insurance Fund accounts for the City's self-insurance for health benefits for City employees, their dependents and retirees. The impact of rising health care across the nation has contributed to the rise of health care benefits locally.

**LINE ITEM DETAIL**

| | | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|---|
| **Contractual Services** | | | | | |
| 531004 | Consultant Services | $50,000 | $50,000 | $50,000 | $50,000 |
| 534025 | Employee Life | 259,828 | 300,000 | 308,436 | 308,500 |
| 534032 | Preventive Health Program | 0 | 85,000 | 85,000 | 85,000 |
| 534035 | Employee Assistance Program | 0 | 11,000 | 11,000 | 11,000 |
| 534038 | Health Claims - City | 7,818,870 | 9,286,474 | 9,252,464 | 10,742,200 |
| 534040 | Health Claims - Park Board | 908,259 | 780,000 | 959,784 | 1,114,400 |
| 534042 | Prescription - City | 3,027,005 | 2,993,280 | 3,065,161 | 3,558,700 |
| 534044 | Prescription - Park Board | 232,631 | 200,000 | 221,598 | 250,000 |
| 534050 | Administrative Costs | 717,907 | 570,000 | 641,516 | 750,000 |
| 534055 | Stop Loss Premiums | 1,193,491 | 1,200,000 | 929,198 | 1,200,000 |
| **Total Contractual Services** | | **$14,207,991** | **$15,475,754** | **$15,524,158** | **$18,069,800** |
| **Total Expenses** | | **$19,297,431** | **$15,475,754** | **$15,524,158** | **$18,069,800** |

**FY2026 BUDGET**
**PROJECT MANAGEMENT FUND SUMMARY**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **Beginning Fund Balance** | **$46,962** | **$65,673** | **$65,673** | **$76,963** |
| Revenues: | | | | |
| Interest Earned-Operating | 14,582 | 10,000 | 11,290 | 10,000 |
| Sale Of Gen.Fixed Assets | 4,870 | 0 | 0 | 0 |
| **Total revenues** | **$19,452** | **$10,000** | **$11,290** | **$10,000** |
| Expenses: | | | | |
| Project Management | $741 | $0 | $0 | $0 |
| **Total expenses** | **$741** | **$0** | **$0** | **$0** |
| **Net income (loss)** | **$18,711** | **$10,001** | **$11,290** | **$10,000** |
| **Net assets at end of year** | **$65,673** | **$75,674** | **$76,963** | **$86,963** |

| PERSONNEL SUMMARY | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Project Management - Full-Time Positions | 15.00 | 14.00 | 13.00 | 14.00 |
| Project Management - Personnel Costs | 1,411,870 | 1,460,270 | 448,213 | 0 |

**FY2026 BUDGET**
**PROJECT MANAGEMENT FUND**
**EXPENDITURE SUMMARY**

| DEPARTMENT | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Project Management | $741 | $0 | $0 | $0 |
| **Project Management Total** | **$741** | **$0** | **$0** | **$0** |

| CATEGORY | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Personnel Services | $1,411,870 | $1,460,270 | $448,213 | $0 |
| Materials and Supplies | 17,569 | 16,690 | 14,282 | 18,810 |
| Contractual Services | 166,045 | 179,750 | 173,244 | 184,630 |
| Other Charges and Services | (1,595,813) | (1,740,210) | (719,239) | (269,940) |
| Capital Outlay | 1,071 | 83,500 | 83,500 | 66,500 |
| **Project Management Total** | **$741** | **$0** | **$0** | **$0** |

**HIGHLIGHTS (FY2026 BUDGET Over/Under FY2025 Estimated)**

*These costs will be allocated per the Capital Improvement Plan FY2026.

Personnel Services - Net decreases (+$448,213) include a 10% increase (+$18,760) in Group Health Charges. The remainder of this decrease (+$466,973) from the estimated expenditures in FY25 are attributed to the allocation process in the new financial system. These expenses are now allocated directly to the Capital Projects and the end of each pay cycle.

Other Charges and Services - Net increase (+$456,429) in expense reimbursement for Project Management Fees are attributed to the allocation process in the new financial system. These expenses are now allocated directly to the Capital Projects and the end of each pay cycle.

Capital Outlay - Net decrease (-$17,000) for capital purchases in FY26.

# PROJECT MANAGEMENT

## MISSION STATEMENT

The mission of the Engineering & Construction Management Division is to assist all City departments, as well as Private Developments, with design and construction related activities, and to ensure communication between City departments, design professionals and consultants, both during design/development phase and construction phase of projects while monitoring all City projects in the field for document conformance and quality.

## ACCOMPLISHMENTS

- Completed construction of approximately $27.3 million dollars of capital improvements, including the following:
  - 23rd Street Reconstruction: Broadway to Seawall (County Bond Project)
  - 37th Street Mill & Overlay: Broadway to Seawall
  - Galveston Incinerator Remediation
  - Sandhill Crane Soccer Complex Renovations
  - FY2024 Pavement Preservation
  - Avenue S Reconstruction: 53rd Street to Seawall (County Bond Project)
  - Stewart Beach Pavilion Demolition

- Commencement and/or continuation of construction activities, including the following:
  - City Hall 3rd Floor Renovations
  - 14th Street Pump Station
  - Fleet Fuel Farm Replacement
  - FY2025 Pavement Preservation
  - UTMB Elevated Storage Tank Rehabilitation
  - 10 Mile Road Elevated Storage Tank Rehabilitation
  - Scholes Airfield Parking Lot
  - Lift Stations 6, 8 & 26
  - Lift Stations 13 & 51
  - Main WWTP Belt Press & Bio Solids Building Replacement
  - Pirates Beach WWTP
  - South Shore Pump Station
  - Seawolf Park Wastewater Treatment Plant
  - 59th Street Ground Storge Tank
  - 30-inch Causeway Waterline
  - Isla Del Sol Pump Station & 0.5MG Ground Storage Tank
  - Traffic Signal Installations @ 33rd & Seawall and 75th & Seawall

## GOALS

- Develop and Implement: Computer Aided Drafting (CAD) & Engineering Standards Manuals
- Conduct an updated Street and Infrastructure assessment including development of a Pavement Composition Map (including: Type, Thickness, Age, Base Material, etc.)
- Continue updating 20% of the City's Construction Specification Sections
- Average response time for Permit Reviews: Residential – 10 Business Days / Commercial – 20 Business Days
- Implement Construction Management Software (CMS) software
- Have key staff work towards obtaining their Project Management Professional (PMP) Certification
- Obtain TxDOT Certification to administer Local Projects.
- Determine training needed to enhance the construction teams' knowledge and implement training schedule.

**FY2026 BUDGET**
**PROJECT MANAGEMENT**

**EXPENDITURE SUMMARY**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Personnel Services | $1,411,870 | $1,460,270 | $448,213 | $0 |
| Materials and Supplies | 17,569 | 16,690 | 14,282 | 18,810 |
| Contractual Services | 166,045 | 179,750 | 173,244 | 184,630 |
| Other Charges and Services | (1,595,813) | (1,740,210) | (719,239) | (269,940) |
| Capital Outlay | 1,071 | 83,500 | 83,500 | 66,500 |
| **TOTAL** | **$741** | **$1** | **$0** | **$0** |

**BUDGET HIGHLIGHTS (FY2026 BUDGET OVER/UNDER FY2025 ESTIMATED)**

*These costs will be allocated per the Capital Improvement Plan FY2026.

Personnel Services - Net decreases (+$448,213) include a 10% increase (+$18,760) in Group Health Charges. The remainder of this decrease (+$466,973) from the estimated expenditures in FY25 are attributed to the allocation process in the new financial system. These expenses are now allocated directly to the Capital Projects and the end of each pay cycle.

Other Charges and Services - Net increase (+$449,299) in expense reimbursement for Project Management Fees are attributed to the allocation process in the new financial system. These expenses are now allocated directly to the Capital Projects and the end of each pay cycle.

Capital Outlay - Net decrease (-$17,000) for capital purchases in FY26.

**PERSONNEL**

| POSITION | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| Director of Infrastructure & Engineering | 1.00 | 1.00 | 1.00 | 1.00 |
| Construction Supervisor | 1.00 | 1.00 | 1.00 | 1.00 |
| City Engineer | 1.00 | 0.00 | 0.00 | 0.00 |
| Architectural Project Manager | 1.00 | 1.00 | 1.00 | 1.00 |
| Senior Assistant City Engineer | 1.00 | 1.00 | 0.00 | 1.00 |
| Graduate Engineer | 1.00 | 1.00 | 1.00 | 1.00 |
| Construction Project Manager | 1.00 | 1.00 | 1.00 | 1.00 |
| Senior Construction Inspector | 1.00 | 1.00 | 1.00 | 1.00 |
| Construction Project Coordinator | 1.00 | 1.00 | 1.00 | 1.00 |
| Construction Inspector | 4.00 | 4.00 | 4.00 | 4.00 |
| Design Assistant | 1.00 | 1.00 | 1.00 | 1.00 |
| Administrative Assistant | 1.00 | 1.00 | 1.00 | 1.00 |
| **TOTAL** | **15.00** | **14.00** | **13.00** | **14.00** |

**FY2026 BUDGET**
**PROJECT MANAGEMENT**

**LINE ITEM DETAIL**

| | FY2024 ACTUAL | FY2025 BUDGET | FY2025 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|
| **Personnel Services** | | | | |
| 511001 Regular Payroll | $1,082,365 | $1,104,700 | $230,268 | $1,159,900 |
| 511005 Longevity | 5,558 | 6,040 | 1,216 | 1,890 |
| 511006 Differential Pay | 1,790 | 1,830 | 374 | 1,830 |
| 511009 Overtime | 18,751 | 30,000 | 1,181 | 25,000 |
| 511021 Part-time payroll | 60,698 | 0 | 12,154 | 0 |
| 511125 Residency Pay | 10,038 | 10,050 | 2,077 | 10,050 |
| 511510 Group Health Insurance - Employer's | 181,292 | 185,200 | 185,200 | 203,960 |
| 511515 Worker's Compensation | 5,250 | 10,500 | 5,250 | 10,500 |
| 511520 Group Life Insurance | 5,003 | 5,040 | 1,047 | 5,300 |
| 511530 Social Security - Employer's | 71,359 | 71,460 | 14,953 | 74,320 |
| 511535 Medicare - Employer's | 16,689 | 16,710 | 3,497 | 17,380 |
| 511542 City Employee Retirement | 146,093 | 103,740 | 31,388 | 107,890 |
| 511650 Salary Reimbursements | (173,703) | (140,000) | (34,138) | (1,618,020) |
| **Total Personnel Services** | **$1,411,870** | **$1,460,270** | **$448,213** | **$0** |
| | | | | |
| **Materials and Supplies** | | | | |
| 521065 Office Supplies | 4,318 | 6,000 | 4,635 | 6,000 |
| 521067 Minor Office Equipment | 2,979 | 3,000 | 3,000 | 3,000 |
| 522013 Clothing | 5,178 | 4,000 | 3,535 | 5,600 |
| 522038 Safety Supplies | 2,456 | 750 | 375 | 1,300 |
| 522055 Minor Tools | 852 | 600 | 600 | 500 |
| 522065 Paint and Lumber | 698 | 750 | 750 | 800 |
| 522099 Other Supplies | 44 | 500 | 250 | 400 |
| 525031 Electricity | 519 | 560 | 562 | 660 |
| 525032 Natural Gas | 523 | 530 | 575 | 550 |
| **Total Materials and Supplies** | **$17,569** | **$16,690** | **$14,282** | **$18,810** |
| | | | | |
| **Contractual Services** | | | | |
| 531025 Memberships | 1,190 | 6,500 | 3,250 | 5,000 |
| 531027 Certification and Permit Fees | 0 | 0 | 0 | 0 |
| 531029 Software Maintenance Contracts | 51,222 | 51,500 | 51,500 | 55,000 |
| 531230 Equipment Repairs | 1,160 | 500 | 500 | 500 |
| 531350 Garage Charges | 30,273 | 34,270 | 33,845 | 33,990 |
| 531360 Computer Charges | 75,716 | 75,720 | 75,720 | 82,700 |
| 532065 Printing, Duplication | 449 | 750 | 619 | 1,100 |
| 532083 Telephone Service | 619 | 630 | 569 | 540 |
| 532084 Cellular Service | 4,357 | 4,380 | 4,335 | 1,320 |
| 532087 Aircard Service | 456 | 500 | 456 | 480 |
| 533085 Travel & Training | 554 | 5,000 | 2,500 | 4,000 |
| 533200 Food Services | 49 | 0 | (49) | 0 |
| **Total Contractual Services** | **$166,045** | **$179,750** | **$173,244** | **$184,630** |

**FY2026 BUDGET**
**PROJECT MANAGEMENT**

**LINE ITEM DETAIL**

| | | FY2024 ACTUAL | FY2026 BUDGET | FY2026 ESTIMATED | FY2026 BUDGET |
|---|---|---|---|---|---|
| **Other Charges and Services** | | | | | |
| 543099 | Project Mgmt. Costs (Capital) | (1,620,262) | (1,761,910) | (740,939) | (295,430) |
| 547030 | Compensated Absences | 3,111 | 0 | 0 | 0 |
| 547070 | Insurance expense | 21,338 | 21,700 | 21,700 | 25,490 |
| **Total Other Charges and Services** | | **($1,595,813)** | **($1,740,210)** | **($719,239)** | **($269,940)** |
| **Capital Outlay** | | | | | |
| 564003 | Vehicle Capital Outlay | 0 | 58,500 | 58,500 | 61,500 |
| 564010 | PC & Other Equipment | 1,071 | 25,000 | 25,000 | 5,000 |
| **Total Capital Outlay** | | **$1,071** | **$83,500** | **$83,500** | **$66,500** |
| **Total Expenses** | | **$741** | **$0** | **$0** | **$0** |


CITY OF GALVESTON
1839
TEXAS

# CAPITAL IMPROVEMENT PLAN

# City of Galveston

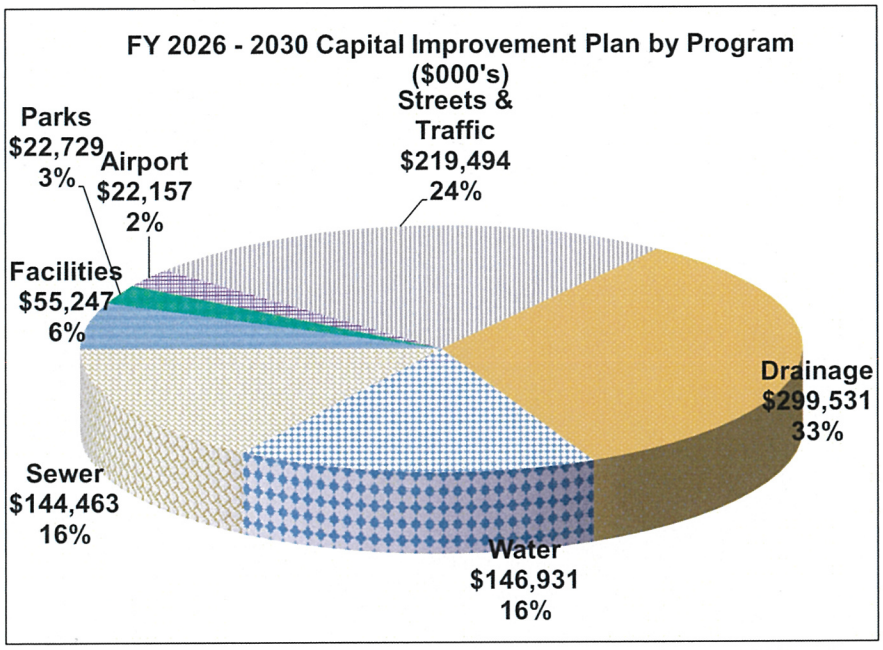
## OFFICE OF THE CITY MANAGER

PO Box 779| Galveston, TX 77553-0779
www.citymanager@galvestontx.gov |409-797-3520


August 14, 2025

To: Honorable Mayor Craig Brown and Members of City Council
Subject: Proposed FY 2026-2030 Capital Improvement Plan

Attached please find the Proposed FY 2026-2030 Capital Improvement Plan (CIP) for the City of Galveston. The CIP will also be included in summary form in the Proposed FY 2026 Budget. The CIP provides project level detail for $910.6 million in projects in seven program areas (see below) over the period of the five-year CIP. The Water ($146.9 million), Streets ($219.5 million), Sewer ($144.5 million) and Drainage ($299.5 million) programs include 89.0 percent of the projects in the Proposed CIP.

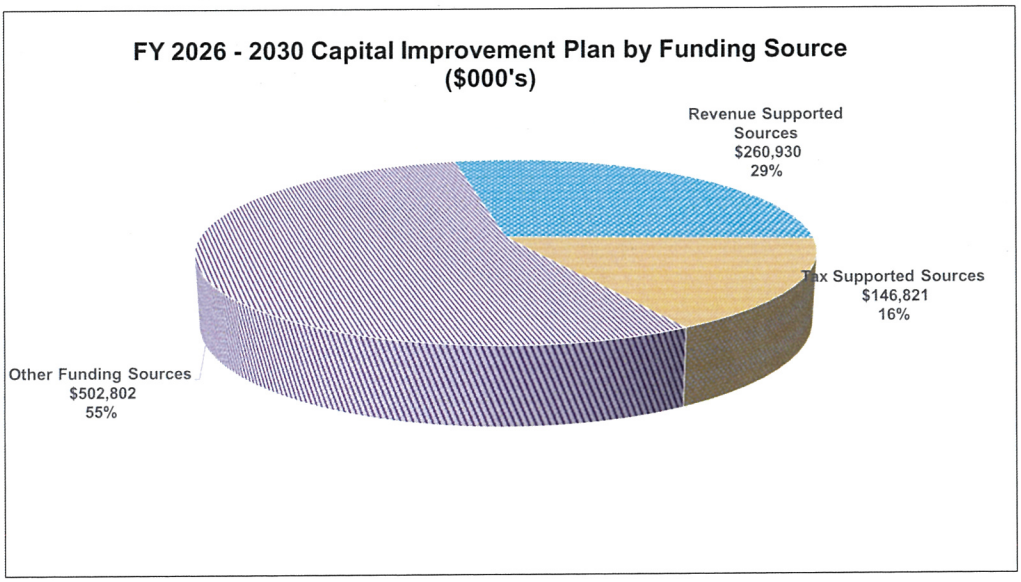



**CIP highlights include:**

1. Continued emphasis on drainage projects specifically related to stormwater pump systems. These projects rely heavily on federal and other grant funds because of the cost involved.
2. The City uses supplemental grants and/or GO bond financing to meet drainage and grant match requirements.
3. Continuing to repair streets prioritizing those that are in the most deteriorated condition based on the most recent street survey. The City will be submitting bond proposals to the

voters in November 2025 to fund additional street improvements and delineated in the CIP. The City continues to leverage the use of in-house crews and equipment in order to minimize costs and improve efficiency; and

4. Rehabilitation, renewal, and replacement programs for the aging sanitary sewer infrastructure citywide. These projects will continue to correct points of infiltration decreasing the burden on the sanitary sewer system plants and supporting infrastructure.




"Revenue supported sources" are related primarily to the enterprise funds and are limited to projects associated with the service that generates the revenue. Over 34.6 percent of this revenue is programmed for water and sewer infrastructure projects.

"Tax supported sources" include both property and sales tax related capital improvements. The City's goal is to dedicate the Industrial Development Sales Tax to projects benefiting the City, offsetting the property tax contribution to 65.4 percent of the projects in this category.

The "Other" Funding Source category is almost strictly federal or state grants, with the lion's share of the $502.8 million going to drainage projects. These proposed drainage projects are to be funded with major grants and contingent on significant amounts of cash match from the City that cannot be matched with existing cash on hand. Therefore, grants that can be used for matching purposes or proceeds from future bond sales will be required before these projects can proceed.

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**CITY OF GALVESTON**
**CAPITAL IMPROVEMENT PLAN**
**TOTALS BY SOURCE OF FUNDS**
**FY 2026 - 2030**

| FUNDING SOURCE | FY2026 | FY2027 | FY2028 | FY2029 | FY2030 | TOTAL |
|---|---|---|---|---|---|---|
| **TAX SUPPORTED FUNDS** | | | | | | |
| 2017 G.O. BONDS (PROPERTY TAX SUPPORTED) | 0 | 0 | 0 | 0 | 0 | 0 |
| 2019 G.O BONDS (PROPERTY TAX SUPPORTED) | 4,211,832 | 0 | 0 | 0 | 0 | 4,211,832 |
| **SUBTOTAL PROPERTY TAX SUPPORTED BONDS** | **$4,211,832** | **$0** | **$0** | **$0** | **$0** | **$4,211,832** |
| IDC - BEACH NOURISHMENT (SALES TAX) | 1,811,313 | 4,382,497 | 0 | 2,000,000 | 0 | 8,193,810 |
| IDC - ECONOMIC DEVELOPMENT (SALES TAX) | 16,165,796 | 1,600,000 | 1,250,000 | 850,000 | 0 | 19,865,796 |
| IDC - PARKS & RECREATION (SALES TAX) | 695,825 | 0 | 0 | 0 | 0 | 695,825 |
| IDC - INFRASTRUCTURE (SALES TAX) | 14,899,133 | 2,024,605 | 437,343 | 450,463 | 3,363,977 | 21,175,521 |
| IDC - CO 2022A | 907,860 | 0 | 0 | 0 | 0 | 907,860 |
| **SUBTOTAL SALES TAX SUPPORTED FUNDS (INDUSTRIAL DEVELOPMENT CORPORATION)** | **$34,479,927** | **$8,007,102** | **$1,687,343** | **$3,300,463** | **$3,363,977** | **$50,838,812** |
| INFRASTRUCTURE & DEBT SERVICE FUND | 8,184,137 | 4,553,386 | 4,367,953 | 3,557,812 | 3,572,969 | 24,236,257 |
| FUTURE TAX SUPPORTED BONDS | 21,250,000 | 8,750,000 | 0 | 30,000,000 | 7,533,750 | 67,533,750 |
| **SUBTOTAL CASH FUNDED SOURCES** | **$29,434,137** | **$13,303,386** | **$4,367,953** | **$33,557,812** | **$11,106,719** | **$91,770,007** |
| **TOTAL TAX SUPPORTED PROJECT FUNDING** | **$68,125,896** | **$21,310,488** | **$6,055,296** | **$36,858,275** | **$14,470,696** | **$146,820,651** |
| **REVENUE SUPPORTED FUNDS** | | | | | | |
| 2017 CERTIFICATES OF OBLIGATION WATER | 0 | 0 | 0 | 0 | 0 | 0 |
| 2019 CERTIFICATES OF OBLIGATION WATER | 2,361,895 | 0 | 0 | 0 | 0 | 2,361,895 |
| 2017 CERTIFICATES OF OBLIGATION SEWER | 0 | 0 | 0 | 0 | 0 | 0 |
| 2019 CERTIFICATES OF OBLIGATION SEWER | 1,534,994 | 0 | 0 | 0 | 0 | 1,534,994 |
| 2022 CERTIFICATES OF OBLIGATION WATER | 23,466,716 | 0 | 0 | 0 | 0 | 23,466,716 |
| 2022 CERTIFICATES OF OBLIGATION SEWER | 32,692,298 | 6,375,000 | 0 | 0 | 0 | 39,067,298 |
| FUTURE REVENUE SUPPORTED BONDS | 0 | 52,510,267 | 59,233,301 | 34,479,088 | 33,411,001 | 179,633,657 |
| **SUBTOTAL REVENUE SUPPORTED BONDS** | **$60,055,903** | **$58,885,267** | **$59,233,301** | **$34,479,088** | **$33,411,001** | **$246,064,560** |
| WATER IMPROVEMENT FUND | 900,000 | 900,000 | 900,000 | 900,000 | 900,000 | 4,500,000 |
| SEWER IMPROVEMENT FUND | 309,868 | 300,000 | 300,000 | 300,000 | 300,000 | 1,509,868 |
| DRAINAGE IMPROVEMENT FUND | 60,000 | 0 | 0 | 0 | 0 | 60,000 |
| AIRPORT IMPROVEMENT FUND | 970,264 | 600,000 | 0 | 300,000 | 0 | 1,870,264 |
| DRAINAGE OPERATING BUDGET | 0 | 175,000 | 1,950,000 | 2,400,000 | 2,400,000 | 6,925,000 |
| FUTURE CASH: PROPERTY SALES | 0 | 0 | 0 | 0 | 0 | 0 |
| **SUBTOTAL CASH FUNDED SOURCES** | **$2,240,132** | **$1,975,000** | **$3,150,000** | **$3,900,000** | **$3,600,000** | **$14,865,132** |
| **TOTAL REVENUE SUPPORTED FUNDS** | **$62,296,035** | **$60,860,267** | **$62,383,301** | **$38,379,088** | **$37,011,001** | **$260,929,692** |
| **OTHER FUNDING SOURCES** | | | | | | |
| FEMA | 39,579,268 | 0 | 1,279,875 | 0 | 6,658,875 | 47,518,018 |
| AMERICAN RESCUE PLAN | 1,745,661 | 0 | 0 | 0 | 0 | 1,745,661 |
| REVENUE PRODUCING PARK FUNDS | 79,175 | 0 | 0 | 0 | 0 | 79,175 |
| CDBG | 65,301,601 | 400,000 | 350,000 | 350,000 | 350,000 | 66,751,601 |
| TXDOT GRANTS | 12,186,419 | 5,400,000 | 0 | 2,700,000 | 3,421,942 | 23,708,361 |
| SEAWALL USER FEES | 907,600 | 0 | 0 | 0 | 855,485 | 1,763,085 |
| GALVESTON COUNTY | 3,850,000 | 9,550,000 | 0 | 0 | 0 | 13,400,000 |
| CONVENTION CENTER SURPLUS (HOTEL TAXES) | 0 | 0 | 0 | 0 | 0 | 0 |
| FUTURE GRANT - SS4A, RAISE, HGAC-TIP, UPWP | 27,439,220 | 29,739,148 | 10,009,739 | 59,633,005 | 109,286,500 | 236,107,612 |
| FUTURE FEDERALLY EARMARK | 20,000,000 | 0 | 0 | 0 | 0 | 20,000,000 |
| HISTORICAL PRESERVATION FUND | 156,402 | 0 | 0 | 0 | 0 | 156,402 |
| HISTORIC COMMISSION GRANT | 0 | 0 | 0 | 0 | 0 | 0 |
| GLO GRANT | 0 | 5,000,000 | 0 | 0 | 0 | 5,000,000 |
| TWDB DWSRF LSLR | 125,000 | 4,857,522 | 19,430,088 | 0 | 0 | 24,412,610 |
| FUTURE FUNDING | 2,000,000 | 2,194,215 | 40,454,371 | 3,954,335 | 13,556,375 | 62,159,296 |
| **TOTAL OTHER FUNDING SOURCES** | **$173,370,346** | **$57,140,885** | **$71,524,073** | **$66,637,340** | **$134,129,177** | **$502,801,821** |
| **GRAND TOTAL - ALL SOURCE OF FUNDS** | **$303,792,277** | **$139,311,640** | **$139,962,670** | **$141,874,703** | **$185,610,874** | **$910,552,164** |

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## CIP ADMINISTRATION

The CIP is required by City Charter to include all capital funds and projects for a five-year period. It is updated annually to show planned and actual allocations approved by City Council for each project phase, as well as the specific funding source or sources used for each phase. If funds are not appropriated for a contract to implement design, construction or another project phase, those funds must be reallocated in the subsequent year's budget according to the City Charter.

Project status reports are provided quarterly for each project included in the current fiscal year's Budget (the first year of the five-year CIP). Also, every project fund is reported quarterly to show cash balances, allocations of cash by City Council, as well as planned and/or committed uses of available cash. The project status and cash status reports for the quarter ending June 30, 2025, are included as Appendices to this CIP. The three quarterly reports are provided in the first, second and fourth quarter Budget Status reports published each fiscal year.

## CIP FINANCING PLAN: TAX SUPPORTED PROJECTS

### Tax-Supported Project Financing

The Proposed FY 2026-2030 CIP includes three major local funding sources for tax-supported projects totalling $146.8 million:

1. The remaining $4.2 million balance of the $62 million in GO bonds authorized by the voters in May 2017, will be assigned to fund contracts in FY 2026.
2. $50.8 million in sales tax revenue reserved for projects that are sponsored by and through the Industrial Development Corporation, including $0.9 million that is funded with sales tax supported Tax and Revenue Certificate of Obligations issued in 2022; and
3. $24.2 million from the Infrastructure and Debt Service Fund for construction.
4. Planned future obligations of $65.7 million in general obligation debt.

### General Obligation Bond Funding Assumptions

The General Debt Service Fund is the depository for property tax revenue collected to make all payments of principal and interest for purely property tax supported bonds. The Fund also occasionally includes Charter mandated transfers from the Infrastructure and Debt Service Fund to be used for tax supported debt service payments. The Infrastructure and Debt Service Fund amounts incorporated in the five-year CIP financing Plan below are based on estimating a

sufficient portion of each year's set aside to meet the goal of paying Debt Service for previous and planned GO bonds. In FY 2026, there is not a need for a Infrastructure and Debt Service Fund transfer to the Debt Service Fund due to a decrease in the annual debt service obligations. However, planned future bond sales may result in renewed transfers to fund new debt obligations.

**GENERAL DEBT SERVICE FUND FORECAST**

| | FY2025 | FY2026 | FY2027 | FY2028 | FY2029 | FY2030 |
|---|---|---|---|---|---|---|
| **REVENUE** | **Estimate** | **Base** | **Forecast** | **Forecast** | **Forecast** | **Forecast** |
| Property Taxes | $4,710 | $4,607 | $6,654 | $6,840 | $7,036 | $9,166 |
| Infrastructure & Debt Service Fund Transfer | $0 | $0 | $390 | $207 | $0 | $100 |
| Interest Income | $92 | $61 | $43 | $43 | $35 | $36 |
| **TOTAL REVENUE** | **$4,802** | **$4,668** | **$7,087** | **$7,090** | **$7,071** | **$9,302** |
| | | | | | | |
| **EXPENSE** | | | | | | |
| **Current Debt Service** | | | | | | |
| Principal | $2,513 | $2,624 | $2,747 | $2,885 | $2,923 | $3,062 |
| Interest | $2,165 | $2,048 | $1,927 | $1,790 | $1,645 | $1,499 |
| Paying Agent Fees | $5 | $5 | $5 | $5 | $5 | $5 |
| **Subtotal Current Debt Service** | **$4,683** | **$4,677** | **$4,679** | **$4,680** | **$4,573** | **$4,566** |
| | | | | | | |
| **Projected Future Bonds Debt Service** | | | | | | |
| Principal | $0 | $0 | $905 | $955 | $1,000 | $1,955 |
| Interest | $0 | $0 | $1,500 | $1,455 | $1,407 | $2,857 |
| **Subtotal Future Bonds Debt Service** | **$0** | **$0** | **$2,405** | **$2,410** | **$2,407** | **$4,812** |
| | | | | | | |
| **TOTAL EXPENSE** | **$4,683** | **$4,677** | **$7,084** | **$7,090** | **$6,980** | **$9,378** |
| **Revenue Over/(Under) Expense** | **$119** | **($9)** | **$3** | **($0)** | **$91** | **($76)** |
| **Beginning Fund Balance** | **$1,614** | **$1,733** | **$1,724** | **$1,727** | **$1,727** | **$1,817** |
| **Ending Fund Balance** | **$1,733** | **$1,724** | **$1,727** | **$1,727** | **$1,817** | **$1,742** |
| **Debt Service Tax Rate** | **$0.043066** | **$0.039349** | **$0.052685** | **$0.052685** | **$0.052685** | **$0.066685** |
| **Property Tax Revenue Growth** | **6.7%** | **11.0%** | **5.9%** | **6.0%** | **3.5%** | **3.4%** |

The projections shown here are based on simplifying assumptions from historical trends and the general rule of reasonableness:

1. The property tax rate dedicated to the payment of debt service is assumed to remain as close to or below $0.0525 per $100 of taxable value throughout the forecast period; potentially the future bond issues could result in a higher tax rate to support the annual obligation and still leave cash flow funding for in-house projects.
2. The property tax roll is assumed to increase at 11 percent annually. This includes approximately 1 percent in value growth for new construction each year combined with an additional 10 percent value growth based on appraisal caps;

3. Funds transferred from the Infrastructure and Debt Service Fund will make up the difference necessary to pay annual debt service and maintain the current fund balance;
4. The Debt Service Fund balance is used to identify the amount required from the Infrastructure and Debt Service Fund to ensure that the ending Debt Service Fund balance remains in the $1.7 million range; and
5. Based on this CIP, $60 million in new GO bonds would need to be approved by the voters and are shown as two similar-sized sales in FY 2026 and 2029. Depending on the timing of federal grants, one or both of these issues could be moved to an earlier election and issue date.

In the meantime, the five-year CIP and this financing plan will continue to be updated annually, allowing for adjustments that reflect economic circumstances and fiscal reality.

**CIP FINANCING PLAN: REVENUE SUPPORTED PROJECTS**

The Proposed CIP includes two major funding sources totalling $260.9 million for revenue supported water and sewer projects:

1. $246.1 million in revenue supported long-term water and sewer bonds that require City Council approval, including $179.6 million in new water and sewer debt and $66.4 million in balances left from the 2019 and 2022 Water and Sewer CO sales; and
2. $14.9 million in enterprise fund cash set aside for revenue supported projects.

The plan to finance necessary water and sewer system improvements is based on revenue collected from customers and applied to pay debt service on long-term bonds. On February 1, 2019, City Council approved a seven percent increase in water rates and held sewer rates at their current level. Since that time, the water loss mitigation program has identified several sources of additional water revenue that we are only beginning to tap. As a result of ARPA (American Rescue Plan Act) federal funding assistance available due to the COVID-19 pandemic, the City was able to allocate funding to a meter change-out project. This project provides for a total upgrade of all meters to new AMI (Advanced Metering Infrastructure) water meters that allow for digital and automated reading. This system provides other additional metrics for evaluating the functioning of the entire distribution system. Meter replacements have been completed and the City is evaluating related data to establish a new rate study in FY 2026.

# City of Galveston

## OFFICE OF THE CITY MANAGER

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The City's annual payment to the Gulf Coast Water Authority for contract bond debt service came to a temporary end with the retirement of the remaining debt in early FY 2022. This left $3 million which was allocated toward the new obligation stemming from the Water and Sewer CO sale which occurred in late 2022.

In every CIP since FY 2016, we have emphasized that rates would be reviewed annually and increases would be implemented only if absolutely necessary. A sewer rate increase was adopted in FY 2024 and accomplished the goal of stabilizing the Sewer Fund. Additional rate sufficiency evaluations will take place as a part of the Water and Sewer Masterplant to be completed in FY 2026.

As always, costs associated with the purchase of water through the GCWA result in a large externally controlled cost to the system. The City will continue to explore ways to ensure stability in its costs to best provide services to utility customers.

**Conclusion**

The Proposed FY 2026-2030 Capital Improvement Plan is comprehensive, including all major programs. It addresses the city's major needs in continuing the improvement of its infrastructure, and it is fully funded. We look forward to a successful year of making progress with this Capital Improvement Plan.

Sincerely,

Brian Maxwell
City Manager


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**City of Galveston**
**FY2026 – FY2035**
**Capital Improvement Plan**
**Streets & Traffic Program Overview**

The Streets & Traffic Program includes projects totaling approximately $140 million for various projects for the FY2026-2035 period, adding to the $63.3 million initiated in previous years. Streets identified for funding in the May 2017 bond election are completed or under construction to provide the results expected from the bond election.

The FY 2026-2035 street program is proposed to be funded with $50 million from the voter approved bonds, $4.7 million from the General Fund Infrastructure and Debt Service set aside, $8.5 million from sales tax revenue provided through the Industrial Development Corporation, $2.0 million from the Seawall Parking Fund, and $3.3 million from water and sewer revenue bonds to replace aged utility infrastructure along corresponding corridors.

In addition to the City funded projects, the City has entered into a partnership with Galveston County to provide pavement and infrastructure improvements for Avenue S from 53rd Street eastward to Seawall Boulevard, and 23rd Street from Broadway to Seawall, capitalizing on an $8.1 million contribution from the 2017 County bond election funds. Additionally, the City applied for three grants opportunities through TxDOT for a Pedestrian Safety project and Traffic Signal installation along Seawall Boulevard. If the City is awarded these competitive grants, TxDOT would contribute $3.9M to the City's Capital Improvement Fund for these three projects and an additional $1.6M to future grant projects. The City has identified several additional grant funding sources such as the Highway Safety Improvement Program (HSIP), Safe Roads for All (SR4A), RAISE, Huston-Galveston Area Council Transportation Improvement Program (HGAC-TIP), and the Unified Planning Work Program (UPWP) to name a few and will be seeking approximately $69 million in grant funding for projects identified in the CIP.

The City completed an updated Streets Assessment in 2023 to obtain data and evaluate the current condition of all roadway pavements within the City's network and develop a new priority list of streets in need of repair or reconstruction. The City has conducted previous Streets Assessment in 2019, 2017 and 2012. The results from the 2019 Streets Assessment had been the basis of the in-house mill & overlay crew's work efforts through the completion of the current study. The 2023 Streets Assessment introduced the concept of implementing additional pavement preservation techniques into the City's Street maintenance program to enhance the program and offer a more cost-effective asset management program. The on-going street assessment process has utilized the same scoring system for all city streets, with better data analyzation occurring as technological advancements in the industry have progressed based on the following rating scale:

| Rating | Assessment |
|---|---|
| 86-100 | Good |
| 71-85 | Satisfactory |
| 56-70 | Fair |
| 41-55 | Poor |
| 26-40 | Very Poor |
| 11-25 | Serious |
| 0-10 | Failed |

This information has been used as the basis for the adopted CIP starting in FY2016 and continuing in the FY2026-2035 Streets CIP plan. The streets identified as most in need of repair or replacement made up the Street list used to support the public improvement bond proposition approved by the voters in May 2017. A two-year street improvement plan was approved by the City Council in 2023 that laid out the street priorities for the upcoming two fiscal years. The City intends to conduct an updated pavement condition analysis during the second year of the maintenance program to develop the next list of street priorities based on physical observation, machine learning analysis, customer feedback, drivability, and the performance of the roadway system utilizing the pavement preservation treatments recommended by the 2023 Streets Assessment.

The objective of the Streets program is to correct all streets scoring below 70 (ranging from “Failed” to “Fair”). The initial effort was aimed at those streets without significant base failures or associated underground utility issues. Based on the 2023 assessment and repair records, City staff is continually evaluating and prioritizing projects requiring both surface reconstruction and utility replacement.

Street projects are being accomplished utilizing a combination of City crews and outside contractors. City crews have been performing work associated with milling and laying hot-mix asphaltic concrete (HMAC) utilizing existing equipment on existing HMAC surfaced streets. Crews have also been placing HMAC overlays as needed on existing concrete streets in order to extend the service life of these roadways.

Outside contractors are being utilized for total reconstruction projects since these projects include ADA improvements, landscaping, water, sewer, and drainage improvements, in addition to the street repaving and in FY2025 the City is undertaking its first microsurfacing seal project on city streets. In FY 2026, these projects included:

1. 25th Street from Broadway to Seawall **– complete;**
2. 27th Street corridor project, **Phase II and Phase III – complete;**
3. 16th Street from Broadway to Avenue N ½ **– Included in the 14th Street Stormwater Pump Station Project;**
4. 35th Street from Post Office to Broadway – **complete;**
5. Church Street from 37th to 33rd **– complete;**
6. 29th Street from Church to Harborside **– complete;**
7. Downtown Streetscape Improvements **– complete;**
8. 49th Street from Avenue P to Avenue S ½ - **complete;**

9. 37th Street from Broadway to Seawall – **complete.**
10. 23rd Street from Broadway to Seawall – **County Bond Project – complete;**
11. Teichman Road from Blume to West End – **complete;**
12. Avenue S from 53rd Street o Seawall – **County Bond Project – complete;**
13. Downtown Livable Communities Pedestrian and Transit Improvements – **complete;**
14. Downtown Livable Communities Pedestrian and Transit Improvements (including rail switch repairs) **– Planning Stage;**
15. Broadway Mill and Overlay **– complete;**
16. FY2024 Pavement Preservation **– complete; and**
17. FY2025 Pavement Preservation **– advertised for bidding;**
18. FY2026 GO Bond Issuance: Pavement Restoration Package **– Planning Stage;**
19. Stewart Road Mill & Overlay: 7.5 Mile Road to 13 Mile Road/FM3005 **– Planning Stage;**
20. **Galveston Rapid Evacuation** and Transportation (the "GREAT") System – Intelligent Traffic Signal System **– Planning Stage;** Seawall Blvd.: Traffic Singal Installation @ 75th and 89th Streets **– 75th Street (Permitting Phase) and 89th Street (complete);**
21. Seawall Blvd.: Pedestrian Crossing Improvements @ 33rd Street **– Permitting Phase;**
22. 10 Mile Road Guardrail & Safety Improvements **– Design Phase;**
23. Avenues O & P: 53ed to Seawall Corridor Safety Improvements **– Planning Stage;**
24. City of Galveston Island Wide Action Safety Plan **– complete;**
25. Seawall Boulevard Mill & Overlay **– Planning Stage**

**CITY OF GALVESTON**
**CAPITAL IMPROVEMENT PLAN**
**EXHIBIT B**
**STREETS & TRAFFIC PROGRAM**
**BUDGET SUMMARY BY FISCAL YEAR**
**FY2026 - FY2030**
**(Page 1 of 8)**

| PROJECT NO. | PROJECT NAME | 2026 | 2027 | 2028 | 2029 | 2030 | TOTAL |
|---|---|---|---|---|---|---|---|
| IHST18-26 | Streets Mill & Overlay Rehabilitation | 3,257,573 | 2,760,725 | 3,263,939 | 2,817,218 | 2,820,563 | 14,920,018 |
| IDCSCC | Sidewalk and Concrete Crew | 412,238 | 424,605 | 437,343 | 450,463 | 463,977 | 2,188,626 |
| IDCDOW | Downtown Streetscape Improvements (Livable Communities Initaiative) | 18,517,402 | 1,600,000 | - | - | - | 20,117,402 |
| STCONT | Street Program Reserves | 500,000 | 500,000 | 500,000 | 500,000 | 500,000 | 2,500,000 |
| STPMC | Engineering/Project Management | 264,698 | 269,992 | 275,392 | 280,900 | 286,518 | 1,377,500 |
| ST2201 | Seawall Blvd: Pedestrian Safety Improvements 61st to 103rd | - | - | - | - | 2,000,000 | 2,000,000 |
| ST2202 | Seawall Blvd: Pedestrian Safety Improvements 12th to 61st | - | - | - | - | 2,277,427 | 2,277,427 |
| TR2102 | Traffic Signal Cabinet/Controller Upgrades | 291,832 | 297,669 | 303,622 | 309,694 | 315,888 | 1,518,705 |
| TR2103 | Seawall Blvd: Traffic Signal Installation @ 75th and 89th Streets | 445,000 | - | - | - | - | 445,000 |
| ST2301 | Stewart Road - 61st to 75th Streets: Corridor Improvements | 500,000 | - | 1,000,000 | 850,000 | 46,075,000 | 48,425,000 |
| ST2302 | Avenues O & P: 53rd to Seawall Corridor Safety Improvements | 500,000 | - | 1,500,000 | - | 33,735,000 | 35,735,000 |
| TR2301 | Seawall Blvd.: Pedestrian Crossing Improvements 33rd St | 420,000 | - | - | - | - | 420,000 |
| ST2303 | Bicycle Infrastructure Improvements | 286,418 | - | - | - | - | 286,418 |
| ST2401 | City of Galveston Island Wide Action Safety Plan | - | - | - | - | - | - |
| TR2501 | Harborside Railroad Crossing: Advanced Notification | 105,000 | - | - | - | - | 105,000 |
| ST2501 | Seawall Blvd. Mill & Overlay | 450,000 | 9,550,000 | - | - | - | 10,000,000 |
| TR2502 | Harborside Drive: Trafic Signal Improvements - 33rd & 16th Streets | 1,065,000 | - | - | - | - | 1,065,000 |
| ST2502 | Seawall Blvd. Multi-Modal Path & Transit Station Study | 213,000 | - | - | - | - | 213,000 |
| ST2503 | Traffic Management System & Field Interconnectivity | 2,000,000 | 16,000,000 | - | - | - | 18,000,000 |
| ST2602 | 10 Mile Road Guardrail & Safety Improvements | 400,000 | - | - | - | - | 400,000 |
| ST2603 | Stewart Road Mill & Overlay | 6,500,000 | - | - | - | - | 6,500,000 |
| ST2604 | FY26 GO Bond Issuance: Pavement Restoration Package | 20,000,000 | - | - | 30,000,000 | - | 50,000,000 |
| ST2606 | Roadway Safety - Systemic Countermeasure Improvements | 1,000,000 | - | - | - | - | 1,000,000 |
| | **Total $'s by Year** | **$ 57,128,161** | **$ 31,402,991** | **$ 7,280,296** | **$ 35,208,275** | **$ 88,474,373** | **$ 219,494,096** |

| FUND NO. | FUNDING SOURCE | 2026 | 2027 | 2028 | 2029 | 2030 | TOTAL |
|---|---|---|---|---|---|---|---|
| 3199 | Infrastructure & Debt Service | 4,119,103 | 3,428,386 | 4,367,953 | 3,557,812 | 3,572,969 | 19,046,223 |
| 1095 | Seawall User Fee | 907,600 | - | - | - | 855,485 | 1,763,085 |
| 3191 | IDC - Economic Development | - | - | 250,000 | 850,000 | - | 1,100,000 |
| 3193 | IDC - Infrastructure | 412,238 | 2,024,605 | 437,343 | 450,463 | 1,363,977 | 4,688,626 |
| Future | TXDOT Funding | - | - | - | - | 3,421,942 | 3,421,942 |
| Future | Galveston County | 3,850,000 | 9,550,000 | - | - | - | 13,400,000 |
| | CDBG | 400,000 | 400,000 | 350,000 | 350,000 | 350,000 | 1,850,000 |
| Future | Tax Supported Bonds | 20,000,000 | - | - | 30,000,000 | 7,533,750 | 57,533,750 |
| Future | Revenue Supported Bonds | - | - | - | - | 1,500,000 | 1,500,000 |
| Future | Grant - SS4A, RAISE, HGAC-TIP, UPWP | 27,439,220 | 16,000,000 | 1,875,000 | - | 69,876,250 | 115,190,470 |
| | **Total $'s by Year** | **$ 57,128,161** | **$ 31,402,991** | **$ 7,280,296** | **$ 35,208,275** | **$ 88,474,373** | **$ 219,494,096** |

**City of Galveston**
**FY2026– FY2035**
**Capital Improvement Plan**
**Drainage Program**

The Drainage Program will involve constructing new facilities to increase capacity and repairing existing systems, with almost $536 Million in projects scheduled for the FY2026-2035 period. This money is in addition to the $45 Million that has already been invested in Drainage infrastructure since the $62 Million 2017 bond election. Since that election, the city has leveraged those voter-approved dollars to secure almost $100 Million of additional grant money for drainage infrastructure, and staff is actively gearing up for additional funding opportunities on the horizon to plug the hole between the need and currently available funds.

City crews will continue to advance the ditch re-grading program to improve the roadside ditches that span the more rural areas of the Galveston community situated at the West End. The Texas Department of Transportation (TxDOT) has completed their planned improvements along FM 3005 and Broadway.

In addition to the City and Grant Agency funded projects, we will be partnering to utilize the 2017 County bond election funds for drainage improvements along Avenue S, from 53rd Street eastward to Seawall Boulevard, and 23rd Street from Broadway to Seawall. Construction of these two projects is complete.

We will also be continuing a program to remove the sediment and debris from the existing below ground drainage infrastructure which includes open channels, pipes and box culverts.

Future improvements to existing systems include:

1. Improving the 15th Street Drainage Area from the Ship Channel to Seawall in conjunction with Stormwater Pump Stations to address high tidal events. The city has been awarded the first phase of the Federal Emergency Management Agency (FEMA) Hazard Mitigation Grant Program (HMGP) funding to provide for the design of the drainage pump station on 15th Street to rapidly remove storm water from rain events at high flow even during most tidal events. FEMA has approved the design, and the plans are currently being updated to address field changes resulting from the prolonged FEMA review period. This project will be advertised for bidding following receipt of the bids for the South Shore Drainage Project during the fourth quarter of the 2025 calendar year with construction of this project anticipated to begin by the end of the second quarter of the 2026 calendar year. Construction of this project is anticipated to be for a period of 2 years.
2. The city has completed the design phase of storm drain improvements in the Saladia and 59th Street Drainage Basins in conjunction with the construction of a new $55M Stormwater Pump Station on South Shore Drive. The city has been awarded a Community Development Block Grant Mitigation (CDBG-MIT) Grant through the Texas Department of Emergency Management (TDEM). The project

has been awarded and utilities along the corridor are being cleared with construction anticipate to begin the third quarter of the 2025 calendar year. Construction of this project is anticipated to be for a period of 2 years.

3. The city is currently planning a pilot project, the Drainage Improvement Program, to begin implementing small scale drainage projects recommended in the City's recent Stormwater Master Plan to utilize in-house crews to implement these low level of service drainage improvements including the replacement of inlets, undersized laterals, and conversion of bridge blocks to trench drains. The DIP project is ongoing.
4. The city is currently in the engineering design phase of a drainage improvement project addressing ongoing flooding concerns in the Karankawa Beach and Gulf Palms Subdivisions located to the south of FM3005 at 16 Mile Road.
5. Recently completed construction in the drainage area centered on 18th Street including:
    a. replacing the failing storm main in 18th Street from Market Street to the Galveston Ship Channel,
    b. cross connecting the entire drainage area into a single large box culvert for storm water conveyance to the Galveston Bay along 18th Street,
    c. replacing the existing outfall at the ship channel and installing new sluice gates to minimize tidal backflow into the storm drain system, and
    d. performing storm water modeling to evaluate the feasibility of a mechanical pumping system to increase the drainage capacity during most high tidal events to provide a basis for advancement of this viable approach City-wide
6. Recently completed construction along Church Street from 33rd to 37th Street in conjunction with 35th Street drainage improvements from Post Office (Avenue E) to Broadway. These projects have been completed.
7. Replacing inlets and undersized laterals in conjunction with street improvement projects.

In addition, the city is currently working with a consultant to finalize a new island wide Stormwater Master Plan (SMP) to research alternate green infrastructure technologies and recommend drainage improvements to be presented to the voters at a bond election in 2028. This project also includes an analysis of the City's existing Stormwater User Fee and a recommendation for establishing a new rate.

The City is continuing to pursue additional FEMA HMGP, CDBG-MIT program and other Federal Grants stemming from the Build Back Better Act and the Bipartisan Infrastructure Law for additional drainage improvement projects for the area of Broadway between 51st and 43rd Streets, the English Bayou Pump Station, the 37th Street Drainage Basin, the 33rd Street Drainage Basin, the 18th and 20th Street Drainage Basins (downtown), the Pirates Beach Subdivision (East) Drainage Basin, the Teichman Road Subdivision Drainage Basin, Terramar Beach Subdivision Drainage Basin, the Bay Harbor Subdivision Drainage Basin, and a new drainage rate study.

**CITY OF GALVESTON**
**CAPITAL IMPROVEMENT PLAN**
**EXHIBIT B**
**DRAINAGE PROGRAM**
**BUDGET SUMMARY BY FISCAL YEAR**
**FY2026 - FY2030**
**(Page 2 of 8)**

| PROJECT NO. | PROJECT NAME | 2026 | 2027 | 2028 | 2029 | 2030 | TOTAL |
|---|---|---|---|---|---|---|---|
| D1901 | 14th Street Stormwater Pump Station | 48,421,368 | - | - | 385,000 | 385,000 | 49,191,368 |
| D2101 | South Shore Drive Stormwater Pump Station | 69,530,322 | - | 700,000 | 700,000 | 700,000 | 71,630,322 |
| D2503 | 37th Street Stormwater Pump Station | - | 7,174,000 | - | 47,770,000 | 52,547,000 | 107,491,000 |
| D2201 | Stormwater Modelling Software | 60,000 | - | - | - | - | 60,000 |
| IDCDIP | IDC Drainage Improvement Pilot | 2,133,031 | - | - | - | - | 2,133,031 |
| D2501 | Karankawa Beach & Gulf Palms Drainage Improvements | - | 6,343,000 | - | 65,000 | 65,000 | 6,473,000 |
| D2502 | 18th Street Stormwater Pump Station | - | - | - | - | - | - |
| D2601 | 36th & 38th Street Drainage Improvement Project | - | 2,576,860 | - | 15,817,340 | - | 18,394,200 |
| D2602 | 37th Pump Station and Drainage Improvement Project | - | - | 9,110,985 | - | - | 9,110,985 |
| D2603 | 53rd Street Drainage Improvement Project | - | - | 1,706,500 | - | 9,078,500 | 10,785,000 |
| D2604 | English Bayou Stormwater Pump Station & Drainage Improvement Project | - | - | - | - | - | - |
| D2605 | 33rd Street Drainage Improvement Project | - | - | - | - | - | - |
| D2606 | Pirates Beach Subdivision (East) Drainage Improvement Project | - | - | - | - | - | - |
| D2607 | Teichman Road Subdivision Drainage Improvement Project | - | 272,000 | 2,051,500 | - | - | 2,323,500 |
| D2608 | Terramar Beach Subdivision Drainage Improvement Project | - | - | 748,000 | 5,460,400 | - | 6,208,400 |
| D2609 | Bay Harbor Subdivision Drainage Improvement Project | - | - | 1,653,300 | 10,151,900 | - | 11,805,200 |
| D2610 | Drainage Division - Capital Equipment Fund | - | - | 1,250,000 | 1,250,000 | 1,250,000 | 3,750,000 |
| D2611 | Drainage Rate Study | - | 175,000 | - | - | - | 175,000 |
| | **Total $'s by Year** | **$ 120,144,721** | **$ 16,540,860** | **$ 17,220,285** | **$ 81,599,640** | **$ 64,025,500** | **$ 299,531,006** |

| FUND NO. | FUNDING SOURCE | 2026 | 2027 | 2028 | 2029 | 2030 | TOTAL |
|---|---|---|---|---|---|---|---|
| 3199 | Infrastructure & Debt Service | 27 | - | - | - | - | 27 |
| 44102 | Drainage Improvement | 60,000 | - | - | - | - | 60,000 |
| 40119 | 2019 CO's Water | 2,074,000 | - | - | - | - | 2,074,000 |
| 42119 | 2019 CO's Sewer | 987,685 | - | - | - | - | 987,685 |
| 3219 | 2019 GO | 4,211,832 | - | - | - | - | 4,211,832 |
| 3190 | IDC - Beach Nourishment | - | 382,497 | - | - | - | 382,497 |
| 3191 | IDC - Economic Development | 9,530,796 | 1,600,000 | 1,000,000 | - | - | 12,130,796 |
| 3193 | IDC- Infrastructure | 12,886,895 | - | - | - | 2,000,000 | 14,886,895 |
| FEMA | FEMA Funding | 39,228,210 | - | 1,279,875 | - | 6,658,875 | 47,166,960 |
| Future | CDBG-MIT | 49,165,276 | - | - | - | - | 49,165,276 |
| Future | Revenue Supported Bonds | - | - | 2,401,300 | 15,612,300 | - | 18,013,600 |
| Future | Future Bonds | 2,000,000 | 644,215 | 2,454,371 | 3,954,335 | 13,556,375 | 22,609,296 |
| Future | Grants | - | 13,739,148 | 8,134,739 | 59,633,005 | 39,410,250 | 120,917,142 |
| 4410 | Drainage Operating Budget | - | 175,000 | 1,950,000 | 2,400,000 | 2,400,000 | 6,925,000 |
| | **Total $'s by Year** | **$ 120,144,721** | **$ 16,540,860** | **$ 17,220,285** | **$ 81,599,640** | **$ 64,025,500** | **$ 299,531,006** |


CITY OF GALVESTON
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**City of Galveston**
**FY2026 – FY2035**
**Capital Improvement Plan**
**Water Program**

The Water Program includes projects totaling approximately $167 million in projects intended to improve the quality and quantity of drinking water provided to the citizens of Galveston. This includes rehabilitating existing infrastructure and constructing new facilities to increase capacity and stabilize pressure throughout the island. A total of $16.3 million in grant funding will be utilized to implement the Sustainable Interactive Customer Connections (SICC) initiative, and install a new dynamic metering network, which includes 100% replacement of water meters throughout the City of Galveston. $32.5 million of CO Bond Funding. $20 million in federal earmarks. $15.7 million in CDBG-MIT funding. $42.6 million in future CO Bond Funding. A total of $40.2 million in projects have already been initiated to improve the water system with the rehabilitation of the 10 Mile Road elevated storage tank, rehabilitation of the UTMB elevated storage tank, Airport Pump Station phase 2, and the reconstruction of a water tank at 59$^{th}$ Street Pump Station, all aimed at stabilizing pressure, and increasing water storage.

Rehabilitation and replacement projects for the FY2026–2035 period includes:

1. Replacing the original 1894 waterline with a new supply main on the causeway.
2. Continued Implementation of the new EPA Lead and Copper rule requirements.
3. Continued implementation of the EPA Lead and Copper Rule to ensure drinking water safety and regulatory compliance.
4. Replacement of aging water valves and critical sections of the island's primary water supply infrastructure through the Water Valve Replacement Program.
5. Execution of the comprehensive Water Master Plan and associated capacity modeling to guide systemwide improvements.
6. Completion of waterline offsets along 20th & 23rd Streets.
7. Replacement of substandard fire hydrants citywide under the Fire Hydrant Replacement Program, aligned with AWWA color-coded flow standards.
8. Upgrades at the Airport Pump Station, including pump replacement and Ground Storage Tank #1 rehabilitation.
9. Rehabilitation of the aging 10 Mile Road Elevated Storage Tank.
10. Demolition and replacement of GSTs #3 and #4 at the 59th Street Pump Station.
11. Demolition and replacement of GSTs #5 and #6 at the 30th Street Pump Station.
12. Installation of a new 30-inch transmission main from the Airport Pump Station to Stewart Road to improve distribution capacity.
13. Development of a new Ground Storage Tank and Pump Station at the Isla Del Sol site, including rehabilitation of the existing EST.
14. Construction of a new Ground Storage Tank and Pumping Improvements at the Jamaica Beach facility, including rehabilitation of the existing EST and construction of a new 1.5MG GST.
15. Development of a new 2.0MG Elevated Storage Tank at the East End of the island to meet long-term demand.

16. Implementation of a Unidirectional Flushing (UDF) Program to enhance system cleanliness and improve residual chlorine levels.
17. Implementation of an Annual Waterline Looping Program to eliminate dead ends and promote improved water circulation.
18. Completion of the Alta Loma Well Field Study, followed by rehabilitation of well sites to recover and expand available groundwater supply.
19. Decommissioning of the obsolete White Sands Elevated Storage Tank to reduce maintenance burden.
20. Replacement of valves and piping at the Airport Pump Station to improve operational reliability.
21. Upgrades to the GCWA Shannon Pump Station and related system improvements along SH 3 and FM 517.
22. Design and installation of water supply enhancements serving UTMB and Airport Water Storage facilities.
23. Execution of the Causeway Waterline Shared Maintenance Program for long-term resilience and coordination with regional partners.
24. Development of an Alternate Water Source for the island to reduce dependency on mainland supply and improve climate resilience.
25. Five-year update to the City's AWIA Risk & Resilience Assessment (RRA) and Emergency Response Plan (ERP) in compliance with EPA requirements.

Future projects may include waterline replacements and/or upgrades, the implementation of a waterline looping program to enhance water quality, and the development of a new water supply source for the residents of Galveston Island. These projects will provide greater capacity and pressure to the throughout the island and the area located along the route of the new line.

**CITY OF GALVESTON**
**CAPITAL IMPROVEMENT PLAN**
**EXHIBIT B**
**WATERWORKS PROGRAM**
**BUDGET SUMMARY BY FISCAL YEAR**
**FY2026 - FY2030**
**(Page 3 of 8)**

| PROJECT NO. | PROJECT NAME | 2026 | 2027 | 2028 | 2029 | 2030 | TOTAL |
|---|---|---|---|---|---|---|---|
| WRENEW | Renewal and Replacement Program | 300,000 | 300,000 | 300,000 | 300,000 | 300,000 | 1,500,000 |
| W1605 | 30 Inch Water Line Causeway | 19,202,911 | - | - | - | - | 19,202,911 |
| W2309 | 59th Street Pump Station Water Storage Tank | 19,431,044 | - | - | - | - | 19,431,044 |
| W1618 | Water System Improvements and Water Valve Replacement Program | 300,000 | 300,000 | 300,000 | 300,000 | 300,000 | 1,500,000 |
| W1601 | 10 Mile Road Elevated Storage Tank Rehabilitation | 3,031,561 | - | - | - | - | 3,031,561 |
| FD-132 | Fire Hydrant Replacement Program | 300,000 | 300,000 | 300,000 | 300,000 | 300,000 | 1,500,000 |
| W2202 | EPA Lead and Copper | 125,000 | 4,857,522 | 19,430,088 | 500,000 | 500,000 | 25,412,610 |
| WPMC | Project Management Costs | 500,000 | 500,000 | 500,000 | 500,000 | 500,000 | 2,500,000 |
| W2304 | Causeway Waterline Shared Maintenance Program | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 | 5,000,000 |
| W2306 | GCWA: Water System Modifications along FM517 | - | - | 10,050,000 | - | - | 10,050,000 |
| W2307 | UTMB Water Storage Tank | 1,819,149 | - | - | - | - | 1,819,149 |
| W2308 | Airport Water Storage Tank | - | - | - | - | - | - |
| W2401 | IH45 & 61st Street Flyover Water Improvements | 1,000,000 | - | - | - | - | 1,000,000 |
| W2501 | Isla Del Sol Pump Station & 0.5MG GST | 5,691,230 | - | - | - | - | 5,691,230 |
| W2502 | Jamaica Beach 1.5MG GST | - | - | - | - | - | - |
| W2503 | Decommissioning of White Sands Elevated Strorage Tank | - | - | - | 232,000 | - | 232,000 |
| W2505 | Airport Pump Station Piping & Valve Improvements | - | - | - | 122,000 | 667,000 | 789,000 |
| W2506 | Unidirectional Flushing (UDF) Program | - | - | - | 1,007,000 | - | 1,007,000 |
| W2507 | East Beach 2.5MG Elevated Storage Tank | 5,653,000 | 29,764,000 | - | - | - | 35,417,000 |
| W2508 | 30th Street Pump Station: Replacement of GST #3 & #4 | - | - | - | - | 4,858,000 | 4,858,000 |
| W2509 | Airport Pump Station: Pump Replacement | - | - | - | 351,000 | 1,976,000 | 2,327,000 |
| W2510 | Jamaica Beach EST: Rehabilitation | - | - | - | - | - | - |
| W2511 | Isla Del Sol EST: Rehabilitation | - | - | - | - | - | - |
| W2512 | Annual Waterline Looping Program | - | 300,000 | 300,000 | 300,000 | 300,000 | 1,200,000 |
| W2301 | Alternative Water Source Development | 1 | 1 | 1 | 1 | 1 | 5 |
| W2601 | Water Master Plan Update | - | - | - | - | - | - |
| W2602 | Spanish Grant Subdivision (Bayside): Fire Flow Improvements | - | - | - | - | - | - |
| W2603 | 30th Street Pump Station: Replacement of GSTs 5 & 6 | - | - | - | - | - | - |
| W2604 | Municipal Utilities - Water Supply: Capital Equipment Fund | 175,000 | 200,000 | 200,000 | 200,000 | 200,000 | 975,000 |
| W2613 | AWIA RRA & ERP Update | 150,000 | - | - | - | - | 150,000 |
| W2513 | Alta Loma Well Field Study | 337,040 | - | - | - | - | 337,040 |
| W2614 | Alta Loma Well Field - Well Rehabilitation Improvements | 2,000,000 | - | - | - | - | 2,000,000 |
| | **Total $'s by Year** | **$ 61,015,936** | **$ 37,521,523** | **$ 32,380,089** | **$ 5,112,001** | **$ 10,901,001** | **$ 146,930,550** |

| FUND NO. | FUNDING SOURCE | 2026 | 2027 | 2028 | 2029 | 2030 | TOTAL |
|---|---|---|---|---|---|---|---|
| 40102 | Waterworks Improvement | 900,000 | 900,000 | 900,000 | 900,000 | 900,000 | 4,500,000 |
| 40119 | 2019 CO's Water | 287,895 | - | - | - | - | 287,895 |
| 40122 | 2022 CO's Water | 23,466,716 | - | - | - | - | 23,466,716 |
| 42122 | 2022 CO's Sewer | 500,000 | - | - | - | - | 500,000 |
| Future | CDBG-MIT | 15,736,325 | - | - | - | - | 15,736,325 |
| Future | Federally Earmark | 20,000,000 | - | - | - | - | 20,000,000 |

**CITY OF GALVESTON**
**CAPITAL IMPROVEMENT PLAN**
**EXHIBIT B**
**WATERWORKS PROGRAM**
**BUDGET SUMMARY BY FISCAL YEAR**
**FY2026 - FY2030**
**(Page 3 of 8)**

| PROJECT NO. | PROJECT NAME | 2026 | 2027 | 2028 | 2029 | 2030 | TOTAL |
|---|---|---|---|---|---|---|---|
| Future | TWDB DWSRF LSLR | 125,000 | 4,857,522 | 19,430,088 | - | - | 24,412,610 |
| Future | Revenue Supported Bonds | - | 31,764,001 | 12,050,001 | 4,212,001 | 10,001,001 | 58,027,004 |
| | **Total $'s by Year** | **$ 61,015,936** | **$ 37,521,523** | **$ 32,380,089** | **$ 5,112,001** | **$ 10,901,001** | **$ 146,930,550** |

**City of Galveston**
**FY2026 – FY2035**
**Capital Improvement Plan**
**Sewer Program**

The Sewer Program includes approximately $124 million in projects that will improve existing system infrastructure, reduce inflow & infiltration (I & I), improve capacity and modernize wastewater treatment plants across the island.

The Capital Improvement Plan (CIP) includes the rebuilding of the Pirates Beach water reclamation plant, rebuilding ten fully designed lift stations, and the continued installation of Supervisory Control and Data Acquisition (SCADA) at lift stations. The plan also includes aggressive manhole and mainline rehabilitation projects using trenchless technologies, which is primarily aimed at reducing water I&I, regaining capacity, enhancing system resiliency, and ultimately ensuring compliance with state regulations.

Included in the CIP is the ongoing effort of renewing existing sanitary sewer aging infrastructure. This includes:

1. Upgrading lift stations across the city to improve resiliency and capacity, including pump and electrical improvements, firm capacity expansions at Lift Stations 1, 21, 47, and targeted improvements at Lift Stations #15, #20, #33, #36, #40, #52, #56, #57, and #58.
2. Completion of the reconstruction of the Pirates Beach Wastewater Treatment Plant and Lift Station #35 to modernize aging infrastructure and improve operational performance.
3. Replacement of the existing belt filter press pumps and solids handling equipment at the Main WWTP, including upgrades to the sludge holding tank and dewatering building.
4. Completion of a comprehensive Sanitary Sewer Master Plan and associated system capacity model to guide rehabilitation and expansion efforts.
5. Reduction of inflow and infiltration (I&I) through trenchless rehabilitation methods under the Sanitary Sewer Repair and Rehabilitation Program and SSES Program, including force mains, manholes, and gravity lines.
6. Sewer line replacements and improvements coordinated with major roadway work, including Ferry & 1st, Harborside (25th to 29th), and Stewart Road (10 Mile Road to 8 Mile Road).
7. Installation of a modern SCADA system at key wastewater treatment lift station sites to improve monitoring and control of assets.
8. Design and construction upgrades at the Terramar Wastewater Treatment Plant, including a rerating study, condition-driven improvements, and capacity expansion.
9. Design and construction of a new wastewater treatment package plant at Seawolf Park on Pelican Island to support future growth and environmental resilience.
10. Replacement of the grit dewatering system and blower equipment (Phase I) at the Main WWTP and primary treatment rehabilitation.

11. Conceptual design and condition-driven improvements for the Main WWTP to meet future regulatory and operational needs.
12. Completion of the Airport WWTP rerating study, permitting, wet weather capacity expansion, and condition-driven upgrades.
13. Implementation of the Lift Station Retrofit Program for aging or under-capacity pump stations.
14. Replacement of the upstream 42-inch gravity line feeding Lift Station 1 to improve conveyance reliability.
15. Ongoing project administration and oversight to ensure schedule, budget, and quality control are maintained.
16. Update of the Wastewater Master Plan and integration of its recommendations into capital improvement scheduling.
17. Continued execution of the Renewal and Replacement Program to modernize critical wastewater infrastructure.
18. Execution of the FY29 Wastewater Rate Study to evaluate cost recovery and inform long-term capital investment.

Future projects will include improving the City's ability to provide sanitary sewer to the east end, upgrading the Digester and Grit System at the Main WWTP, and strengthening engineering specifications and design requirements that will be applied to all internal and external sanitary sewer construction.

**CITY OF GALVESTON**
**CAPITAL IMPROVEMENT PLAN**
**EXHIBIT B**
**SEWER PROGRAM**
**BUDGET SUMMARY BY FISCAL YEAR**
**FY2026 - FY2030**
**(Page 4 of 8)**

| PROJECT NO. | PROJECT NAME | 2026 | 2027 | 2028 | 2029 | 2030 | TOTAL |
|---|---|---|---|---|---|---|---|
| S1610 | Rehabilitation of Main WWTP Sludge Holding Tank | 400,000 | 0 | 0 | 0 | 484,000 | 884,000 |
| S1701 | Lift Station Pump and Electrical Improvements | 3,209,767 | 0 | 0 | 0 | 0 | 3,209,767 |
| S1607, S1601 | Reconstruction of Pirates Beach Wastewater Treatment Plant & Lift Station #35 | 11,439,598 | 0 | 0 | 0 | 0 | 11,439,598 |
| S1902 | Replace Pipe at Ferry & 1st | 0 | 0 | 225,000 | 1,150,000 | 50,000 | 1,425,000 |
| SLINEI,2,3, 4,5,6 | Sanitary Sewer Repair and Rehabilitation Program (Force Mains/Inflow/Infiltration) | 1,050,000 | 1,050,000 | 1,050,000 | 1,050,000 | 1,050,000 | 5,250,000 |
| S1901 | Harborside - 25th to 29th | 0 | 0 | 500,000 | 4,425,000 | 0 | 4,925,000 |
| S2201 | Belt Press / Solids Dewatering Building Main WWTP | 9,646,663 | 0 | 0 | 0 | 0 | 9,646,663 |
| S2102 | Grit Dewatering System Main WWTP | 0 | 0 | 150,000 | 520,000 | 0 | 670,000 |
| SRENEW | Renewal and Replacement Program | 300,000 | 300,000 | 300,000 | 300,000 | 300,000 | 1,500,000 |
| SCADA | SCADA | 439,493 | 0 | 0 | 0 | 0 | 439,493 |
| SPMC | Administration/Project Management Costs | 500,000 | 500,000 | 500,000 | 500,000 | 500,000 | 2,500,000 |
| S2402 | Seawolf Park WWTP | 2,024,615 | 0 | 0 | 0 | 0 | 2,024,615 |
| S2403 | IH45 & 61st Street Flyover Sewer Improvements | 1,000,000 | 0 | 0 | 0 | 0 | 1,000,000 |
| S2501 | Blower Replacement Project | 357,000 | 3,640,000 | 0 | 0 | 0 | 3,997,000 |
| S2502 | Lift Station Retrofit Program | 500,000 | 750,000 | 750,000 | 500,000 | 500,000 | 3,000,000 |
| S2602 | Main WWTP Blower Replacement - Phase I | 120,000 | 1,100,000 | 14,040,000 | 0 | 0 | 15,260,000 |
| S2603 | Terramar WWTP: Rerating Study, Permitting & Condition-Driven Improvements Conceptual Design | 357,500 | 0 | 0 | 0 | 0 | 357,500 |
| S2604 | Airport WWTP: Rerating Study, Permitting & Condition-Driven Improvements Conceptual Design | 412,500 | 0 | 0 | 0 | 0 | 412,500 |
| S2605 | Main WWTP: Primary Treatment Rehab | 110,000 | 0 | 0 | 0 | 0 | 110,000 |
| S2606 | Lift Station 21 & 47 Firm Capacity Expansions | 1,455,000 | 8,332,000 | 0 | 0 | 0 | 9,787,000 |
| S2607 | Lift Station 1 Firm Capacity Expansion & Replacement of Upstream 42-inch Gravity Line | 0 | 0 | 0 | 0 | 0 | 0 |
| S2608 | FY29 Wastewater Rate Study | 0 | 0 | 0 | 129,000 | 0 | 129,000 |
| S2609 | Wastewater Master Plan Update | 0 | 0 | 0 | 0 | 0 | 0 |
| S2610 | Lift Station 36 & Lift Station 58 Rehabilitation | 330,000 | 1,804,000 | 0 | 0 | 0 | 2,134,000 |
| S2611 | SSES Program | 500,000 | 2,500,000 | 500,000 | 2,500,000 | 500,000 | 6,500,000 |
| S2612 | Municipal Utilities - Wastewater Treatment: Capital Equipment Fund | 210,000 | 2,200,000 | 2,200,000 | 2,200,000 | 2,200,000 | 9,010,000 |
| S2601 | Main WWTP Condition-Driven Improvements - Conceptual Design | 165,000 | 0 | 0 | 0 | 0 | 165,000 |
| S2613 | Terramar WWTP Capacity Expansion & Condition-Driven Improvements | 0 | 2,510,266 | 24,867,000 | 0 | 0 | 27,377,266 |
| S2614 | Airport WWTP Wet Weather Capacity Expansion | 0 | 0 | 0 | 1,680,787 | 16,626,000 | 18,306,787 |
| S2615 | Airport WWTP Condition-Driven Improvements | 0 | 0 | 0 | 0 | 0 | 0 |
| S2616 | Lift Station #33, #56, & #57 Improvements | 268,000 | 2,735,000 | 0 | 0 | 0 | 3,003,000 |
| | **Total $'s by Year** | **$ 34,795,136** | **$ 27,421,266** | **$ 45,082,000** | **$ 14,954,787** | **$ 22,210,000** | **$ 144,463,189** |

| FUND NO. | FUNDING SOURCE | 2026 | 2027 | 2028 | 2029 | 2030 | 144,463,189 |
|---|---|---|---|---|---|---|---|
| 42102 | Sewer Improvement | 309,868 | 300,000 | 300,000 | 300,000 | 300,000 | 1,509,868 |
| 42119 | 2019 CO's Sewer | 547,309 | - | - | - | - | 547,309 |
| 42122 | 2022 CO's Sewer | 32,192,298 | 6,375,000 | - | - | - | 38,567,298 |
| 1218 | American Rescue Plan | 1,745,661 | - | - | - | - | 1,745,661 |
| Future | Revenue Supported Bonds | - | 20,746,266 | 44,782,000 | 14,654,787 | 21,910,000 | 102,093,053 |
| | **Total $'s by Year** | **$ 34,795,136** | **$ 27,421,266** | **$ 45,082,000** | **$ 14,954,787** | **$ 22,210,000** | **$ 144,463,189** |


CITY OF GALVESTON
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**City of Galveston**
**FY2026– FY2035**
**Capital Improvement Plan**
**Facilities Program**

The ongoing Facilities Program includes projects that will remove blight, provide or foster neighborhood improvements, and upgrade facilities important to the provision of city services. No City bond funds are proposed for Facilities Program projects.

The following is the list of specific projects:

1. Garage – East End Parking Lot –F1801 – This project involves the installation of concrete pavement for the East End Parking Lot, 502 32nd Street. ($847,724).

2. Parking Lot Improvements at the Sanitation Yard SA-1701 – This project provides improvements to the existing parking area at the Sanitation Yard by placing concrete pavement in areas of high traffic to protect City equipment and personnel. This will continue the enhancement of this facility after the recent replacement of the wind damaged equipment shelter. (Formerly funded by FEMA RE-102 with City funds of $95,000).

3. Replacement of Recycle Building at Eco-Center SW-171 – This $700,000 project provides a replacement structure for the Recycle Center office damaged during Hurricane Ike. Funding is available from insurance. Funding for relocation and enhancements to the Recycle Center is anticipated from the potential sale of City property along 61st Street. (may be funded in 2026).

4. City Hall Remodeling - Window Repair CH1702 – This project provides repair to windows damaged during Hurricane Harvey that allow moisture to enter the exterior wall system of City Hall causing system deterioration. This project is funded by a FEMA grant and Texas Historic Commission Grant. This project was completed during FY23.

5. Garage Storage Tank Replacement F2102 – This project involves the removal and replacement of the existing underground storage tanks (USTs) located at 502 32nd Street. The existing USTs are outdated and require additional monitoring.

6. 30th Street Electric Station F2202 – This project involves the installation of a new Emergency Generator at the facility.

7. Old Municipal Incinerator Municipal Non-Lot E Affected Properties F2401 – This project involves the remediation of contaminated soils related to the Old Incinerator Multiple Non-Lot E Properties. Project completed October 2024.

8. Fire Station #2 Replacement F2402 – This project involves the construction of a new fires station to relocate existing personnel and equipment from the existing location of Fire Station #2 and include an Emergency Safe Room for City staff to ride out and expedite recovery efforts following natural disasters. $7.5 to 10 million. Considering inclusion in 2026 Bond package.

9. Statue Restoration F2501 – This project involves restoration efforts to repair and preserve the Texas Heroes and Sidney Sherman Monuments.

10. Building Automation F2502 – This project involves adding building automation to Garten Verein Pavilion and the 30th Street WELS. This is part of the ongoing phased renovations to Garet Verein Pavilion. The 1st phase of the renovation is structural repairs anticipated for construction activity near the first of 2026. The overall estimate for renovations is $3,000,000.

11. City Hall Remodeling – 3rd Floor Renovations CH2401 – This project provides for renovation of the 3rd floor of City Hall. Project is out for construction proposals estimated cost is $1,500,000.

12. City Hall masonry restoration on north and east elevation – This project is to restore the mortar joints and the entablature between the 1st and 2nd floor and repair copper guttering to watertight. This is a continuation of restoration efforts to improve and maintain a watertight building envelope - $300,000.

13. City Hall Remodeling – 1st and 2nd Floor Renovations CH2401 – This project provides for renovation of the 1st and 2nd floors of City Hall. Project is out for construction proposals estimated cost is $3,000,000.

14. Stewart Beach Park – public/Private Partnership for development of facilities and amenities to make Stewart Beach Park a significant public amenity for the citizens of Galveston and an attraction for tourist to provide a revenue stream for future maintenance development. - $30,000,000.

15. Godinich Field/Whitecaps softball facility – Renovate the existing softball field to provide a college level field by correcting drainage, replacing the field surface,

replacing the fencing, backstop, dugouts, etc. – fully or partially funded by Galveston College- $1,500,000.

16. Downtown Streetscape from 20th to 25th Street and Church to Harborside - $30,000,000 – A design firm has been selected for this project which continues and adds to the project that renovated 23rd Street from Church to Harborside – funded by a grant from HGAC.

17. PD/Marine Division equipment shelter at the City Garage – construct an equipment shelter for the Marine Division of Galveston PD - $338,000 - $500,000.

18. Apparatus Bay Hanger doors at Fire Station 4 – Replace existing 6 hanger doors with overhead doors due to ongoing maintenance issues. - $200,000.

**CITY OF GALVESTON**
**CAPITAL IMPROVEMENT PLAN**
**EXHIBIT B**
**FACILITIES PROGRAM**
**BUDGET SUMMARY**
**FY2026- FY2030**
**(Page 6 of 8)**

| PROJECT NO. | PROJECT NAME | 2026 | 2027 | 2028 | 2029 | 2030 | TOTAL |
|---|---|---|---|---|---|---|---|
| F1801 | East Parking Lot - Garage | 55,000 | 875,000 | 0 | 0 | 0 | 930,000 |
| SA1701 | Parking Lot Improvements at Sanitation (RE-102) | 0 | 0 | 0 | 0 | 0 | 0 |
| SW-171 | Replacement of Recycling Building at Eco-Center | 351,058 | 0 | 0 | 0 | 0 | 351,058 |
| CH1702 | Renovate City Hall & Windows | 33,642 | 0 | 0 | 0 | 0 | 33,642 |
| F2101 | Garage Storage Tank Replacement | 1,633,240 | 0 | 0 | 0 | 0 | 1,633,240 |
| F2202 | 30th Street Electric Station Generator | 0 | 0 | 0 | 0 | 0 | 0 |
| F2401 | Old Municipal Incinerator Multiple Non-Lot E Affected Properties Offsite Response Action | 0 | 850,000 | 0 | 0 | 0 | 850,000 |
| F2402 | City of Galveston/UTMB Emergency Safe Room | 0 | 0 | 0 | 0 | 0 | 0 |
| F2501 | Statues Restoration | 111,402 | 0 | 0 | 0 | 0 | 111,402 |
| F2502 | Building Automation | 45,000 | 0 | 0 | 0 | 0 | 45,000 |
| CH2401 | City Hall Third Floor Renovation | 1,793,125 | 0 | 0 | 0 | 0 | 1,793,125 |
| F2601 | Fire Station #2 Replacement | 1,250,000 | 8,750,000 | 0 | 0 | 0 | 10,000,000 |
| F2602 | Garten Verein Renovations | 250,000 | 250,000 | 3,500,000 | 0 | 0 | 4,000,000 |
| F2603 | City Hall Masonry Restoration | 300,000 | 0 | 0 | 0 | 0 | 300,000 |
| F2604 | City Hall First and Second Floor Renovations | 0 | 0 | 3,000,000 | 0 | 0 | 3,000,000 |
| F2605 | Stewart Beach Park | 0 | 0 | 30,000,000 | 0 | 0 | 30,000,000 |
| F2606 | Godinich Field/Whitecaps Softball Facility | 0 | 0 | 1,500,000 | 0 | 0 | 1,500,000 |
| F2607 | PD/Marine Division Equipment Shelter | 0 | 500,000 | 0 | 0 | 0 | 500,000 |
| F2608 | Apparatus Bay Hanger Doors at Fire Station 4 | 0 | 200,000 | 0 | 0 | 0 | 200,000 |
| | **Total $'s by Year** | **$ 5,822,467** | **$ 11,425,000** | **$ 38,000,000** | **$ -** | **$ -** | **$ 5,747,467** |

| FUND NO. | FUNDING SOURCE | 2026 | 2027 | 2028 | 2029 | 2030 | TOTAL |
|---|---|---|---|---|---|---|---|
| 3199 | Infrastructure & Debt Service | 4,065,007 | 1,125,000 | 0 | 0 | 0 | 5,190,007 |
| | HISTORICAL PRESERVATION FUND | 156,402 | 0 | 0 | 0 | 0 | 156,402 |
| Future | FEMA | 351,058 | 0 | 0 | 0 | 0 | 351,058 |
| | TAX SUPPORTED BONDS | 1,250,000 | 8,750,000 | 0 | 0 | 0 | 10,000,000 |
| | FUTURE FUNDING SOURCES | 0 | 1,550,000 | 38,000,000 | 0 | 0 | 39,550,000 |
| Future | CDBG Round 2.2 | 0 | 0 | 0 | 0 | 0 | 0 |
| | HISTORIC COMMISSION GRANT | 0 | 0 | 0 | 0 | 0 | 0 |
| | **Total $'s by Year** | **$ 5,822,467** | **$ 11,425,000** | **$ 38,000,000** | **$ -** | **$ -** | **$ 55,247,467** |

**City of Galveston**
**FY2026 – FY2030**
**Capital Improvement Plan**
**IDC Program**

Sales Tax Revenues provided through the Industrial Development Corporation are proposed to provide $22.7 million to support a number of parks, infrastructure and beach remediation projects throughout Galveston.

The Parks and Recreation Program includes $8.5 million in projects that serve to implement the Parks, Recreation, and Open Space Master Plan that are being funded with sale tax revenues.

The highest priority in the Master Plan was to build a community pool. Construction of the Lasker Park Community Pool valued at $4.1 million was completed in 2017. Operating costs for the Pool are funded from IDC sale tax revenues and pool operating revenues. Currently the pool generates ~$200,000 annually in user fees. IDC provides an additional $500,000 to support operating costs and maintain a capital replacement fund balance.

The Program also supported the Sandhill Crane Soccer Complex reconstruction project. This project demolished the existing Sandhill Crane Soccer Complex and reconstructed the soccer fields, parking lots, including a new elevated restroom facility and other park amenities (e.g. walking trail, picnic tables, benches, shade canopies, etc.). This project began in late 2023/early 2024 and is anticipated to be completed in the Fall of 2025.

Parks Package #4 valued at $600,000 made significant improvements to the Hooper Softball Complex and Parks Package #5 valued at $2.05 million was recently approved to support the Repair and Rehabilitation of Existing Parks. Staff is currently soliciting bids for Parks Package #5 projects.

Other parks that are being considered for significant reconstruction are Jones and Shield Park. Both parks are being designed with community input and in partnership with Vision Galveston and Better Parks for Galveston.

All the projects involve plans that coincide with priority numbers two (2) Repair/ Rehabilitation of Existing Parks, three (3) Increased Shade Opportunities at Existing Parks, four (4) Continued Pursuit of a Comprehensive Trail and Bikeway Master Plan and six (6) Tournament Facilities in our Parks, Recreation, and Open Space Master Plan. Other priorities also include the acquisition of park acreage in areas of need, and public bay access for fishing and recreation.

The IDC is also providing support for several major infrastructure projects by funding the local match for grant awards. Examples of the projects include:

- Pelican Island Replacement Bridge – allocating over $8 million for the City's share of the Local Match for a TXDOT project to build a new bridge to Pelican Island, replacing the current bridge.
- 14th Street and South Shore Drive Pump Station projects – the repayment of $20 million in Certificate of Obligation bonds that will be paid out with approximately $1.5 million annually beginning in fiscal year 2025 and paid out over a twenty-year period (see Drainage for IDC funding breakdown).
- English Bayou property acquisition for future Pump Station – the IDC recently provided $1.1 million in funding to acquire property off 59th and Broadway, to be utilized for the future English Bayou Pump Station (see Drainage for IDC funding breakdown).
- Downtown Livable Communities Pedestrian Improvement Project – allocating $2.4 million to be used as local match for a Livable Communities grant award of $25 million to enhance the livability and accessibility of the downtown area by promoting alternative forms of transportation and encouraging pedestrian traffic with streetscape improvements such as bike lanes, public transit stop enhancements, drainage enhancements (including bioswales or other stormwater detention devices), lighting, landscaping, trolley track switch repairs, shade and wake break features.
- Karankawa Beach/Gulf Palm Drainage Project – provides $1.1 million for the Engineering and Design for drainage solutions to combat beach erosion in the area at and around Gulf Palms Subdivision and Karankawa Beach. Once designed, staff will apply for grant funding for the construction of project improvements with another $2 million estimated for the local match (see Drainage for IDC funding breakdown).
- Beach Remediation and Nourishment projects – approximately $4 million has been earmarked for future beach remediation and nourishment projects.
- Airport Improvements – allocation of $580,000 for the local match for TXDOT funding for improvements to the taxiway, apron and drainage at Scholes Airport and $200,000 for parking lot improvements at Hangars 70, 71 & 73.
- IDC funds the ongoing Street Sidewalk and Concrete project's salary and expense reimbursement (See Streets for the IDC funding breakdown).

**CITY OF GALVESTON**
**CAPITAL IMPROVEMENT PLAN**
**EXHIBIT B**
**IDC**
**BUDGET SUMMARY**
**FY2026 - FY2030**
**(Page 5 of 8)**

| PROJECT NO. | PROJECT NAME | 2026 | 2027 | 2028 | 2029 | 2030 | TOTAL |
|---|---|---|---|---|---|---|---|
| IDCBBP | Beneficial Use of Dredged Material | 1,811,313 | - | - | - | - | 1,811,313 |
| IDCJON | Jones Park | 175,000 | - | - | - | - | 175,000 |
| IDCPP3,4,5,6 | Parks Improvement Package (PIP) | 600,000 | - | - | - | - | 600,000 |
| IDCSHC | Sandhill Crane Soccer Complex & Park | 907,860 | - | - | - | - | 907,860 |
| TBD | Beach Projects (CEPRA projects) | - | 2,000,000 | - | 2,000,000 | - | 4,000,000 |
| IDCAPL | Airport Parking Lot Improvements | 200,000 | - | - | - | - | 200,000 |
| IDCGPD | Gulf Palm Drainage Project | - | 7,000,000 | - | - | - | 7,000,000 |
| PIDRDG | Pelican Island Bridge Replacement | 8,035,000 | - | - | - | - | 8,035,000 |
| | **Total $'s by Year** | **$ 11,729,173** | **$ 9,000,000** | **$ -** | **$ 2,000,000** | **$ -** | **$ 22,729,173** |

| FUND NO. | FUNDING SOURCE | 2026 | 2027 | 2028 | 2029 | 2030 | TOTAL |
|---|---|---|---|---|---|---|---|
| 3190 | IDC - Beach Nourishment | 1,811,313 | 4,000,000 | - | 2,000,000 | - | 7,811,313 |
| 3191 | IDC - Economic Development | 6,635,000 | - | - | - | - | 6,635,000 |
| 3192 | IDC - Parks | 695,825 | - | - | - | - | 695,825 |
| 3193 | IDC- Infrastructure | 1,600,000 | - | - | - | - | 1,600,000 |
| 319201 | IDC-CO 2022A | 907,860 | - | - | - | - | 907,860 |
| 1090 | Convention Center Surplus | - | - | - | - | - | - |
| | GLO Grant | - | 5,000,000 | - | - | - | 5,000,000 |
| | Revenue Producing Park Funds | 79,175 | - | - | - | - | 79,175 |
| | **Total $'s by Year** | **$ 11,729,173** | **$ 9,000,000** | **$ -** | **$ 2,000,000** | **$ -** | **$ 22,729,173** |

*** INCLUDES PROCEEDS FROM IDC BACKED SALES BANK LOAN PROCEEDS TOTALTING $5M FOR PARKS.**


CITY OF GALVESTON
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**City of Galveston**
**FY2026 – FY2030**
**Capital Improvement Plan**
**Airport Program**

The Airport Program includes approximately $22,121,000 to improve Scholes International Airport operations and to meet FAA Part 139 Certification requirements, which will enable commercial passenger flights.

Funding for all of these projects is provided by the Texas Department of Transportation (TxDOT) or the Federal Aviation Administration (FAA).

The Airport Capital Improvement Program includes airfield pavement rehabilitation projects, new pavement construction, runway safety area improvements, drainage improvements, and equipment upgrades.

Not included, but listed, are the costs for the required Airfield Certification Manual (ACM), Aircraft Rescue and Fire Fighting (ARFF) Truck, or funding the construction of a new general aviation facility. terminal, which could exceed $11 million. These projects are needed before the FAA Part 139 Certification can be met.

The following is the list of specific projects currently funded or scheduled to be funded in FY 2026 – FY 2030:

1. Phase One and Two Taxiway E Realignment, Apron Reconstruction, and Drainage Improvements: Project has been bid and pending TxDOT grant for $10,277,900. We anticipate that construction on this project will commence in the first quarter of FY 2026 and be completed by the fourth quarter of FY 2026.
    a) Phase One and Two of the Taxiway E Realignment involves constructing a new taxiway from the North Apron to intersect the approach end of Runway 18 at a right angle, then extending westward using the existing decommissioned runway to intersect the approach end of Runway 14 at a right angle.
    b) Apron reconstruction involves rebuilding sections of our existing ramp to support the static weight of three C-17 aircraft when parked. Each pad will be 60’ x 180’ to accommodate the landing gear of each aircraft.
    c) Drainage improvements on the south side of the airfield aim to reduce flooding and lower maintenance costs for Taxiways A, B, C, and Runway 14/32.

2. Engineering & Design Runway 14 Runway Safety Area Improvements: The preliminary design phase of this project is complete. We are currently working with the USACE to finalize the environmental review and approval. The final design is expected to be completed by FY 2026. The total cost of the engineering and design project is $206,650.

3. Runway 14 Safety Area Improvements: This project involves armored shoreline revetment, riprap, filling, and grading to create a suitable surface that complies with FAA Part 139

requirements. The estimated cost has been revised to $6,000,000. Funding for this project is anticipated in the third quarter of FY 2027.

4. Engineering & Design to Rehabilitate Runway 18/36 Runway Shoulders, Taxiways A, B, C, D, and Apon: This $96,300 project is currently underway. The work includes design for concrete panel replacement, spall and joint seal repairs on the runway shoulders, and multiple areas of the taxiways and the apron that were not completed in previous projects. This work is needed to meet FAA Part 139 requirements.

5. Rehabilitate Runway 18/36 Shoulders, Taxiways A, B, C, D, and Apron: This $2,329,919 project involves rehabilitating the runway shoulders of Runway 18/36, sections of Taxiways A, B, C, D, and the Apron that were removed from the 2018 pavement project 1812GLVSN. This project is necessary to comply with FAA Part 139 requirements. Work is expected to start in the last quarter of FY 2026. The project will be funded by the airport, and 90% reimbursement will be provided by TxDOT Aviation in FY 2026.

6. Airfield Signage Replacement: This estimated $185,000 project updates the existing airfield signage. During this work, we will update the designations of each taxiway to comply with current FAA Part 139 requirements. This project is expected to start in the third quarter of FY 2026.

7. Installation of secondary windcone and backup windspeed indicator: This $25,000 project involves installing a new solar-powered windcone and a backup wind speed indicator south of the runway intersection. It will improve and enhance the visibility of wind direction for pilots landing from the north. The backup wind speed indicator will be used by ATCT staff when the ASOS is out of service. Currently, the secondary wind speed indicator is located on top of the airport terminal. This project is scheduled to begin in the second quarter of FY 2026.

8. Enhanced Airfield Markings: This $3,000,000 project consists of repainting all non-movement area markings, adding enhanced center lines, and hold-short markings. The estimate includes the engineering and construction management costs. This project is not funded but is listed on the 2029 TxDOT Aviation CIP list. These markings are needed to meet FAA Part 139 requirements.

**Additional projects that are needed before commercial operations can begin.**

A. Airport Certification Manual (ACM): The ACM is a written document detailing how the Airport will comply with the requirements of a Part 139 Certification. The final step in this process is the writing and approval of the ACM. The completion of the manual is followed by an on-site “Final Inspection” by the FAA Southwest Region Safety and Standards Division. The estimated cost of this document is $562,000.

B. Aircraft Rescue and Fire Fighting (ARFF) Truck: Operators of Part 139 airports must provide aircraft rescue and firefighting (ARFF) services during air carrier operations that require a Part 139 certificate. Consideration should be given to buying a used ARFF truck initially to be used until the Airport meets the requirements to be a Primary Airport (10,000 annual

enplanements). Grants are available for the purchase of new ARFF trucks for Primary airports. The purchase of a suitable used ARFF truck should be $500,000.

C. New General Aviation (GA) Terminal: The current plan is to use a public/private partnership to expand and upgrade the existing airport terminal, so it meets TSA requirements as a commercial terminal. TSA requirements do not permit shared use of commercial terminals with GA terminals. Therefore, a new, larger terminal that complies with FEMA flood requirements, is ADA-compliant, and meets current user demand is the best option. The size and costs of the facility have not yet been decided, but it is estimated to be between $6 million and $10 million.

**CITY OF GALVESTON**
**CAPITAL IMPROVEMENT PLAN**
**EXHIBIT B**
**AIRPORT PROGRAM**
**BUDGET SUMMARY**
**FY2026 - FY2030**
**(Page 8 of 8)**

| PROJECT NO. | PROJECT NAME | 2026 | 2027 | 2028 | 2029 | 2030 | TOTAL |
|---|---|---|---|---|---|---|---|
| A2301 | Taxiway E Realignment, Apron Reconstruction, & Drainage Improvements | 10,277,900 | 0 | 0 | 0 | 0 | 10,277,900 |
| A2303 | Replace Airfield Lighting Control & Monitoring System | 49,535 | 0 | 0 | 0 | 0 | 49,535 |
| A2305 | Runway 14 Safety Area Improvements | 0 | 6,000,000 | 0 | 0 | 0 | 6,000,000 |
| A2402 | Engineering, Design, and Construction - Taxiways A, B, C, and D | 2,520,388 | 0 | 0 | 0 | 0 | 2,520,388 |
| A2501 | Airport Video Surveillance Cameras | 98,860 | 0 | 0 | 0 | 0 | 98,860 |
| A2502 | Airfield Signage Panel Replacement | 185,000 | 0 | 0 | 0 | 0 | 185,000 |
| A2503 | Airfield Enhanced Pavement Markings | 0 | 0 | 0 | 3,000,000 | 0 | 3,000,000 |
| A2504 | Installation of secondary windcone and backup windspeed indicator | 25,000 | 0 | 0 | 0 | 0 | 25,000 |
| | **Total $'s by Year** | **$ 13,156,683** | **$ 6,000,000** | **$ -** | **$ 3,000,000** | **$ -** | **$ 22,156,683** |

| FUND NO. | FUNDING SOURCE | 2026 | 2027 | 2028 | 2029 | 2030 | TOTAL |
|---|---|---|---|---|---|---|---|
| 43302 | Airport Improvement | 970,264 | 600,000 | - | 300,000 | - | 1,870,264 |
| Future | TXDot Funding | 12,186,419 | 5,400,000 | - | 2,700,000 | - | 20,286,419 |
| | **Total $'s by Year** | **$ 13,156,683** | **$ 6,000,000** | **$ -** | **$ 3,000,000** | **$ -** | **$ 22,156,683** |

**CITY OF GALVESTON**
**CAPITAL IMPROVEMENT PLAN - STATUS UPDATE**
**FY 2025 - 3RD QUARTER - JUNE 30, 2025**

**STREETS & TRAFFIC PROGRAM**

| PROJECT NO. | PROJECT NAME | DESCRIPTION | TOTAL PROJECT BUDGET | EXPENSE TO DATE | CURRENT PHASE | FY 2025 STATUS |
|---|---|---|---|---|---|---|
| ST1503 | 26TH - BROADWAY TO CHURCH (phase 2) | Replace approx. 1,282 feet milling and overlay and upgrading of the drainage system. | $ 512,133 | $ 512,133 | Project Awaiting Fire Station and City Hall Annex Demolition/Parking Lot Completion | Asphalt Mill & Overlay was completed by the in-house paving crews in 2022. |
| ST1802 | 16TH - BROADWAY TO AVE N 1/2 | Approximately 1,945 feet to include milling and replacement of asphalt surface and replace of drainage inlets and laterals, replace and upsize old water and sewer utilities. | $ 227,468 | $ 215,650 | Design | Design is 100% Complete; Construction to be completed as part of the 15th Street Pilot Stormwater Pump Project. FEMA funding for the 14th Street Pump Station |
| ST1901 | 37TH - BROADWAY TO AVE P | New water main from Broadway to Ave P, new storm drain collections ystem extending from Broadway to Ave L, storm drain collection system extension from Ave O to Ave P to connect new inlets construction south of Ave P, sanitary sewer reconstruction to accommodate modifications to the storm drainage system | $ 7,386,360 | $ 6,608,031 | Construction | Project Complete |
| ST1902 | 37TH - AVE P TO SEAWALL | New water main from Ave P to Seawall, extended storm drainage collection system between Ave O to Ave P 1/2, localized sanitary sewer reconstruction to accommodate modifications to the storm drainage system. | $ 6,011,957 | $ 4,748,008 | Construction | Project Complete |
| ST2003 | 35TH - POST OFFICE TO BROADWAY | Approximately 1,600 feet to include milling and replace asphalt surface, extension of storm sewer main to provide for future expansion of drainage system and replace and upsize old water and sewer utilities. | $ 3,867,326 | $ 3,237,936 | Construction | Project Complete |
| ST1806 | 23RD - BROADWAY TO SEAWALL (COUNTY PROJECT) | Complete roadway reconstruction with waterline replacement, sanitary sewer crossings and storm sewer improvements including main, laterals and inlets. | $ 11,162,304 | $ 11,085,874 | Construction | Project Complete |
| ST1807 | AVE S - 53RD TO SEAWALL BLVD (COUNTY PROJECT) | Complete roadway reconstruction with waterline replacement, sanitary sewer crossings and localized storm driange improvements. | $ 3,975,990 | $ 3,975,990 | Construction | Project Complete |
| TR2102 | TRAFFIC SIGNAL/SAFETY IMPROVEMENTS | Replace old traffic signal heads, cabinets and controllers. Install new guard rails and battery backups for traffic signals. | $ 1,191,610 | $ 894,155 | Planning | Developing priority plan for implementation of system improvements. |
| TR2103 | SEAWALL BLVD TRAFFIC SIGNAL INSTALLATION 75TH TO 89TH STREETS | Installation of Traffic Signals at the intersections of 75th/Seawall and 89th/Seawall | $ 114,885 | $ - | Design | The proposed traffic signal at 89th & Seawall is currently unders cosntrcution by a TxDOT Contractor. Design for the new trafic signal at the intersection of 75th & Seawall Blvd is 95% complete. |
| TR2301 | SEAWALL BLVD: PEDESTRIAN CROSSING IMPROVEMENTS @ 33RD STREET | Installation of Traffic Signals at the intersection of 33rd/Seawall | $ 100,000 | $ - | Planning | Design for the new traffic signal at the intersection of 33rd & Seawall Blvd is 95% complete. |
| IDCDOW | DOWNTOWN STREETSCAPE IMPROVEMENTS | Streetscape improvements to the downtown area | $ 3,591,639 | $ 2,365,986 | Construction | Construction complete. |
| ST2201 | SEAWALL BLVD: PEDESTRIAN SAFETY IMPROVEMENTS & TRAFFIC CALMING 61ST TO 103RD STREETS | Add low linear barrier along the north side of Seawall Blvd between 61st & 103rd Streets. Add new traffic calming measures | $ 396,980 | $ - | Planning | These proposed improvements are being considered by TXDOT with review of information provided by the City being considered by the Agency. |
| ST2202 | SEAWALL BLVD: PEDESTRIAN SAFETY IMPROVEMENTS & TRAFFIC CALMING 12TH TO 61ST STREETS | Add low linear barrier along the north side of Seawall Blvd between 12th & 61st Streets. Add new traffic calming measures | $ 125,000 | $ - | Planning | This project is being resubmitted to TXDOT for consideration of Grant Funding under the "2023 Transportation Alternatives" Call for Projects. Preliminary applications were submitted to TXDOT on 1/27/2023. |

**CITY OF GALVESTON**
**CAPITAL IMPROVEMENT PLAN - STATUS UPDATE**
**FY 2025 - 3RD QUARTER - JUNE 30, 2025**

**STREETS & TRAFFIC PROGRAM**

| PROJECT NO. | PROJECT NAME | DESCRIPTION | TOTAL PROJECT BUDGET | EXPENSE TO DATE | CURRENT PHASE | FY 2025 STATUS |
|---|---|---|---|---|---|---|
| ST2303 | BICYCLE INFRASTRUCTURE IMPROVEMENTS | New bicycle lanes along various roadway corridors within the city | $ - | | Planning | Engineering staff is develoing plans for planned bicycle infrastructure projects. |
| IHST19 IHST20 IHST21 IHST 22, 23, 24 | STREETS & OVERLAY BY CITY FORCES (In House Streets FY2019) | Correcting streets identified as less than Satisfactory by 2013 Street Assessment by LJA Engineering. | $ 12,225,195 | $ 9,172,046 | Ongoing, Annual Mill & Overlay Contract executed for overflow | Ongoing |

**CITY OF GALVESTON**
**CAPITAL IMPROVEMENT PLAN - STATUS UPDATE**
**FY 2025 - 3RD QUARTER - JUNE 30, 2025**

**DRAINAGE IMPROVEMENT PROGRAM**

| PROJECT NO. | PROJECT NAME | DESCRIPTION | TOTAL PROJECT BUDGET | EXPENSE TO DATE | CURRENT PHASE | FY 2025 STATUS |
|---|---|---|---|---|---|---|
| D1601 | 11 MILE ROAD DRAINAGE IMPROVEMENTS | To alleviate drainage concerns, culvert replacement and ditch regrading needed. Drainage improvement along FM 3005 will require coordination with TXDOT. | $ 45,886 | $ 45,886 | Design | Design is approximately 75% complete. Additional survey is needed a the connection point to TXDOT along FM3005. |
| D1604 | CHURCH STREET DRAINAGE IMPROVEMENTS | Replace and upgrade the existing vitrified clay storm sewer system per recommendations in the Master Drainage Study. | $ 2,108,921 | $ 1,913,566 | Construction | Project Complete |
| D1701 | MASTER DRAINAGE PLAN and FEASIBILITY STUDY (aka STORMWATER MASTER PLAN) | Engineering study of current drainage system throughout City with recommendation as to the feasibility of various alternatives to improve drainage. | $ 3,309,307 | $ 1,213,385 | Scoping | LAN has developed the existing conditions model and the first of two public meetings has been held to solicit public feedback of the findings form the existing modelling efforts. The second public meeting is scheduled for March 7, 2023. LAN is beginning to start looking at developing potential solutions to identified flooding issues that can be developed into future CIP projects. A DRAFT report has been submitted to staff for review and comment. Work is ongoing. |
| D1901 | 14TH STREET STORM WATER PUMP STATION | Design and construction of a new pump station to work in conjunction with the storm sewer system. | $ 51,390,873 | $ 5,114,807 | Design | Funding from FEMA for Construction is in progress with the City receiving an award letter from TDEM in January 2024. Staff is working on developing a scope of work to have a 3rd Party Engineering Firm conduct a Constructability Review of the current plans, and will be having the Engineer of Record update the engineering plans and compile the final Bid Package. The constructability review is underway with the first task of updating the project cost estimate nearing completion. This project is anticipated to bid during the 4th Quarter of FY2024. |
| DSTORM | STORM WATER MANAGEMENT | Annual reporting and monitoring of Municipal Separate Storm Sewer System (MS4) Permit to TCEQ | $ 430,457 | $ 430,457 | Annual | Annual Recurring Project. In progress. March 2018 annual report for the City of Galveston Phase II MS4 has been approved by TCEQ on June 18, 2018. Being done in-house by the PW Director's Department. |
| D2101 | SOUTH SHORE STORMWATER PUMP STATION | Design and construction of a new pump station to work in conjunction with the storm sewer system. | $ 68,214,159 | $ 6,431,799 | Construction | The design of this project is100% The engineering team is beginning the process of negotiating Temporary Construction Easements with property owners along the project corridor. The project advertised in August 2024 and bids were received in September 2024. The Bids are being evaluated and prepared for City Coucnil action. |
| D1702 | EVALUATION OF STORM SEWER OUTFALLS | Evaluation of the 42 storm sewer outfalls. Majority of these outfalls are submerged and their condition is unknown. | $ 248,861 | $ 248,861 | Field work completed. Some outfall locations could not be identified. | Engineering provided cost estimate for critical outfall repair. Evaluation and consideration of these recommendations will be incorporated into the Master Drainage Plan. |

**CITY OF GALVESTON**
**CAPITAL IMPROVEMENT PLAN - STATUS UPDATE**
**FY 2025 - 3RD QUARTER - JUNE 30, 2025**

## WATERWORKS PROGRAM

| PROJECT NO. | PROJECT NAME | DESCRIPTION | TOTAL PROJECT BUDGET | EXPENSE TO DATE | CURRENT PHASE | FY 2025 STATUS |
|---|---|---|---|---|---|---|
| W1802 | NON-REVENUE WATER MITIGATION PROGRAM | Mitigate the amount of water that is not sold at retail price. Areas such as leak detection, improvements, meter replacements. | $ 661,634 | $ 661,633 | Construction | In Construction |
| W1801 | 30" WATERLINE - 71ST STREET TO 59TH STREET PUMP STATION | Replace approx. 4,300 feet of 30" water line. | $ 2,032 | $ 2,032 | Delay until 59th Street Pump Station and Tank complete | Team suggested delaying this project until 59th Street PS and Tank plus the 24" Waterline to the Airport PS is complete. |
| W1702 | 20" WATERLINE - TAMUG TO SEAWOLF PARKWAY TO BRADNER STREET | Replace approx. 5,250 feet of existing 20" water line that serves a major portion of Pelican Island. Old bar wrapped concrete cylinder pipe with multiple failure points and expensive to repair. | $ 595 | $ 595 | Planning | Planning |
| W1902 | 12" WATERLINE - SEAWALL BLVD., 81ST TO 97TH STREET | Construction of approx. 3,650 ft. of 12" water line. To complete the loop providing water to the west end and improve the water qualify and pressure available to the properties located in this stretch of seawall. | $ - | $ - | Planning | Planning |
| W1704 | 30" WATERLINE - RAILROAD BRIDGE TO HARBORSIDE DR | Replace approx. 2,100 feet of waterline. | $ 256,123 | $ 208,123 | Delay until 59th Street Pump Station and Tank complete | Team suggested delaying this project until 59th Street PS and Tank plus the 24" waterline to the Airport PS is complete. |
| W1701 | WELL DISINFECTION / FLUSHING (2A, 6A, 10, 12, 13, 16, 17) | Installation of a disinfection system and flush valve for each of the previously rehabilitated Alta Loma Wells. This allows for the use of these wells without contamination the water system. | $ 45,536 | $ 45,536 | Consultant preparing scope for evaluating asset value and sale | Design complete but GCWA has concerns with the main line that wells are tying into. They need to do condition assessment. Alternate approach to sell the wells being investigated with the hiring of consultant. Kickoff meeting for the well appraisal project expected in May with the appraisal report due in August 2021. |
| W1605 | 30" CAUSEWAY WATERLINE | Construction of a 30" waterline along the causeway to provide additional redundancy for island water. | $ 1,821,389 | $ 750,930 | Design | Design is 95% complete. This project has received a Federal earmark for assisting with the funding of construction. Staff anticipates construction to begin iaround mid FY2025. TXDOT Coordination ongoing due to structural stability concerns and Post Harvey cracks in the Causeway Structure being remedied by TXDOT. USACE Permit is in-progress. Working through delivery pressure issues with Gulf Coast Water Authority. |
| W1601 | 10 MILE ROAD ELEVATED STORAGE TANK REPLACEMENT | Rehab of EST is not the best solution for the water distribution system since the existing tank is about 40 feet short and provides less supply and pressure. Also the coating is severely degraded and the tank recoating may not provide longevity. Tank needs to be upgraded from "flow by" to "flow through" with separate fill and discharge lines to preserve water quality and provide the needed capacity and storage. Construction of a new 2.5 MG EST is the better solution for the long-term to maintain compliance with TCEQ findings on the condition of the tank. | $ 16,396,601 | $ 979,968 | Design | Modelling poerformed under the Water MAster Plan update currently underway indictes that the existing tank is the correct size and height. A rehabilitation design project is currently underway to develop a revised plan set to perform a rehabilitaiotn of the existing tank. |
| W1705 | AIRPORT PUMP STATION TANK UPGRADES PHASE 1 | Construction of a new 3 million gallon water ground storage tank (GST) at the Airport Pump Station. This is needed to protect water supply from risk of contamination from flood waters and ensure the proper water quality and pressure to the west end. | $ 19,091,134 | $ 10,867,159 | Construction | Construction Complete |

**CITY OF GALVESTON**
**CAPITAL IMPROVEMENT PLAN - STATUS UPDATE**
**FY 2025 - 3RD QUARTER - JUNE 30, 2025**

## WATERWORKS PROGRAM

| PROJECT NO. | PROJECT NAME | DESCRIPTION | TOTAL PROJECT BUDGET | EXPENSE TO DATE | CURRENT PHASE | FY 2025 STATUS |
|---|---|---|---|---|---|---|
| | AIRPORT PUMP STATION TANK UPGRADES PHASE 2 | Construction of 7 MG Tank | $ 7,657,500 | $ 28,632 | Design | Design @ 95% |
| W2201 | 23RD STREET WATERLINE-SEALY-BALL | Offset critical waterline on 23rd Street between Sealy and Ball that is on conflict with other infrastructure. | $ 928,010 | $ 477,875 | Construction | Construction Complete |
| W1618 | WATER SYSTEM IMPROVEMENTS | Continued rehab of water distribution system through City. | $ 3,672,210 | $ 3,216,201 | Recurring Project | Recurring Project. |
| W2101 | SUSTAINABLE INTERACTIVE CUSTOMER CONNECTIONS | The City's existing AMR system has reached its end of life. To rebuild the current system with an advanced system that is sustainable and will incorporate technologies used to enhance City capabilities, maximize response efficiencies and improve customer satisfaction. The new system will incorporate remote connect/disconnect capabilities, new data analytics, business process automation, and improved customer visibility. This project includes the replacement of 100% of the City's water meters. | $ 17,146,505 | $ 16,292,066 | Planning | Ongoing |
| W2202 | Lead & Copper Rule (EPA) | The EPA has placed new regulation requirements on data collection, testing, chemical optimization, and replacement of lead and copper lines. | $ 1,111,179 | $ 274,728 | Planning | The compilation of a comprehensive service line inventory required by TCEQ has been completed. Work is ongoing to |
| FD-132 | FIRE HYDRANTS REPLACEMENT PROGRAM | Continue to replacement or repair non or poorly functioning fire hydrants (Portion possible reimbursement from FEMA) | $ 8,276,921 | $ 6,653,554 | Recurring Project | Ongoing |
| FD-132 (WFIRHY) | FIRE HYDRANT REPLACEMENT PROGRAM (Hurricane Ike portion) | Continue to replacement or repair non or poorly functioning fire hydrants (FEMA reimbursement) | $ 4,812,784 | $ 3,610,523 | Ongoing | Ongoing |
| W2302 | UTMB WATER TANK DISINFECTION IMPROVEMENTS | Install new disinfection system to existing elevated storage tank to enhance water quality | $ 571,647 | $ 82,124 | Design | Pre-Final plans are being reviewed and a final Permit Set will be issued by the end of 2024. Following permit approvals, the project will be released for bidding in early 2025. |
| W2303 | WATER MASTER PLAN | Complete a new water master plan including development of a computerized water model capable of accepting multiple date sources | $ 2,538,171 | $ 1,071,967 | Design | Data Collection Phase is ongoing and the engineering team has completed developing the existing system computer model. The engineering team is reviewing and updating the existing water fees and rate structure, and continuing to analyze the possibilities of developing an alternate water source for the City's water system. The engineering team continues to gather in-field data collection efforts to use for calibrating the water model. The water model has been calibrated and a couple of problem areas are being studied further. The engineering team is preparing to develop a DRAFT list of recommended CIP projects. Work is ongoing. |

**CITY OF GALVESTON**
**CAPITAL IMPROVEMENT PLAN - STATUS UPDATE**
**FY 2025 - 3RD QUARTER - JUNE 30, 2025**

## WATERWORKS PROGRAM

| PROJECT NO. | PROJECT NAME | DESCRIPTION | TOTAL PROJECT BUDGET | EXPENSE TO DATE | CURRENT PHASE | FY 2025 STATUS |
|---|---|---|---|---|---|---|
| W2304 | CAUSEWAY WATERLINE SHARED MAINTENANCE PROGRAM | Share in cost to maintain the old causeway bridge that carries the City's main water supply | $ 1,562,960 | $ 155,942 | Planning | City Council approved the payment of shared maintenance work performed during FY2024 at the 11/14/2024 Regular City Coucnil Meeting. The maintenance committee met in August 2024 to discuss the proposed FY2025 maintenance needs between the City, County, GCWA, Centerpoint and BNSF Railroad. The results of the proposed maintenance work planned for FY2025 will be utilized as a pilot project to determine if the success of the repair methods selected and to determine if the committee should consider making an application submission for an upcoming CRISI Grant program call for projects. |
| W2305 | GCWA: SUPPLY PIPELINE ALIGNMENT MODIFICATION ALONG SH3 | Construct relocation of the existing 42-inch water supply line to Galveston that is a conflict with construction by TXDOT | $ 6,083,000 | $ 4,987,255 | Construction | This is the City's contribution to GCWA for off-island pipeline improvements as a result of TXDOT highway projects. |
| | Senate Bill 3 Water Utility "Emergency Preparedness Plan" | Develop an "Emergency Preparedness Plan" that complies with the updated requirements of the Texas Water Code Chapter 13 (Water Rates and Services) as amended by the passing of Senate Bill 3 (9/1/2021) | $ 28,400 | $ - | Design | Complete |
| W2307 | UTMB WATER STORAGE TANKS | Rehabilitate existing water storage at UTMB and install separate inlet/outlet piping, disinfection dosing station, structural rehabilitation, SCADA and other appurtenances as necessary | $ 1,820,000 | $ 3,219 | Design | DRAFT PER complete and engineer is updating the PER based on City comments and is developing preliminary engineering drawings. Preliminary 60% plans were submitted to the City for review on 4/26/24. The plans are being reviewed by staff. |
| W2308 | AIRPORT WATER STORAGE TANKS | Construction of new water storage tank (WST) at the Airport Pump Station including flow meters, level transmitters and electric actuated valves, SCADA and other appurtenances as necessary | $ 5,000,000 | $ - | | |
| W2401 | WATER METER INSTALLATION PROGRAM | This project is the accommodate meter installations attributed to growth on the Island | $ 1,000,000 | $ - | | |
| W2402 | IH45/61ST STREET FLYOVER WATER IMPROVEMENTS | This project is the accommodate water system upgrades outside of the planned TXDOT improvements to the City's water system | $ 1,000,000 | $ - | Design | A consulting engineer hired by TxDOT to prepare utility plans for City utility relocations associated with this project are in progress. |
| W2403 | GCWA: SHANNON PUMP STATION | Rebuilding the Shannon Pump Station and the water intake structure; this is the City's proportionate share of the improvements | $ 1,000,000 | $ - | | This is the City's contribution to GCWA for off-island pump station improvements. |

**CITY OF GALVESTON**
**CAPITAL IMPROVEMENT PLAN - STATUS UPDATE**
**FY 2025 - 3RD QUARTER - JUNE 30, 2025**

**SEWER PROGRAM**

| PROJECT CODE | PROJECT NAME | DESCRIPTION | TOTAL PROJECT BUDGET | EXPENSE TO DATE | CURRENT PHASE | FY 2025 STATUS |
|---|---|---|---|---|---|---|
| S1701 | LIFT STATION PUMP and ELECTRICAL UPDGRADES | Upgrading the existing pumps and electrical systems for lift stations located throughout the City. | $ 5,491,072 | $ 944,250 | Design | Design Complete for Priority 1 & 2 (LS 6,8,26 Bid Opening 4/28/24 & LS 13,18,30,51,53,55 Bid Opening 5/2/24) - Bids received were over budget, re-evaluating priority |
| S1604 SCADA | LIFT STATION SCADA | System to monitor control and collect data from lift stations city wide. ~48 liftstation, 3 water water elevated storage tanks, 1 pump station and 1 wastewater treatement plant | $ 2,067,406 | $ 748,927 | Project PO Issued | Phase 1, SCADA Network Connectivity and Platform upgrades in progress |
| S1610 | SLUDGE and GRIT REMOVAL FROM MAIN WWTP SLUDGE HOLDING TANK | Remove approx. 6,700 cubic yards of wastewater sludge, grit and associated materials from Main WWTP | $ 674,524 | $ 495,467 | Design | 100% Design for Digester Cleaning Received. Project deferred for the future |
| S1702 | WEST END IMPROVEMENTS | Researching alternatives for the West End unserved areas. | $ 16,198 | $ 16,198 | ROI not available to proceed with project | Awaiting opportunities for doing under grant |
| SW-165 SSEAWO | SEAWOLF PARK WWTP Reconstruction & Expansion | Construction of wastewater package plant due to damage of existing plant by Hurricane Ike. FEMA, COG, Park Board. | $ 497,276 | $ 432,950 | Design | Package Plant Technology Selected and Final Design in Progress |
| S1601 S1607 | PIRATES BEACH WWTP, LIFT STATION 35 REPLACEMENT & LIFT STATION 47 PUMP REPLACEMENT | Nearing its lifetime. Design and replace to be in compliance with TCEQ. | $ 27,470,625 | $ 19,041,065 | Construction | Construction of the WWTP reconstruction is ongoing and is currently approximately 68% complete. |
| S1603 | REHABILITATION OF SANITARY SEWER FORCE MAINS | Rehabilitation of existing sanitary force mains | $ 784,119 | $ 784,119 | Construction | As needed, improvements are being made periodically on this project. |
| S1903 | TERRAMAR WASTE WATER TREATMENT PLANT UPGRADE | Expansion of the waste water treatment plant at Terramar | $ 1,404,119 | $ 154,119 | Planning | Plant flows are below the threshold amount requiring the design of the plan expansion to progress. Flows are being monitored to determine if this project is still warranted. |
| S2201 | BELT PRESS/SOLIDS DEWATERING BUILDING MAIN WWTP | Rebuild the dewatering building which houses the belt press | $ 10,111,819 | $ 323,823 | Design | Design is underway with the engineering team working on developing preliminary engineering documents for submittal to the City. |
| S2205 | STEWART ROAD SANITARY SEWER REHABILITATION - 10 MILE ROAD TO 8 MILE ROAD | Design and construct a sanitary sewer system to replace the existing sewer system | $ 6,000,000 | $ 146,190 | Construction | Ongoing evaluations. Improvements are being made periodically on this project. |
| SLINEI SLINE2 SLINE 3 SLINE4 | SANITARY SEWER REHABILITATION INFLOW & INFILTRATION | Reduce inflow and infiltration to existing sanitary sewer system through rehab of collection system. | $ 11,882,951 | $ 10,759,947 | Construction | Ongoing evaluations. As needed, improvements are being made periodically on this project. |

**CITY OF GALVESTON**
**CAPITAL IMPROVEMENT PLAN - STATUS UPDATE**
**FY 2025 - 3RD QUARTER - JUNE 30, 2025**

**SEWER PROGRAM**

| PROJECT CODE | PROJECT NAME | DESCRIPTION | TOTAL PROJECT BUDGET | EXPENSE TO DATE | CURRENT PHASE | FY 2025 STATUS |
|---|---|---|---|---|---|---|
| S2101 | SEWER INFILTRATION & INFLOW | Repair and rehabilitation of the existing sanitary sewer system to eliminate issues with existing force mains and reduce inflow and infiltration of the sanitry sewer collection sytem. | $ 1,885,317 | $ 1,885,317 | Construction | Ongoing |
| S2203 | SANITARY SEWER MASTER PLAN | Complete a new wastewater master plan including development of a computerized wastewater model. | $ 1,529,000 | $ 1,167,539 | Design | Data Collection Phase is underway and the engineering team has a third party surveyor conducting field survey of the City's existing sanitary sewer lift station facilities. The engineering team has developed a list of sanitary sewer manholes to physically survey is underway. The engineeing team continues to build the existing system computer model, and is reviewing the existing wastewater fees and rate structure. Work is ongoing. |
| S2401 | MAIN WWTP COOLING TOWER | Installation of a new cooling tower for the Main WWTP | $ 764,000 | $ 30,750 | Planning | This project is being re-evaluated. |
| S2402 | SEAWOLF PARK WWTP | Design and construction of a new package type WWTP at Seawolf Park | $ 1,757,500 | $ 122,416 | | Package Plant Technology Selected and Final Design in Progress |
| S2403 | IH45/61ST STREET FLYOVER SEWER IMPROVEMENTS | This project is to accommodate sewer system upgrades outside of the planned TXDOT improvements | $ 1,000,000 | $ - | Design | A consulting engineer hired by TxDOT to prepare utility plans for City utility relocations associated with this project are in progress. TXDOT has hired a contractor to complete a CCTV inspection of the sanitary sewer lines between Teichman and 59th Street to aid the design team. Work is ongoing. |

**CITY OF GALVESTON**
**CAPITAL IMPROVEMENT PLAN - STATUS UPDATE**
**FY 2025 - 3RD QUARTER - JUNE 30, 2025**

**IDC - BEACH NOURISHMENT, ECONOMIC DEVELOPMENT & INFRASTRUCTURE PROGRAM**

| PROJECT NO. (Beaches) | PROJECT NAME | DESCRIPTION | TOTAL PROJECT BUDGET | EXPENSE TO DATE | CURRENT PHASE | FY 2025 STATUS |
|---|---|---|---|---|---|---|
| IDC8MR | 8 Mile Road- CEPRA 11 | Develop a set of engineering and design documents to undertake a beach nourishment project between the area west of Dellanera RV Park to 8-Mile Road. Once completed, these design documents would be used to construct a beach nourishment project funded by the State. | $ 240,000 | $ 240,000 | In Progress | In process - approaching 90% Design |
| IDCBBP | Beneficial Use of Dredged Material | Necessary hot spot maintenance as described in the Sand Management Plan. Regular and strategic sand placement to keep sediment in the system as coastal processes move material to the accreting ends of the island. | $ 7,657,586 | $ 1,746,429 | | FY23 project was not able to be initiated due to lack of sand resources. Anticipating refund. |
| IDCBRE | Post-Hurricane Beach Remediation | Annual Set aside to allot for post-storm clean up | $ 1,155,750 | $ 204,866 | Ongoing, as needed | Procurement/Planning phase - Ongoing, as needed, dependent upon storm activity |
| IDCCEP | Beach Remediation Extension – 8-13 Mile Road Engineering & Design-CEPRA 12 | After the storms of 2020, additional nourishment activities were identified as important on the west end of Galveston, therefore an additional CEPRA application was made to extend the engineering project to 13 Mile Road. This extended area includes multiple heavily populated subdivisions and public beach access points. Once completed, these design documents would be used to construct a beach nourishment project funded by the State. | $ 762,500 | $ 762,500 | In Progress | In process - approaching 90% Design |
| IDCPAS | PAS-Sediment Management Update | Provide local match for Planning Assistance to States Program through the USACE Galveston District for the update and enhancement of the City of Galveston's Sediment Management Strategies Plan and the establishment of the next phase in the regional sediment management for Galveston Island. | $ 300,000 | $ - | Planning | Awaiting Authorization |
| IDCBRP | BEACH PERMIT AMENDMENTS - CEPRA 12 | Amendment of two federal USACE permits held by the Park Board of Trustees of the City of Galveston that respectively authorize beach and dune restoration projects along the seawall and west of the seawall to the San Luis Pass inlet, not including the City of Jamaica Beach and the Galveston Island State Park. | $ 75,000 | $ 75,000 | In Progress | In Progress - Submitted application to USACE, awaiting approval |
| D2501 | Gulf Palms/Karankawa Drainage Design Project | Engineering & Design to address remediation efforts for beacah erosion impacts caused by flooding and drainage towards beach from Karankawa Beach and Gulf Palms neighborhoods. Plans will be utlitzed for potential grants and/or IDC funding. | $ 1,100,000 | $ 124,051 | In Progress | Contract Awarded |

| PROJECT NO. (EconDev) | PROJECT NAME | DESCRIPTION | TOTAL PROJECT BUDGET | EXPENSE TO DATE | CURRENT PHASE | FY 2024 STATUS |
|---|---|---|---|---|---|---|
| IDCLB | LAND BANK | Infill Redevelopment project | $ 250,000 | $ - | Planning | On hold |

| | | | | | | |
|---|---|---|---|---|---|---|
| PIBRDG | Pelican Island Bridge | City's portion of local match for construction of Pelican Island replacement bridge. (this is a split between Economic Development Silo and Infrastructure Silo) | $ 10,800,000 | $ - | Planning | Planning Phase - awaiting AFA |
| PIBRDG | Pelican Island Bridge- Contingency | Contingency for overages for construction of Pelican Island replacement bridge | $ 2,700,000 | $ - | Planning | Planning Phase - only use if needed |
| IDCALP | Airport Parking Lot Improvements | Parking lot improvements serving Hangars 70, 71 and 73 for business attraction and expansion efforts. Improvements will include site grading, paving, striping and landscape screening (as per City's Land Development Regulations) for the existing 120-vehicle gravel parking lot. | $ 200,000 | | Planning | Planning Phase - awaiting completion of design documents |

| PROJECT NO. (Infrastr.) | PROJECT NAME | DESCRIPTION | TOTAL PROJECT BUDGET | EXPENSE TO DATE | CURRENT PHASE | FY 2024 STATUS |
|---|---|---|---|---|---|---|
| IDCSCC | SIDEWALK & CURB CREW | Improvements to Sidewalks/Curbs. Residents to pay for materials. | $ 4,220,152 | $ 3,457,013 | Construction | Recurring and Ongoing. |
| PIBRDG | Pelican Island Bridge | City's portion of local match to be used for construction of Pelican Island replacement bridge (this is a split between Economic Development Silo and Infrastructure Silo) | $ 1,500,000 | $ 1,500,000 | Planning | Planning Phase - awaiting final determination on Advanced Funding Agreement |
| PIBRDG | Pelican Island Bridge- Contingency | Contingency funds to be set aside for expense overages during the construction of Pelican Island replacement bridge | $ 300,000 | $ 100,000 | Planning | This is a set aside, only use if needed and original allotment is depleted. |
| IDCDIP | Drainage Improvement Pilot (DIP) Project | Phase 1 of the Lower-level service drainage improvements derived from the draft Stormwater Master Plan. Projects are conducted primarily with in-house staff. Project expenses will include equipment, materials and labor | $ 4,131,595 | $ 970,256 | In Progress | In Progress |
| IDCEBP | Property Acquisition for English Bayou Pumpstation | Real Estate Expenses related to the acquisiton of property near 59th & Broadway for the future English Bayou pumpstation | $ 1,108,165 | $ 1,107,826 | Complete | Transaction complete |

**CITY OF GALVESTON**
**CAPITAL IMPROVEMENT PLAN - STATUS UPDATE**
**FY 2025 - 3RD QUARTER - JUNE 30, 2025**

**FACILITIES**

| PROJECT NO. | PROJECT NAME | DESCRIPTION | TOTAL PROJECT BUDGET | EXPENSE TO DATE | CURRENT PHASE | FY 2025 STATUS |
|---|---|---|---|---|---|---|
| CH1702 | CITY HALL REMODELING | Develop plans to remodel floors in City Hall. | $ 6,332,442 | $ 4,060,793 | Design | 3rd and 1st floor restrooms, window repairs, 4th floor renovation, and masonry repair to south face of building are complete. The 3rd floor renovations are in design phase. Anticipate isue for RFP to renovate 3rd floor in 3 months. masonry repairs to east and north elevations, 2nd floor renovations, and 1st floor renovations will follow. |
| SA1701 | PARKING LOT IMPROVEMENTS AT SANITATION | Improvement to existing parking area at the sanitation building by placing concrete pavement in areas of high traffic to protect City equipment and personnel. (FEMA project RE-102. City portion $95,000.) | $ 120,000 | $ - | Design | Project is on hold |
| SW-171 | REPLACEMENT OF RECYCLING BUILDING AT ECO-CENTER | Replacement of recycling building damaged by Ike. New office, employee facilities, covered operating area for recycling equipment. Fema funds and Insurance proceeds. | $ 519,190 | $ 172,720 | Design | Project on hold pending potential sale of property on 61st street |
| F1801 | GARAGE - EAST END PARKING LOT | Installation of concrete for the East Parking Lot, 502 32nd Street, Galveston. | $ 55,000 | $ 4,480 | Design | Project is on hold |
| SBP23 | STEWART BEACH PAVILLION/BEACH PATROL | Design for the Demolition of Stewart Beach Pavillion and temporary facilities to house Galveston Island Beach Patrol on Stewart Beach. | $ 600,000 | $ 104,535 | Design | The temporary facilities for Beach Patrol are complete. Permanent facility design for Beach Patrol is on hold and in limbo awaiting direction for Council and Trustees. |
| SBP23 | Demolish Stewart Beach Pavilion | Demolish Stewart Beach Pavilion | $ 96,682 | $ 96,682 | Demolition | demolition has begun and is scheduled for maximum 120 days |
| GVMAIN | Garten Verein deferred maintenance | City has resumed responsibility for this historic facility and will begind conservation and restoration efforts to preserve this facility for future generations. | $ 2,000,000 | $ 34,625 | Assessment | City has contracted with LaBiche Architects to develop a plan for restoration and conservation work required. |
| GV-? | Garten Verein roof repairs | Repair roof of Gartenm Verein | $ 150,000 | $ - | Assessment | City has a windstorm claim in to TWIA for necessary repairs to the roof. Assessment from the Coity and TWIA is ongoing. |
| LLCST | Renovate Godinich Field | Renovate Godinich Field to support the Galveston College Whitecaps softball program and provide a tournament quality field for softball. | $ 3,000,000 | $ 957 | Assessment | City met with Galveston College to discuss funding and requirements for a suitable facility for the National Champion Whitecaps. Galveston College has some funding available. |
| F2402 | Fire Station 2 | Provide a new fire station on the east end capable of housing a tower truck. | $ 8,000,000 | $ 163,723 | Assessment | Efforts to work with UTMB for use of land on the Seawall to locate a Joint use facility have stalled. City in conversation to aquire property in the UTMB. |
| F2502 | Acoustic improvements at 30th Street WELS | Add acoustic treatment to the main conference area in the 30th Street WELS to allow meetings in the space with adequate speech recognition. | $ 100,000 | $ 10,000 | Assessment | Acoustic consultant provided specifications for remedial work necessary to improve the acoustic qualities of the room. Procurement of materials and installation will follow. |

**CITY OF GALVESTON**
**CAPITAL IMPROVEMENT PLAN - STATUS UPDATE**
**FY 2025 - 3RD QUARTER - JUNE 30, 2025**

**SCHOLES INTERNATIONAL AIRPORT**

| PROJECT NO. | PROJECT NAME | DESCRIPTION | TOTAL PROJECT BUDGET | EXPENSE TO DATE | CURRENT PHASE | FY 2025 STATUS |
|---|---|---|---|---|---|---|
| A1701 | HANGAR CONSTRUCTION PROJECT | Construction of three hangars, consisting of a 8-unit nested T-hangar and two, 60' x 60' box hangars. | $ 5,419 | $ 5,419 | On hold | On Hold |
| A2204 | ENGINEERING & DESIGN OF RUNWAY 14 RUNWAY SAFETY AREA (RSA) | Engineering and design services for improvements to the runway safety area for Runway 14 | $ 206,650 | $ 20,000 | Active | Seeking Army COE Environmental Permit. Expect the final report in 3rd Quarter of FY 2025. The grant amount increased to $206,650 to cover environmental permitting. |
| A2301 | TAXIWAY E REALIGNMENT, APRON RECONSTRUCTION, & DRAINAGE IMPROVEMENTS | Phase 1 and 2 of Taxiway E relocation and reconstruction, general aviation ramp reconstruction of three pad sites, and airfield drainage improvements | $ 7,300,000 | $ 191,850 | Bidding | Bid closing is scheduled for May 14, 2025. The construction start date is moved to 4th quarter of FY 2025 |
| A2302 | REPLACE 13 ATCT WINDOWS & FRAMES | Replaces 13 window frames with marine grade stainless steel frames and replaces 13 windows | $ 635,800 | $ 635,800 | Complete | Completed, July 2024 |
| A2303 | REPLACE AIRFIELD LIGHTING CONTROL & MONITORING SYSTEM | This project replaces the light control and monitoring system for the airfield lighting | $ 49,535 | $ - | Complete | Completed, December 2024 |
| A2304 | REPLACE ATCT ELEVATOR | This project replaces the current elevator that is no longer supported by the manufacturer | $ 244,787 | $ 66,092 | Complete | Completed, September 2024 |
| A2305 | RUNWAY 14 RUNWAY SAFETY AREA IMPROVEMENTS | Grading improvements to the RSA at the approach end of Runway 14 | $ 6,000,000 | $ - | Pending Bidding | This project is on hold pending environmental approval. Construction has been pushed back to FY 2027. |
| A2501 | TERMINAL SECURITY CAMERA SYSTEM | Install a new video surveillance system for the airport terminal | $ 80,000 | $ 54,055 | Active | Pending installation of equipment and activation. Expect project to be completed in 3rd quarter of FY 2025. |
| A2402 | ENGINEERING & DESIGN TAXIWAY A, B, C, D, AND APRON REHABILITATION | Engineering and design services for improvements to Taxiways A, B, C, D, and Apron | $ 90,000 | $ 54,500 | Active | Council approved the contract with H.W. Lochner for professional services related to this project on March 27, 2025. |
| A2402 | CONSTRUCTION TAXIWAY A, B, C, D, AND APRON REHABILITATION | Final Rehabilitation project on the Taxiways and Apron | $ 2,550,388 | $ - | Pending Bidding | Expect bidding this project in 2nd quarter of FY 2026. |
| A2503 | MARKING RUNWAY 14/32, Runway 18/36, Taxiway A, B, C, D, E AND APRON | Remark all airside pavement with new markings to comply with FAA Part 139 standards. | $ 3,000,000 | $ - | Pending Funding | TxDOT added project to Draft CIP Listing for FY 2029 |

**CITY OF GALVESTON**
**CASH RECONCILIATION REPORT**
**per ADOPTED BUDGET 2025**
**AS OF 6/30/25**
**(2 pages)**

| Department: | IDC | | | | | | | STREETS / TRAFFIC | PUBLIC IMPROVEMENT | | WATER |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Fund Description: | BEACHES | ECON DEV | ECON DEV 2024 BONDS | PARKS | PARKS CO BOND | INFRASTRUCTURE | INFRASTRUCTURE 2024 BONDS | ISA & DS | 2017 G.O. Bonds | 2019 G.O. Bonds | Water Improve |
| Fund #: | 3190 | 3191 | 319101 | 3192 | 319201 | 3193 | 319301 | 3199 | 3217 | 3219 | 40102 |
| Page #: | Page 1 | Page 2 | Page 3 | Page 4 | Page 5 | Page 6 | Page 7 | Page 8 | Page 9 | Page 10 | Page 11 |
| **CASH RECONCILIATION** | | | | | | | | | | | |
| **Beginning Balance, Oct 1, 2024** | **$10,492,167** | **$10,100,483** | **$ 12,000,000.00** | **$2,861,730** | **$ 3,582,150.02** | **$6,847,318** | **$ 8,000,000.00** | **$ 5,571,530.74** | **$141,716** | **$ 8,190,310.14** | **$ 1,822,754.69** |
| **Add: Interest FY 2025** | $249,513 | $286,241 | $ 382,059.76 | $67,146 | $ 61,762.85 | $156,807 | $ 254,706.51 | $ 190,783.96 | $4,139 | $ 219,447.78 | $ 13,908.60 |
| **Add: FY 2024 Transfers / Revenues / Other Sources** | $1,075,760 | $1,075,760 | $ - | $1,075,760 | $ - | $1,075,760 | $ - | $ 3,268,094.63 | $0 | $0 | $ - |
| **CASH, TOTAL RESOURCES** | **$11,817,440** | **$11,462,484** | **$12,382,060** | **$4,004,636** | **$3,643,913** | **$8,079,885** | **$8,254,707** | **$9,030,409** | **$145,855** | **$8,409,758** | **$1,836,663** |
| **Less: YTD Expenditures** | ($340,965) | ($1,554,849) | $ - | ($2,236,332) | ($1,631,379) | ($2,159,549) | $ - | $ (1,140,930.98) | $0 | $ (640,426.91) | $ (332,442.79) |
| **Less: Payables, Due from** | ($115,806) | $0 | $ - | ($134,807) | $ (340,908.27) | ($550,355) | $ - | $ (101,820.56) | $ - | $ (256,132.06) | $ (70,110.00) |
| **CASH, ENDING BALANCE** | **$11,360,668** | **$9,907,635** | **$12,382,060** | **$1,633,496** | **$1,671,625** | **$5,369,982** | **$8,254,707** | **$7,787,658** | **$145,855** | **$7,513,199** | **$1,434,111** |
| **BUDGET RECONCILIATION** | | | | | | | | | | | |
| **CASH, ENDING BALANCE** | **$11,360,668** | **$9,907,635** | **$12,382,060** | **$1,633,496** | **$ 1,671,625.46** | **$5,369,982** | **$8,254,707** | **$7,787,658** | **$145,855** | **$ 7,513,198.95** | **$1,434,111** |
| **Add: FY 2025 Outstanding Estimated Revenue, Other Funding Sources, Transfers** | $ 834,823.19 | $ 834,823.19 | $ - | $ 797,718.77 | $ (128,417.74) | $ 827,788.19 | $ - | $ 3,264,767.50 | $0 | $ (16,372.31) | $ 300,000.00 |
| **Less: Encumbered** | ($1,089,304) | ($10,000) | ($9,530,796) | ($233,366) | ($402,675) | ($187,509) | $ (6,353,864.30) | $ (3,012,322.08) | ($2,366) | $ (1,595,824.23) | $ (46,967.28) |
| **Less: Unencumbered** | ($2,204,022) | ($6,931,030) | $ - | ($1,631,202) | ($615,449) | ($5,960,229) | $ - | $ (5,822,184.78) | ($1,384) | $ (4,172,560.47) | $ (24,615.93) |
| **AVAILABLE FY 2025** | **$8,902,166** | **$3,801,428** | **$2,851,263** | **$566,647** | **$525,084** | **$50,032** | **$1,900,842** | **$2,217,918** | **$142,105** | **$1,728,442** | **$1,662,527** |

**CITY OF GALVESTON**
**CASH RECONCILIATION REPORT**
**per ADOPTED BUDGET 2025**
**AS OF 6/30/25**
**(2 pages)**

| Department: | SEWER | AIRPORT | DRAINAGE | | | | | | | SANITATION | | TOTAL |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Fund Description: | Sewer Improve | Airport Improvement | Drainage Improve | 2017 CO Bonds | 2019 CO Bonds | 2022 CO Bonds | 2017 CO Bonds | 2019 CO Bonds | 2022 CO Bonds | 2022 CO Bonds | American Rescue | |
| Fund #: | 42102 | 43302 | 44102 | 40117 | 40119 | 40122 | 42117 | 42119 | 42122 | 43202 | 1218 | ALL FUNDS |
| Page #: | Page 12 | Page 13 | Page 14 | Page 15 | Page 16 | Page 17 | Page 21 | Page 22 | Page 23 | Page 24 | Page 25 | |
| **CASH RECONCILIATION** | | | | | | | | | | | | |
| **Beginning Balance, Oct 1, 2024** | $ 460,920.59 | $ 4,740,078.98 | $237,580 | $13,670 | $ 3,447,553.54 | $ 29,288,067.77 | $200,626 | $ 2,142,452.48 | $30,466,270 | $2,682,943 | $4,122,327 | $151,534,976 |
| **Add: Interest FY 2025** | $ 10,848.47 | $ 14,786.27 | $6,939 | $399 | $ 93,244.53 | $ 866,028.00 | $5,859 | $ 56,197.48 | $ 801,983.97 | $ 75,521.74 | $ 59,081.06 | **$3,936,486** |
| **Add: FY 2024 Transfers / Revenues / Other Sources** | $ - | $ 186,778.55 | $0 | $0 | $ - | $ - | $0 | $ - | $ 2,500,000.00 | $0.00 | $0.00 | **$10,257,912** |
| **CASH, TOTAL RESOURCES** | **$471,769** | **$4,941,644** | **$244,518** | **$14,069** | **$3,540,798** | **$30,154,096** | **$206,486** | **$2,198,650** | **$33,768,254** | **$2,758,465** | **$4,181,408** | **$165,729,375** |
| **Less: YTD Expenditures** | $ (130,628.47) | $ (362,244.77) | $0 | $0 | ($560,557) | ($1,110,364) | $0 | ($191,697) | ($7,138,334) | ($51,832) | ($2,036,055) | **($23,654,642)** |
| **Less: Payables, Due from** | $ (57,164.06) | $ - | $0 | $0 | $ (128,256.87) | $ (198,594.27) | $0 | $ (141,821.58) | ($1,123,450) | $ (51,831.50) | ($1,134,144) | **($5,539,345)** |
| **CASH, ENDING BALANCE** | **$283,977** | **$4,579,399** | **$244,518** | **$14,069** | **$2,851,984** | **$28,845,138** | **$206,486** | **$1,865,132** | **$25,506,470** | **$2,654,802** | **$1,011,209** | **$136,535,388** |
| **BUDGET RECONCILIATION** | | | | | | | | | | | | |
| **CASH, ENDING BALANCE** | **$283,977** | **$4,579,399** | **$244,518** | **$14,069** | **$2,851,984** | **$28,845,138** | **$206,486** | **$1,865,132** | **$ 25,506,470.43** | **$ 2,654,801.86** | **$ 1,011,209.27** | **$136,535,388** |
| **Add: FY 2025 Outstanding Estimated Revenue, Other Funding Sources, Transfers** | $ 300,000.00 | $ - | $0 | $ - | $ (22,692.00) | $0 | $0 | ($51,549) | ($508,156) | $0 | $ (420,499.72) | **$6,012,234** |
| **Less: Encumbered** | $ (70,693.56) | $ (96,809.33) | $0 | $0 | ($2,608,188) | ($3,197,207) | ($179,057) | ($1,139,839) | ($7,814,110) | $0 | ($1,697,270) | **($40,965,438)** |
| **Less: Unencumbered** | $ (142,713.97) | $ (245,451.90) | ($57,500) | $0 | ($158,907) | ($22,805,476) | $0 | ($469,320) | ($16,519,010) | $0 | $1,147,590 | **($65,465,874)** |
| **AVAILABLE FY 2025** | **$370,569** | **$4,237,138** | **$187,018** | **$14,069** | **$62,197** | **$2,842,455** | **$27,429** | **$204,424** | **$665,194** | **$2,654,802** | **$ 41,030** | **$36,116,309** |

## CITY OF GALVESTON
### CASH & BUDGET RECONCILIATION REPORT
### IDC BEACH NOURISHMENT FUND 3190
### AS OF 6/30/25

| Cash Reconciliation | | |
|---|---|---|
| Cash, Beginning Balance Oct 1, 2024 | **$** | **10,492,167.22** |
| FY 2025: Interest | $ | 249,513.08 |
| FY 2025: 4B Sales Tax ($1,910,583) | $ | 1,075,759.81 |
| **Total Cash Resources** | **$** | **11,817,440.11** |
| Less: Expenditures | $ | (340,965.37) |
| Less: Accounts/Retain Payable 09/30/24, Due from Stat | $ | (115,806.40) |
| **CASH, ENDING BALANCE AS OF 6/30/2025** | **$** | **11,360,668.34** |

| Budget Reconciliation | | | |
|---|---|---|---|
| Cash, Ending 6/30/25 | $ | 11,360,668.34 | |
| FY 2025: 4B Sales Tax | $ | 834,823.19 | *(anticipated)* |
| FY 2025: Payables | $ | - | |
| **Total Cash/Budget** | **$** | **12,195,491.53** | |
| Less: Encumbered | $ | (1,089,304.35) | |
| Less: Unencumbered | $ | (2,204,021.60) | |
| **Available FY 2025** | | **8,902,165.58** | |

| PROJECT | COUNCIL APPROVAL | ACTIVITY CODE | APPROVED BUDGET | | CASH PAID OUT | ENCUMBERED | TOTAL | PLANNED COMMITMENT |
|---|---|---|---|---|---|---|---|---|
| **OPERATING** | | | | | | | | |
| OPERATING EXPENDITURES | 2023 | OPEXP | 643,494 | | 221,367 | 132,748 | 354,115 | 289,380 |
| **PROJECTS** | | | | | | | | |
| HURRICANE BERYL | 2024 | BERYL | 79,484 | | 69,336 | 10,148 | 79,484 | 0 |
| KARANKAWA BEACH/GULF PALM DRAINAGE | 2024 | D2501 | 1,100,000 | | 16,206 | 945,465 | 961,671 | 138,329 |
| BABES BEACH - RENOURISHMENT. | 2023 | IDCBBP | 1,811,313 | | 0 | 0 | 0 | 1,811,313 |
| BEACH REMEDIATION EQUIPMENT | 2020 | IDCBRE | 0 | | 34,057 | 943 | 35,000 | (35,000) |
| **TOTAL BUDGET (established)** | | | **$3,634,291** | | **$340,965** | **$1,089,304** | **$1,430,270** | **$2,204,022** |

## CITY OF GALVESTON
### CASH & BUDGET RECONCILIATION REPORT
### IDC ECONOMIC DEVELOPMENT FUND 3191
### AS OF 6/30/25

| Cash Reconciliation | | |
|---|---|---|
| Cash, Beginning Balance Oct 1, 2024 | **$** | **10,100,482.57** |
| FY 2025: Interest | $ | 286,241.32 |
| FY 2025: 4B Sales Tax ($1,910,583) | $ | 1,075,759.81 |
| **Total Cash Resources** | **$** | **11,462,483.70** |
| Less: Expenditures | $ | (1,554,848.55) |
| Less: Accounts/Retain Payable 09/30/24, Due from State | $ | - |
| **CASH, ENDING BALANCE AS OF 6/30/2025** | **$** | **9,907,635.15** |

| Budget Reconciliation | | |
|---|---|---|
| Cash, Ending 6/30/25 | $ | 9,907,635.15 |
| FY 2025: 4B Sales Tax | $ | 834,823.19 |
| FY 2025: Payables | $ | - |
| **Total Cash/Budget** | **$** | **10,742,458.34** |
| Less: Encumbered | | (10,000) |
| Less: Unencumbered | $ | (6,931,030.20) |
| **Available FY 2025** | | **3,801,428.14** |

****RETAINAGE PAYABLE INCLUDED****

| PROJECT | COUNCIL APPROVAL | ACTIVITY CODE | APPROVED BUDGET | CASH PAID OUT | ENCUMBERED | TOTAL | PLANNED COMMITMENT |
|---|---|---|---|---|---|---|---|
| **OPERATING** | | | | | | | |
| OPERATING EXPENDITURES | 2023 | OPEXP | 325,984 | 197,954 | 10,000 | 207,954 | 118,030 |
| **PROJECTS** | | | | | | | |
| 37TH ST STORMWATER PUMP STATION | 2024 | D2503 | 1,000,000 | 0 | 0 | 0 | 1,000,000 |
| TAXIWAY E IMPROVEMENTS | 2023 | A2301 | 538,150 | 538,150 | 0 | 538,150 | 0 |
| AIRPORT PARKING LOT IMPROVEMENTS | 2024 | IDCALP | 200,000 | 0 | 0 | 0 | 200,000 |
| PELICAN ISLAND BRIDGE | 2020 | PIBRDG | 5,400,000 | 0 | 0 | 0 | 5,400,000 |
| HARBORSIDE DR - TRAFFIC SIGNAL 16-33 | 2024 | TR2502 | 213,000 | 0 | 0 | 0 | 213,000 |
| CERTIFICATION OF OBLIGATION, 2024 | 2024 | 2024CO | 818,745 | 818,745 | 0 | 818,745 | 0 |
| **TOTAL BUDGET (established)** | | | **$8,495,879** | **$1,554,849** | **$10,000** | **$1,564,849** | **$6,931,030** |

## CITY OF GALVESTON
### CASH & BUDGET RECONCILIATION REPORT
### IDC ECONOMIC DEVELOPMENT CO BONDS 2024 - 319101
### AS OF 6/30/25

| Cash Reconciliation | | |
|---|---|---|
| Cash, Beginning Balance Oct 1, 2024 | **$** | **12,000,000.00** |
| FY 2025: Interest | $ | 382,059.76 |
| FY 2025: Other Revenue | $ | - |
| **Total Cash Resources** | **$** | **12,382,059.76** |
| Less: Expenditures | $ | - |
| Less: Accounts/Retain Payable 09/30/24 | $ | - |
| **CASH, ENDING BALANCE AS OF 6/30/2025** | **$** | **12,382,059.76** |

| Budget Reconciliation | | |
|---|---|---|
| Cash, Ending 6/30/25 | $ | 12,382,059.76 |
| FY 2025: Other | $ | - |
| FY 2025: Payables | $ | - |
| **Total Cash/Budget** | **$** | **12,382,059.76** |
| Less: Encumbered | | (9,530,796) |
| Less: Unencumbered | $ | - |
| **Available FY 2025** | | **2,851,263.31** |

****RETAINAGE PAYABLE INCLUDED****

| PROJECT | COUNCIL APPROVAL | ACTIVITY CODE | APPROVED BUDGET | | CASH PAID OUT | ENCUMBERED | | TOTAL | PLANNED COMMITMENT |
|---|---|---|---|---|---|---|---|---|---|
| **PROJECTS** | | | | | | | | | |
| SOUTH SHORE PUMP STATION | 2024 | D2101 | 9,530,796 | | 0 | 9,530,796 | | 9,530,796 | 0 |
| **TOTAL BUDGET (established)** | | | **$9,530,796** | | **$0** | **$9,530,796** | | **$9,530,796** | **$0** |

## CITY OF GALVESTON
### CASH & BUDGET RECONCILIATION REPORT
### IDC PARKS & RECREATION FUND 3192
### AS OF 6/30/25

| Cash Reconciliation | | |
|---|---|---|
| Cash, Beginning Balance Oct 1, 2024 | $ | **2,861,729.80** |
| FY 2025: Interest | $ | 67,146.11 |
| FY 2025: 4B Sales Tax ($1,910,583) | $ | 1,075,759.81 |
| **Total Cash Resources** | **$** | **4,004,635.72** |
| Less: Expenditures | $ | (2,236,332.00) |
| Less: Accounts/Retain Payable 09/30/24, Due from State | $ | (134,807.49) |
| **CASH, ENDING BALANCE AS OF 6/30/2025** | **$** | **1,633,496.23** |

| Budget Reconciliation | | |
|---|---|---|
| Cash, Ending 6/30/25 | $ | 1,633,496.23 |
| FY 2025: 4B Sales Tax | $ | 834,823.19 |
| FY 2025: Payables | $ | (37,104.42) |
| **Total Cash/Budget** | **$** | **2,431,215.00** |
| Less: Encumbered | $ | (233,366.42) |
| Less: Unencumbered | $ | (1,631,201.89) |
| **Available FY 2025** | | **566,646.69** |

| PROJECT | COUNCIL APPROVAL | ACTIVITY CODE | APPROVED BUDGET | CASH PAID OUT | ENCUMBERED | TOTAL | PLANNED COMMITMENT |
|---|---|---|---|---|---|---|---|
| **OPERATING** | | | | | | | |
| OPERATING EXPENDITURES | 2024 | OPEXP | 912,210 | 53,798 | 0 | 53,798 | 858,412 |
| CERTIFICATES OF OBLIGATION, 2022 | 2022 | 2022CO | 44,825 | 859,650 | 0 | 859,650 | (814,825) |
| IDC PROJECTS (Parks Crew Maintenance) (1) | 2022 | IDCPCR | 550,000 | 251,765 | 0 | 251,765 | 298,235 |
| LASKER COMMUNITY POOL (2) | 2022 | LASKER | 500,000 | 250,000 | 0 | 250,000 | 250,000 |
| **PROJECTS** | | | | | | | |
| JONES PARK | | IDCJON | 75,000 | 0 | 0 | 0 | 75,000 |
| PARKS IMPRT/MAINTENANCE PACKAGE | 2023 | IDCPP4 | 4,460 | 0 | 69,460 | 69,460 | (65,000) |
| IDC PARK PACKAGE #5 | 2024 | IDCPP5 | 1,951,946 | 840,606 | 133,249 | 973,855 | 978,091 |
| SANDHILL CRANE PROJECT | 2021 | IDCSHC | 99,563 | 17,617 | 30,657 | 48,274 | 51,289 |
| | | | **$4,138,005** | **$2,273,436** | **$233,366** | **$2,506,803** | **$1,631,202** |

(1) Reimburse General Fund for maintenance expenditures as incurred.
(2) Transfer of funds to the Lasker Pool fund.

## CITY OF GALVESTON
### CASH & BUDGET RECONCILIATION REPORT
### PARKS CO BONDS 2022 FUND 319201
### AS OF 6/30/25

| Cash Reconciliation | | |
|---|---|---|
| Cash, Beginning Balance Oct 1, 2024 | **$** | **3,582,150.02** |
| FY 2025: Interest | $ | 61,762.85 |
| FY 2025: Other Revenue | $ | - |
| **Total Cash Resources** | **$** | **3,643,912.87** |
| Less: Expenditures | | ($1,631,379) |
| Less: Accounts/Retain Payable 09/30/24, Due from State | $ | (340,908.27) |
| **CASH, ENDING BALANCE AS OF 6/30/2025** | **$** | **1,671,625.46** |

| Budget Reconciliation | | |
|---|---|---|
| Cash, Ending 6/30/25 | $ | 1,671,625.46 |
| FY 2025: Other | $ | - |
| FY 2025: Payables | $ | - |
| Previous Retainage | $ | (128,417.74) |
| **Total Cash/Budget** | **$** | **1,543,207.72** |
| Less: Encumbered | $ | (402,675.30) |
| Less: Unencumbered | $ | (615,448.91) |
| **Available FY 2025** | | **525,083.51** |

| PROJECT | COUNCIL APPROVAL | ACTIVITY CODE | APPROVED BUDGET | CASH PAID OUT | ENCUMBERED | RETAINAGE | TOTAL | PLANNED COMMITMENT |
|---|---|---|---|---|---|---|---|---|
| **PROJECTS** | | | | | | | | |
| ***PARKS PACKAGE #2*** | | | | | | | | |
| SANDHILL CRANE PROJECT | April, 2021 | IDCSHC | 2,865,933 | 1,847,809 | 402,675 | (88,012) | 2,250,484 | 615,449 |
| **TOTAL BUDGET (established)** | | | **$2,865,933** | **$1,847,809** | **$402,675** | **($88,012)** | **$2,250,484** | **$615,449** |

## CITY OF GALVESTON
### CASH & BUDGET RECONCILIATION REPORT
### IDC INFRASTRUCTURE FUND 3193
### AS OF 6/30/25

| Cash Reconciliation | | |
|---|---|---|
| Cash, Beginning Balance Oct 1, 2024 | **$** | **6,847,318.13** |
| FY 2024: Interest/Other Financing Source | $ | 156,806.86 |
| FY 2025: 4B Sales Tax ($1,910,583) | $ | 1,075,759.81 |
| **Total Cash Resources** | **$** | **8,079,884.80** |
| Less: Expenditures | $ | (2,159,548.73) |
| Less: Accounts Payable 09/30/24, Due from State | $ | (550,354.52) |
| **CASH, ENDING BALANCE AS OF 6/30/2025** | **$** | **5,369,981.55** |

| Budget Reconciliation | | |
|---|---|---|
| Cash, Ending 6/30/25 | $ | 5,369,981.55 |
| FY 2025: 4B Sales Tax | $ | 834,823.19 |
| FY 2025: Payables | $ | (7,035.00) |
| Previous Retainage | $ | - |
| **Total Cash/Budget** | **$** | **6,197,769.74** |
| Less: Encumbered | $ | (187,509.10) |
| Less: Unencumbered | $ | (5,960,228.76) |
| **Available FY 2025** | | **50,031.88** |

| PROJECT | COUNCIL APPROVAL | ACTIVITY CODE | APPROVED BUDGET | | CASH PAID OUT | ENCUMBERED | RETAINAGE | TOTAL | PLANNED COMMITMENT |
|---|---|---|---|---|---|---|---|---|---|
| **OPERATING** | | | | | | | | | |
| OPERATING EXPENDITURES | 2021 | OPEXP | 97,409 | | 53,798 | 0 | 0 | 53,798 | 43,610 |
| PARKS MAINTANENCE CREW | 2019 | IDCPCR | 160,000 | | 76,315 | 0 | 0 | 76,315 | 83,686 |
| SIDEWALK CURB CREW - salary reim | 2015 | IDCSCC | 435,000 | | 187,848 | 0 | 0 | 187,848 | 247,152 |
| CERTIFICATION OF OBLIGATION, 2024 | 7/16/1905 | 2024CO | 545,830 | | 545,830 | 0 | 0 | 545,830 | 0 |
| **PROJECTS** | | | | | | | | | |
| DRAINAGE IMPROVEMENT PILOT | 2024 | IDCDIP | 1,664,158 | | 187,253 | 183,749 | 0 | 371,002 | 1,293,156 |
| STORMWATER MASTER PLAN | 2022 | D2203 | 2,500,000 | | 0 | 0 | | 0 | 2,500,000 |
| PELICAN ISLAND BRIDGE | 2020 | PIBRIDG | 600,000 | | 0 | 0 | | 0 | 600,000 |
| DOWNTOWN STREETSCAPE | 2018 | IDCDOW | 1,203,761 | | 7,714 | 3,761 | 0 | 11,474 | 1,192,286 |
| ENGLISH BAYOU PUMP STATION | 2024 | IDCEBP | 1,108,165 | | 1,107,826 | 0 | | 1,107,826 | 339 |
| **TOTAL BUDGET (established)** | | | **$8,314,322** | | **$2,166,584** | **$187,509** | **$0** | **$2,354,093** | **$5,960,229** |

## CITY OF GALVESTON
### CASH & BUDGET RECONCILIATION REPORT
### IDC INFRASTRUCTURE CO BONDS 2024 - 319301
### AS OF 6/30/25

| Cash Reconciliation | | |
|---|---|---|
| Cash, Beginning Balance Oct 1, 2024 | **$** | **8,000,000.00** |
| FY 2024: Interest/Other Financing Source | $ | 254,706.51 |
| FY 2025: Other Revenue | $ | - |
| **Total Cash Resources** | **$** | **8,254,706.51** |
| Less: Expenditures | $ | - |
| Less: Accounts Payable 09/30/24 | $ | - |
| **CASH, ENDING BALANCE AS OF 6/30/2025** | **$** | **8,254,706.51** |

| Budget Reconciliation | | |
|---|---|---|
| Cash, Ending 6/30/25 | $ | 8,254,706.51 |
| FY 2025: Other Revenue | $ | - |
| FY 2025: Payables | $ | - |
| Previous Retainage | $ | - |
| **Total Cash/Budget** | **$** | **8,254,706.51** |
| Less: Encumbered | $ | (6,353,864.30) |
| Less: Unencumbered | $ | - |
| **Available FY 2025** | | **1,900,842.21** |

| PROJECT | COUNCIL APPROVAL | ACTIVITY CODE | APPROVED BUDGET | | CASH PAID OUT | ENCUMBERED | RETAINAGE | TOTAL | PLANNED COMMITMENT |
|---|---|---|---|---|---|---|---|---|---|
| **PROJECTS** | | | | | | | | | |
| SOUTH SHORE PUMP STATION | 2024 | D2101 | 6,353,864 | | | 6,353,864 | | 6,353,864 | 0 |
| **TOTAL BUDGET (established)** | | | **$6,353,864** | | **$0** | **$6,353,864** | **$0** | **$6,353,864** | **$0** |

# CITY OF GALVESTON

**CASH & BUDGET RECONCILIATION REPORT**
**INFRASTRUCTURE & DEBT SERVICE FUND 3199**
**AS OF 6/30/25**

| Cash Reconciliation | | |
|---|---|---|
| Cash, Beginning Balance Oct 1, 2024 | $ | **5,571,530.74** |
| FY 2025: Interest | $ | 190,783.96 |
| FY 2025: Other Revenue | $ | 3,327.13 |
| FY 2025: Transfer from GF* | $ | 3,264,767.50 |
| **Total Cash Resources** | **$** | **9,030,409.33** |
| Less: Expenditures | $ | (1,140,930.98) |
| Less: Accounts/Retainage Payable as of 09/30/2024 | $ | (101,820.56) |
| **CASH, ENDING BALANCE AS OF 6/30/2025** | **$** | **7,787,657.79** |

| Budget Reconciliation | | | |
|---|---|---|---|
| Cash, Ending 6/30/25 | $ | 7,787,657.79 | |
| FY 2025: Transfer In GF* | $ | 3,264,767.50 | *(to be transferred)* |
| FY 2025: Retainage | $ | - | |
| FY 2025: Due from/Payable | $ | - | |
| **Total Cash/Budget** | **$** | **11,052,425.29** | |
| Less: Encumbered | $ | (3,012,322.08) | |
| Less: Unencumbered | $ | (5,822,184.78) | |
| **Available FY 2025** | | **2,217,918.43** | |

| PROJECT | COUNCIL APPROVAL | ACTIVITY CODE | APPROVED BUDGET | CASH PAID OUT | ENCUMBERED | RETAINAGE/ ADJUSTMENT | TOTAL | PLANNED COMMITMENT |
|---|---|---|---|---|---|---|---|---|
| Transfer to Technology Improvement Fund | FY 2025 | | 500,000 | 0 | 0 | | 0 | 500,000 |
| Available for Appropriations | FY 2025 | AVAIL | 152,193 | 0 | 0 | | 0 | 152,193 |
| **DRAINAGE PROJECTS** | | | | | | | | |
| CHURCH ST DRAINAGE IMPROVEMENTS | September, 2020 | D1604 | 739 | 739 | 0 | | 739 | 0 |
| MASTER DRAINAGE PLAN and FEASIBILITY STUDY | | D1701 | 244,940 | 29,050 | 215,890 | | 244,940 | 0 |
| PILOT STORM WATER PUMP ST - 14TH ST | October, 2019 | D1901 | 15,560 | 17,071 | 0 | | 17,071 | (1,511) |
| SOUTH SHORE PUMP STATION | January, 2022 | D2101 | 27 | 0 | 27 | | 27 | 0 |
| STORM WATER MASTER PLAN - CIP RECOMMENDATION | February, 2022 | D2203 | 10,770 | 10,866 | 0 | | 10,866 | (96) |
| KARANKAWA BEACH/GULF PALM DRAINAGE | October, 2024 | D2501 | 336 | 336 | 0 | | 336 | 0 |
| 18TH STS STORMWATER PUMP STATION | 2024 | D2502 | 541,200 | 0 | 0 | | 0 | 541,200 |
| **STREET PROJECTS** | | | | | | | | |
| IN HOUSE STREETS 2024 | October, 2023 | IHST24 | 15,729 | 15,729 | 0 | | 15,729 | 0 |
| IN HOUSE STREETS 2025 | 2025 | IHST25 | 1,757,573 | 481,923 | 454,008 | (22,501) | 913,430 | 844,143 |
| 23RD ST - BROADWAY TO SEAWALL (COUNTY) | 2022 | ST1806 | 76,100 | 31,179 | 44,921 | | 76,100 | 0 |
| 37TH ST - BROADWAY TO AVE P | October, 2021 | ST1901 | 4,923 | 5,241 | 8,301 | | 13,542 | (8,619) |
| 37TH ST - AVE P TO SEAWALL | October, 2021 | ST1902 | 4,779 | 5,096 | 8,301 | | 13,397 | (8,619) |
| 35TH ST - POST OFFICE TO BROADWAY | March, 2021 | ST2003 | 341 | 341 | 0 | | 341 | 0 |
| ISLAND WIDE ACTION SAFETY PLAN | September, 2023 | ST2401 | 294,250 | 255,071 | 6,250 | | 261,321 | 32,929 |
| STREETS CONTINGENCY | October, 2022 | STCONT | 27,225 | 0 | 0 | | 0 | 27,225 |
| **OTHER PROJECTS** | | | | | | | | |
| STREETS - PROJECT MANAGEMENT | October, 2022 | STPMC | 207,726 | 5,785 | 0 | | 5,785 | 201,940 |
| TRAFFIC SIGNALS THROUGHOUT CITY | October, 2021 | TR2102 | 286,110 | 166,780 | 28,100 | | 194,880 | 91,230 |
| HARBORSIDE DR - BNSF RR CROSSING | 2024 | TR2501 | 95,000 | 0 | 0 | | 0 | 95,000 |
| EAST PARKING LOT - GARAGE | | F1801 | 55,000 | 0 | 0 | | 0 | 55,000 |
| GARAGE STORAGE TANK REPLACEMENT | Pending | F2101 | 900,000 | 20,671 | 16,581 | | 37,252 | 862,748 |
| FIRE STATION/SAFE ROOM | Pending | F2402 | 753,660 | 18,013 | 76,585 | | 94,598 | 659,062 |
| FIRE APPARATUS | FY2021 | FA | 2,143,289 | 0 | 2,143,289 | | 2,143,289 | 0 |
| ISLA DEL SOL PUMP STATION | FY2024 | W2501 | 37 | 37 | 0 | | 37 | 0 |
| CITY HALL RENOVATION | November, 2018 | CH1702 | 91,152 | 52,275 | 10,069 | | 62,344 | 28,808 |
| JAMAIL PARK RR TRAILER | July, 2024 | JAMPK | 3,110 | 3,110 | 0 | | 3,110 | 0 |
| GARDEN VEREIN MAINTENANCE | July, 2024 | GVMAIN | 544 | 544 | 0 | | 544 | 0 |
| THIRD FLOOR CITY HALL RENOVATION | | CH2401 | 1,793,125 | 43,575 | 0 | | 43,575 | 1,749,550 |
| **TOTAL BUDGET (established)** | | | **$9,975,438** | **$1,163,432** | **$3,012,322** | **($22,501)** | **$4,153,253** | **$5,822,185** |

## CITY OF GALVESTON
### CASH & BUDGET RECONCILIATION REPORT
### 2019 GO BONDS FUND 3219
### AS OF 6/30/25

| Cash Reconciliation | | |
|---|---|---|
| Cash, Beginning Balance Oct 1, 2024 | **$** | **8,190,310.14** |
| FY 2025: Interest | $ | 219,447.78 |
| FY 2025: Other | $ | - |
| **Total Cash Resources** | **$** | **8,409,757.92** |
| Less: Expenditures | $ | (640,426.91) |
| Less: Accounts/Retainage Payable as of 09/30/24 | $ | (256,132.06) |
| **CASH, ENDING BALANCE AS OF 6/30/2025** | **$** | **7,513,198.95** |

| Budget Reconciliation | | |
|---|---|---|
| Cash, Ending 6/30/25 | $ | 7,513,198.95 |
| FY 2025: Transfers | $ | - |
| FY 2025: Retainage | $ | (16,372.31) |
| **Total Cash/Budget** | **$** | **7,496,826.64** |
| Less: Encumbered | | ($1,595,824) |
| Less: Unencumbered | | ($4,172,560) |
| **Available FY 2025** | | **1,728,441.94** |

| PROJECT | COUNCIL APPROVAL | ACTIVITY CODE | APPROVED BUDGET | CASH PAID OUT | ENCUMBERED | TOTAL | RETAINAGE/ ADJUSTMENT | PLANNED COMMITMENT |
|---|---|---|---|---|---|---|---|---|
| **DRAINAGE PROJECTS** | | | | | | | | |
| CHURCH STREET DRAINAGE IMPROVEMENT | SEPT, 2020 | D1604 | 75,000 | 75,000 | 0 | 75,000 | 0 | 0 |
| PILOT STORM WATER PUMP STATION 14TH ST | AUGUST, 2020 | D1901 | 2,822,695 | 34,088 | 56,113 | 90,201 | 0 | 2,732,494 |
| SOUTH SHORE PUMP STATION | JANUARY, 2022 | D2101 | 1,426,374 | 7,700 | 1,418,674 | 1,426,374 | 0 | 0 |
| STORMWATER PUMP STATION | JANUARY, 2022 | D2202 | 5,600 | 0 | 5,600 | 5,600 | 0 | 0 |
| **STREET PROJECTS** | | | | | | | | |
| 37TH ST - BROADWAY TO AVE P | OCTOBER, 2021 | ST1901 | 346,785 | 22,672 | 22,864 | 45,536 | (896) | 302,144 |
| 37TH ST - AVE P TO SEAWALL | OCTOBER, 2021 | ST1902 | 501,914 | 61,732 | 43,090 | 104,822 | (2,478) | 399,570 |
| 35TH ST - POSTOFFICE TO BROADWAY | DECEMBER, 2017 | ST2003 | 728,039 | (63,171) | 52,857 | (10,314) | 0 | 738,352 |
| YIELD REDUCTION PAYMENT | January, 2025 | | 522,152 | 522,152 | 0 | 522,152 | | 0 |
| | **TOTAL BUDGET (established)** | | **$6,428,558** | **$660,173** | **$1,599,198** | **$2,259,371** | **($3,374)** | **$4,172,560** |

## CITY OF GALVESTON
### CASH & BUDGET RECONCILIATION REPORT
### WATERWORKS IMPROVEMENT FUND 40102
### AS OF 6/30/25

| Cash Reconciliation | | |
|---|---|---|
| Cash, Beginning Balance Oct 1, 2024 | **$** | **1,822,754.69** |
| FY 2025: Interest | $ | 13,908.60 |
| FY 2025: Transfer | $ | - |
| **Total Cash Resources** | **$** | **1,836,663.29** |
| Less: Expenditures | $ | (332,442.79) |
| Less: Accounts Payable as of 09/30/24 | $ | (70,110.00) |
| **CASH, ENDING BALANCE AS OF 6/30/2025** | **$** | **1,434,110.50** |

| Budget Reconciliation | | |
|---|---|---|
| Cash, Ending 6/30/25 | $ | 1,434,110.50 |
| FY 2025: Transfers | $ | 300,000.00 |
| FY 2025: Payables | $ | - |
| FY 2025: Retainage | $ | - |
| **Total Cash/Budget** | **$** | **1,734,110.50** |
| Less: Encumbered | $ | (46,967.28) |
| Less: Unencumbered | $ | (24,615.93) |
| **Available FY 2025** | | **1,662,527.29** |

| PROJECT | COUNCIL APPROVAL | ACTIVITY CODE | APPROVED BUDGET | | CASH PAID OUT | ENCUMBERED | TOTAL | RETAINAGE/ ADJUSTMENT | PLANNED COMMITMENT |
|---|---|---|---|---|---|---|---|---|---|
| **PROJECTS** | | | | | | | | | |
| FIRE HYDRANT REPLACEMENT PROGRAM | | WFIRHY | 0 | | 34,498 | 0 | 34,498 | 0 | (34,498) |
| RENEWAL AND REPALCEMENT PROGRAM | October, 2022 | WRENEW | 404,026 | | 297,945 | 46,967 | 344,912 | 0 | 59,114 |
| | | ***TOTAL BUDGET (established)*** | **$404,026** | | **$332,443** | **$46,967** | **$379,410** | **$0** | **$24,616** |

Received from FEMA 4/30/25 - $1,402,463.43 (fund balance)

## CITY OF GALVESTON
### CASH & BUDGET RECONCILIATION REPORT
### SEWER IMPROVEMENT FUND 42102
### AS OF 6/30/25

| Cash Reconciliation | | |
|---|---|---|
| Cash, Beginning Balance Oct 1, 2024 | **$** | **460,920.59** |
| FY 2025: Interest | $ | 10,848.47 |
| FY 2025: Transfer | $ | - |
| **Total Cash Resources** | **$** | **471,769.06** |
| Less: Expenditures | $ | (130,628.47) |
| Less: Accounts/Retainage Payable as of 09/30/24 | $ | (57,164.06) |
| **CASH, ENDING BALANCE AS OF 6/30/2025** | **$** | **283,976.53** |

| Budget Reconciliation | | | |
|---|---|---|---|
| Cash, Ending 6/30/25 | $ | 283,976.53 | |
| FY 2025: Transfers** | $ | 300,000.00 | ***(to be transferred)*** |
| FY 2025: Payables | $ | - | |
| **Total Cash/Budget** | **$** | **583,976.53** | |
| Less: Encumbered | $ | (70,693.56) | |
| Less: Unencumbered | $ | (142,713.97) | |
| **Available FY 2025** | | **370,569.00** | |

| PROJECT | COUNCIL APPROVAL | ACTIVITY CODE | APPROVED BUDGET | CASH PAID OUT | ENCUMBERED | TOTAL | PLANNED COMMITMENT |
|---|---|---|---|---|---|---|---|
| **PROJECTS** | | | | | | | |
| **PIRATES BEACH WWTP** | February, 2016 | S1601 | 30,046 | 0 | 0 | 0 | 30,046 |
| PIRATES BEACH WWTP | February, 2016 | S1607 | 9,868 | 0 | 9,868 | 9,868 | 0 |
| HURRICANE BERYL | 7/1/2024 | BERYL | 0 | 53,054 | 0 | 53,054 | (53,054) |
| RENEWAL AND REPLACEMENT PROGRAM | October, 2022 | SRENEW | 304,122 | 77,575 | 60,826 | 138,401 | 165,721 |
| **TOTAL BUDGET (established)** | | | **$344,036** | **$130,628** | **$70,694** | **$201,322** | **$142,714** |

## CITY OF GALVESTON
### CASH & BUDGET RECONCILIATION REPORT
### AIRPORT IMPROVEMENT FUND 43302
### AS OF 6/30/25

| Cash Reconciliation | | |
|---|---|---|
| Cash, Beginning Balance Oct 1, 2024 | $ | **4,740,078.98** |
| FY 2025: Interest | $ | 14,786.27 |
| FY 2025: Due from | $ | 186,778.55 |
| **Total Cash Resources** | **$** | **4,941,643.80** |
| Less: Expenditures | $ | (362,244.77) |
| Less: Accounts Payable as of 09/30/24 | $ | - |
| **CASH, ENDING BALANCE AS OF 6/30/2025** | **$** | **4,579,399.03** |

| Budget Reconciliation | | |
|---|---|---|
| Cash, Ending 6/30/25 | $ | 4,579,399.03 |
| FY 2025: Transfers | $ | - |
| FY 2025: Payables | $ | - |
| **Total Cash/Budget** | **$** | **4,579,399.03** |
| Less: Encumbered | $ | (96,809.33) |
| Less: Unencumbered | $ | (245,451.90) |
| **Available FY 2025** | | **4,237,137.80** |

| PROJECT | COUNCIL APPROVAL | ACTIVITY CODE | APPROVED BUDGET | CASH PAID OUT | ENCUMBERED | TOTAL | PLANNED COMMITMENT |
|---|---|---|---|---|---|---|---|
| **PROJECTS** | | | | | | | |
| TAXIWAY E IMPROVEMENTS | 2023 | A2301 | 528,150 | 191,850 | 0 | 191,850 | 336,300 |
| RUNWAY 14 SAFETY AREA IMPROVEMENTS | 2023 | A2305 | 2,462 | 0 | 0 | 0 | 2,462 |
| HANGAR 70, 71, 71B REPAIRS | September, 2023 | A2307 | 2,044 | 23,034 | 0 | 23,034 | (20,990) |
| TAXIWAY A-D ENGINEER/DESIGN/CONSTRUCTION | October, 2024 | A2402 | 91,800 | 23,786 | 68,014 | 91,800 | 0 |
| AIRPORT VIDEO SURVEILLANCE CAMERAS | 2024 | A2501 | 77,850 | 54,055 | 28,795 | 82,850 | (5,000) |
| AIRFIELD SIGNAGE PANEL REPLACEMENT | 2024 | A2502 | 2,200 | 0 | 0 | 0 | 2,200 |
| SLIDE GATE REPLACEMENT FOR FS#4 | 2024 | A2504 | 0 | 17,595 | 0 | 17,595 | (17,595) |
| HURRICANE BERYL | July, 2024 | BERYL | 0 | 51,925 | 0 | 51,925 | (51,925) |
| **TOTAL BUDGET (established)** | | | **$704,506** | **$362,245** | **$96,809** | **$459,054** | **$245,452** |

## CITY OF GALVESTON
### CASH & BUDGET RECONCILIATION REPORT
### DRAINAGE IMPROVEMENT FUND 44102
### AS OF 6/30/25

| Cash Reconciliation | | |
|---|---|---|
| Cash, Beginning Balance Oct 1, 2024 | **$** | **237,579.57** |
| FY 2025: Interest | $ | 6,938.69 |
| FY 2025: Transfers | $ | - |
| **Total Cash Resources** | **$** | **244,518.26** |
| Less: Expenditures | $ | - |
| | $ | - |
| **CASH, ENDING BALANCE AS OF 6/30/2025** | **$** | **244,518.26** |

| Budget Reconciliation | | |
|---|---|---|
| Cash, Ending 6/30/25 | $ | 244,518.26 |
| FY 2025: Transfers | $ | - |
| FY 2025: Payables | $ | - |
| **Total Cash/Budget** | **$** | **244,518.26** |
| Less: Encumbered | $ | - |
| Less: Unencumbered | $ | (57,500.00) |
| **Available FY 2025** | | **187,018.26** |

| PROJECT | COUNCIL APPROVAL | ACTIVITY CODE | APPROVED BUDGET | | CASH PAID OUT | ENCUMBERED | TOTAL | PLANNED COMMITMENT |
|---|---|---|---|---|---|---|---|---|
| STORMWATER MODELING SOFTWARE | 2024 | D2201 | 57,500 | | 0 | 0 | 0 | 57,500 |
| **TOTAL BUDGET (established)** | | | **$57,500** | | **$0** | **$0** | **$0** | **$57,500** |

## CITY OF GALVESTON
### CASH & BUDGET RECONCILIATION REPORT
### WATERWORKS CO 2019 BONDS FUND 40119
### AS OF 6/30/25

| Cash Reconciliation | | |
|---|---|---|
| Cash, Beginning Balance Oct 1, 2024 | $ | **3,447,553.54** |
| FY 2025: Interest | $ | 93,244.53 |
| FY 2025: | $ | - |
| **Total Cash Resources** | **$** | **3,540,798.07** |
| Less: Expenditures | $ | (560,557.48) |
| Less: Accounts/Retainage Payable as of 09/30/24 | $ | (128,256.87) |
| **CASH, ENDING BALANCE AS OF 6/30/2025** | **$** | **2,851,983.72** |

| Budget Reconciliation | | |
|---|---|---|
| Cash, Ending 6/30/25 | $ | 2,851,983.72 |
| FY 2025: Transfers | $ | - |
| FY 2025: Retainage | | ($22,692.00) |
| **Total Cash/Budget** | **$** | **2,829,291.72** |
| Less: Encumbered | | ($2,608,188.10) |
| Less: Unencumbered | $ | (158,906.77) |
| **Available FY 2025** | | **62,196.85** |

| PROJECT | COUNCIL APPROVAL | ACTIVITY CODE | APPROVED BUDGET | CASH PAID OUT | ENCUMBERED | RETAINAGE/ ADJUSTMENT | TOTAL | PLANNED COMMITMENT |
|---|---|---|---|---|---|---|---|---|
| **PROJECTS** | | | | | | | | |
| SOUTH SHORE PUMP STATION | October, 2021 | D2101 | 2,074,000 | 0 | 2,074,000 | 0 | 2,074,000 | 0 |
| 23RD ST - BROADWAY TO SEAWALL (COUNTY | May, 2022 | ST1806 | 9,674 | 14,757 | 0 | 0 | 14,757 | (5,082) |
| AVE S - 53RD TO SEAWALL (COUNTY) | May, 2022 | ST1807 | 711 | 1,369 | 0 | 0 | 1,369 | (658) |
| 37TH ST - BROADWAY TO AVE P | October, 2021 | ST1901 | 77,849 | 51,609 | 29,500 | 0 | 81,108 | (3,260) |
| 37TH ST - AVE P TO SEAWALL | October, 2021 | ST1902 | 77,703 | 51,463 | 29,500 | 0 | 80,962 | (3,260) |
| 35TH ST - POST OFFICE TO BROADWAY | March, 2021 | ST2003 | 304 | 336 | 0 | | 336 | (31) |
| 10 MILE RD ELEVATED STORAGE TANK | December, 2017 | W1601 | 287,895 | 191 | 287,895 | 0 | 288,086 | (191) |
| REHAB 30" 1890 WATERLINE | August, 2016 | W1605 | 36,334 | 908 | 35,809 | 0 | 36,716 | (382) |
| 59TH STREET WATER STORAGE TANK | December, 2017 | W1705 | 10,904 | 10,904 | 0 | 0 | 10,904 | 0 |
| AIRPORT PS GROUND STORAGE TANK PHASI | June, 2019 | W1901 | 149,610 | 0 | 149,610 | 0 | 149,610 | 0 |
| EPA LEAD AND COPPER | June, 2022 | W2202 | 617,295 | 440,426 | 1,875 | 0 | 442,301 | 174,994 |
| UTMB WATER TANK DISINFECT IMPROVEMEN | August, 2023 | W2302 | 1,366 | 1,366 | 0 | 0 | 1,366 | 0 |
| WATER MASTER PLAN | June, 2023 | W2303 | 3,108 | 6,331 | 0 | | 6,331 | (3,223) |
| 59TH STREET WATER STORAGE TANK | June, 2023 | W2309 | 3,592 | 3,592 | 0 | 0 | 3,592 | 0 |
| **TOTAL BUDGET (established)** | | | **$3,350,344.35** | **$583,249.48** | **$2,608,188.10** | **$0.00** | **$3,191,437.58** | **$158,906.77** |

*Negative balances are project management costs to be allocated

**CITY OF GALVESTON**
**CASH & BUDGET RECONCILIATION REPORT**
**WATERWORKS CO 2022 BONDS FUND 40122**
**AS OF 6/30/25**

| Cash Reconciliation | |
|---|---|
| Cash, Beginning Balance Oct 1, 2024 | **$ 29,288,067.77** |
| FY 2025: Interest | $ 866,028.00 |
| FY 2025: Other Sources | |
| **Total Cash Resources** | **$ 30,154,095.77** |
| Less: Expenditures | $ (1,110,363.97) |
| Less: Accounts/Retainage Payable as of 09/30/24 | $ (198,594.27) |
| **CASH, ENDING BALANCE AS OF 6/30/2025** | **$ 28,845,137.53** |

| Budget Reconciliation | | |
|---|---|---|
| Cash, Ending 6/30/25 | $ | 28,845,137.53 |
| FY 2025: Transfers | $ | - |
| FY 2025: Payables | $ | - |
| **Total Cash/Budget** | **$** | **28,845,137.53** |
| Less: Encumbered | $ | (3,197,206.71) |
| Less: Unencumbered | $ | (22,805,475.53) |
| **Available FY 2025** | | **2,842,455.29** |

| PROJECT | COUNCIL APPROVAL | ACTIVITY CODE | APPROVED BUDGET | CASH PAID OUT | ENCUMBERED | RETAINAGE/ ADJUSTMENT | TOTAL | PLANNED COMMITMENT |
|---|---|---|---|---|---|---|---|---|
| **PROJECTS** | | | | | | | | |
| FIRE HYDRANTS (HURRICANE IKE) | February, 2013 | FD-132 | 325,908 | 25,835 | 230,000 | | 255,835 | 70,073 |
| WATER-PROJECT MANAGEMENT | 2024 | WPMC | 470,708 | 0 | 0 | | 0 | 470,708 |
| 10 MILE RD ELEVATED STORAGE TANK | December, 2017 | W1601 | 2,825,000 | 6,826 | 119,600 | | 126,426 | 2,698,574 |
| REHAB 30" 1890 WATERLINE | August, 2016 | W1605 | 1,069,018 | 102 | 0 | | 102 | 1,068,916 |
| WATER SYSTEM IMPROVEMENTS / VALVES | July, 2019 | W1618 | 326,250 | 12,863 | 20,163 | | 33,026 | 293,224 |
| AIRPORT PSTATION GROUND STORAGE TAN | October, 2017 | W1901 | 352 | 352 | 0 | | 352 | 0 |
| ADVANCED METERING INFRASTRUCTURE | December, 2021 | W2101 | 838,090 | 664,403 | 173,687 | | 838,090 | 0 |
| UTMB WATER TANK DISINFECTION IMPV. | October, 2022 | W2302 | 34,683 | 0 | 34,683 | | 34,683 | 0 |
| WATER MASTER PLAN | October, 2022 | W2303 | 1,161,606 | 245,853 | 316,884 | | 562,737 | 598,870 |
| CAUSEWAY WL SHARED MAINT. PROGRAM | October, 2022 | W2304 | 1,000,000 | 155,942 | 0 | | 155,942 | 844,058 |
| GCWA SUPPLY PL MOD. SH3 | October, 2022 | W2305 | 2,251,412 | (19,428) | 1,145,134 | | 1,125,706 | 1,125,706 |
| UTMB WATER STORAGE TANKS | October, 2023 | W2307 | 1,820,000 | 947 | 0 | | 947 | 1,819,053 |
| AIRPORT WATER STORAGE TANKS | October, 2023 | W2308 | 325,000 | 0 | 0 | | 0 | 325,000 |
| 59TH ST WATER STORAGE TANK | October, 2023 | W2309 | 698,125 | 0 | 0 | | 0 | 698,125 |
| IH45/61ST ST FLYOVER WATER IMPROVEME | September, 2023 | W2402 | 1,000,000 | 0 | 0 | | 0 | 1,000,000 |
| ALTA LOMA WELL FIELD STUDY | October, 2022 | W2404 | 337,040 | 0 | 337,040 | | 337,040 | 0 |
| ISLA DEL SOL PUMP STATION | 2024 | W2501 | 5,703,500 | 12,215 | 820,016 | | 832,231 | 4,871,269 |
| JAMAICA BEACH 1.5MG GST | 2024 | W2502 | 5,582,400 | 0 | 0 | | 0 | 5,582,400 |
| DECOMMISSION WHITE SANDS ELEV TANK | 2024 | W2503 | 164,500 | 0 | 0 | | 0 | 164,500 |
| 30" WL-AIRPORT PS TO STEWART | 2024 | W2504 | 550,000 | 0 | 0 | | 0 | 550,000 |
| UNIDIRECTIONAL FLUSHING PROGRAM | 2024 | W2506 | 625,000 | 0 | 0 | | 0 | 625,000 |
| 23RD - BROADWAY TO SEAWALL (COUNTY) | May, 2022 | ST1806 | 1,412 | 1,412 | 0 | | 1,412 | 0 |
| AVE S - 53RD TO SEAWALL (COUNTY) | May, 2022 | ST1807 | 89 | 89 | 0 | | 89 | 0 |
| 37TH ST - BROADWAY TO AVE P | October, 2021 | ST1901 | 1,496 | 1,496 | 0 | | 1,496 | 0 |
| 37TH ST - AVE P TO SEAWALL | October, 2021 | ST1902 | 1,577 | 1,452 | 0 | | 1,452 | 125 |
| 35TH ST - POSTOFFICE TO BROADWAY | December, 2017 | ST2003 | 4 | 4 | 0 | | 4 | 0 |
| | | | **$27,113,172** | **$1,110,364** | **$3,197,207** | **$0.00** | **$4,307,571** | **$22,805,476** |

## CITY OF GALVESTON
### CASH & BUDGET RECONCILIATION REPORT
### SEWER CO 2019 BONDS FUND 42119
### AS OF 6/30/25

| Cash Reconciliation | | |
|---|---|---|
| Cash, Beginning Balance Oct 1, 2024 | $ | **2,142,452.48** |
| FY 2025: Interest | $ | 56,197.48 |
| FY 2025: Other | $ | - |
| **Total Cash Resources** | **$** | **2,198,649.96** |
| Less: Expenditures | $ | (191,696.59) |
| Less: Accounts/Retainage Payable as of 09/30/24 | $ | (141,821.58) |
| **CASH, ENDING BALANCE AS OF 6/30/2025** | **$** | **1,865,131.79** |

| Budget Reconciliation | | |
|---|---|---|
| Cash, Ending 6/30/25 | $ | 1,865,131.79 |
| FY 2025: Transfers | $ | - |
| FY 2025: Retainage | | ($51,548.94) |
| **Total Cash/Budget** | **$** | **1,813,582.85** |
| Less: Encumbered | | ($1,139,839) |
| Less: Unencumbered | $ | (469,319.79) |
| **Available FY 2025** | | **204,424.31** |

| PROJECT | COUNCIL APPROVAL | ACTIVITY CODE | APPROVED BUDGET | CASH PAID OUT | ENCUMBERED | RETAINAGE/ ADJUSTMENT | TOTAL | PLANNED COMMITMENT |
|---|---|---|---|---|---|---|---|---|
| **PROJECTS** | | | | | | | | |
| SOUTH SHORE PUMP STATION | October, 2021 | D2101 | 987,685 | 0 | 987,685 | 0 | 987,685 | 0 |
| PIRATES BEACH WWTP | October, 2015 | S1601 | 149,151 | 67,853 | 28,856 | 0 | 96,709 | 52,441 |
| PIRATES BEACH WWTP | October, 2015 | S1607 | 3,387 | 4,424 | 0 | 0 | 4,424 | (1,037) |
| LS PUMP /ELECTRIC IMPROVEMENTS | October, 2016 | S1701 | 106,267 | 48,676 | 64,299 | 0 | 112,974 | (6,707) |
| BELT PRESS/SOLID DEWATERING WWTP | October, 2023 | S2201 | 180 | 180 | 0 | 0 | 180 | 0 |
| 23RD - BROADWAY TO SEAWALL (COUNTY) | May, 2022 | ST1806 | 9,674 | 17,316 | 0 | 0 | 17,316 | (7,642) |
| AVE S - 53RD TO SEAWALL (COUNTY) | May, 2022 | ST1807 | 711 | 1,371 | 0 | | 1,371 | (659) |
| 37TH ST - BROADWAY TO SEAWALL | October, 2021 | ST1901 | 77,849 | 51,618 | 29,500 | 0 | 81,117 | (3,269) |
| 37TH ST - AVE P TO SEAWALL | October, 2021 | ST1902 | 77,703 | 51,471 | 29,500 | 0 | 80,971 | (3,269) |
| 35TH ST - POST OFFICE TO BROADWAY | March, 2021 | ST2003 | 304 | 336 | 0 | 0 | 336 | (32) |
| SUPERVISORY CONTROL & DATA ACQUISITION | October, 2022 | SCADA | 439,493 | 0 | 0 | 0 | 0 | 439,493 |
| **TOTAL BUDGET (established)** | | | **$1,852,404.07** | **$243,245.53** | **$1,139,838.75** | **$0.00** | **$1,383,084.28** | **$469,320** |

*Negative balances are project management awaiting allocation

**CITY OF GALVESTON**
**CASH & BUDGET RECONCILIATION REPORT**
**SEWER CO 2022 BONDS FUND 42122**
**AS OF 6/30/25**

| Cash Reconciliation | |
|---|---|
| Cash, Beginning Balance Oct 1, 2024 | **$ 30,466,270.23** |
| FY 2025: Interest | $ 801,983.97 |
| FY 2025: Other | $ 2,500,000.00 |
| **Total Cash Resources** | **$ 33,768,254.20** |
| Less: Expenditures | $ (7,138,334.23) |
| Less: Accounts/Retainage Payable as of 09/30/24 | $ (1,123,449.54) |
| **CASH, ENDING BALANCE AS OF 6/30/2025** | **$ 25,506,470.43** |

| Budget Reconciliation | |
|---|---|
| Cash, Ending 6/30/25 | $ 25,506,470.43 |
| FY 2025: Transfers | |
| FY 2025: Retainage/Payab | ($508,156.26) |
| **Total Cash/Budget** | **$ 24,998,314.17** |
| Less: Encumbered | ($7,814,110) |
| Less: Unencumbered | $ (16,519,009.81) |
| **Available FY 2025** | **$ 665,194.49** |

| PROJECT | COUNCIL APPROVAL | ACTIVITY CODE | APPROVED BUDGET | CASH PAID OUT | ENCUMBERED | RETAINAGE/ ADJUSTMENT | TOTAL | PLANNED COMMITMENT |
|---|---|---|---|---|---|---|---|---|
| **PROJECTS** | | | | | | | | |
| PIRATES BEACH WWTP | June, 2018 | S1601 | 12,558,865 | 6,400,735 | 4,436,527 | - | 10,837,262 | 1,721,603 |
| PIRATES BEACH WWTP | June, 2018 | S1607 | 1,830 | 1,830 | 0 | - | 1,830 | (0) |
| LS PUMP /ELECTRIC IMPROVEMENTS | October, 2016 | S1701 | 3,130,807 | 36,451 | 2,859,166 | | 2,895,617 | 235,190 |
| TERRAMAR WWTP UPGRADE | November, 2020 | S1903 | 1,250,000 | 0 | 0 | | 0 | 1,250,000 |
| BELT PRESS/SOLID DEWATERING WWTP | October, 2022 | S2201 | 9,964,004 | 200,862 | 116,691 | | 317,553 | 9,646,451 |
| SANITARY SEWER MASTER PLAN | August, 2023 | S2203 | 695,860 | 371,367 | 187,031 | | 558,398 | 137,462 |
| SEAWOLF PARK WWTP | September, 2023 | S2402 | 1,225,000 | 121,925 | 79,846 | | 201,771 | 1,023,229 |
| BLOWER REPLACEMENT PROJECT | 2024 | S2501 | 625,000 | 0 | 0 | | 0 | 625,000 |
| LIFT STATION RETROFIT PROGRAM | 2024 | S2502 | 800,000 | 209,984 | 126,091 | | 336,075 | 463,925 |
| REHAB - 30" 1890 WATERLINE | | W1605 | 25 | 25 | 0 | | 25 | 0 |
| WATER MASTER PLAN | | W2303 | 123 | 123 | 0 | | 123 | 0 |
| SANITARY SEWER REHABILITATION PROGRAM | October, 2022 | SLINE4 | 218,755 | 216,594 | 0 | | 216,594 | 2,161 |
| SANITARY SEWER REHABILITATION PROGRAM | 2024 | SLINE5 | 1,050,000 | 82,038 | 8,758 | | 90,796 | 959,204 |
| SEWER PROJECT MANAGEMENT | 2024 | SPMC | 454,785 | 0 | 0 | | 0 | 454,785 |
| 23RD ST - BROADWAY TO SEAWALL (COUNTY) | | ST1806 | 1,412 | 1,412 | 0 | | 1,412 | 0 |
| AVE S - 53RD ST TO SEAWALL (COUNTY) | | ST1807 | 89 | 89 | 0 | | 89 | 0 |
| 37TH ST - BROADWAY TO AVE P | | ST1901 | 1,575 | 1,575 | 0 | | 1,575 | 0 |
| 37TH ST - AVE P TO SEAWALL | | ST1902 | 1,475 | 1,475 | 0 | | 1,475 | 0 |
| 35TH ST - POSTOFFICE TO BROADWAY | | ST2003 | 4 | 4 | 0 | | 4 | 0 |
| **TOTAL BUDGET (established)** | | | **$31,979,610** | **$7,646,490** | **$7,814,110** | **$0** | **$15,460,600** | **$16,519,010** |

## CITY OF GALVESTON
### CASH & BUDGET RECONCILIATION REPORT
### SANITATION CO 2022 BONDS FUND 43202
### AS OF 6/30/25

| Cash Reconciliation | | |
|---|---|---|
| Cash, Beginning Balance Oct 1, 2024 | **$** | **2,682,943.12** |
| FY 2025: Interest | $ | 75,521.74 |
| FY 2025: Other | $ | - |
| **Total Cash Resources** | **$** | **2,758,464.86** |
| Less: Expenditures | $ | (51,831.50) |
| Less: Accounts/Retainage Payable as of 09/30/24 | $ | (51,831.50) |
| **CASH, ENDING BALANCE AS OF 6/30/2025** | **$** | **2,654,801.86** |

| Budget Reconciliation | | |
|---|---|---|
| Cash, Ending 6/30/25 | $ | 2,654,801.86 |
| FY 2025: Transfers | $ | - |
| FY 2025: Payables | $ | - |
| **Total Cash/Budget** | **$** | **2,654,801.86** |
| Less: Encumbered | $ | - |
| Less: Unencumbered | $ | - |
| **Available FY 2025** | **$** | **2,654,801.86** |

| PROJECT | COUNCIL APPROVAL | ACTIVITY CODE | APPROVED BUDGET | | CASH PAID OUT | ENCUMBERED | TOTAL | PLANNED COMMITMENT |
|---|---|---|---|---|---|---|---|---|
| **PROJECTS** | | | | | | | | |
| PURCHASE OF SANITATION VEHICLES | 2022 | | 51,832 | | 51,832 | - | 51,832 | 0 |
| **TOTAL BUDGET (established)** | | | **$51,832** | | **$51,832** | **$0** | **$51,832** | **$0** |

## CITY OF GALVESTON
### CASH & BUDGET RECONCILIATION REPORT
### AMERICAN RESCUE PLAN - FUND 1218
### AS OF 6/30/25

| Cash Reconciliation | | |
|---|---|---|
| Cash, Beginning Balance Oct 1, 2024 | $ | **4,122,327.35** |
| FY 2025: Interest/Intergovernmental Revenue | $ | 59,081.06 |
| FY 2025: US Department of Treasury | | |
| **Total Cash Resources** | **$** | **4,181,408.41** |
| Less: Expenditures | | ($2,036,055) |
| Less: Accounts Payable as of 09/30/24 | $ | (1,134,143.87) |
| **CASH, ENDING BALANCE AS OF 6/30/2025** | **$** | **1,011,209.27** |

| Budget Reconciliation | | |
|---|---|---|
| Cash, Ending 6/30/25 | $ | 1,011,209.27 |
| FY 2025: Transfers | | |
| FY 2025: Retainage | $ | (420,499.72) |
| **Total Cash/Budget** | **$** | **590,709.55** |
| Less: Encumbered | $ | (1,697,269.62) |
| Less: Unencumbered | | $1,147,590 |
| **Available FY 2025** | **$** | **41,029.97** |



| PROJECT | COUNCIL APPROVAL | ACTIVITY CODE | APPROVED BUDGET | | CASH PAID OUT | ENCUMBERED | TOTAL | PLANNED COMMITMENT |
|---|---|---|---|---|---|---|---|---|
| PIRATES BEACH WWTP | July, 2021 | S1601 | 3,006,235 | | 1,264,875 | 1,697,270 | 2,962,145 | 44,090 |
| MOTOROLA RADIO PURCHASE | January, 2025 | | 0 | | 1,191,680 | 0 | 1,191,680 | (1,191,680) |
| **TOTAL BUDGET (established)** | | | **3,006,235** | | **2,456,555** | **1,697,270** | **4,153,825** | **(1,147,590)** |


CITY OF GALVESTON
1839
TEXAS

# FINANCIAL POLICIES

# CITY OF GALVESTON CHARTER PROVISIONS
# FINANCE AND TAXATION

## ARTICLE VII. - FINANCE

**Section 1. Department of Finance.** There shall be a Department of Finance, the head of which shall be the Director of Finance, who shall be appointed by the city manager. The Director of Finance shall have knowledge of municipal accounting and finance and shall be otherwise qualified by experience or training for this position.

(Ord. No. 96-59, § 10, 6-16-96)

**Section 2. Director of Finance.** The Director of Finance shall supervise the Department of Finance and administer all the financial affairs of the City other than the assessment and collection of taxes. The Director of Finance shall be responsible for the receipt, disbursement and safe-keeping of all City funds, establish the accounting procedures to be used in all departments, and approve all expenditures to ensure that legal requirements have been met and the budget appropriations are not exceeded.

(Ord. No. 91-95, § 4(10), 11-14-91; Ord. No. 96-59, § 10, 6-16-96)

**Section 3. Reserved.**

**Editor's note—** Ord. No. 16-035, § 8, adopted May 17, 2016 , repealed § 3, in its entirety. Former § 3 pertained to " City Auditor," and was derived from Ord. No. 91-95, § 4(11), adopted November 14, 1991; Ord. No. 96-59, § 10, adopted June 16, 1996 and Ord. No. 98-33, § 18, adopted June 3, 1998.

**Section 4. Accounting.** Complete and accurate financial records and accounts shall be kept for every department, office and agency of the City and covering every receipt and expenditure of municipal funds. Such records and accounts shall be established and maintained according to standard and approved systems of accounting, and shall be designed to reflect as nearly as possible the cost of each service provided by the City, including the capital expenditures properly to be included therein.

(Ord. No. 96-59, § 10, 6-16-96)

**Section 5. Fiscal Year.** The fiscal year of the City shall begin on the first day of each October, and end on the last day of September in the succeeding calendar year.

(Ord. No. 96-59, § 10, 6-16-96)

**Section 6. Preparation of the Budget.** At least forty-five (45) days prior to the beginning of each fiscal year the City Manager shall submit to the Council a proposed budget, which shall include:

(1) The anticipated revenues and the proposed expenditures for the year, in detail;

(2) A statement of all capital projects proposed to be undertaken during the year, and the method of their financing;

(3) A statement of the capital projects planned for the next succeeding five (5) fiscal years, with estimates of their costs. The budget shall be accompanied by a report from the City Manager, with supporting schedules and exhibits, setting forth a complete financial plan for operation of the City during the coming fiscal year, with suitable explanation of any major changes in the cost of operation or the financial policy. (Ord. No. 89-17, § 3(8), 1-26-89; Ord. No. 96-59, § 10, 6-16-96)

**Section 7. Public Hearings on Budget.** When submitted to the Council the proposed budget and the budget message shall become a public record and sufficient copies shall be available for distribution to interested persons. A time and place for a public hearing on the budget shall be set by the Council and notice thereof shall be published in accordance with State law. The public hearing shall be held as required by State law. At such hearings, all interested persons shall be given the opportunity to be heard for or against any items of income or expenditure in the proposed budget, including the capital projects proposed to be undertaken.

(Ord. No. 89-17, § 3(9), 1-26-89; Ord. No. 96-59, § 10, 6-16-96; Ord. No. 98-33, § 19, 6-3-98; Ord. No. 98-66, § 6, 7-30-98)

**Section 8. Approval of the Budget.** After the public hearing thereon the Council shall approve and adopt the budget by the second regularly scheduled Council meeting in September, either in the same form as submitted by the City Manager or with such changes as the Council may find to be necessary or desirable. No budget shall be adopted or appropriation made unless the anticipated revenues for the fiscal year equal or exceed the authorized expenditures. The adoption of the budget shall require a favorable vote of at least a majority of all the members of the Council. In the event the budget has not been adopted by the beginning of the fiscal year, the latest budget proposed by the City Manager shall take and remain in effect until the budget is finally adopted by the Council.

(Ord. No. 89-17, § 3(9), 1-26-89; Ord. No. 96-59, § 10, 6-16-96; Ord. No. 16-035, § 8, 5-17-16 )

**Section 9. Appropriations.** No funds of the City shall be expended nor shall any obligation for the expenditure of money be incurred unless there is an appropriation therefor in the budget as duly adopted. Expenditures appropriated in anticipation of revenues from sale of capital assets or legal settlements shall be made only after actual receipt of those revenues. At the close of each fiscal year any unencumbered balance of an appropriation shall revert to the fund from which appropriated and may be re-appropriated by the Council. During the fiscal year the Council shall have the power to transfer any unencumbered appropriation balance or portion thereof from one office, department, or agency to another, at any time, and the City Manager shall have authority, without Council approval, to transfer appropriation, balances from one expenditure account to another within a single office, department, or agency of the City.

(Ord. No. 96-59, § 10, 6-16-96)

**Section 10. Emergency Appropriations.** ;ol0; (1)\At any time in any fiscal year, the Council may, pursuant to this section, make emergency appropriations only in a case of grave public necessity to meet an unusual and unforeseen condition that could not have

been included in the original budget through the use of reasonably diligent thought and attention. Such appropriations shall be by ordinance adopted by the favorable vote of five members of the Council and shall be made only upon recommendation of the City Manager. The total amount of such emergency appropriations made in any fiscal year shall not exceed ten per centum of the tax levy for general purposes in that fiscal year. Should the unappropriated and unencumbered revenues, income and available funds of the City for such fiscal year be not sufficient to meet the expenditures under the appropriation authorized by this section, thereby creating a deficit, it shall be the duty of the Council to include the amount of such deficit in its budget and said deficit shall be paid off and discharged not later than thirty-six (36) months from the date the appropriation was made. If the Council amends the budget to meet an emergency, the Council shall file a copy of its ordinance in accordance with State law.

(2)
At any time in any fiscal year, where the City has experienced a natural or man-made disaster that results in the issuance of a Proclamation of Public Disaster by the President of the United States or Governor of the Great State of Texas, the Council may make emergency appropriations to alleviate the effects of the natural or man-made disaster, and the limitations on the total amount of emergency expenditures set out in the preceding section shall not apply.

(Ord. No. 96-59, § 10, 6-16-96; Ord. No. 98-33, § 20, 6-3-98; Ord. No. 02-033, § 2, 5-4-02; Ord. No. 04-028, § 2, 2-26-04; Ord. No. 16-035, § 8, 5-17-16 )

**Section 11. Borrowing to Meet Emergency Appropriations.** In the absence of unappropriated available revenues or other funds to meet emergency appropriations under the provision of the next preceding section, the Council may by resolution authorize the borrowing of money to meet such deficit by the issuance of notes, secured by ad valorem taxes which the City is authorized to levy in payment thereof, each of which shall be designated "Emergency Note" and may be renewed from time to time, but all such notes and any renewals thereof shall mature and be payable not later than thirty-six (36) months after which the emergency appropriation's debt was incurred, as provided in the last preceding section.

(Ord. No. 96-59, § 10, 6-16-96; Ord. No. 04-028, § 2, 2-26-04)

**Section 12. Borrowing in Anticipation of Taxes.** Except for borrowing to meet emergency appropriations, no loan shall be authorized or made to pay any deficiency arising from a failure to realize sufficient income from taxation to meet the amounts provided for in the budget, but the Council, during any fiscal year, may borrow money for its use in anticipation of the receipt of taxes collected or to be collected during such fiscal year, and pledge, as security, the uncollected taxes for such fiscal year; provided, that any notes or other obligations issued hereunder shall mature and be payable not later than the end of the fiscal year in which issued.

(Ord. No. 96-59, § 10, 6-16-96; Ord. No. 04-028, § 2, 2-26-04)

**Section 13. Depository and Withdrawals.** All monies received by any person, department, or agency of the City for or in connection with affairs of the City shall be

deposited promptly in the City depository or depositories, which shall be designated by the Council in accordance with such regulations and subject to such requirements as to security for deposits and interest thereon as may be established by ordinance. All checks, vouchers or warrants for the withdrawal of money from the City depositories shall be signed by the Director of Finance and countersigned by the City Manager or their designees. Provided, that the Council, under such regulations and limitations as it may prescribe, may by ordinance authorize the use of machine-imprinted facsimile signatures of said Directors of Finance and City Manager on such checks, vouchers, or warrants.

(Ord. No. 91-95, § 4(12), 11-14-91; Ord. No. 96-59, § 10, 6-16-96)

**Section 14. General Obligation Bonds.** The City shall have the power to borrow money on the credit of the City and to issue general obligation bonds for permanent public improvements or for any other public purpose not prohibited by the Constitution and Laws of the State of Texas, and to issue refunding bonds to refund outstanding bonds of the City previously issued. All such bonds shall be authorized and issued in conformity with the Laws of the State of Texas.

(Ord. No. 96-59, § 10, 6-16-96)

**Section 15. Revenue Bonds.** The City shall have power to borrow money for the purpose of constructing, purchasing, improving, extending or repairing public utilities, recreational facilities or any other self-liquidating municipal function not prohibited by the Constitution and Laws of the State of Texas, and to issue revenue bonds to evidence the obligation created thereby. Such bonds shall be a charge upon and payable solely from the properties, or interest therein, pledged, or the income therefrom, or both, and shall never be a debt of the City. All such bonds shall be authorized and issued in conformity with the Laws of the State of Texas.

(Ord. No. 96-59, § 10, 6-16-96)

**Section 15a. Limitation on Borrowing.** The City shall not borrow, or issue general obligation bonds, or any other instrument, or series of instruments to evidence the obligation created thereby unless first submitted to all of the qualified voters in the City for their approval at an election duly called and held for such purposes. This section shall not apply to borrowing to meet a natural or man-made disaster resulting in the declaration of a Proclamation of Public Disaster by the President of the United States or the Governor of the Great State of Texas, emergency appropriations, borrowing in anticipation of taxes, or borrowing as otherwise provided by the City Charter. This section shall not apply to refunding bonds of the City previously issued, so long as the issuance of refunding bonds does not result in a higher total expenditure by the City. This section shall not apply to revenue bonds or certificates of obligation which shall be issued in accordance with State law. Six (6) or more members of the Council must approve the issuance of revenue bonds or certificates of obligation.

(Ord. No. 89-17, § 3(10), 1-26-89; Ord. No. 96-59, § 10, 6-16-96; Ord. No. 98-33, § 21, 6-3-98; Ord. No. 02-033, § 3, 5-4-02; Ord. No. 16-035, § 8, 5-17-16 )

**Editor's note—** Section 15a was created by an amendment approved by the electorate on January 20, 1979. The election results were confirmed by Ord. No. 79-2, adopted January 22, 1979.

**Section 16. Sale of Bonds.** All bonds shall be sold in accordance with the laws of the State of Texas.

(Ord. No. 96-59, § 10, 6-16-96; Ord. No. 16-035, § 8, 5-17-16 )

**Section 17. Purchase Procedure.**

(1) All purchases made by the City, and contracts executed which will require the expenditure of City funds, shall be made pursuant to a requisition from the head of the office or department whose appropriation will be charged. No order shall be given, nor contract made, and neither shall be binding upon the City, unless the Director of Finance, or designee, shall have certified that there is to the credit of the budget appropriation to be charged a sufficient unencumbered balance to pay therefor.

(2) It shall be the policy of the City to obtain written competitive bids on purchases or contracts involving the expenditure of City funds, and such bidding shall be required when the amount involved is more than One Thousand Dollars ($1,000.00). When bids are received the purchase or contract shall be awarded to the lowest and best bid excepting that the City shall reserve the right to reject any and all bids for cause stated.

(3) The Council may by ordinance confer upon the City Manager the power and authority to enter upon such purchases and contracts without further action of the Council where the expenditure is provided in the budget and does not exceed Fifteen Thousand Dollars ($15,000.00). All other expenditures must have the express approval of the Council, in advance. In the event of a declared local state of disaster or emergency, the City Manager shall have the authority to enter upon purchases and contracts in an amount not to exceed ten (10) percent of the City's current annual budget in accordance with state and federal procurement laws, provided a quorum of Council is unable to be present at a meeting.

(4) Contracts for supplies, equipment or contractual services to be furnished the City shall only be made upon competitive bidding and the period of such contracts may not exceed thirty-six (36) months unless a longer term, not to exceed 60 months, is approved by five members of City Council.

(5) The requirement of competitive bidding shall not extend to contracts for personal or professional services.

(6) The requirement of competitive bidding shall not apply to purchases made at publicly advertised auctions if the items purchased do not exceed Ten Thousand Dollars ($10,000.00) each, and items may be purchased at such auctions for amounts in excess of Ten Thousand Dollars ($10,000.00) with the prior approval of the Council.

(Ord. No. 89-17, § 3(11), 1-26-89; Ord. No. 96-59, § 10, 6-16-96; Ord. No. 98-33, §§ 22, 23, 6-3-98; Ord. No. 02-033, § 4, 5-4-02; Ord. No. 12-009, § 2, 2-23-12)

**Section 18. Independent Audit.** At the close of each fiscal year the Council shall cause an independent audit to be made of all accounts of the City by a Certified Public Accountant. Upon completion of this audit it shall be filed in the office of the City Secretary as a public record.

(Ord. No. 96-59, § 10, 6-16-96; Ord. No. 98-33, § 24, 6-3-98)

**Section 19. Limitation on Expenditures.** The Council shall not approve a budget that exceeds more than seven (7) per cent of the budget of the prior fiscal year as to total expenditures for any and all purposes excluding expenditures related to bond funded projects, grant funded programs, trust and agency funds, internal services fund expenditures, and any capital improvement funds appropriated in the previous fiscal year that have not been expended.

(Ord. No. 96-59, § 10, 6-16-96; Ord. No. 04-028, § 2, 2-26-04; Ord. No. 12-009, § 2, 2-23-12)

**Editor's note—** Section 19 was created by an amendment approved by the electorate on January 20, 1979. The election results were confirmed by Ord. No. 79-2, adopted January 22, 1979.

**Section 20. Capital Improvement and/or Debt Service Account.** The City shall create a "Capital Improvement and/or Debt Service Account" allocating an equivalent of 1% of the General Fund Operating Budget ("annual allocation") to such an account beginning in fiscal year 2013 and an additional 1% in each successive fiscal year thereafter until the cumulative annual allocation to the account reaches a minimum of 8% of the total General Fund Operating Budget, for either Capital Improvements or Debt Service in every year, and each year thereafter allocate at least 8% of the total General Fund Operating Budget to such account, subordinate to any deficiency in the emergency 90-day minimum reserve. For purposes of this section "Capital Improvements" shall be defined as projects above $100,000.00.

(Ord. No. 12-009, § 2, 2-23-12)

- **ARTICLE VIII. - TAXATION**

**Section 1. Department of Taxation.** There may be a department of taxation, the head of which shall be the City Collector of Taxes. The Collector of Taxes shall be appointed by the Council and shall be responsible for the collection of all taxes levied by the City of Galveston. In addition the Collector of Taxes may be made responsible for the assessment and collection of taxes levied by a School District, Navigation District, Water Control and Improvement District or other political subdivisions, if the Council has by contract with such other political subdivision so provided. Instead of creating a department of taxation and appointing a City Collector of Taxes, the City may contract to have another government entity or agency, who is qualified to perform either the collection and appraisal functions, assess or collect taxes hereunder in accordance with the requirements of the Texas Tax Code and other applicable laws.

(Ord. No. 89-17, § 3(12), 1-26-89; Ord. No. 91-95, § 4(13), 11-14-91; Ord. No. 96-59, § 11, 6-16-96)

**Section 2. Powers of Taxation.** In order to carry out its municipal purposes, the City shall have the power to levy, assess, and collect taxes of every character and type as now or hereafter authorized by the Constitution and Laws of the State of Texas. Provided, however, that until otherwise authorized by the amendment of this Charter the power of the City to levy an annual ad valorem tax upon taxable property situated within its corporate limits shall include only the following:

(1) A tax at a rate not to exceed Seventy Cents ($0.70) on each $100.00 of assessed valuation for general operating expenses; and for the City's contributions toward the retirement or disability pensions of City employees; and for payment on the interest on and provide for the sinking fund required by law for all outstanding general obligation bonds of the City; and at the discretion of City Council for the employment of a municipal band.

(2) Effective January 1, 1979, for the conduct, maintenance, improvement and extension of Rosenberg Library, a tax rate which will yield that amount which would be derived by the levy of a Five Cent ($0.05) tax, or at the discretion of the City Council, an additional amount up to a maximum total of an Eight Cent ($0.08) tax, per $100.00 of assessed valuation based upon a one hundred (100) per cent assessment ratio.

(Ord. No. 75-18, § 3, 4-10-75; Ord. No. 79-24, § 3, 4-9-79; Ord. No. 89-17, § 3(13), 1-26-89; Ord. No. 96-59, § 11, 6-16-96; Ord. No. 98-33, § 25, 6-3-98; Ord. No. 98-66, § 7, 7-30-98)

**State Constitution reference—** Tax rate limited, Const., art. 8, § 9, art. 11, § 5; license fees limited, Const., art. 8, § 1.

**Editor's note—** The property subject to taxation is now controlled by V.A.T.C., Property Tax Code, § 11.01.

**State Law reference—** Tax for airport purposes, Vernon's Ann. Civ. St. art. 46d-8.

**Section 2(a) Tax on Occupants of Hotel Rooms.** The City Council may impose on the occupants of hotels, as that term is defined by State law, a tax as permitted by State law on the amount paid for rooms; and may provide for the collection, on behalf of the City, of such tax by the operator of the hotel from the occupant of the room, and transmittal of the proceeds of the tax to the City. The proceeds of any such tax levied at the rate of 3%, after the expense of collection, shall be appropriated by the city for the use by the beach park board of trustees for the purpose of advertising and promoting the city's recreational advantages and advertising and promoting recreational facilities under the board's supervision and control; provided, however, that no portion of the tax levied at the rate of 3% for advertising and promoting the city's recreational advantages and advertising and promoting recreational facilities shall be used by the beach park board of trustees for capital improvements nor shall such proceeds ever be pledged as security for a bond issue.

(Ord. No. 96-59, § 11, 6-16-96; Ord. No. 98-33, § 26, 6-3-98; Ord. No. 98-66, § 8, 7-30-98)

**Editor's note—** Section 2(a) of Article VIII of the Charter was adopted at a regular city election held April 11, 1967. The election results were confirmed by Ord. No. 67-23, § 3, adopted April 20, 1967.

**Section 2(b) Limitation on Taxation.** The City Council shall not make, permit, or approve any increase in ad valorem taxes on any taxable property in the City in any one year exceeding five (5) per cent of the City's immediate prior year's ad valorem tax, subject, however, to the total tax limitation in the City Charter. Such five (5) per cent limitation shall not prevent increased market valuation and taxation of taxable property when subsequent improvements are made. Provided further; that the proceeds of the one-half of one per cent (½%) sales tax adopted by the City shall be used to reduce the ad valorem tax rate on the basis of one dollar for each dollar received from the additional sales tax based on the sales tax received by the City from the most recent twelve month period that ends on June 30 th to the extent required by Article VIII, Section I and Article VII, Section 19, of this Charter. This limitation shall not prevent increased market valuation and taxation of taxable property when subsequent improvements are made.

(Ord. No. 89-17, § 3(14), 1-26-89; Ord. No. 96-59, § 11, 6-16-96; Ord. No. 02-033, § 6, 5-4-02)

**Editor's note—** Section 2(b) was created by an amendment approved by the electorate on January 20, 1979. The election results were confirmed by Ord. No. 79-2, adopted January 22, 1979.

**Section 3. Appraisal of Property for Tax Purposes.** All property real, personal or mixed, having a situs within the corporate limits of the City of Galveston on January 1st of each year, not expressly exempted by law, shall be subject to taxation by the City of Galveston for such year. If the State requires appraisals of property, those appraisals will be made in accordance with State laws.

(Ord. No. 89-17, § 3(15), 1-26-89; Ord. No. 96-59, § 11, 6-16-96)

**State Law reference—** Tax assessment, Vernon's Ann. Civ. St., art. 7181a et seq.; listing of property for taxation, Vernon's Ann. Civ. St., art. 7151.

**Section 4. Tax Payments.** All taxes due the City of Galveston shall be payable at the office of the City Tax Collector in accordance with State law. The City shall assess penalties and interest in accordance with State law.

(Ord. No. 89-17, § 3(17), 1-26-89; Ord. No. 96-59, § 11, 6-16-96)

**Section 5. Tax Liens and Liabilities.** All property, real, personal and mixed, situated in the City of Galveston on the 1st day of January of each year shall stand charged with a special lien in favor of the City from said date for the taxes due thereon. The liens provided herein shall be superior to all other liens, excepting where otherwise provided by law, regardless of when such other liens were created. All persons purchasing any of said property after the 1st day of January of any year shall take the same subject to the

liens herein provided. In addition to the liens against property as herein provided, the owner on the 1st day of January of any year of property subject to taxation by the City shall be personally liable for taxes due thereon for such year. The City shall have the power to sue for and recover personal judgement for taxes without foreclosure, or to foreclosure its lien or liens, or to recover both personal judgement and foreclosure. In any such suit where it appears that the description of any property in the City tax rolls is insufficient to identify such property, the City shall have the right to plead a good description of the property intended to be assessed, to prove the same, and to have its judgement foreclosing the tax lien or for personal judgement against the owner for such taxes.

(Ord. No. 89-17, § 3(18), 1-26-89; Ord. No. 96-59, § 11, 6-16-96)

**Sections 6 and 7. Reserved.**

**Editor's note—** Former § 6, tax liens and liabilities, has been amended and renumbered as § 5. Former § 7, joint interest in property, has been repealed in its entirety. The aforesaid amendments were enacted by Ord. No. 89-17, § 3(18), (19), adopted January 26, 1989.

**Section 8. Arrears of Taxes Offset to Debt Against City.** The City shall be entitled to counterclaim and offset against any debt, claim, demand or account owed by the City to any person, firm or corporation that is in arrears to the City of Galveston for taxes, in the amount of taxes so in arrears, and no assignment or transfer of such debt, claim, demand or account after the said taxes are due, shall affect the right of the City to so offset the said taxes against the same.

(Ord. No. 96-59, § 11, 6-16-96)

**Section 9. Disposition of Unappropriated Delinquent Taxes.** The Council shall be authorized to appropriate all delinquent taxes against which no demands are outstanding, and after the purposes for which said taxes were levied have been fulfilled and satisfied, to any proper municipal purpose, and the Council shall be empowered at the end of the fiscal year to declare such residue of all said delinquent taxes a surplus fund, and to direct that the same when collected be carried as a surplus account subject to the further appropriation by said Council for proper municipal purposes.

(Ord. No. 96-59, § 11, 6-16-96)

**DEBT MANAGEMENT POLICY**
**CITY OF GALVESTON**
**APRIL 2019**

## Overview

The City of Galveston is authorized by federal law, Texas law and City Charter to issue long-term debt to finance the cost of public improvements over a period not to exceed the life of each improvement. The process of issuing debt, making debt payments, and reporting results is heavily regulated by state and federal law. The management of debt proceeds, including investment, appropriation, and spending is also heavily regulated and must be addressed to ensure transparency to the public, responsiveness to oversight and reporting agencies, as well as compliance with internal controls, records requirements and security for cash proceeds.

## Purpose

The purpose of the City's Debt Management Policy is to establish and maintain well-defined guidelines for issuing new debt, as well as managing outstanding debt. This Policy will ensure the City sustains a strong debt management program, achieves manageable borrowing costs, and maintains the greatest flexibility to meet the City's needs.

## Definitions

Long-Term debt may be issued to finance major capital improvements: i.e. to purchase facility/venue sites, to finance infrastructure improvements, construction of new facilities, significant expansions of existing facilities, extensive remodeling of existing structures and the equipping thereof. Depending upon the location of the facilities, one or more of the following options may apply:

1. **Public Improvement Bonds** – Also known as General Obligation bonds or GO's; Used for the construction, acquisition, and equipping of buildings, and the purchase of necessary sites for buildings; Public Improvement bonds (GO's) are intended to provide long-term financing for facilities payable by the City's ad valorem taxes. GO bonds issued for refunding of existing bonds (see Debt Refunding below) do not require voter approval. Authority to issue GO bonds for new projects and repay the bonds using ad valorem (property) taxes must be approved by the voters prior to issuance.
2. **Certificates of Obligation –** Certificates of Obligation (CO's) may be used to fund projects where both property taxes and revenues are pledged repayment sources for the same projects as GO bonds as well as equipment, including vehicles, computers, radios and major equipment and machinery that is not a part of a facility rebuild project. The use of CO's may occur when a credit rating upgrade will be the result of the dual pledge of revenues. Certificates of Obligation may be approved by City Council after meeting special public notice requirements under State law regarding the sale.
3. **Revenue Bonds (Senior Lien and Junior Lien)** – Capital requirements for the construction, acquisition, and equipping of projects that are supported by revenues other than property tax revenues, such as Utility System, Wharves and Terminal Revenue Bonds, or Hotel Occupancy Taxes.
4. **Self-Supporting debt** – Bonds issued with an underlying property tax pledge that are planned and administered so as pay all debt service with reliable revenues streams other than property taxes, including sales taxes, water and sewer revenue, special district assessments, tax increment reinvestment zones (TIRZs).

4. **Debt Refunding** – The refinancing and/or restructuring of existing debt is used in order to take advantage of lower interest rates and/or provide debt relief. Refunding transactions are usually considered practical if they produce a minimum amount of savings to the City.
5. **Variable Rate Bonds** – Variable rate debt is a bond issue that includes provisions by which interest rates can be adjusted after the time of sale using an agreed upon market based index at regular periodic intervals.
6. **Private Placement Loans (Bank Notes/Loans)** – Private placements are sold directly to financial institutions. These may be short-, medium- or long-term, fixed or floating rate. Private placements may be used in lieu of the preferred methods of sale for financing specific assets or programs or refunding of existing debt.
7. **Capital Lease** - A capital lease is a contract entitling a renter to the temporary use of an asset, and such a lease has the economic characteristics of asset ownership for accounting purposes. The capital lease requires a renter to book assets and liabilities associated with the lease if the rental contract meets specific requirements. In essence, a capital lease is considered a purchase of an asset, while an operating lease is handled as a true lease under generally accepted accounting principles (GAAP).

**Scope**

The City's Debt Management Policy applies to all debt instruments directly or indirectly issued by the City regardless of the purpose for which issued or the funding source for repayment.

1. These instruments include but are not limited to Public Improvement Bonds, Certificates of Obligation, Utility System Revenue Bonds, Hotel Occupancy Tax Revenue Bonds, Wharves and Terminal Revenue Bonds, Sales Tax Revenue Bonds, Emergency Notes, as well as,, equipment leasing where appropriate. Also included are refunding bonds of any of the above debt instruments, as well as, debt such as bank notes and loans that are privately placed with financial institutions.
2. This policy applies to all debt where such debt issuance or allocation of bond proceeds requires formal approval of City Council, requires or includes a primary or underlying pledge of city tax revenues (i.e. property, sales, franchise or hotel occupancy taxes), or might involve the city as guarantor in the event of insufficiency of revenues involved in the primary or original pledge.
3. This policy is applicable to the City and/or its component units including but not limited to:
    a. The City of Galveston,
    b. The Park Board,
    c. The Industrial Development Corporation,
    d. The Galveston Wharves,
    e. The Galveston Port Facilities Corporation,
    f. The Galveston Housing Finance Corporation,
    g. The Galveston Property Finance Corporation, and, where applicable
    h. The Galveston Island Redevelopment Authority, Tax Increment Revitalization Zones, and Public Improvement Districts.

**Responsibilities**

The City Manager and/or the Manager's designee will be responsible to present for approval and implement debt issuances in accordance with budgets and long-term plans approved by the City Council as well as the City Charter, State law, Federal law, and this policy.

**Policy Statements**

1. All bond sales will be conducted in accordance with the City Charter, State and federal law.
   a. Article VII, Section 14 of the charter states as follows:
      "**Section 14. General Obligation Bonds.** The City shall have the power to borrow money on the credit of the City and to issue general obligation bonds for permanent public improvements or for any other public purpose not prohibited by the Constitution and Laws of the State of Texas, and to issue refunding bonds to refund outstanding bonds of the City previously issued. All such bonds shall be authorized and issued in conformity with the Laws of the State of Texas."
   b. As required by Chapter 1331 of the State of Texas Government Code, the authority to issue tax supported bonds to construct and/or purchase permanent improvements (i.e. streets, drainage lines, buildings) shall be approved by a majority of the qualified voters of the city.
   c. Chapter 1251 of the Government Code specifies the form of the ballot by which tax supported bonds are to be authorized and the means of publicizing the election as well as the maximum length of the repayment period, currently set at forty years;
   d. The required bond election shall be conducted in accordance with provisions of the State of Texas Election Code: Chapter 41 (days, times and places of the election), Chapter 3 (means of ordering an election).
   e. Refunding bonds are issued when (1) net present value savings is three percent or more of the par value of the refunded bonds as confirmed by the City's Municipal Advisor and be based upon the same repayment schedule as the refunded bonds, or (2) the City Council approves of a restructuring of existing debt for purposes of debt relief.

2. Bond sales shall be based on specific projects:
   a. Taken from the five-year Capital Improvements Plan (CIP) and the operating budget as approved by City Council through the annual financial planning process, generally including funds needed to cover actual scheduled contract awards, in house design and inspection costs, also considering available cash on hand;
   b. Using funding amounts needed for specific CIP projects, including but not limited to design, engineering, site or right of way acquisition, construction, equipment and project management;
   c. Providing funding for non-CIP projects that may be required for interlocal cooperation, public private partnerships or special districts, based on a complete project plan that includes all of the elements required for CIP projects;
   d. Providing Certificate of Obligation sales shall be based on specific listings of vehicles, equipment and technology purchases required for City operations;
   e. Providing Capital Leases are compared with COs to determine the most advantageous financing alternative for vehicles, equipment and technology.
   f. Considering availability of funds to achieve a balance between adequate maintenance and operations, replacement or renewal of infrastructure, as well as, adequate future funding for debt service;
   g. Limited by prior authorization of the voters for General Obligation bonds as required by State law and the City Charter; and
   h. A limit on total general obligation debt payable from ad valorem taxes shall not exceed 1.5 percent of total taxable assessed valuation except in the event of an emergency requiring the use of an Emergency Note.

3. Bond sales shall be structured to:

a. Consider all possible structures for principal and interest payments which, allow for flexibility in meeting current and future needs, efficiently utilize available debt capacity, continue to emphasize credit considerations, and match well with the useful life of the assets for which debt is incurred;
b. Smooth and/or restructure the City's total debt to accommodate financial administration as deemed necessary by City Council;
c. Provide for regular repayment of annual principal amounts and semi-annual interest amounts considering the revenue source or sources utilized to make payments, the timing of revenue receipts, and other cash flow needs financed with the same sources;
d. Incorporate payment schedules that provide for level payments (annual totals of principal and interest are equal throughout the life of the repayment period), level principal payments (annual principal payments are equal throughout the repayment period); a combination of the two aforementioned amortization approaches (level principal and level payments); and/or aggregation of scheduled payments over as much as a five year period for term bonds payable to bond holders but with annual payments by the bond issuer; and/or
e. Inclining payments or deferred principal payments for facility revenue bonds, Emergency Notes issued for disaster recovery, and or where a dedicated revenue stream has been guaranteed by a third party other than the City of Galveston.

4. Bond sales will be scheduled taking into consideration:
   a. The need to include new property tax supported debt service payments in the subsequent fiscal year's budget through adjusting the debt service property tax rate to include new debt service payments; and
   b. Projected cash needs for at least a twelve month period sufficient to fund planned contracts for approved and/or planned projects and equipment.

5. Bonds may be sold by the City to achieve savings as required by the financial market and allowed by State law including:
   a. Competitive sales where sealed bids are accepted for the purchase of all of the bonds included in a sale, and the low overall bid using an agreed upon measure of total cost is accepted by a six vote supermajority of City Council;
   b. Negotiated sales where a group of bond underwriting firms are selected by the City, and bonds are priced using the current market, sold by each of the participating underwriting firms, with the results accepted on a preliminary basis by city officials as designated by City Council, and then accepted by a six vote supermajority of City Council; or
   c. Parameter sales by which bonds are refunded and the City Manager is designated by City Council to pick the most advantageous day in the financial markets within a time frame, dollar amount and interest savings as approved by City Council.

6. The City may consider issuing variable rate bonds during periods when variable short-term interest rates are historically lower than long-term fixed rates.
   a. As a general rule, the City will adhere to the bond rating agencies' recommendation that variable rate debt not exceed 20 percent of total bonds outstanding.
   b. The City or its component units will issue variable rate debt to lower the cost of borrowing and provide a hedge against interest rate risk.
   c. Total variable debt will not exceed 20 percent of the City's outstanding debt for each revenue source, including that issued by its component units.
   d. The City shall not pledge ad valorem (property) taxes for repayment of variable rate debt.

7. The City may consider issuing private placement loans (bank notes/loans) provided:
   a. The private placement provides reasonably comparable terms, has a reasonably acceptable risk structure, and project and financing circumstances warrant,
   b. It is understood that private placements have a variety of risks not associated with bonds, such as termination and debt acceleration risk due to force majeure (acts of God) and covenant breaches, as well as counterparty risks.
   c. Private placements do not constitute more than 20 percent for each revenue source.

8. The City shall retain the services of professionals chosen through competitive processes to provide advice and consent on debt issuances including:
   a. The Municipal Advisor (e.g. Financial Advisor) to:
      - Ensure that the City's bonds are issued at the lowest possible interest cost and are structured in accordance with the City's financing guidelines;
      - Assist with credit enhancements;
      - Evaluate the bids submitted and recommend that they be accepted or rejected;
      - Review draft closing documents and monitor the closing process;
      - Assist in the preparation of and submit the City's Annual Disclosure Report in accordance with SEC Rule 15c2-12; and
      - Assist in establishing repayment schedules that complement existing requirements and maintain a repayment pace acceptable to credit rating agencies.
   b. The Bond Counsel to:
      - Certify that the City has the legal authority to issue bonds;
      - Prepare required orders, resolutions, and tax certificates;
      - Work with the U.S. Department of Justice-Voting Rights Section to obtain approval of all elections if required;
      - Work with the Attorney General to obtain approval of the bond issue;
      - Provide a legal opinion as to the enforceability and the federal income tax implications of the bonds;
      - Represent the City in negotiations related to the issuance of debt; and
      - Coordinate the closing transactions.
   c. The Disclosure Counsel to:
      - Compile information necessary to prepare offering documents, including but not limited to the Preliminary Official Statement prior to sale, the Official Statement after sale, and all necessary disclosure documentation required by federal law;
      - Provide independent verification of the City's financial records and project information necessary to support the sale.
   i. Paying Agent/Trustee to:
      - Authenticate the bonds;
      - Send/receive transfers of money at closing;
      - Maintain a listing of bondholders and applicable addresses;
      - Receive principal and interest payments from the City and remit to bondholders; and
      - The Trustee may represent bondholders in case of default.
   j. Bond underwriters to:
      - Purchase negotiated or private placement debt and resell the debt to investors.

8. City issued bond proceeds shall be:
   a. Deposited in the City's main bank account, and accounted for in the City's financial accounting system through a separate fund or funds for each sale;

b. Invested as a part of the City's investment pool according to the City's Investment Policy as provided for by the Texas Public Funds Investment Act;
c. Presented for City Council appropriation on a first in/first out basis (e.g. oldest bond proceeds used first) for contracted work on eligible projects according to the general purpose named in the Official Statement for the bond sale; and
d. Tracked and reported in annual and quarterly budget and financial reports.

9. Debt administration by the City and its component units will include the following considerations:
   a. Designated reserves and/or unreserved fund balances will be maintained so as to cover scheduled debt service payments until dedicated revenue is available for deposit in the appropriate debt service fund for payment of the principal and interest scheduled to be paid.
   b. The City's General Debt Service fund balance will not exceed thirteen months of debt service payments as required by the Internal Revenue Service.
   c. Project schedules and costs provided as the basis for an individual bond sale shall be based on the CIP and will not constitute the basis for continued commitment of bond proceeds for any specific project, contract or cost past the end of a fiscal year.
   d. Capital project funds, including bond proceeds, that are unencumbered in a contract awarded by City Council as of the end of a fiscal year must be presented for contract awards in the subsequent fiscal year by City Council as eligible CIP projects are brought forward and before new bond sales are conducted.
   e. The Finance Director is responsible for coordinating and analyzing the debt requirements as part of the annual budget and capital improvement plan preparation. This will include timing of debt, calculation of outstanding debt, debt limitation calculations and compliance, impact on future debt burdens, and current/future revenue requirements.
   f. The Infrastructure and Debt Service Fund may be used through the annual Budget process to provide funds for debt service payments within the parameters outlined in 5(d).

10. The City shall maintain an emergency line of credit under the provisions of the Texas Government Code section 1431 and other state law provisions as applicable:
    a. To provide emergency cash funding for operating, recovery and rebuilding costs necessitated by a federally or state declared disaster; and
    b. Including options that allow for repayment of the emergency loan over a period of time and at such terms deemed beneficial to the City of Galveston and its residents by the Mayor and City Council.

LOCAL GOVERNMENT CODE

TITLE 4. FINANCES

SUBTITLE A. MUNICIPAL FINANCES

CHAPTER 102. MUNICIPAL BUDGET

Sec. 102.001. BUDGET OFFICER. (a) The mayor of a municipality serves as the budget officer for the governing body of the municipality except as provided by Subsection (b).

(b) If the municipality has the city manager form of government, the city manager serves as the budget officer.

Acts 1987, 70th Leg., ch. 149, Sec. 1, eff. Sept. 1, 1987.

Sec. 102.002. ANNUAL BUDGET REQUIRED. The budget officer shall prepare each year a municipal budget to cover the proposed expenditures of the municipal government for the succeeding year.

Acts 1987, 70th Leg., ch. 149, Sec. 1, eff. Sept. 1, 1987.

Sec. 102.003. ITEMIZED BUDGET; CONTENTS. (a) The budget officer shall itemize the budget to allow as clear a comparison as practicable between expenditures included in the proposed budget and actual expenditures for the same or similar purposes made for the preceding year. The budget must show as definitely as possible each of the projects for which expenditures are set up in the budget and the estimated amount of money carried in the budget for each project.

(b) The budget must contain a complete financial statement of the municipality that shows:

(1) the outstanding obligations of the municipality;

(2) the cash on hand to the credit of each fund;

(3) the funds received from all sources during the preceding year;

(4) the funds available from all sources during the ensuing year;

(5) the estimated revenue available to cover the proposed budget; and

(6) the estimated tax rate required to cover the proposed budget.

Acts 1987, 70th Leg., ch. 149, Sec. 1, eff. Sept. 1, 1987.

Sec. 102.004. INFORMATION FURNISHED BY MUNICIPAL OFFICERS AND BOARDS. In preparing the budget, the budget officer may require any municipal officer or board to furnish information necessary for the budget officer to properly prepare the budget.

Acts 1987, 70th Leg., ch. 149, Sec. 1, eff. Sept. 1, 1987.

Sec. 102.005. PROPOSED BUDGET FILED WITH MUNICIPAL CLERK; PUBLIC INSPECTION. (a) The budget officer shall file the proposed budget with the municipal clerk before the 30th day before the date the governing body of the municipality makes its tax levy for the fiscal year.

(b) A proposed budget that will require raising more revenue from property taxes than in the previous year must contain a cover page with the following statement in 18-point or larger type: "This budget will raise more total property taxes than last year's budget by (insert total dollar amount of increase and percentage increase), and of that amount (insert amount computed by multiplying the proposed tax rate by the value of new property added to the roll) is tax revenue to be raised from new property added to the tax roll this year."

(c) The proposed budget shall be available for inspection by any person. If the municipality maintains an Internet website, the municipal clerk shall take action to ensure that the proposed budget is posted on the website.

Acts 1987, 70th Leg., ch. 149, Sec. 1, eff. Sept. 1, 1987.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 924 (H.B. 3195), Sec. 1, eff. September 1, 2007.

Sec. 102.006. PUBLIC HEARING ON PROPOSED BUDGET. (a) The governing body of a municipality shall hold a public hearing on the proposed budget. Any person may attend and may participate in the hearing.

(b) The governing body shall set the hearing for a date occurring after the 15th day after the date the proposed budget is filed with the municipal clerk but before the date the governing body makes its tax levy.

(c) The governing body shall provide for public notice of the date, time, and location of the hearing. The notice must include, in type of a size at least equal to the type used for other items in the notice, any

statement required to be included in the proposed budget under Section 102.005(b).

Acts 1987, 70th Leg., ch. 149, Sec. 1, eff. Sept. 1, 1987.
Amended by:
Acts 2007, 80th Leg., R.S., Ch. 924 (H.B. 3195), Sec. 2, eff. September 1, 2007.

Sec. 102.0065. SPECIAL NOTICE BY PUBLICATION FOR BUDGET HEARING. (a) The governing body of a municipality shall publish notice before a public hearing relating to a budget in at least one newspaper of general circulation in the county in which the municipality is located.

(b) Notice published under this section is in addition to notice required by other law, except that if another law requires the governing body to give notice, by publication, of a hearing on a budget this section does not apply.

(c) Notice under this section shall be published not earlier than the 30th or later than the 10th day before the date of the hearing.

(d) Notice under this section must include, in type of a size at least equal to the type used for other items in the notice, any statement required to be included in the proposed budget under Section 102.005(b).

Added by Acts 1993, 73rd Leg., ch. 268, Sec. 24, eff. Sept. 1, 1993.
Amended by Acts 2001, 77th Leg., ch. 402, Sec. 9, eff. Sept. 1, 2001.
Amended by:
Acts 2007, 80th Leg., R.S., Ch. 924 (H.B. 3195), Sec. 3, eff. September 1, 2007.

Sec. 102.007. ADOPTION OF BUDGET. (a) At the conclusion of the public hearing, the governing body of the municipality shall take action on the proposed budget. A vote to adopt the budget must be a record vote.

(b) The governing body may make any changes in the budget that it considers warranted by the law or by the best interest of the municipal taxpayers.

(c) Adoption of a budget that will require raising more revenue from property taxes than in the previous year requires a separate vote of the governing body to ratify the property tax increase reflected in the budget. A vote under this subsection is in addition to and separate from the vote to adopt the budget or a vote to set the tax rate required by Chapter 26, Tax Code, or other law.

(d) An adopted budget must contain a cover page that includes:

(1) one of the following statements in 18-point or larger type that accurately describes the adopted budget:

(A) "This budget will raise more revenue from property taxes than last year's budget by an amount of (insert total dollar amount of increase), which is a (insert percentage increase) percent increase from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is (insert amount computed by multiplying the proposed tax rate by the value of new property added to the roll).";

(B) "This budget will raise less revenue from property taxes than last year's budget by an amount of (insert total dollar amount of decrease), which is a (insert percentage decrease) percent decrease from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is (insert amount computed by multiplying the proposed tax rate by the value of new property added to the roll)."; or

(C) "This budget will raise the same amount of revenue from property taxes as last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is (insert amount computed by multiplying the proposed tax rate by the value of new property added to the roll).";

(2) the record vote of each member of the governing body by name voting on the adoption of the budget;

(3) the municipal property tax rates for the preceding fiscal year, and each municipal property tax rate that has been adopted or calculated for the current fiscal year, including:

(A) the property tax rate;

(B) the no-new-revenue tax rate;

(C) the no-new-revenue maintenance and operations tax rate;

(D) the voter-approval tax rate; and

(E) the debt rate; and

(4) the total amount of municipal debt obligations.

(e) In this section, "debt obligation" means an issued public security as defined by Section 1201.002, Government Code, secured by property taxes.

Acts 1987, 70th Leg., ch. 149, Sec. 1, eff. Sept. 1, 1987.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 924 (H.B. 3195), Sec. 4, eff. September 1, 2007.

Acts 2013, 83rd Leg., R.S., Ch. 1329 (S.B. 656), Sec. 1, eff. September 1, 2013.

Acts 2019, 86th Leg., R.S., Ch. 944 (S.B. 2), Sec. 79, eff. January 1, 2020.

Sec. 102.008. APPROVED BUDGET FILED WITH MUNICIPAL CLERK: POSTING ON INTERNET. (a) On final approval of the budget by the governing body of the municipality, the governing body shall:

(1) file the budget with the municipal clerk; and

(2) if the municipality maintains an Internet website, take action to ensure that:

(A) a copy of the budget, including the cover page, is posted on the website; and

(B) the record vote described by Section 102.007(d)(2) is posted on the website at least until the first anniversary of the date the budget is adopted.

(b) The governing body shall take action to ensure that the cover page of the budget is amended to include the property tax rates required by Section 102.007(d)(3) for the current fiscal year if the rates are not included on the cover page when the budget is filed with the municipal clerk. The governing body shall file an amended cover page with the municipal clerk and take action to ensure that the amended cover page is posted on the municipality's website.

Acts 1987, 70th Leg., ch. 149, Sec. 1, eff. Sept. 1, 1987.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 924 (H.B. 3195), Sec. 5, eff. September 1, 2007.

Acts 2013, 83rd Leg., R.S., Ch. 1329 (S.B. 656), Sec. 2, eff. September 1, 2013.

Sec. 102.009. LEVY OF TAXES AND EXPENDITURE OF FUNDS UNDER BUDGET; EMERGENCY EXPENDITURE. (a) The governing body of the municipality may levy taxes only in accordance with the budget.

(b) After final approval of the budget, the governing body may spend municipal funds only in strict compliance with the budget, except in an emergency.

(c) The governing body may authorize an emergency expenditure as an amendment to the original budget only in a case of grave public necessity to meet an unusual and unforeseen condition that could not have been

included in the original budget through the use of reasonably diligent thought and attention. If the governing body amends the original budget to meet an emergency, the governing body shall file a copy of its order or resolution amending the budget with the municipal clerk, and the clerk shall attach the copy to the original budget.

(d) After the adoption of the budget or a budget amendment, the budget officer shall provide for the filing of a true copy of the approved budget or amendment in the office of the county clerk of the county in which the municipality is located.

Acts 1987, 70th Leg., ch. 149, Sec. 1, eff. Sept. 1, 1987.

Sec. 102.010. CHANGES IN BUDGET FOR MUNICIPAL PURPOSES. This chapter does not prevent the governing body of the municipality from making changes in the budget for municipal purposes.

Acts 1987, 70th Leg., ch. 149, Sec. 1, eff. Sept. 1, 1987.

Sec. 102.011. CIRCUMSTANCES UNDER WHICH CHARTER PROVISIONS CONTROL. If a municipality has already adopted charter provisions that require the preparation of an annual budget covering all municipal expenditures and if the municipality conducts a public hearing on the budget as provided by Section 102.006 and otherwise complies with the provisions of this chapter relating to property tax increases, the charter provisions control. After the budget has been finally prepared and approved, a copy of the budget and the amendments to the budget shall be filed with the county clerk, as required for other budgets under this chapter.

Acts 1987, 70th Leg., ch. 149, Sec. 1, eff. Sept. 1, 1987.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 924 (H.B. 3195), Sec. 6, eff. September 1, 2007.

RESOLUTION NO. 11-053

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GALVESTON, TEXAS, ADOPTING A FUND BALANCE POLICY TO ESTABLISH OPERATING AND REPORTING GUIDELINES FOR THE CITY OF GALVESTON'S GOVERNMENTAL FUND BALANCES; PROVIDING FOR FINDINGS OF FACT AND PROVIDING FOR AN EFFECTIVE DATE.

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WHEREAS, the Governmental Accounting Standards Board (GASB) issued Statement 54 for fund balance reporting. The objective of this Statement is to enhance the usefulness of fund balance information by providing clearer fund balance categories; and,

WHEREAS, these new classifications can be more consistently applied and will clarify the existing governmental fund type definitions. This Statement establishes fund balance classifications that are based primarily on the extent to which the City is bound to observe restrictions imposed upon the use of the resources reported in governmental funds. It is important to note that this does not apply to enterprise (business) type funds; and,

WHEREAS, the governmental fund financial statements of the city will present bund balances based on classifications including a hierarchy that is based primarily on the extent to which the City is bound to honor restrictions on the specific purposes for which amounts in a particular governmental fund can be spent as identified in Exhibit "A"; and,

WHEREAS, the Fund Balance Policy further identifies the order of spending and minimum fund balances; and,

WHEREAS, the City Council deems it in the best interest of the City of Galveston to adopt a Fund Balance Policy to establish operating and reporting guidelines for the City of Galveston's governmental fund balances;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GALVESTON, TEXAS:

SECTION 1. The findings and recitations set out in the preamble to this Resolution are found to be true and correct and are hereby adopted by the City Council and made a part hereof for all purposes.

SECTION 2. The City Council of the City of Galveston, Texas here adopts the "Fund Balance Policy" to establish operating and reporting guidelines for the City of Galveston's governmental fund balances as shown in "Exhibit A", attached hereto and incorporated herein.

SECTION 3. This Resolution shall be and become effective from and after its adoption.

APPROVED AS TO FORM:

SUSIE ~~GREEN~~
CITY ATTORNEY

I, Douglas Godnich, Secretary of the City Council of the City of Galveston, do hereby certify that the foregoing is a true and correct copy of a Resolution adopted by the City Council of the City of Galveston at its regular meeting held on the 22nd day of September, 2011, as the same appears in records of this office.

IN TESTIMONY WHEREOF, I subscribe my name hereto officially under the corporate seal of the City of Galveston this 22nd day of September, 2011.




Secretary for the City Council
of the City of Galveston

EXHIBIT "A"

# FUND BALANCE POLICY

**Introduction and Purpose:** The Governmental Accounting Standards Board (GASB) issued Statement 54 for fund balance reporting. The objective of this Statement is to enhance the usefulness of fund balance information by providing clearer fund balance categories. These new classifications can be more consistently applied and will clarify the existing governmental fund type definitions. This Statement establishes fund balance classifications that are based primarily on the extent to which a government is bound to observe restrictions imposed upon the use of the resources reported in governmental funds. It is important to note that this does not apply to enterprise (business) type funds. Prior to this standard, fund balance categories were primarily reserved or unreserved.

The purpose of this policy is to establish operating and reporting guidelines for the City of Galveston's governmental fund balances.

First and foremost, distinctions need to be made in identifying amounts that are considered *nonspendable,* such as fund balance associated with inventories or prepaid expenses. These balances by their very nature can never be spent. This Statement also provides for additional classification as restricted, committed, assigned, and unassigned based on whether the resources can be spent but not yet because of timing, such as long-term receivables, or resources that can be spent, but not at the City's discretion, for example the principal of an endowment that legally must be kept intact.

**Fund Balance Classification**: The governmental fund financial statements of the City will present fund balances based on classifications including a hierarchy that is based primarily on the extent to which the City is bound to honor restrictions on the specific purposes for which amounts in a particular governmental fund can be spent. The five classifications used in the governmental fund financial statements will be as follows:

- Nonspendable: This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. These amounts would include inventories and prepaid items as being nonspendable as these items are not expected to be converted to cash or are not expected to be converted to cash within the next year.

- Restricted: This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. These guidelines are used for restricted net assets.

- Committed: This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the City Council (ordinance or resolution).[1] These amounts cannot be used for any other purpose unless the City Council removes or changes the specified use by taking the same type of action (ordinance or

resolution) that was employed when the funds were initially committed. The action must be taken by close of the reporting period. The amount of the commitment can be determined and approved by the council at a later date.

- Assigned: This classification includes amounts that are constrained by the City's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the City Council or by the City Council's designee, for example mayor, city manager or finance director. The assigned fund balance is similar to the prior unreserved/designated fund balance in that it implies the intent of the government. The Council has the opportunity to designate one or more persons to assign fund balances in an operational manner. The City's budgetary policy should list the council's designated person. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund.

- Unassigned: This classification includes the residual fund balance for the General Fund.

In summary the components of fund balance can be categorized as follows:

| | |
|---|---|
| Nonspendable | Form or legal limitation |
| Restricted | Externally enforceable limitations |
| Committed | Self-imposed limitations |
| Assigned | Intended use |
| Unassigned | Residual |

**Order of Spending:** The City would typically use Restricted fund balances first, followed by Committed resources, and then Assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend Unassigned resources first to defer the use of these other classified funds.

**Minimum Fund Balances:** The City will strive to maintain fund balances in the following ranges for the following funds:

- General Fund: unassigned fund balance to be used for unanticipated emergencies of approximately 90 days of the annual budgeted expenditures of the general fund of the following year.

- Debt Service Fund: Restricted fund balance to be used for debt service payments of approximately 100% of the following year's debt service requirements.

# THE CITY OF GALVESTON

## INVESTMENT POLICY

July 2024
(Approved July 25, 2024 agenda item 11B)

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Investment Policy
City of Galveston, Texas

**Policy Statement**

The Investment Policy, known as "The Investment Policy of the City of Galveston" (the "Investment Policy") complies with and incorporates the Public Funds Investment Act, (the "Act"), Chapter 2256, Texas Government Code and the Public Funds Collateral Act, Chapter 2257, Texas Government Code.

All applicable provisions of the Act, as amended, are adopted by incorporation of Appendix A, the Act, in its entirety.

In the event of a conflict with these investment policies and the Act, the more restrictive of the two shall control.

All participants in the investment process shall act responsibly as custodians of the public trust.

It is the policy of the City of Galveston (the "City") that the administration and investment of its funds shall be handled as its highest public trust. Investments shall be made in a manner which will provide the maximum security of principal through risk management and diversification while meeting the daily cash flow needs of the City and conforming to all applicable state and local statues, rules and regulations governing the investment of public funds.

The Investment Policy is based on standards of prudent money management. Effective cash flow management and cash investment practices are recognized as essential to good fiscal management and have been incorporated into the investment program.

## I. Scope

The Investment Policy shall apply to all financial assets and pooled funds of the City and govern the management of Investments by the Finance Department of the City of Galveston. The Investment Policy shall govern the investment management process with respect to investments managed by the Finance Department of the City of Galveston for the General Fund, Special Revenue Funds, Debt Service Funds, Capital Project Funds and Enterprise Funds. The investments will meet the cash flow requirements of the City as established by City Council and City management. These funds are defined in the City's Annual Comprehensive Financial Report (annual report). This Investment Policy applies to any new fund created by the City unless specifically exempted by the City Council and this Investment Policy.

## II. General Objectives

(1) The emphasis of all investment activity shall be safety, liquidity, diversification and yield.

a. **Safety.** The primary objective shall be on safety and preservation of principal. Adherence to the permitted investments listed in the Investment Policy will maximize safety. Whenever practical, assets held in the common investment portfolio shall be diversified to minimize the risk of loss resulting from one concentration of assets in a specific maturity, a specific issuer, or a specific class of securities. Whenever possible, the City will purchase non-callable securities in order to best ensure the laddering of maturities and balancing of classes of securities. The City's investments shall be reviewed and rebalanced with respect to diversification at least once per calendar quarter. The emphasis shall be on maintaining a prudent level of cash (money market and investment pool) balances, relative to security types and maturities.

b. **Liquidity.** The goal of liquidity is to maintain available cash balances sufficient to cover anticipated and unexpected cash demands. The City's investment portfolio will remain sufficiently liquid to meet all daily operating requirements.

c. **Diversification.** Whenever practical, assets held in the portfolio(s) shall be diversified to minimize the risk of loss resulting from the concentration of assets in a specific maturity, a specific issuer, or a specific market sector. The City's investments shall be reviewed and rebalanced with respect to diversification at least once per calendar quarter.

d. **Yield.** Yield considerations shall be subordinate to safety and liquidity requirements but shall be maximized within those constraints through prudent and active management.

(2) **Loss of Required Ratings**. The Investment Officers shall take all prudent measures consistent with this Investment Policy to liquidate an investment that does not meet any minimum specified rating. Investment Officers or the Advisor will monitor the credit ratings of all rated investments at all times. Should any investment requiring minimum ratings be placed on market watch, downgraded or placed on credit watch by any nationally recognized rating agency, Investment Officers shall notify the Finance Director immediately. Liquidation of the security may, but need not be, effected. Evaluation of the cause of the action, the maturity of the security, and the position of the security in the portfolio will be considered and prudent measures taken to protect City funds.

(3) **Prudent Person Rule.** The standard of prudence to be used in the investment function shall be the "prudent person" standard and

shall be applied in the context of managing the overall portfolio. This standard states:

"Investments shall be made with judgement and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the expected income to be derived."

In determining whether investment personnel exercised prudence with respect to an investment decision, the determination shall be made taking into consideration:

a. the investment of all funds over which investment personnel had responsibility rather than a consideration as to the prudence of a single investment, and
b. whether the investment decision was consistent with the written Investment Policy.

Investment personnel involved in investment decisions, when acting in accordance with this Investment Policy and exercising due diligence, shall not be held responsible for a change in a specific investment's credit risk or market price, provided deviation from expectations are reported in a timely manner and appropriate action is taken to control adverse developments.

## III. Investment Strategy

The City commingles its operating and reserve funds into one investment portfolio for investment purposes of efficiency, accurate distribution of interest, and maximum investment opportunity. Bond funds are managed separately in accordance with their anticipated expenditure schedule. Although commingled, the City recognizes the unique characteristics and needs of the individual funds in its strategy statement and management of the funds. The maximum dollar weighted average maturity of the entire portfolio shall be no greater than 18 months.

(1) **Operating Funds.** The investment strategy for operating funds has as its primary objective assurance that anticipated liabilities are matched and adequate investment liquidity provided. This may be accomplished by purchasing high quality, short- to medium-term maturity securities, which will complement each other in a laddered maturity structure permitting some extension for yield enhancement.

(2) **Debt Service Funds**. The investment strategy for debt service funds shall have as its primary objective the assurance of available funds adequate to fund the debt service obligations on a timely

basis. Successive debt service dates will be fully funded before extension.

(3) **Bond Reserve Funds.** The investment strategy for bond reserve funds shall have as its primary objective the ability to generate a revenue stream to the bond reserve funds from high quality securities with a low degree of volatility. Securities should be high credit quality and, except as may be required by a bond ordinance specific to an individual issue, of short to intermediate-term maturities. Reserve portfolios will utilize securities with a maximum maturity of five years and have a maximum weighted average maturity, if managed as a separate portfolio, not to exceed three years.

(4) **Capital Project Funds**. The investment strategy for capital project funds will have as its primary objective assurance that anticipated expenditures are matched with maturing investments for adequate liquidity. The stated final maturity dates of securities held may not exceed the estimated project completion date.

Separately managed portfolios are to be managed with the specific expenditure schedules and legal requirements of those funds. The portfolios will be guided by the provisions of this Investment Policy.

**Cash Management**

Effective cash management is recognized as essential to a prudent investment strategy and overall fiscal management. Cash management is defined as the process of managing monies in order to ensure maximum cash availability and use. The City shall maintain a comprehensive cash management program, which includes collection of accounts receivable, prudent investment of its available cash, disbursement of payments in accordance with invoice terms and the management of banking services.

As a part of this comprehensive cash management program, the City recognizes that there is the potential need for unexpected cash drawdowns during the hurricane season which commences in June and concludes in November of each year. The portfolio should be structured so that adequate investments mature during this period.

## IV. Suitable and Authorized Investments

Authorized investments shall be limited to the following, as further defined by the Act:

(1) Obligations of the United States or its agencies and instrumentalities to include obligations in which the principal and interest are unconditionally guaranteed or insured by, or backed by the full faith and credit of, this state or the United States or their respective agencies and instrumentalities, including obligations that are fully

guaranteed or insured by the Federal Deposit Insurance Corporation ("FDIC"), National Credit Union Share Insurance Fund ("NCUSIF") or by the explicit full faith and credit of the United States per Texas State Code 2256.009.

(2) Municipal Securities per Texas State Code 2256.009.
(3) Fully insured or collateralized certificates of deposit at commercial banks, savings banks and credit unions per Texas State Code 2256.010.
(4) Repurchase agreements collateralized by U.S. Treasury or U.S. Government Agency securities per Texas State Code 2256.011 and execution of a Master Repurchase Agreement is required.
(5) Securities and Exchange Commission (the "SEC") registered no load money market funds as permitted by Texas State Code 2256.014.
(6) Texas local government investment pools per Texas State Code 2256.016. Although this Investment Policy does not permit direct purchase of commercial paper, investment pools that contain commercial paper as well as any investment specifically authorized within the Act are permitted.

The City's ownership share of any public funds investment pool shall be limited to 10% of the overall pool balance.

**Exemption of Existing Investments**
The City is not required to liquidate investments that were authorized investments at the time of purchase. Any investments held that do not meet the guidelines of the Investment Policy shall be reviewed to determine ability to liquidate. If the security cannot be liquidated because of material adverse changes in value since the time of purchase and holding the security to maturity does not negatively affect disbursement or cash flow, a recommendation of holding the security to maturity is acceptable. At all times, liquidations shall be effected taking into account the prudent person standard.

**Certain Prohibited Investments**
The City is prohibited from investing in companies that do business in Sudan, Iran, or with Foreign Terrorist Organizations (collectively known as "Listed Companies"). Only those investments listed in this section are authorized.

## V. Incorporation of the Public Funds Investment Act

(1) **Competitive Bidding.** All individual security transactions shall require at least three competitive bids/offers for all individual security purchases and sales (excluding transactions with money market mutual funds, local government investment pools and when issued securities, which are deemed to be made at prevailing market rates).

(2) **Delivery versus Payment**. Transactions must be settled on a delivery-versus-payment (DVP) basis to a City approved depository except for transactions involving mutual funds or local government investment pool funds. This assures City control of all its funds and assets. No securities shall be held by transaction counterparty.

(3) **Independent Third-Party Safekeeping**. Collateral provided for bank time and demand deposits as well as repurchase agreements will be held by an independent third-party safekeeping agent approved by the City and providing the City with original safekeeping receipts. Authorized collateral will include:

a. Obligations of the U.S. Government and its agencies and instrumentalities, including mortgage-backed securities.
b. Municipal obligations of any state or subdivision, rated no less than AA or equivalent by a Nationally Recognized Statistical Rating Organization ("NRSRO").

All City-owned securities will be registered and held in the name of the City in a segregated third-party safekeeping account through the City's contracted depository. Financial institutions serving as City depositories will be required to sign a tri-party depository agreement with the City and the independent safekeeping agent (custodian) in compliance with the Financial Institutions reform, Recover, and Enforcement Act ("FIRREA"). The agreement shall define the collateral and City rights to the collateral in case of default, bankruptcy, or closing and shall establish a perfected security interest in compliance with Federal and State regulations, which require that:

a. The Agreement be in writing;
b. The Agreement be approved by the Board of Directors or the Loan Committee of the Depository and a copy of the meeting minutes or resolution reference must be delivered to the City; and
c. No listing of pledged collateral shall be part of the written agreement.

(4) **Collateral Policy**. Collateralization is required for all uninsured collected balances. Collateral will be equal to or exceed 110% of the total deposit amount of all operating accounts, with accrued

interest, if any. Substitution will be granted with prior City approval. Counterparties will be contractually liable for monitoring and maintaining the required margin levels on all collateral at all times. The City will value the collateral securities monthly unless market conditions warrant more frequent valuation. If the market value of collateral is deficient, additional collateral must be requested.

Collateral will be equal to or exceed 102% of the daily repurchase sweep agreement amount.

## VI. Diversification and Maximum Maturities

(1) **Diversification**. Diversification will be used to minimize risk of loss by over-investment in a particular market sector, maturity or security. The City will strive for portfolios with laddered maturities and securities in accordance with the authorized investments and maximum maturity constraints. To assure diversification in the portfolio the following limits will be imposed:

| **Investment Type** | **Max. % in Portfolio** |
|---|---|
| US Treasury Obligations | 100% |
| US Agency and Instrumentality Obligations | 80% |
| SEC Registered Money Market Funds | 50% |
| Repurchase Agreements | 50% |
| Flex Repurchase (Bond Funds) | 50% |
| Municipal Securities | 20% |
| Local Government Investment Pools | 100% |
| Collateralized, FDIC or NCUSIF-insured CDs | 50% |

(2) **Maximum Maturities.** The maximum maturity for investments designated for operations, current debt service, and construction funds shall not exceed 36 months. The maturity for debt service reserve holdings can be extended to the life of the bond maturity or five years, whichever is less.

(3) **Weighted Average Maturity for Pooled Fund Groupings.** The maximum dollar weighted average maturity of the entire portfolio shall be no greater than 18 months based on the stated maturity date.

## VII. Finance, Fiscal Affairs and Investment Advisory Committee (the "Committee")

Ordinance No. 19-042 established the reconstituted Finance and Fiscal Affairs Committee which is now charged with the duties of the Investment Advisory Committee. The committee shall be composed of seven voting members, and one non-voting ex-officio member of city council. All members shall be appointed by the city council. There shall be appointed additional

non-voting, advisory members as deemed necessary and as appointed by the city council.

The committee is established to review and evaluate for the purpose of making recommendations to council, review of the city's financial statements and reports, audit, budget and budget performance, fund accounting and fund balances, and financial management policies. The Committee's responsibilities also include the review of the City's Investment Policy annually, review investment recommendations, review investment reports, oversee the City's investment portfolio to ensure compliance with State law, adopt a list of qualified brokers authorized to engage in investment transactions and approve the independent source providing state mandated investment training.

## VIII. Designation of Investment Officers

(1) **Delegation of Investment Authority**. The Assistant City Manager of Finance, Executive Director/City Controller and Accounting Manager shall be designated as Investment Officers to execute the investment management process of local revenues. Investments of five (5) million or more will require authorization by two investment officers. The Assistant City Manager of Finance may temporarily designate another qualified staff individual to function as Investment Officer in his or her place if and when necessary. That individual will also attend the state mandated training described below.

The Investment Officers shall review investment positions at least once per quarter for conformance to this Investment Policy and the needs of the City.

The Investment Officers shall develop and maintain written administrative procedures for the operation of the investment program, which are consistent with this Investment Policy. Procedures will include safekeeping, settlement, documentation, agreements, contracts, and other investment related activities.

(2) **Investment Training**. The Investment Officers shall attend ten (10) hours of investment training within twelve (12) months of assuming duties, and subsequently shall attend 8 hours of training within every succeeding two-year period following the initial 10 hours of training completed within the first 12 months of assuming duties, as required by the Act. The training cycle becomes concurrent with the City's fiscal year.

The training sessions shall be provided by the Texas Municipal League, the Government Finance Officers Association of Texas (GFOAT), the Government Treasurers Organization of Texas

(GTOT), the University of North Texas Center for Public Management, the Texas Society of Certified Public Accountants, or any other independent source approved by the Committee.

Training must include education in investment controls, security risks, strategy risks, market risks, diversification of investment portfolio, and compliance with PFIA.

**Capability of Investment Management**. Professional services may be used to provide expertise in the areas of Investments, cash management, bonded indebtedness, and other areas deemed appropriate by City Council and the Executive Management Team (EMT). The EMT addresses quality and capability of investment management through the utilization of State laws pertaining to these services. These services shall be subordinate to City Management and this Investment Policy, as applicable.

The City may contract with an Investment Advisor, who shall adhere to the spirit, philosophy and specific term of this Investment Policy and shall invest within the same standard of prudence. The Investment Advisor must be registered with the SEC under the Investment Advisor's Act of 1940 as well as with the Texas State Securities Board. Advisors may assist the City with the management of its funds and other responsibilities including, but not limited to: review of investment policy, development of appropriate investment strategies, security analysis, trade execution, security clearance, broker dealer compliance, investment reporting and security documentation.

(3) **Ethics Disclosure and Conflicts of Interest.** If an Investment Officer has a personal business relationship as defined in the Act, with a business organization engaging in investment transactions with the City or, the officer is related within the second degree by affinity or consanguinity to an individual seeking to transact with the City, the Investment Officer must disclose the relationship and file a disclosure with the City Secretary, City Council and the Texas Ethics Commission.

## IX. Establishment and Annual Review of Qualified Bidders list

Investments shall be executed through broker/dealers and/or banks only. The Committee will review, revise and approve the list of authorized broker/dealers annually. The Investment Officers or investment advisor will obtain and maintain information on each authorized broker/dealer.

Securities broker/dealers must meet certain criteria as determined by the Investment Officers. The following criteria must be met by firms on the list:

- provision of an audited financial statement for the most recent period,
- proof of registration with the Financial Industry Regulatory Authority (FINRA), and
- proof of current registration with the Texas State Securities Commission.

If the City has contracted with an Investment Advisor, the Advisor shall be responsible for performing due diligence on broker/dealers and shall provide a list of approved broker/dealers to the City no less than annually. The Investment Advisor shall meet the requirements of Texas State Code 2256.003.

## X. Investment Policy Certification

The City shall present a copy of this Investment Policy to any business organization offering to engage in an investment transaction with the City. An authorized representative of an investment pool or Investment Advisory firm acting in a discretionary capacity shall execute a Policy Certification form substantially to the effect that the representative has received and thoroughly reviewed the Investment Policy, and acknowledged that the organization has implemented reasonable procedures and controls in an effort to preclude investment transactions that are not authorized by this Investment Policy, except to the extent that the authorization is dependent on an analysis of the makeup of the City's primary commingled portfolio or requires an interpretation of subjective investment standards.

## XI. Investment Reporting

**Quarterly Reporting.** The Investment Officers and Investment Advisor shall provide to City Council, not less than quarterly, a written report of investment positions and activity in accordance with Section 2256.023 of the Act.

**Marking to Market.** The quarterly investment report shall include the market value of the portfolio. Market values shall be obtained from the Investment Advisor or other independent sources such as a safekeeping institution or industry publications. If market values are unavailable from independent sources, the City may obtain market values from its authorized brokers, provided the broker providing the market price is not the same broker that sold the security to the City. The market price of investments acquired with public funds is monitored by a third party Investment Advisor firm (engaged by the City) with access to pricing applications (e.g., Bloomberg).

## XII. Internal Controls

The Assistant City Manager of Finance shall establish a system of internal controls designed to prevent losses due to fraud, employee error, negligence, collusion, third party misrepresentation, and unanticipated market changes as well as other foreseeable circumstances arising in the investment function. The controls are to safeguard City assets and securities throughout the

investment process. The internal control structure shall be designed to provide reasonable assurance that these Investment Policy objectives are met and controls shall be reviewed annually with the independent auditor of the City.

Transactions shall, in all cases, comply with established internal controls especially as regards the transfer of funds.

The concept of reasonable assurance recognizes that:

a. The cost of a control should not exceed the benefits likely to be derived, and
b. The valuation of costs and benefits requires estimates and judgments by management.

The controls shall address, at a minimum, the functions of documentation; competitive bidding practices; delivery and custody of securities; perfected ownership; collateralization; timely reconciliation of transactions, receipts and statements; required audits; and financial counter-parties. The controls shall address these functions with attention to potential collusion, separation of duties, and clear delegation of authority.

## XIII. Review by Independent Auditor

The City's audit engagement shall include a compliance audit of management controls on investments and adherence to the City's established investment policies. The compliance audit shall be performed annually in conjunction with the City's financial audit and will include a review of the quarterly reports.

## XIV. Annual Review and Adoption of Investment Policy and Strategies

The City Council of the City of Galveston shall review and adopt this Investment Policy and its incorporated investment strategies not less than annually. The approving resolution will list all changes being made to the Policy.

# APPENDICES

# GRANTS & HOUSING DEPARTMENT

## MISSION STATEMENT

The City of Galveston's Grants & Housing Department is committed to improving the living environment of the low-moderate income (LMI) residents through effective community development strategies and programs to achieve a healthy viable community.

## ACCOMPLISHMENTS

- Expended $1,178549.52 in CDBG and HOME Program funds during our 2024 Program Year and facilitated the HUD drawdown requests for reimbursement of funds.

- Expended $84,777.66 in CDBG-CV Program funds and $682.88 in HOME-ARP funds during our 2024 Program Year and facilitated the HUD drawdown requests for reimbursement of funds.

- Facilitated all necessary federal requirements for the 2024 Program Year CDBG and HOME funded projects. Ensured that all required documentation was obtained, categorized and maintained in project files to justify compliance and meet all HUD low-moderate income requirements. Compliance included procurement, Environmental Review Process including Texas Historical Commission 106 Review and Floodplain Management, documenting eligibility, and subsequent community benefit. The 2024 PY CDBG and HOME Project accomplishments are as follows:

| Project | Accomplishments |
|---|---|
| Parks & Recreation - Youth Programs<br>Services to estimated 84.1% LMI youth | • Provided 28 part-time employees as recreation aides<br>• 736 children/youth (84.1% LMI) registered for summer and afterschool activities<br>• 48 disabled children/youth served<br>• 19,710 total daily sessions of service |
| City Marshall - Code Compliance Officers | • Provided 4 officers in LMI areas<br>• 4,427 property inspections conducted<br>• 3,093 code violations identified and corrected<br>• 1,334 re-inspections conducted |
| City Marshall - Code Compliance Lot Clearance and Demolition in LMI areas | • 52 lot clearances/board-ups completed<br>• 1 demolition completed |
| Public Works – Street Repaving in LMI areas | • Provided 11 blocks on 6 ½ streets (3,850 linear feet) of re-pavement |
| Grants & Housing – Tenant-Based Rental Assistance | • 29 LMI renters approved and assisted with security deposits and rent for 1-year |
| Grants & Housing - Homebuyer Assistance Program | • No LMI first-time homebuyer approved for downpayment and closing cost assistance |

- ❖ As the City Responsible Entity, completed Environmental Review Process for all City funded projects.

- ❖ Under the City's multi-year Consolidated Plan, reviewed 7 federal grant applications for local non-profit agencies and completed HUD mandatory Consistency Certifications for agencies. This is a mandatory HUD requirement necessary for the agencies to submit a grant application for HUD funding.

- ❖ Received a favorable Year-End Assessment Report from HUD for the management of the 2023 Program Year CDBG and HOME Programs. The review revealed the City had noteworthy achievements in its CDBG and HOME Programs; the City expended 100% of its funds to benefit low-moderate income persons; and the City was within its expenditure caps for administration and public services. The HUD Assessment congratulated the City on its accomplishments achieved during the 2023 PY and determined that the City carried out its program as described in its Consolidated and Annual Action Plan submissions, and the Consolidated Plan submission, as implemented, complies with the requirements of the Housing and Community Development Act and other applicable laws and regulations.

## GOALS

- ❖ Ensure statutory and regulatory compliance in all CDBG and HOME Program areas. These include project eligibility (beneficiary & financial); financial expenditure ratio, timeliness, commitment and disbursement; Environmental Review (including Texas Historical Commission 106 Review Process and Floodplain Management) for City and other Continuum of Care and public housing non-profit program activities; Federal Labor Standards Provision and the Davis-Bacon Act for construction projects; homebuyer and tenant-based rental activities including Lead-Based Paint compliance; procurement requirements; housing inspections; Fair Housing & Equal Opportunity requirements; and all required project documentation is obtained, categorized and maintained in project files to justify compliance, all HUD low-moderate income requirements, and subsequent community benefit. Non-compliance in the above-mentioned categories may result in grant funds being conditioned, sanctioned, reduced, subject to recapture or repaid from non-federal sources.

- ❖ Facilitate the tenant-based rental assistance program for 29 low-moderate income (LMI) households with affordable housing costs including rent payments and security deposits.

- ❖ Facilitate the homebuyer assistance program to provide downpayment and closing cost assistance for low-moderate income (LMI) family to purchase their first home.

- ❖ Facilitate all necessary federal requirements for the streets repaving and coordinate with the Public Works Department to facilitate project and oversight.

- ❖ Collaborate with the Code Enforcement Division, Parks & Recreation Department, and Police Department to ensure that all federal statutory and regulatory requirements are adhered to for the Demolition / Board-up / Clearance and Code Compliance Staffing, and Youth Recreation Programs respectively.

- ❖ Facilitate the continued planning and implementation and to ensure that all federal statutory and regulatory requirements are adhered to for the CARES Act CDBG-CV funding projects.

- ❖ Facilitate the planning and implementation and to ensure that all federal statutory and regulatory requirements are adhered to for the American Rescue Plan HOME Program funding of $893,274 to increase affordable housing to address homelessness.

# Performance Measures

| | FY 2022/ PY 2021 Actual | FY 2023/ PY 2022 Actual | FY 2024/ PY 2023 Estimated | FY 2025/ PY 2024 Estimated |
|---|---|---|---|---|
| **Financial Compliance** | | | | |
| CDBG Timeliness Ratio: 1.50% or less on April 2nd Regulatory Compliance | 1.50% | 1.95% | 2.17% | 2.19% |
| HOME Disbursement of Funds: 100% on Sept. 30th Regulatory Compliance | Due: 9-30-29 | Due: 9-30-30 | Due: 9-30-31 | Due: 9-30-32 |
| Cash-on-Hand Quarterly Report: Submitted Timely | 4 | 4 | 4 | 4 |
| **Beneficiary Compliance** | | | | |
| % of LMI Benefits: 70% Regulatory Compliance | 100.00% | 100.00% | 100.00% | 100.00% |
| **Overall Regulatory Compliance** | | | | |
| HUD Monitoring: 7 Findings Standard | N/A | Monitored 4-3-23 for PY 2020 – 3 Findings/No Concerns | N/A No Monitoring – No Findings/No Concerns | N/A No Monitoring – No Findings/No Concerns |
| **Program Monitoring:** | | | | |
| Monthly Desk Review | 60 | 60 | 72 | 72 |
| Labor Standards Compliance: Minimize Findings | N/A | No Findings/No Concerns | No Findings/No Concerns | No Findings/No Concerns |
| Environmental Reviews: | 8 | 8 | 7 | 7 |
| Fair Housing Compliance: | No Findings | N/A | No Findings | No Findings |
| **Section 3 Compliance:** | | | | |
| Contracts | 5 | 5 | 11 | 3 |
| Employees | 10 | 10 | 0 | 0 |
| HUD Reporting: Required reports submitted, complete, accurate & timely | 9 | 9 | 9 | 9 |
| **Homebuyer Downpayment Assistance** | 1 | 0 | 0 | 0 |
| **Tenant-Based Rental Assistance** | 12 | 23 | 29 | 29 |
| **City Dept. Funded Projects** | 6 | 6 | 7 | 8 |
| **CARES Act CDBG-CV Funded Projects** | 5 | 5 | 0 (additional projects funded for 2023) | 0 (additional projects funded for 2023) |

**ATTACHMENT A (DRAFT)**
**CITY OF GALVESTON**
**2025 CDBG and HOME Programs Budgets**

The U.S. Dept. of Housing & Urban Development (HUD) administers the CDBG and HOME Programs and provided the 2025 CDBG and HOME Funding Allocations. The City will receive CDBG funding of $1,155,999.00 and HOME funding of $267,342.53. The 2025 Allocations differ from the City's 2024 funding in the following amounts: increase in CDBG of +$21,281.00 (+1.88%) and a increase in HOME of +$24,336.12 (+10.02%). CDBG and HOME Program Income has been estimated for CDBG at $20,000 and HOME at $30,000.

**2025 Community Development & Housing Objectives**

The following 2025 project objectives were identified in the City's 2024 5-Year Consolidated Plan as High Priority Needs.

1. To provide and expand homeownership opportunities for LMI homebuyers;
2. To provide and expand access to affordable housing through rental subsidies for LMI households and assisting in the prevention of homelessness;
3. To provide housing services to support LMI homeownership, TBRA, and other housing activities;
4. To educate and enforce lead-based paint and other lead hazards rules and regulations;
5. To identify and eliminate barriers to affordable housing and impediments to fair housing;
6. Provide code enforcement and neighborhood revitalization activities to diminish unsafe buildings and lots, blighting influences, and general neighborhood decay in LMI areas;
7. Provide infrastructure enhancement to support neighborhood revitalization and residential development in LMI areas;
8. Promote the health and well-being of city LMI residents through the provision of public and supportive services including youth programs;
9. To facilitate neighborhood, comprehensive, and individual project management, planning, and capacity building activities for LMI areas;
10. Provide economic development opportunities and Section 3 education for LMI persons and businesses; and
11. Assist in the coordination of homeless resources in the community through participation with and reliance on the Continuum of Care Program.

**2025 CDBG Program Projects (PROPOSED)**

| Project | Description | Outcomes | 2025 Allocations |
|---|---|---|---|
| **Public Service Activities** | **(Regulatory Limit of 15% Cap - $173,399.85)** | | **$ 168,500.00** |
| Parks & Recreation Dept. Children & Youth Program | Provide staffing to implement summer and after-school supervised educational / recreational activities at Menard and Wright Cuney Parks and Recreation Centers for primarily LMI (estimated 90%) children and youth ages 5-17 | 900 children and youth | $ 168,500.00 |
| **Public Facility & Improvement Activities** | | | **$ 506,749.20** |
| Infrastructure/ Public Facility (Fire Dept.) | Fire Department - Purchase 1 Pumper Truck | Purchase 1 public vehicle | $ 506,749.20 |
| **Code Enforcement Activities** | | | **$ 189,550.00** |
| City Marshal-Code Compliance Officers | Provide 4 compliance officers to work in LMI and deteriorated neighborhoods to conduct property inspections and reinspections to enforce local codes and owner notifications and processes for enforcement on non-compliant properties | 4,500 inspections and 900 reinspections | $ 177,550.00 |

| Project | Description | Outcomes | 2025 Allocations |
|---|---|---|---|
| City Marshal-Demolition & Lot Clearance/Boardup Activity | Provide contracted lot clearance/boardup on properties with nuisance, safety, and sanitation issues and demolition of dilapidated/unsafe structure in LMI areas | 1 Demolition and 80 Lot Clearances / Boardups | $ 12,000.00 |
| **Affordable Housing Activities** | | | **$ 60,000.00** |
| Affordable Housing Services | Provide management and oversight for the LMI affordable housing programs including tenant-based rental assistance, homebuyer, and other housing related issues including projects funded through the CDBG and HOME Programs | Ensure regulatory compliance | $ 60,000.00 |
| **Planning & Program Administration Activities (Regulatory Limit of 20% Cap - $231,199.80)** | | | **$ 231,199.80** |
| CDBG Program Administration | Provide management of the CDBG and HOME Programs to ensure compliance with all regulatory requirements | Ensure regulatory compliance | $ 231,199.80 |
| **CDBG TOTAL ALLOCATION** | | | **$ 1,155,999.00** |
| **CDBG Program Income (PI) (Estimated)** | Provide Consolidated Plan Eligible Projects such as code enforcement and affordable housing services from PI received primarily from housing rehabilitation loan payments and payoffs and lot clearance, boardup, and demolition lien payoffs | Eligible CDBG projects | $ 20,000.00 |

**2025 HOME Program Projects (PROPOSED)**

| Project | Description | Outcomes | 2025 Allocations |
|---|---|---|---|
| **Affordable Housing Activities** | | | **$ 240,608.28** |
| Community Housing Development Organization (CHDO) Program | Required set-aside allocation for Community Housing Development Organization (CHDO) development of rental or for sale affordable housing to LMI households; City does not have planned actions for this funding (Regulatory Mandatory 15% Set-aside $40,101.38) | No objective | $ 40,101.38 |
| Grants & Housing Dept. Tenant-Based Rental Program | Provide Tenant-Based Rental Assistance (TBRA) for rental subsidies to assist LMI households with affordable housing costs including rent payments and security deposits | 15 LMI households | $ 200,506.90 |
| **HOME Program Administration Activities (Regulatory Limit 10% Cap - $26,734.25)** | | | **$ 26,734.25** |
| HOME Program Administration | Provide management of the HOME Program to ensure compliance with all regulatory requirements | Ensure regulatory compliance | $ 26,734.25 |
| **HOME TOTAL ALLOCATION** | | | **$ 267,342.53** |
| **HOME Program Income (Estimated)** | Provide Consolidated Plan Eligible Projects such as TBRA and homeownership projects from PI received primarily from homebuyer and housing rehabilitation loan payments | Eligible HOME projects | $ 30,000.00 |
| **TOTAL CDBG & HOME CONSOLIDATED PROGRAMS** | | | **$ 1,423,341.53** |
| **TOTAL CDBG & HOME CONSOLIDATED PROGRAMS and Program Income** | | | **$ 1,473,341.53** |

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# ORDINANCE NO. 25-025

AN ORDINANCE OF THE CITY OF GALVESTON, TEXAS, ADOPTING THE HOMESTEAD, ELDERLY, AND DISABLED AD VALOREM TAX EXEMPTIONS FOR TAX YEAR 2025, PURSUANT TO CHAPTER 33, SECTION 33-24, OF "THE CODE OF THE CITY OF GALVESTON 1982, AS AMENDED"; MAINTAINING THE MINIMUM HOMESTEAD EXEMPTION OF $60,000 OR 20% OF THE APPRAISED VALUE WHICHEVER IS LARGER; MAINTAINING THE ADDITIONAL EXEMPTION IN THE AMOUNT OF $15,000 BE AVAILABLE FOR THOSE AGE 65 AND OLDER; MAINTAINING THE ADDITIONAL EXEMPTION OF $10,000 FOR THOSE WHO ARE DISABLED; MAKING VARIOUS FINDINGS AND PROVISIONS RELATED TO THE SUBJECT; AND PROVIDING FOR AN EFFECTIVE DATE.

---

**WHEREAS,** the City Code provides that a family or single adult is entitled to an exemption from taxation by the City of twenty percent (20%) of the appraised value of his or her residence homestead, as defined in Texas Tax Code, §11.13; and

**WHEREAS,** the City Code further establishes the minimum amount of $60,000 exemption of the appraised value of his or her residence homestead, as defined in Texas Tax Code §11.13; and

**WHEREAS,** the City Code provides that in addition to the residential exemption, a person who is sixty-five (65) years of age, or older, is entitled to an exemption from taxation by the City of fifteen thousand dollars ($15,000.00) of the appraised value of his or her residence homestead, as defined and limited in the Texas Tax Code; and

**WHEREAS,** the City Code further provides that a person who is disabled is entitled to an exemption from taxation by the City of ten thousand dollars ($10,000.00) of appraised value of his or her residence homestead, as defined and limited in the Texas Tax Code; and

**WHEREAS,** an individual who is eligible both for the elderly exemption and the disability exemption may not receive both exemptions, but may choose either, and

**WHEREAS,** the estimated total tax value of those combined exemptions is $3.6 million based on last year's (Tax Year 2024) tax rate of $0.408850 cents per $100 of valuation and this year's (Tax Year 2025) approximate initial exemption total of $951.7 million for those exemption categories; and

**WHEREAS,** the City Council deems it in the public interest to renew the ad valorem tax exemptions for Tax Year 2025, by the state's deadline of June 30th.

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

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**SECTION 1.** The findings and recitations set out in the preamble to this Ordinance are found true and correct and they are hereby adopted by the City Council and made a part hereof for all purposes.

**SECTION 2.** The City Council hereby renews the twenty percent (20%) homestead exemption with a minimum of $60,000 of value exempted and renews the remaining ad valorem tax exemptions for Tax Year 2025, pursuant to Section 33-24, "Homestead exemption; disabled; elderly", of "The Code of the City of Galveston 1982, as amended."

**SECTION 3.** The City Council hereby renews for Tax Year 2025, an exemption from taxation by the City for those sixty-five years, or older, of Fifteen Thousand Dollars ($15,000.00), of the appraised value of his or her residence homestead, pursuant to Section 33-24, "Homestead exemption; disabled; elderly" of "The Code of the City of Galveston 1982, as amended."

**SECTION 4**. The City Council hereby renews for Tax Year 2025, an exemption from taxation by the City for those who are disabled of Ten Thousand Dollars ($10,000.00) of the appraised value of his or her residence homestead, pursuant to Section 33-24, "Homestead exemption; disabled; elderly" of "The Code of the City of Galveston 1982, as amended."

**SECTION 5.** It is hereby declared to be the intention of the City Council that the sections, paragraphs, sentences, clauses, and phrases of this Ordinance are severable and, if any phrase, clause, sentence, paragraph or section of this Ordinance should be declared invalid by the final judgment or decree of any court of competent jurisdiction, such invalidity shall not affect any of the remaining phrases, clauses, sentences, paragraphs, and sections of this Ordinance.

**SECTION 6.** All Ordinances or parts thereof in conflict herewith are repealed to the extent of such conflict only.

**SECTION 7.** In accordance with the provisions of Sections 12 and 13 of Article II of The City Charter this Ordinance has been publicly available in the office of the City Secretary for not less than 72 hours prior to its adoption; that this Ordinance may be read and published by descriptive caption only.

**SECTION 8.** This Ordinance shall become effective upon its adoption and publication in accordance with the provisions of The Charter of the City of Galveston.

APPROVED AS TO FORM:

Signed by:
Meliran Jadidi
6A59EBFC33E64A0...

DONALD GLYWASKY
CITY ATTORNEY

I, Janelle Williams, Secretary of the City Council of the City of Galveston, do hereby certify that the foregoing is a true and correct copy of an Ordinance adopted by the City Council of

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the City of Galveston at its Regular Meeting held on June 26, 2025, as the same appears in records of this office.

**IN TESTIMONY WHEREOF**, I subscribe my name hereto officially under the corporate seal of the City of Galveston this 27th day of June 2025.

Signed by:
Janelle Williams
F12776E17F29488...

Secretary for the City Council
of the City of Galveston

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City of Galveston

Finance Department
PO Box 779 | Galveston, TX 77553-0779
| 409-797-3562

June 26, 2025

To: Brian Maxwell, City Manager
Hon. Mayor and City Council

From: Csilla Ludanyi, Finance Director

**RE: Consider for action an ordinance of the City of Galveston, Texas, adopting the homestead, elderly, and disabled ad valorem tax exemptions for Tax Year 2025, pursuant to Chapter 33, Section 33-24 of the Code of the City of Galveston 1982, as amended; maintaining the minimum homestead exemption of $60,000 or 20% of the appraised value whichever is larger; maintaining the additional exemption in the amount of $15,000 be available for those age 65 and older; maintaining the additional exemption of $10,000 for those who are disabled; making various findings and provisions related to the subject; and providing for an effective date.**

## I. Background

A. The State Property Tax Code provides for a wide range of exemptions from having to pay property taxes that extend to non-profits and property owners statewide. Among these are exemptions for homeowner-occupants who occupy their property as their primary residence. Cities in Texas are given the local option to adopt and maintain certain of these exemptions that pertain to homeowner occupants.

B. The Galveston County Appraisal District (GCAD) administers all exemptions as provided under State law and local ordinances. The Galveston County Tax Assessor-Collector (GTAC) administers the tax assessment process using information from GCAD. This includes tax freezes for homeowner occupants who are certified as over 65, a veteran or disabled by GCAD.

C. Each year, cities that wish to change their exemptions for that tax year are required to adopt changes by June 30 and notify the local county appraisal district and tax assessor-collector of any change made. This agenda item affords the City Council the opportunity to consider whether they wish to make any changes.

## II. Current Situation

A. The City of Galveston currently provides a minimum homestead exemption of $60,000 for homeowners who occupy their home. After qualifying for the basic homestead exemption, a homeowner occupant can then qualify for the over 65, disabled or veteran's exemptions as described on the next page.

B. Exemptions themselves apply to assessed value as established by the Galveston County Appraisal District reducing the amount of value that can be taxed ("taxable value"). The over 65 and disabled tax freezes apply to the actual amount of taxes paid each year subsequent to the original granting of the over 65 or disabled exemption.

C. The year a homeowner turns 65 or qualifies for a disabled person exemption, the percentage homestead and then appropriate over 65 or disabled person exemption is applied to the market value to establish the qualifying year tax amount. The same process is applied the following year, and the tax ceiling is established for the year in which the lowest tax amount is

City of Galveston

Finance Department
PO Box 779 | Galveston, TX 77553-0779
| 409-797-3562

due. This amount then becomes the maximum amount of taxes that may be assessed. The same process is applied to disabled homeowners' taxes to determine the amount at which taxes are frozen in future years.

D. The minimum homestead exemption now represents $799,889,807 in exempted value for homeowners across the City. This represents an average tax break of $327 across 10,009 homeowners in Tax Year 2024.

E. The Freeze on taxes for homesteaded owners Over 65 and who are Disabled was adopted by City Council in December 2005 and cannot be repealed or modified.

F. The Veteran's Exemption and Survivor's Exemption is determined at that state level and available to those homeowners and their families who have served in the armed forces or lost a spouse in the course of their military service.

G. The City of Galveston preliminary property tax roll for Tax Year 2025 is in the earliest stages of review by the Galveston County Appraisal District and values in that report are expected to change substantially from the current tax year, 2024. For that reason, 2024 values and account totals are being used to present the impact of 2025 exemptions.

| Description | Tax Exemption Basis | Tax Exemption Description | Number of Exemptions from Tax Year 2024 Certified Roll | Value Exempted from Tax Year 2024 Certified Roll | Estimated Tax Break at $0.408850 Rate | Current Estimated Tax Break Per Exemption |
|---|---|---|---|---|---|---|
| Homestead | Minimum of $60,000 of Assessed Value | COG at minimum; can be increased | 10,009 | 799,889,807 | 3,270,349 | $ 327 |
| Over 65 Exemption | $15,000 off Assessed Value | COG at minimum; can be increased | 5,237 | 76,890,474 | 314,367 | $ 60 |
| Disabled Exemption | $10,000 off Assessed Value | COG at minimum; can be increased | 475 | 4,361,925 | 17,834 | $ 38 |
| **Permanent Freeze - Adopted by City Council in December 2005** | | | | | | |
| Over 65 Freeze | | | 4,796 | 500,852,321 | 2,047,735 | $ 427 |
| Disabled Freeze | | | 451 | 35,946,680 | 146,968 | $ 326 |
| | | **Total Local Exemptions** | | **1,417,941,207** | **5,797,253** | |
| **State Exemptions** | | | | | | |
| Veterans' Exemptions & Others | | | 2,150 | 3,857,955,102 | 15,773,249 | |

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H. Additional information regarding property tax exemptions can be obtained from the Texas Comptroller of Public Accounts website (https://comptroller.texas.gov/taxes/property-tax/exemptions/).

**III. Issues**

1. Timing – Approval of exemptions is required prior to June 30 for the current tax year.
2. Term – Exemptions addressed by the ordinance will apply to Tax Year 2025 for which bills will be mailed this fall.

**IV. Alternatives in order of priority**

A. City approves exemptions.

**V. Recommendation**

Approve the ordinance without amendment.



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| Land | Value |
|---|---|
| Homesite: | 930,170,630 |
| Non Homesite: | 3,152,681,029 |
| Ag Market: | 44,682,610 |
| Timber Market: | 0 |

| Improvement | Value |
|---|---|
| Homesite: | 3,756,824,085 |
| Non Homesite: | 10,274,628,496 |

| Non Real | Count | Value |
|---|---|---|
| Personal Property: | 3,256 | 688,393,836 |
| Mineral Property: | 7 | 1,540,620 |
| Autos: | 0 | 0 |

| Ag | Non Exempt | Exempt |
|---|---|---|
| Total Productivity Market: | 43,253,950 | 1,428,660 |
| Ag Use: | 147,613 | 3,970 |
| Timber Use: | 0 | 0 |
| Productivity Loss: | 43,106,337 | 1,424,690 |

| | | |
|---|---|---|
| **Total Land** | (+) | 4,127,534,269 |
| **Total Improvements** | (+) | 14,031,452,581 |
| **Total Non Real** | (+) | 689,934,456 |
| **Market Value** | = | 18,848,921,306 |
| **Productivity Loss** | (-) | 43,106,337 |
| **Appraised Value** | = | 18,805,814,969 |
| **Homestead Cap** | (-) | 1,117,332,619 |
| **23.231 Cap** | (-) | 547,854,349 |
| **Assessed Value** | = | 17,140,628,001 |
| **Total Exemptions Amount (Breakdown on Next Page)** | (-) | 4,579,177,035 |
| **Net Taxable** | = | 12,561,450,966 |

| Freeze | Assessed | Taxable | Actual Tax | Ceiling | Count |
|---|---|---|---|---|---|
| DP | 104,633,401 | 70,204,728 | 196,770.40 | 204,811.43 | 429 |
| DPS | 5,387,422 | 3,869,415 | 9,121.92 | 9,217.00 | 22 |
| OV65 | 1,766,682,604 | 1,265,830,283 | 3,932,792.37 | 4,016,166.97 | 4,796 |
| **Total** | 1,876,703,427 | 1,339,904,426 | 4,138,684.69 | 4,230,195.40 | 5,247 |
| **Tax Rate** | 0.4088500 | | | | |

| Transfer | Assessed | Taxable | Post % Taxable | Adjustment | Count |
|---|---|---|---|---|---|
| OV65 | 7,376,660 | 5,897,937 | 4,952,839 | 945,098 | 11 |
| **Total** | 7,376,660 | 5,897,937 | 4,952,839 | 945,098 | 11 |

| | | |
|---|---|---|
| **Freeze Taxable** | (-) | 1,339,904,426 |
| **Transfer Adjustment** | (-) | 945,098 |
| **Freeze Adjusted Taxable** | = | 11,220,601,442 |

APPROXIMATE LEVY = (FREEZE ADJUSTED TAXABLE * (TAX RATE / 100)) + ACTUAL TAX
50,014,113.69 = 11,220,601,442 * (0.4088500 / 100) + 4,138,684.69

| | |
|---|---|
| Certified Estimate of Market Value: | 18,848,308,848 |
| Certified Estimate of Taxable Value: | 12,560,911,941 |
| Tax Increment Finance Value: | 0 |
| Tax Increment Finance Levy: | 0.00 |

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## Exemption Breakdown

| Exemption | Count | Local | State | Total |
|---|---|---|---|---|
| CHODO (Partial) | 1 | 176,405 | 0 | 176,405 |
| DP | 453 | 4,361,925 | 0 | 4,361,925 |
| DPS | 22 | 0 | 0 | 0 |
| DSTR | 44 | 9,574,090 | 0 | 9,574,090 |
| DV1 | 48 | 0 | 429,000 | 429,000 |
| DV1S | 2 | 0 | 10,000 | 10,000 |
| DV2 | 37 | 0 | 372,000 | 372,000 |
| DV3 | 41 | 0 | 450,000 | 450,000 |
| DV4 | 102 | 0 | 1,212,000 | 1,212,000 |
| DV4S | 10 | 0 | 114,000 | 114,000 |
| DVHS | 156 | 0 | 52,152,644 | 52,152,644 |
| DVHSS | 14 | 0 | 4,719,111 | 4,719,111 |
| EX-XG | 8 | 0 | 4,400,382 | 4,400,382 |
| EX-XJ | 2 | 0 | 6,678,100 | 6,678,100 |
| EX-XV | 1,422 | 0 | 3,577,385,461 | 3,577,385,461 |
| EX-XV (Prorated) | 9 | 0 | 602,614 | 602,614 |
| EX366 | 303 | 0 | 342,229 | 342,229 |
| FR | 8 | 30,082,026 | 0 | 30,082,026 |
| HS | 10,009 | 799,889,807 | 0 | 799,889,807 |
| HT | 30 | 8,704,334 | 0 | 8,704,334 |
| OV65 | 5,200 | 76,380,474 | 0 | 76,380,474 |
| OV65S | 37 | 510,000 | 0 | 510,000 |
| PC | 3 | 378,153 | 0 | 378,153 |
| SO | 3 | 252,280 | 0 | 252,280 |
| | **Totals** | **930,309,494** | **3,648,867,541** | **4,579,177,035** |

# 2025 Tax Rate Calculation Worksheet
## Taxing Units Other Than School Districts or Water Districts

Form 50-856

| City of Galveston | 409-797-3562 |
|---|---|
| Taxing Unit Name | Phone *(area code and number)* |
| 823 Rosenberg Street, Galveston, Texas 77550 | www.galvestontx.gov |
| Taxing Unit's Address, City, State, ZIP Code | Taxing Unit's Website Address |

**GENERAL INFORMATION:** Tax Code Section 26.04(c) requires an officer or employee designated by the governing body to calculate the no-new-revenue (NNR) tax rate and voter-approval tax rate for the taxing unit. These tax rates are expressed in dollars per $100 of taxable value calculated. The calculation process starts after the chief appraiser delivers to the taxing unit the certified appraisal roll and the estimated values of properties under protest. The designated officer or employee shall certify that the officer or employee has accurately calculated the tax rates and used values shown for the certified appraisal roll or certified estimate. The officer or employee submits the rates to the governing body by Aug. 7 or as soon thereafter as practicable.

School districts do not use this form, but instead use Comptroller Form 50-859 *Tax Rate Calculation Worksheet, School District without Chapter 313 Agreements* or Comptroller Form 50-884 *Tax Rate Calculation Worksheet, School District with Chapter 313 Agreements.*

Water districts as defined under Water Code Section 49.001(1) do not use this form, but instead use Comptroller Form 50-858 *Water District Voter-Approval Tax Rate Worksheet for Low Tax Rate and Developing Districts* or Comptroller Form 50-860 *Developed Water District Voter-Approval Tax Rate Worksheet.*

The Comptroller's office provides this worksheet to assist taxing units in determining tax rates. The information provided in this worksheet is offered as technical assistance and not legal advice. Taxing units should consult legal counsel for interpretations of law regarding tax rate preparation and adoption.

## SECTION 1: No-New-Revenue Tax Rate

The NNR tax rate enables the public to evaluate the relationship between taxes for the prior year and for the current year based on a tax rate that would produce the same amount of taxes (no new taxes) if applied to the same properties that are taxed in both years. When appraisal values increase, the NNR tax rate should decrease.

The NNR tax rate for a county is the sum of the NNR tax rates calculated for each type of tax the county levies.

While uncommon, it is possible for a taxing unit to provide an exemption for only maintenance and operations taxes. In this case, the taxing unit will need to calculate the NNR tax rate separately for the maintenance and operations tax and the debt tax, then add the two components together.

| Line | No-New-Revenue Tax Rate Worksheet | Amount/Rate |
|---|---|---|
| 1. | **Prior year total taxable value.** Enter the amount of the prior year taxable value on the prior year tax roll today. Include any adjustments since last year's certification; exclude Tax Code Section 25.25(d) one-fourth and one-third over-appraisal corrections from these adjustments. Exclude any property value subject to an appeal under Chapter 42 as of July 25 (will add undisputed value in Line 6). This total includes the taxable value of homesteads with tax ceilings (will deduct in Line 2) and the captured value for tax increment financing (adjustment is made by deducting TIF taxes, as reflected in Line 17).[1] | $ 12,509,665,786 |
| 2. | **Prior year tax ceilings.** Counties, cities and junior college districts. Enter the prior year total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other taxing units enter 0. If your taxing unit adopted the tax ceiling provision last year or a prior year for homeowners age 65 or older or disabled, use this step.[2] | $ 1,345,712,663 |
| 3. | **Preliminary prior year adjusted taxable value.** Subtract Line 2 from Line 1. | $ 11,163,953,123 |
| 4. | **Prior year total adopted tax rate.** | $ 0.408850 /$100 |
| 5. | **Prior year taxable value lost because court appeals of ARB decisions reduced the prior year's appraised value.**<br>**A. Original prior year ARB values:** ..... $ 688,143,279<br>**B. Prior year values resulting from final court decisions:** ..... - $ 574,639,374<br>**C. Prior year value loss.** Subtract B from A.[3] | $ 113,503,905 |
| 6. | **Prior year taxable value subject to an appeal under Chapter 42, as of July 25.**<br>**A. Prior year ARB certified value:** ..... $ 0<br>**B. Prior year disputed value:** ..... - $ 0<br>**C. Prior year undisputed value.** Subtract B from A.[4] | $ 0 |
| 7. | **Prior year Chapter 42 related adjusted values.** Add Line 5C and Line 6C. | $ 113,503,905 |

[1] Tex. Tax Code §26.012(14)
[2] Tex. Tax Code §26.012(14)
[3] Tex. Tax Code §26.012(13)
[4] Tex. Tax Code §26.012(13)

| Line | No-New-Revenue Tax Rate Worksheet | Amount/Rate |
|---|---|---|
| 8. | **Prior year taxable value, adjusted for actual and potential court-ordered adjustments.** Add Line 3 and Line 7. | $ 11,277,457,028 |
| 9. | **Prior year taxable value of property in territory the taxing unit deannexed after Jan. 1, 2024.** Enter the prior year value of property in deannexed territory.[5] | $ 4,300 |
| 10. | **Prior year taxable value lost because property first qualified for an exemption in the current year.** If the taxing unit increased an original exemption, use the difference between the original exempted amount and the increased exempted amount. Do not include value lost due to freeport, goods-in-transit, temporary disaster exemptions. Note that lowering the amount or percentage of an existing exemption in the current year does not create a new exemption or reduce taxable value.<br>**A. Absolute exemptions.** Use prior year market value: $ 8,596,233<br>**B. Partial exemptions.** Current year exemption amount or current year percentage exemption times prior year value: + $ 35,986,592<br>**C. Value loss.** Add A and B.[6] | $ 44,582,825 |
| 11. | **Prior year taxable value lost because property first qualified for agricultural appraisal (1-d or 1-d-1), timber appraisal, recreational/ scenic appraisal or public access airport special appraisal in the current year.** Use only properties that qualified for the first time in the current year; do not use properties that qualified in the prior year.<br>**A. Prior year market value:** $ 208,876<br>**B. Current year productivity or special appraised value:** - $ 1,150<br>**C. Value loss.** Subtract B from A.[7] | $ 207,726 |
| 12. | **Total adjustments for lost value.** Add Lines 9, 10C and 11C. | $ 44,794,851 |
| 13. | **Prior year captured value of property in a TIF.** Enter the total value of the prior year captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which the prior year taxes were deposited into the tax increment fund.[8] If the taxing unit has no captured appraised value in line 18D, enter 0. | $ 172,080,005 |
| 14. | **Prior year total value.** Subtract Line 12 and Line 13 from Line 8. | $ 11,060,582,172 |
| 15. | **Adjusted prior year total levy.** Multiply Line 4 by Line 14 and divide by $100. | $ 45,221,190 |
| 16. | **Taxes refunded for years preceding the prior tax year.** Enter the amount of taxes refunded by the taxing unit for tax years preceding the prior tax year. Types of refunds include court decisions, Tax Code Section 25.25(b) and (c) corrections and Tax Code Section 31.11 payment errors. Do not include refunds for the prior tax year. This line applies only to tax years preceding the prior tax year.[9] | $ 339,227 |
| 17. | **Adjusted prior year levy with refunds and TIF adjustment.** Add Lines 15 and 16.[10] | $ 45,560,417 |
| 18. | **Total current year taxable value on the current year certified appraisal roll today.** This value includes only certified values or certified estimate of values and includes the total taxable value of homesteads with tax ceilings (will deduct in Line 20). These homesteads include homeowners age 65 or older or disabled.[11]<br>**A. Certified values:** $ 12,406,276,822<br>**B. Counties:** Include railroad rolling stock values certified by the Comptroller's office: + $<br>**C. Pollution control and energy storage system exemption:** Deduct the value of property exempted for the current tax year for the first time as pollution control or energy storage system property: - $ 0<br>**D. Tax increment financing:** Deduct the current year captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which the current year taxes will be deposited into the tax increment fund. Do not include any new property value that will be included in Line 24 below.[12] - $ 173,045,368<br>**E. Total current year value.** Add A and B, then subtract C and D. | $ 12,233,231,454 |

[5] Tex. Tax Code §26.012(15)
[6] Tex. Tax Code §26.012(15)
[7] Tex. Tax Code §26.012(15)
[8] Tex. Tax Code §26.03(c)
[9] Tex. Tax Code §26.012(13)
[10] Tex. Tax Code §26.012(13)
[11] Tex. Tax Code §26.012, 26.04(c-2)
[12] Tex. Tax Code §26.03(c)

| Line | No-New-Revenue Tax Rate Worksheet | Amount/Rate |
|---|---|---|
| 19. | **Total value of properties under protest or not included on certified appraisal roll.** [13]<br>**A. Current year taxable value of properties under protest.** The chief appraiser certifies a list of properties still under ARB protest. The list shows the appraisal district's value and the taxpayer's claimed value, if any, or an estimate of the value if the taxpayer wins. For each of the properties under protest, use the lowest of these values. Enter the total value under protest. [14] ..... $ 585,096,864<br>**B. Current year value of properties not under protest or included on certified appraisal roll.** The chief appraiser gives taxing units a list of those taxable properties that the chief appraiser knows about but are not included in the appraisal roll certification. These properties also are not on the list of properties that are still under protest. On this list of properties, the chief appraiser includes the market value, appraised value and exemptions for the preceding year and a reasonable estimate of the market value, appraised value and exemptions for the current year. Use the lower market, appraised or taxable value (as appropriate). Enter the total value of property not on the certified roll. [15] ..... + $ 0<br>**C. Total value under protest or not certified.** Add A and B. | $ 585,096,864 |
| 20. | **Current year tax ceilings.** Counties, cities and junior colleges enter current year total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other taxing units enter 0. If your taxing unit adopted the tax ceiling provision in the prior year or a previous year for homeowners age 65 or older or disabled, use this step.[16] | $ 1,361,620,065 |
| 21. | **Anticipated contested value.** Affected taxing units enter the contested taxable value for all property that is subject to anticipated substantial litigation. [17] An affected taxing unit is wholly or partly located in a county that has a population of less than 500,000 and is located on the Gulf of Mexico.[18] If completing this section, the taxing unit must include supporting documentation in Section 9.[19] Taxing units that are not affected, enter 0. | $ 0 |
| 22. | **Current year total taxable value.** Add Lines 18E and 19C, then subtract Lines 20 and 21.[20] | $ 11,456,708,253 |
| 23. | **Total current year taxable value of properties in territory annexed after Jan. 1, of the prior year.** Include both real and personal property. Enter the current year value of property in territory annexed. [21] | $ 0 |
| 24. | **Total current year taxable value of new improvements and new personal property located in new improvements.** New means the item was not on the appraisal roll in the prior year. An improvement is a building, structure, fixture or fence erected on or affixed to land. New additions to existing improvements may be included if the appraised value can be determined. New personal property in a new improvement must have been brought into the taxing unit after Jan. 1, of the prior year and be located in a new improvement. New improvements **do** include property on which a tax abatement agreement has expired for the current year. [22] | $ 193,537,436 |
| 25. | **Total adjustments to the current year taxable value.** Add Lines 23 and 24. | $ 193,537,436 |
| 26. | **Adjusted current year taxable value.** Subtract Line 25 from Line 22. | $ 11,263,170,817 |
| 27. | **Current year NNR tax rate.** Divide Line 17 by Line 26 and multiply by $100. [23] | $ 0.404507 /$100 |
| 28. | **COUNTIES ONLY.** Add together the NNR tax rates for each type of tax the county levies. The total is the current year county NNR tax rate. [24] | $ _____ /$100 |

## SECTION 2: Voter Approval Tax Rate

The voter-approval tax rate is the highest tax rate that a taxing unit may adopt without holding an election to seek voter approval of the rate. The voter-approval tax rate is split into two separate rates:

1. **Maintenance and Operations (M&O) Tax Rate:** The M&O portion is the tax rate that is needed to raise the same amount of taxes that the taxing unit levied in the prior year plus the applicable percentage allowed by law. This rate accounts for such things as salaries, utilities and day-to-day operations.
2. **Debt Rate:** The debt rate includes the debt service necessary to pay the taxing unit's debt payments in the coming year. This rate accounts for principal and interest on bonds and other debt secured by property tax revenue.

The voter-approval tax rate for a county is the sum of the voter-approval tax rates calculated for each type of tax the county levies. In most cases the voter-approval tax rate exceeds the no-new-revenue tax rate, but occasionally decreases in a taxing unit's debt service will cause the NNR tax rate to be higher than the voter-approval tax rate.

[13] Tex. Tax Code §26.01(c) and (d)
[14] Tex. Tax Code §26.01(c)
[15] Tex. Tax Code §26.01(d)
[16] Tex. Tax Code §26.012(6)(B)
[17] Tex. Tax Code §§26.012(6)(C) and 26.012(1-b)
[18] Tex. Tax Code §26.012(1-a)
[19] Tex. Tax Code §26.04(d-3)
[20] Tex. Tax Code §26.012(6)
[21] Tex. Tax Code §26.012(17)
[22] Tex. Tax Code §26.012(17)
[23] Tex. Tax Code §26.04(c)
[24] Tex. Tax Code §26.04(d)

| Line | Voter-Approval Tax Rate Worksheet | Amount/Rate |
|---|---|---|
| 29. | **Prior year M&O tax rate.** Enter the prior year M&O tax rate. | $ 0.368637 /$100 |
| 30. | **Prior year taxable value, adjusted for actual and potential court-ordered adjustments.** Enter the amount in Line 8 of the *No-New-Revenue Tax Rate Worksheet.* | $ 11,277,457,028 |
| 31. | **Total prior year M&O levy.** Multiply Line 29 by Line 30 and divide by $100. | $ 41,572,879 |
| 32. | **Adjusted prior year levy for calculating NNR M&O rate.**<br>**A.** **M&O taxes refunded for years preceding the prior tax year.** Enter the amount of M&O taxes refunded in the preceding year for taxes before that year. Types of refunds include court decisions, Tax Code Section 25.25(b) and (c) corrections and Tax Code Section 31.11 payment errors. Do not include refunds for tax year 2024. This line applies only to tax years preceding the prior tax year. + $ 303,067<br>**B.** **Prior year taxes in TIF.** Enter the amount of taxes paid into the tax increment fund for a reinvestment zone as agreed by the taxing unit. If the taxing unit has no current year captured appraised value in Line 18D, enter 0. – $ 634,357<br>**C.** **Prior year transferred function.** If discontinuing all of a department, function or activity and transferring it to another taxing unit by written contract, enter the amount spent by the taxing unit discontinuing the function in the 12 months preceding the month of this calculation. If the taxing unit did not operate this function for this 12-month period, use the amount spent in the last full fiscal year in which the taxing unit operated the function. The taxing unit discontinuing the function will subtract this amount in D below. The taxing unit receiving the function will add this amount in D below. Other taxing units enter 0. +/- $ 0<br>**D.** **Prior year M&O levy adjustments.** Subtract B from A. For taxing unit with C, subtract if discontinuing function and add if receiving function. $ -331,290<br>**E.** Add Line 31 to 32D. | $ 41,241,589 |
| 33. | **Adjusted current year taxable value.** Enter the amount in Line 26 of the *No-New-Revenue Tax Rate Worksheet.* | $ 11,263,170,817 |
| 34. | **Current year NNR M&O rate (unadjusted).** Divide Line 32E by Line 33 and multiply by $100. | $ 0.366163 /$100 |
| 35. | **Rate adjustment for state criminal justice mandate.** [26]<br>**A.** **Current year state criminal justice mandate.** Enter the amount spent by a county in the previous 12 months providing for the maintenance and operation cost of keeping inmates in county-paid facilities after they have been sentenced. Do not include any state reimbursement received by the county for the same purpose. $ 0<br>**B.** **Prior year state criminal justice mandate.** Enter the amount spent by a county in the 12 months prior to the previous 12 months providing for the maintenance and operation cost of keeping inmates in county-paid facilities after they have been sentenced. Do not include any state reimbursement received by the county for the same purpose. Enter zero if this is the first time the mandate applies. – $ 0<br>**C.** Subtract B from A and divide by Line 33 and multiply by $100. $ 0.000000 /$100<br>**D.** Enter the rate calculated in C. If not applicable, enter 0. | $ 0.000000 /$100 |
| 36. | **Rate adjustment for indigent health care expenditures.** [27]<br>**A.** **Current year indigent health care expenditures.** Enter the amount paid by a taxing unit providing for the maintenance and operation cost of providing indigent health care for the period beginning on July 1, of the prior tax year and ending on June 30, of the current tax year, less any state assistance received for the same purpose. $ 0<br>**B.** **Prior year indigent health care expenditures.** Enter the amount paid by a taxing unit providing for the maintenance and operation cost of providing indigent health care for the period beginning on July 1, 2023 and ending on June 30, 2024, less any state assistance received for the same purpose. – $ 0<br>**C.** Subtract B from A and divide by Line 33 and multiply by $100. $ 0.000000 /$100<br>**D.** Enter the rate calculated in C. If not applicable, enter 0. | $ 0.000000 /$100 |

[25] [Reserved for expansion]
[26] Tex. Tax Code §26.044
[27] Tex. Tax Code §26.0441

| Line | Voter-Approval Tax Rate Worksheet | Amount/Rate |
|---|---|---|
| 37. | **Rate adjustment for county indigent defense compensation.** [28] | |
| | **A.** **Current year indigent defense compensation expenditures.** Enter the amount paid by a county to provide appointed counsel for indigent individuals and fund the operations of a public defender's office under Article 26.044, Code of Criminal Procedure for the period beginning on July 1, of the prior tax year and ending on June 30,of the current tax year, less any state grants received by the county for the same purpose. . . . . $ 0 | |
| | **B.** **Prior year indigent defense compensation expenditures.** Enter the amount paid by a county to provide appointed counsel for indigent individuals and fund the operations of a public defender's office under Article 26.044, Code of Criminal Procedure for the period beginning on July 1, 2023 and ending on June 30, 2024, less any state grants received by the county for the same purpose. . . . . $ 0 | |
| | **C.** Subtract B from A and divide by Line 33 and multiply by $100. . . . . $ 0.000000 /$100 | |
| | **D.** Multiply B by 0.05 and divide by Line 33 and multiply by $100. . . . . $ 0.000000 /$100 | |
| | **E.** Enter the lesser of C and D. If not applicable, enter 0. | $ 0.000000 /$100 |
| 38. | **Rate adjustment for county hospital expenditures.** [29] | |
| | **A.** **Current year eligible county hospital expenditures.** Enter the amount paid by the county or municipality to maintain and operate an eligible county hospital for the period beginning on July 1, of the prior tax year and ending on June 30, of the current tax year. . . . . $ 0 | |
| | **B.** **Prior year eligible county hospital expenditures.** Enter the amount paid by the county or municipality to maintain and operate an eligible county hospital for the period beginning on July 1, 2023 and ending on June 30, 2024. . . . . $ 0 | |
| | **C.** Subtract B from A and divide by Line 33 and multiply by $100. . . . . $ 0.000000 /$100 | |
| | **D.** Multiply B by 0.08 and divide by Line 33 and multiply by $100. . . . . $ 0.000000 /$100 | |
| | **E.** Enter the lesser of C and D, if applicable. If not applicable, enter 0. | $ 0.000000 /$100 |
| 39. | **Rate adjustment for defunding municipality.** This adjustment only applies to a municipality that is considered to be a defunding municipality for the current tax year under Chapter 109, Local Government Code. Chapter 109, Local Government Code only applies to municipalities with a population of more than 250,000 and includes a written determination by the Office of the Governor. See Tax Code Section 26.0444 for more information. | |
| | **A.** **Amount appropriated for public safety in the prior year.** Enter the amount of money appropriated for public safety in the budget adopted by the municipality for the preceding fiscal year. . . . . $ 0 | |
| | **B.** **Expenditures for public safety in the prior year.** Enter the amount of money spent by the municipality for public safety during the preceding fiscal year . . . . . $ 0 | |
| | **C.** Subtract B from A and divide by Line 33 and multiply by $100 . . . . . $ 0.000000 /$100 | |
| | **D.** Enter the rate calculated in C. If not applicable, enter 0. | $ 0.000000 /$100 |
| 40. | **Adjusted current year NNR M&O rate.** Add Lines 34, 35D, 36D, 37E, and 38E. Subtract Line 39D. | $ 0.366163 /$100 |
| 41. | **Adjustment for prior year sales tax specifically to reduce property taxes.** Cities, counties and hospital districts that collected and spent additional sales tax on M&O expenses in the prior year should complete this line. These entities will deduct the sales tax gain rate for the current year in Section 3. Other taxing units, enter zero. | |
| | **A.** Enter the amount of additional sales tax collected and spent on M&O expenses in the prior year, if any. Counties must exclude any amount that was spent for economic development grants from the amount of sales tax spent . . . . . $ 7,669,460 | |
| | **B.** Divide Line 41A by Line 33 and multiply by $100 . . . . . $ 0.068093 /$100 | |
| | **C.** Add Line 41B to Line 40. | $ 0.434256 /$100 |
| 42. | **Current year voter-approval M&O rate.** Enter the rate as calculated by the appropriate scenario below.<br>**Special Taxing Unit.** If the taxing unit qualifies as a special taxing unit, multiply Line 41C by 1.08.<br>**- or -**<br>**Other Taxing Unit.** If the taxing unit does not qualify as a special taxing unit, multiply Line 41C by 1.035. | $ 0.449454 /$100 |

[28] Tex. Tax Code §26.0442
[29] Tex. Tax Code §26.0443

| Line | Voter-Approval Tax Rate Worksheet | Amount/Rate |
|---|---|---|
| D42. | ***Disaster Line 42 (D42):* Current year voter-approval M&O rate for taxing unit affected by disaster declaration.** If the taxing unit is located in an area declared a disaster area and at least one person is granted an exemption under Tax Code Section 11.35 for property located in the taxing unit, the governing body may direct the person calculating the voter-approval tax rate to calculate in the manner provided for a special taxing unit. The taxing unit shall continue to calculate the voter-approval tax rate in this manner until the earlier of:<br>1) the first year in which total taxable value on the certified appraisal roll exceeds the total taxable value of the tax year in which the disaster occurred; or<br>2) the third tax year after the tax year in which the disaster occurred.<br>If the taxing unit qualifies under this scenario, multiply Line 41C by 1.08. [30] If the taxing unit does not qualify, do not complete Disaster Line 42 (Line D42). | $ 0.000000 /$100 |
| 43. | **Total current year debt to be paid with property taxes and additional sales tax revenue.** Debt means the interest and principal that will be paid on debts that:<br>**(1)** are paid by property taxes;<br>**(2)** are secured by property taxes;<br>**(3)** are scheduled for payment over a period longer than one year; and<br>**(4)** are not classified in the taxing unit's budget as M&O expenses.<br>**A. Debt** also includes contractual payments to other taxing units that have incurred debts on behalf of this taxing unit, if those debts meet the four conditions above. Include only amounts that will be paid from property tax revenue. Do not include appraisal district budget payments. If the governing body of a taxing unit authorized or agreed to authorize a bond, warrant, certificate of obligation, or other evidence of indebtedness on or after Sept. 1, 2021, verify if it meets the amended definition of debt before including it here. [31]<br>Enter debt amount ..... $ 4,674,253<br>**B.** Subtract **unencumbered fund amount** used to reduce total debt. ..... – $ 0<br>**C.** Subtract **certified amount spent from sales tax to reduce debt** (enter zero if none) ..... – $ 0<br>**D.** Subtract **amount paid** from other resources ..... – $ 0<br>**E. Adjusted debt.** Subtract B, C and D from A. | $ 4,674,253 |
| 44. | **Certified prior year excess debt collections.** Enter the amount certified by the collector. [32] | $ 211,146 |
| 45. | **Adjusted current year debt.** Subtract Line 44 from Line 43E. | $ 4,463,107 |
| 46. | **Current year anticipated collection rate.**<br>**A.** Enter the current year anticipated collection rate certified by the collector. [33] ..... 99.00 %<br>**B.** Enter the prior year actual collection rate. ..... 99.00 %<br>**C.** Enter the 2023 actual collection rate. ..... 99.39 %<br>**D.** Enter the 2022 actual collection rate. ..... 99.84 %<br>**E.** If the anticipated collection rate in A is lower than actual collection rates in B, C and D, enter the lowest collection rate from B, C and D. If the anticipated rate in A is higher than at least one of the rates in the prior three years, enter the rate from A. Note that the rate can be greater than 100%. [34] | 99.00 % |
| 47. | **Current year debt adjusted for collections.** Divide Line 45 by Line 46E. | $ 4,508,188 |
| 48. | **Current year total taxable value.** Enter the amount on Line 22 of the *No-New-Revenue Tax Rate Worksheet.* | $ 11,456,708,253 |
| 49. | **Current year debt rate.** Divide Line 47 by Line 48 and multiply by $100. | $ 0.039349 /$100 |
| 50. | **Current year voter-approval M&O rate plus current year debt rate.** Add Lines 42 and 49. | $ 0.488803 /$100 |
| D50. | ***Disaster Line 50 (D50):* Current year voter-approval tax rate for taxing unit affected by disaster declaration.** Complete this line if the taxing unit calculated the voter-approval tax rate in the manner provided for a special taxing unit on Line D42.<br>Add Line D42 and 49. | $ 0.000000 /$100 |

[30] Tex. Tax Code §26.042(a)
[31] Tex. Tax Code §26.012(7)
[32] Tex. Tax Code §26.012(10) and 26.04(b)
[33] Tex. Tax Code §26.04(b)
[34] Tex. Tax Code §§26.04(h), (h-1) and (h-2)

| Line | Voter-Approval Tax Rate Worksheet | Amount/Rate |
|---|---|---|
| 51. | **COUNTIES ONLY.** Add together the voter-approval tax rates for each type of tax the county levies. The total is the current year county voter-approval tax rate. | $ 0.000000 /$100 |

## SECTION 3: NNR Tax Rate and Voter Approval Tax Rate Adjustments for Additional Sales Tax to Reduce Property Taxes

Cities, counties and hospital districts may levy a sales tax specifically to reduce property taxes. Local voters by election must approve imposing or abolishing the additional sales tax. If approved, the taxing unit must reduce its NNR and voter-approval tax rates to offset the expected sales tax revenue.

This section should only be completed by a county, city or hospital district that is required to adjust its NNR tax rate and/or voter-approval tax rate because it adopted the additional sales tax.

| Line | Additional Sales and Use Tax Worksheet | Amount/Rate |
|---|---|---|
| 52. | **Taxable Sales.** For taxing units that adopted the sales tax in November of the prior tax year or May of the current tax year, enter the Comptroller's estimate of taxable sales for the previous four quarters. [35] Estimates of taxable sales may be obtained through the Comptroller's Allocation Historical Summary webpage.<br>Taxing units that adopted the sales tax before November of the prior year, enter 0. | $ 0 |
| 53. | **Estimated sales tax revenue.** Counties exclude any amount that is or will be spent for economic development grants from the amount of estimated sales tax revenue. [36]<br>**Taxing units that adopted the sales tax in November of the prior tax year or in May of the current tax year.** Multiply the amount on Line 52 by the sales tax rate (.01, .005 or .0025, as applicable) and multiply the result by .95. [37]<br>**- or -**<br>**Taxing units that adopted the sales tax before November of the prior year.** Enter the sales tax revenue for the previous four quarters. Do not multiply by .95. | $ 7,669,460 |
| 54. | **Current year total taxable value.** Enter the amount from Line 22 of the *No-New-Revenue Tax Rate Worksheet*. | $ 11,456,708,253 |
| 55. | **Sales tax adjustment rate.** Divide Line 53 by Line 54 and multiply by $100. | $ 0.066942 /$100 |
| 56. | **Current year NNR tax rate, unadjusted for sales tax.**[38] Enter the rate from Line 27 or 28, as applicable, on the *No-New-Revenue Tax Rate Worksheet*. | $ 0.404507 /$100 |
| 57. | **Current year NNR tax rate, adjusted for sales tax.**<br>**Taxing units that adopted the sales tax in November the prior tax year or in May of the current tax year.** Subtract Line 55 from Line 56. Skip to Line 58 if you adopted the additional sales tax before November of the prior tax year. | $ 0.404507 /$100 |
| 58. | **Current year voter-approval tax rate, unadjusted for sales tax.**[39] Enter the rate from Line 50, Line D50 (disaster) or Line 51 (counties) as applicable, of the *Voter-Approval Tax Rate Worksheet*. | $ 0.488803 /$100 |
| 59. | **Current year voter-approval tax rate, adjusted for sales tax.** Subtract Line 55 from Line 58. | $ 0.421861 /$100 |

## SECTION 4: Voter Approval Tax Rate Adjustment for Pollution Control

A taxing unit may raise its rate for M&O funds used to pay for a facility, device or method for the control of air, water or land pollution. This includes any land, structure, building, installation, excavation, machinery, equipment or device that is used, constructed, acquired or installed wholly or partly to meet or exceed pollution control requirements. The taxing unit's expenses are those necessary to meet the requirements of a permit issued by the Texas Commission on Environmental Quality (TCEQ). The taxing unit must provide the tax assessor with a copy of the TCEQ letter of determination that states the portion of the cost of the installation for pollution control.

This section should only be completed by a taxing unit that uses M&O funds to pay for a facility, device or method for the control of air, water or land pollution.

| Line | Voter-Approval Rate Adjustment for Pollution Control Requirements Worksheet | Amount/Rate |
|---|---|---|
| 60. | **Certified expenses from the Texas Commission on Environmental Quality (TCEQ).** Enter the amount certified in the determination letter from TCEQ. [40] The taxing unit shall provide its tax assessor-collector with a copy of the letter. [41] | $ 0 |
| 61. | **Current year total taxable value.** Enter the amount from Line 22 of the *No-New-Revenue Tax Rate Worksheet*. | $ 11,456,708,253 |
| 62. | **Additional rate for pollution control.** Divide Line 60 by Line 61 and multiply by $100. | $ 0.000000 /$100 |

[35] Tex. Tax Code §26.041(d)
[36] Tex. Tax Code §26.041(i)
[37] Tex. Tax Code §26.041(d)
[38] Tex. Tax Code §26.04(c)
[39] Tex. Tax Code §26.04(c)
[40] Tex. Tax Code §26.045(d)
[41] Tex. Tax Code §26.045(i)

| Line | Voter-Approval Rate Adjustment for Pollution Control Requirements Worksheet | Amount/Rate |
|---|---|---|
| 63. | **Current year voter-approval tax rate, adjusted for pollution control.** Add Line 62 to one of the following lines (as applicable): Line 50, Line D50 (disaster), Line 51 (counties) or Line 59 (taxing units with the additional sales tax). | $ 0.421861 /$100 |

## SECTION 5: Voter Approval Tax Rate Adjustment for Unused Increment Rate

The unused increment rate is the rate equal to the sum of the prior 3 years Foregone Revenue Amounts divided by the current taxable value. [42] The Foregone Revenue Amount for each year is equal to that year's adopted tax rate subtracted from that year's voter-approval tax rate adjusted to remove the unused increment rate multiplied by that year's current total value. [43]

The difference between the adopted tax rate and adjusted voter-approval tax rate is considered zero in the following scenarios:

- a tax year in which a taxing unit affected by a disaster declaration calculates the tax rate under Tax Code Section 26.042; [44]
- a tax year in which the municipality is a defunding municipality, as defined by Tax Code Section 26.0501(a); [45] or
- after Jan. 1, 2022, a tax year in which the comptroller determines that the county implemented a budget reduction or reallocation described by Local Government Code Section 120.002(a) without the required voter approval. [46]

This section should only be completed by a taxing unit that does not meet the definition of a special taxing unit. [47]

| Line | Unused Increment Rate Worksheet | Amount/Rate |
|---|---|---|
| 64. | **Year 3 Foregone Revenue Amount. Subtract the 2024 unused increment rate and 2024 actual tax rate from the 2024 voter-approval tax rate. Multiply the result by the 2024 current total value** | |
| | A. Voter-approval tax rate (Line 68) | $ 0.430530 /$100 |
| | B. Unused increment rate (Line 67) | $ 0.022748 /$100 |
| | C. Subtract B from A | $ 0.407782 /$100 |
| | D. Adopted Tax Rate | $ 0.408850 /$100 |
| | E. Subtract D from C | $ -0.001068 /$100 |
| | F. 2024 Total Taxable Value (Line 60) | $ 11,215,044,521 |
| | G. Multiply E by F and divide the results by $100. If the number is less than zero, enter zero. | $ 0 |
| 65. | **Year 2 Foregone Revenue Amount. Subtract the 2023 unused increment rate and 2023 actual tax rate from the 2023 voter-approval tax rate. Multiply the result by the 2023 current total value** | |
| | A. Voter-approval tax rate (Line 67) | $ 0.430721 /$100 |
| | B. Unused increment rate (Line 66) | $ 0.003728 /$100 |
| | C. Subtract B from A | $ 0.426993 /$100 |
| | D. Adopted Tax Rate | $ 0.408850 /$100 |
| | E. Subtract D from C | $ 0.018143 /$100 |
| | F. 2023 Total Taxable Value (Line 60) | $ 10,601,722,153 |
| | G. Multiply E by F and divide the results by $100. If the number is less than zero, enter zero. | $ 1,923,470 |
| 66. | **Year 1 Foregone Revenue Amount. Subtract the 2022 unused increment rate and 2022 actual tax rate from the 2022 voter-approval tax rate. Multiply the result by the 2022 current total value** | |
| | A. Voter-approval tax rate (Line 67) | $ 0.451386 /$100 |
| | B. Unused increment rate (Line 66) | $ 0.000037 /$100 |
| | C. Subtract B from A | $ 0.451349 /$100 |
| | D. Adopted Tax Rate | $ 0.444500 /$100 |
| | E. Subtract D from C | $ 0.006849 /$100 |
| | F. 2022 Total Taxable Value (Line 60) | $ 9,166,160,829 |
| | G. Multiply E by F and divide the results by $100. If the number is less than zero, enter zero. | $ 627,790 |
| 67. | **Total Foregone Revenue Amount.** Add Lines 64G, 65G and 66G | $ 2,551,260 /$100 |
| 68. | **2025 Unused Increment Rate.** Divide Line 67 by Line 22 of the *No-New-Revenue Rate Worksheet*. Multiply the result by 100 | $ 0.022268 /$100 |
| 69. | **Total 2025 voter-approval tax rate, including the unused increment rate.** Add Line 68 to one of the following lines (as applicable): Line 50, Line 51 (counties), Line 59 (taxing units with additional sales tax) or Line 63 (taxing units with pollution) | $ 0.444129 /$100 |

[42] Tex. Tax Code §26.013(b)
[43] Tex. Tax Code §§26.013(a)(1-a), (1-b), and (2)
[44] Tex. Tax Code §§26.04(c)(2)(A) and 26.042(a)
[45] Tex. Tax Code §§26.0501(a) and (c)
[46] Tex. Local Gov't Code §120.007(d)
[47] Tex. Local Gov't Code §26.04(c)(2)(B)

## SECTION 6: De Minimis Rate

The de minimis rate is the rate equal to the sum of the no-new-revenue maintenance and operations rate, the rate that will raise $500,000, and the current debt rate for a taxing unit. [48]

This section should only be completed by a taxing unit that is a municipality of less than 30,000 or a taxing unit that does not meet the definition of a special taxing unit. [49]

| Line | De Minimis Rate Worksheet | Amount/Rate |
|---|---|---|
| 70. | **Adjusted current year NNR M&O tax rate.** Enter the rate from Line 40 of the *Voter-Approval Tax Rate Worksheet.* | $ 0.366163 /$100 |
| 71. | **Current year total taxable value.** Enter the amount on Line 22 of the *No-New-Revenue Tax Rate Worksheet.* | $ 11,456,708,253 |
| 72. | **Rate necessary to impose $500,000 in taxes.** Divide $500,000 by Line 71 and multiply by $100. | $ 0.004364 /$100 |
| 73. | **Current year debt rate.** Enter the rate from Line 49 of the *Voter-Approval Tax Rate Worksheet.* | $ 0.039349 /$100 |
| 74. | **De minimis rate.** Add Lines 70, 72 and 73. | $ 0.000000 /$100 |

## SECTION 7: Voter Approval Tax Rate Adjustment for Emergency Revenue Rate

In the tax year after the end of the disaster calculation time period detailed in Tax Code Section 26.042(a), a taxing unit that calculated its voter-approval tax rate in the manner provided for a special taxing unit due to a disaster must calculate its emergency revenue rate and reduce its voter-approval tax rate for that year.[50]

Similarly, if a taxing unit adopted a tax rate that exceeded its voter-approval tax rate, calculated normally, without holding an election to respond to a disaster, as allowed by Tax Code Section 26.042(d), in the prior year, it must also reduce its voter-approval tax rate for the current tax year. [51]

This section will apply to a taxing unit other than a special taxing unit that:

- directed the designated officer or employee to calculate the voter-approval tax rate of the taxing unit in the manner provided for a special taxing unit in the prior year; and
- the current year is the first tax year in which the total taxable value of property taxable by the taxing unit as shown on the appraisal roll for the taxing unit submitted by the assessor for the taxing unit to the governing body exceeds the total taxable value of property taxable by the taxing unit on January 1 of the tax year in which the disaster occurred or the disaster occurred four years ago.This section will apply to a taxing unit in a disaster area that adopted a tax rate greater than its voter-approval tax rate without holding an election in the prior year.

Note: This section does not apply if a taxing unit is continuing to calculate its voter-approval tax rate in the manner provided for a special taxing unit because it is still within the disaster calculation time period detailed in Tax Code Section 26.042(a) because it has not met the conditions in Tax Code Section 26.042(a)(1) or (2).

| Line | Emergency Revenue Rate Worksheet | Amount/Rate |
|---|---|---|
| 75. | **2024 adopted tax rate.** Enter the rate in Line 4 of the *No-New-Revenue Tax Rate Worksheet.* | $ 0.408850 /$100 |
| 76. | **Adjusted 2024 voter-approval tax rate.** Use the taxing unit's Tax Rate Calculation Worksheets from the prior year(s) to complete this line. [52]<br><br>If a disaster occurred in 2024 and the taxing unit calculated its 2024 voter-approval tax rate using a multiplier of 1.08 on Disaster Line 41 (D41) of the 2024 worksheet due to a disaster, complete the applicable sections or lines of *Form 50-856-a, Adjusted Voter-Approval Tax Rate for Taxing Units in Disaster Area Calculation Worksheet.*<br>**- or -**<br>If a disaster occurred prior to 2024 for which the taxing unit continued to calculate its voter-approval tax rate using a multiplier of 1.08 on Disaster Line 41 (D41) in 2024, complete form 50-856-a, *Adjusted Voter-Approval Tax Rate for Taxing Units in Disaster Area Calculation Worksheet* to recalculate the voter-approval tax rate the taxing unit would have calculated in 2024 if it had generated revenue based on an adopted tax rate using a multiplier of 1.035 in the years following the disaster. [53] Enter the final adjusted 2024 voter-approval tax rate from the worksheet.<br>**- or -**<br>If the taxing unit adopted a tax rate above the 2024 voter-approval tax rate without calculating a disaster tax rate or holding an election due to a disaster, no recalculation is necessary. Enter the voter-approval tax rate from the prior year's worksheet. | $ 0.000000 /$100 |
| 77. | **Increase in 2024 tax rate due to disaster.** Subtract Line 76 from Line 75. | $ 0.000000 /$100 |
| 78. | **Adjusted 2024 taxable value.** Enter the amount in Line 14 of the *No-New-Revenue Tax Rate Worksheet.* | $ 11,060,582,172 |
| 79. | **Emergency revenue.** Multiply Line 77 by Line 78 and divide by $100. | $ 0 |
| 80. | **Adjusted 2024 taxable value.** Enter the amount in Line 26 of the *No-New-Revenue Tax Rate Worksheet.* | $ 11,263,170,817 |
| 81. | **Emergency revenue rate.** Divide Line 79 by Line 80 and multiply by $100. [53] | $ 0.000000 /$100 |

[48] Tex. Tax Code §26.012(8-a)
[49] Tex. Tax Code §26.063(a)(1)
[50] Tex. Tax Code §26.042(b)
[51] Tex. Tax Code §26.042(f)
[52] Tex. Tax Code §26.042(c)
[53] Tex. Tax Code §26.042(b)

| Line | Emergency Revenue Rate Worksheet | Amount/Rate |
|---|---|---|
| 82. | **Current year voter-approval tax rate, adjusted for emergency revenue.** Subtract Line 81 from one of the following lines (as applicable): Line 50, Line D50 (disaster), Line 51 (counties), Line 59 (taxing units with the additional sales tax), Line 63 (taxing units with pollution control) or Line 69 (taxing units with the unused increment rate). | $ 0.444129 /$100 |

## SECTION 8: Total Tax Rate

Indicate the applicable total tax rates as calculated above.

**No-new-revenue tax rate.** ..... $ 0.404507 /$100
As applicable, enter the current year NNR tax rate from: Line 27, Line 28 (counties), or Line 57 (adjusted for sales tax).
Indicate the line number used: 27

**Voter-approval tax rate** ..... $ 0.444129 /$100
As applicable, enter the current year voter-approval tax rate from: Line 50, Line D50 (disaster), Line 51 (counties), Line 59 (adjusted for sales tax), Line 63 (adjusted for pollution control), Line 69 (adjusted for unused increment), or Line 82 (adjusted for emergency revenue).
Indicate the line number used: 69

**De minimis rate.** ..... $ 0.000000 /$100
If applicable, enter the current year de minimis rate from Line 74.

## SECTION 9: Addendum

An affected taxing unit that enters an amount described by Tax Code Section 26.012(6)(C) in line 21 must include the following as an addendum:

1. Documentation that supports the exclusion of value under Tax Code Section 26.012(6)(C); and
2. Each statement submitted to the designated officer or employee by the property owner or entity as required by Tax Code Section 41.48(c)(2) for that tax year.

Insert hyperlinks to supporting documentation:

## SECTION 10: Taxing Unit Representative Name and Signature

Enter the name of the person preparing the tax rate as authorized by the governing body of the taxing unit. By signing below, you certify that you are the designated officer or employee of the taxing unit and have accurately calculated the tax rates using values that are the same as the values shown in the taxing unit's certified appraisal roll or certified estimate of taxable value, in accordance with requirements in the Tax Code. [54]

**print here** Cheryl E. Johnson, PCC, CTOP
Printed Name of Taxing Unit Representative

**sign here** Cheryl E. Johnson
Taxing Unit Representative

August 1, 2025
Date

[54] Tex. Tax Code §§26.04(c-2) and (d-2)

# CITY OF GALVESTON, TEXAS

## Glossary

**ACCOUNTS PAYABLE –** A liability account reflecting amounts on open accounts owing to private persons or organizations for goods and services received by a government (but not including amounts due to other funds of the same government or to other governments).

**ACCOUNTS RECEIVABLE –** An asset account reflecting amounts owing to open accounts from private persons or organizations for goods and services provided by a government.

**ACCRUAL BASIS –** The basis of accounting under which transactions are recognized when they occur regardless of the timing of related cash flows.

**ADOPTED BUDGET -** The budget approved by City Council and enacted via a budget appropriation ordinance**.**

**AD VALOREM TAX -** Tax on property imposed at a rate percent of the value as stated in an invoice (also known as "property tax").

**APPRAISED VALUE -** To make an estimate of value as related to property**.**

**APPROPRIATION -** A specific amount of money authorized by City Council to make expenditures and incur obligations for specific purposes, frequently used interchangeably with "expenditures".

**ASSESSED VALUATION -** A valuation set upon real estate or other property by a government as a basis for levying taxes. The Galveston Central Appraisal District establishes property valuation.

**AUDIT -** A comprehensive examination as to the manner in which the government's resources were actually utilized. A financial audit is a review of the accounting system and financial information to determine how governmental funds were spent and whether expenditures were in compliance with the legislative body's appropriations.

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

**BALANCED BUDGET -** A budget in which estimated revenues equal estimated expenditures.

**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 specific rate.

**BUDGET** - A plan of financial operation embodying an estimate of proposed expenditures for a given period and the proposed means of financing them. Prepared for adoption and approval by the City Council. This budget is for the period of October 1 to September 30, which is the same as the fiscal year.

# CITY OF GALVESTON, TEXAS

**BUDGET CALENDAR -** The schedule of the key dates or milestones, which the City departments follow in preparation, adoption, and administration of the budget.

**CAPITAL EQUIPMENT -** Equipment with a value in excess of $5,000 and an expected life of more than two years.

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

**CAPITAL OUTLAY -** Expenditures, which result in the acquisition of an addition to fixed assets.

**CAPITAL PROJECTS FUND -** A fund created to account for financial resources to be used for the acquisition or construction of major facilities or equipment.

**CASH ACCOUNTING -** A basis of accounting in which transactions are recorded when cash is either received or expended for goods and services**.**

**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 – An entitlement grant program authorized by the federal government. The entitlement program is based upon a formula, which includes the City's population.

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

**CITY CHARTER** – The document that establishes the City as a municipal government in accordance with the statues of the State of Texas. The charter provides the form, roles and powers of the City of Galveston.

**CODING –** The system of numbering to designate funds, departments, divisions, etc. in such a manner that the number quickly reveals certain required information. Example: organization – 151330 – Finance Administration. The first three numbers (151) are finance and the last three numbers (330) are administration.

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

**CONTRACTUAL SERVICES –** Amounts paid for services rendered by organizations or personnel.

**CURRENT ASSETS** – Those assets which are available or can be made readily available to finance current operations or to pay current liabilities. Those assets which will be used up or converted into cash within one year.

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

**CURRENT TAXES -** Taxes levied and becoming due within one year.

**DEBT SERVICE REQUIREMENTS –** The amount of revenue, which must be provided for a Debt Service Fund so that all principal and interest payments can be made in full on schedule.

**DELINQUENT TAXES –** Taxes remaining unpaid on and after the date on which a penalty for nonpayment is attached**.**

**DEPARTMENT –** A major administrative division of the City.

**DEPRECIATION –** The portion of the cost of a fixed asset, which is charged as an expense during the fiscal year. In accounting for depreciation, the cost of a fixed asset, less any salvage value, is prorated over the estimated service life of such an asset and each period is charged with a portion of such cost. The entire cost of the asset is ultimately charged off as an expense through this process.

**DIVISION –** Functional or activity separation of a department.

**EFFECTIVE TAX RATE** – A calculated rate that would provide the taxing unit with about the same amount of revenue it received in the year before on property taxed in both years. If property values rise, the effective rate will go down and vice versa.

**ENCUMBRANCES –** Commitments related to unperformed (executory) contracts for goods or services.

**ENTERPRISE FUND -** A fund established to account for operations that are financed and operated in a manner similar to private business enterprise – where the intent is that
the costs of providing goods or services to the general public on a continual basis to be financed or recovered primarily through user charges.

**ESTIMATED REVENUES** – The amount of revenues necessary to fund expenditures based on prior history and analysis of charges and fees assessed.

**EXPENDITURE –** The outflow of funds paid or to be paid for an asset or goods and services obtained regardless of when the expense is actually paid.

**EXPENSE –** Charges incurred (whether paid immediately or unpaid) for operation, maintenance, interest and other charges.

**FISCAL YEAR -** A period at the end of which and for which financial statements are prepared. The City's fiscal year is October 1 through September 30.

**FIXED ASSETS –** Assets over $5,000 which are intended to be held or used, such as land, buildings, improvements other than buildings, machinery and equipment.

**FRANCHISE -** A special privilege granted by a government permitting the continued use of public property and is usually involvements of monopoly and regulation**.**

**FUNCTION –** Expenditure classification according to the specific lines of work performed by organization units.

**FULL TIME EQUIVALENT (FTE)** – The full value of one full-time position.

**FUND –** A fiscal and accounting entity with a self-balancing set of accounts, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

**FUND BALANCE –** Current assets in excess of current liabilities in all funds.

**GAAP – GENERALLY ACCEPTED ACCOUNTING PRINCIPLES** – Uniform minimum standards and guidelines for financial accounting and reporting. They govern the form and content of the financial statements of an entity. The primary authoritative body on the application of GAAP to state and local governments is the GASB.

**GASB – GOVERNMENTAL ACCOUNTING STANDARDS BOARD** – The board is a private, nonprofit organization consisting of seven board members and a full-time staff. GASB is funded by the Financial Accounting Foundations, a nonprofit entity that exercises general oversight over the financial reporting of public entities.

**GENERAL FUND –** The fund 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 improvements. The repayment of these bonds is usually made from property taxes and is backed by the full faith and credit of the issuing government.

**GEOGRAPHIC INFORMATION SYSTEM (GIS)** – A computer system used to collect, store, manipulate, analyze, and display geographic data.

**GFOA GOVERNMENT FINANCE OFFICERS ASSOCIATION** - A professional association of state and local finance officers in the United States that has served the public finance profession since 1906.

**GOVERNMENTAL FUNDS –** Funds through which most governmental functions of the City are financed. The acquisition, use and balances of the City's expendable financial resources and the related liabilities (except those accounted for in proprietary funds) are accounted for in the Governmental Funds.

**GRANTS -** Contributions or gifts of cash or other assets from another government to be used or expended for a specified purpose, activity, or facility.

**HOTEL OCCUPANCY TAX (HOT)** – Hotel occupancy tax is imposed on the rental of a room or space in a hotel costing $15 or more each day. The tax applies to both commercial hotels and privately owned vacation rentals.

**INDICATOR** – A benchmark used to measure performance and compare against a predetermined standard.

**INFRASTRUCTURE** – Roads, bridges, curbs and gutters, streets, sidewalks, drainage systems, lighting systems, water lines, wastewater lines, and other improvements that are installed for the common good.

**INTERNAL SERVICE FUND -** A fund used to account for the financing of goods or services provided by one department to other departments of a government on a cost reimbursement basis.

**MATERIALS & SUPPLIES –** Purchase of expendable goods**.**

**MODIFIED ACCRUAL –** The accrual basis of accounting adapted to the governmental fund type spending measurement focus. Under it, revenues are recognized when they become both "measurable" and "available to finance expenditures of the current period". Expenditures are recognized when the related fund liability is incurred.

**NET INCOME –** Proprietary fund excess of operating revenues, non-operating revenues, and operating transfers in over operating expenses, non-operating expenses, and operating transfers out**.**

**OPERATING BUDGET –** Plans of current expenditures and the proposed means of financing them. The annual operating budget is the primary means by which most of the financing acquisition, spending, and service delivery activities of a government are controlled. Law usually requires the use of annual operating budgets.

**OPERATING TRANSFERS –** Legally authorized transfers from a fund receiving revenue to the fund through which the resources are expended.

**ORDINANCE –** A formal legislative enactment by the governing board of a municipality. If it is not in conflict with any higher form of law, such as a state statute or constitutional provision, it has the full force and effect of law within the boundaries of the municipality to which it applies. The difference between an ordinance and a resolution is that the latter requires less legal formality and has a lower legal status. Revenue raising measures, such as the imposition of taxes, special assessments and service charges universally require ordinances.

**OTHER FINANCING SOURCES –** Governmental fund general long-term debt proceeds, operating transfers out, and material proceeds of fixed asset dispositions. Such amounts are classified from revenues.

**PAY GRADE –** The division of payroll into incremental steps. Special categories include C/A (Council Approved), CMA (City Manager Approved), CS (Civil Service), and C/B (Collective Bargaining).

**PERSONAL SERVICES -** Payment of payroll services that includes salaries and fringe benefits.

**PROJECTED EXPENSE –** The estimate of the expenditures for the fiscal year based on expenditures through six months for the purpose of obtaining a projected fund balance.

**PROPERTY TAX –** Taxies levied on both real and personal property according to the property's valuation and the tax rate.

**PROPRIETARY FUNDS** – Funds accounted for on a flow of economic resources measurement focus. The accounting objectives are a determination of net income, financial position and changes in cash flow. All assets and liabilities associated with a Proprietary Fund's activities are included on its balance sheet. Proprietary Fund equity is segregated into contributed capital and retained earnings.

**RESERVE –** An account used to earmark a portion of fund equity as legally segregated for a specific future use.

**RESIDUAL EQUITY TRANSFERS –** non-recurring or non-routine transfers of equity between funds.

**RETAINED EARNINGS –** An equity account reflecting the accumulated earnings of an Enterprise or Internal Service Fund**.**

**REVENUE –** Increases in governmental fund type net current assets from other than an expenditure refund and/or residual transfer.

**REVENUE BONDS -** Earnings of an Enterprise Fund pay for interest, principal and related expenditures on these bonds.

**SALES TAX –** A general "sales tax" is levied on persons and businesses selling merchandise or services in the city limits on a retail basis. State law defines the categories for taxation. Monies collected under administration, operations, maintenance, and financing related debt service.

**SPECIAL REVENUE FUND –** A fund used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

**TAX RATE** – The amount of tax stated in terms of a unit of the tax base.

**TAX ROLL** – The official list showing the amount of taxes levied against each property.

**TRADITIONAL BUDGET -** The budget of a government wherein expenditures are based entirely or primarily on objects of expenditures**.**

**TRANSMITTAL LETTER –** A general discussion of the proposed budget as presented in writing by the City Manager to the City Council, explaining the basis of the budget, management policies, overview, and financial condition of the city, significant changes, and future impact.

**UNENCUMBERED BALANCE -** The amount of an appropriation that is neither expended, nor encumbered. It is essentially the amount of money still available for future purchases**.**

**WORKING CAPITAL –** The amount that total current assets exceed total liabilities**.**

# CITY OF GALVESTON, TEXAS

**COMMONLY USED ACRONYMS**

**ACFR - Annual Comprehensive Finance Report**

**CDBG – Community Development Block Grant**

**CIP – Capital Improvement Plan**

**EEOC – Equal Employment Opportunity Commission**

**EPA - Environmental Protection Agency**

**FAA - Federal Aviation Administration**

**FEMA - Federal Emergency Management Agency**

**FTE - Full Time Equivalent**

**GAAP - Generally Accepted Accounting Principles**

**GASB - Governmental Accounting Standards Board**

**GCAD - Galveston Central Appraisal District**

**GFOA - Government Finance Officers Association**

**GIS - Geographic Information System**

**GISD - Galveston Independent School District**

**GPS - Global Positioning System**

**HOT - Hotel Occupancy Tax**

**HR - Human Resources**

**HRIS - Human Resources Information System**

**IDC - Industrial Development Corporation**

**IT - Information Technology**

**LMI - Low-Moderate Income**

**RFP - Request of Proposal**

**SCADA - Supervisory Control and Data Acquisition**

**TBRA - Tenant-Based Rental Assistance**

**TCEQ - Texas Commission on Environmental Quality**

**TXDOT - Texas Department of Transportation**

**WWTP - Wastewater Treatment Plant**