

City of Galveston Amended Budget

FY 2026

CITY OF GALVESTON, TEXAS

FY 2026 Adopted Budget | **FY 2026 Amended Budget**
Adopted August 28, 2025 | **Adopted October 23, 2025**
October 1, 2025, through September 30, 2026

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."

Record vote of each member of the governing body on adopting the Annual Budget, August 28, 2025:

Craig Brown	Mayor	Yes
Sharon B. Lewis	Council Member, District 1	Yes
David Finklea	Council Member, District 2	Yes
Bob Brown	Council Member, District 3	Yes
Alex Porretto	Council Member, District 4	No
Beau Rawlins	Council Member, District 5	No
Marie Robb	Council Member, District 6, Mayor Pro Tem	No

Record vote of each member of the governing body on adopting the Amended Budget, October 23, 2025:

Craig Brown	Mayor	Yes
Sharon B. Lewis	Council Member, District 1	Yes
David Finklea	Council Member, District 2	Yes
Bob Brown	Council Member, District 3	Yes
Alex Porretto	Council Member, District 4	Yes
Beau Rawlins	Council Member, District 5	Yes
Marie Robb	Council Member, District 6, Mayor Pro Tem	Present, Not Voting

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Municipal Property Tax Rates:

	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	$0.039755	$0.040213
Sales Tax Offset	$0.067632	$0.067359
Tax Rate Cap per Charter	$0.455346	$0.436834

Total amount of municipal debt obligation: $295,484,352
This includes the following amounts:

- Amount to be retired using property taxes: $56,835,431
- Amount to be retired using water and sewer revenue only: $0
- Amount to be retired using water and sewer revenue but indirectly supported by property taxes: $216,177,580
- Amount to be retired using Hotel Occupancy Taxes: $16,686,769
- Amount to be retired using Parks Industrial Development revenue: $3,433,192
- Amount to be retired using sanitation revenue: $2,351,380

Total amount of Wharves Authority debt obligation: $342,901,622

- Amount to be retired using Wharves Authority revenue: $342,901,622

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Record vote of each member of the governing body on the ratification of the established adopted Property Tax Rate, October 3, 2025:

Craig Brown	Mayor	Yes
Sharon B. Lewis	Council Member, District 1	Yes
David Finklea	Council Member, District 2	Absent
Bob Brown	Council Member, District 3	Yes
Alex Porretto	Council Member, District 4	Yes
Beau Rawlins	Council Member, District 5	Yes
Marie Robb	Council Member, District 6, Mayor Pro Tem	Yes


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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



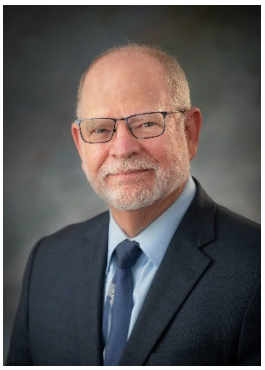
Sharon Lewis

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
Interim City Attorney	Donna Fairweather
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	Heather Morris
Executive Director of Development Services	Timothy Tietjens
Executive Director of Fleet, Mass Transit, & Spec. Events	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
Executive Director of Public Works and Engineering	Robert Winiecke
Director/City Controller	Tammy Jacobs
Director of Municipal Utilities	Tyson Arnold
Director of Human Resources	Beverly West
Director of Solid Waste	Dustin Bender
Director of Airport	Michael Shahan
Director of Grants & Housing	Rebekah Anderson
Director of Policy & Governmental Relations	Sally Bakko
Director of Disaster Recovery & Grants	Tesa Wrobleski
Public Information Officer	Marissa Barnett
Emergency Management	Byron Frankland
Municipal Court Clerk	Gladys Lopez
Facilities Director	Charles Kenworthy Jr.


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Amended 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

October 23, 2025

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

The Amended 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 Amended Budget, including maintenance and operating expenditures ($249.5 million) and the capital budget ($303.8 million) is $553.2 million. The Amended Budget is based on the Amended tax rate of $0.408687 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 AMENDED BUDGET ($000s)

MAJOR CATEGORY	FY 2025 Amended Budget	FY 2026 Amended Budget	Percent Difference FY 2025 Amended vs FY 2026 Amended Budget
General Fund	$81,597	$84,658	3.75%
Special Funds	$96,532	$83,059	-13.96%
Debt Service Fund	$4,675	$4,677	0.04%
Enterprise Funds	$60,159	$61,796	2.72%
Maintenance and Operations	**$242,963**	**$234,190**	**-3.61%**
Capital Budget	$264,660	$303,792	14.79%
Total	**$512,072**	**$540,072**	**5.47%**

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 $25.6 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 6.9 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 $10.4 million to $15.4 million. For the same period the contribution to the Police pension fund has almost tripled from $1.3 million to $3.0 million.
3. Also, since FY 2017, Firefighter pay has also increased from $6.9 million to $10.3 million, and the contribution to the firefighters' pension fund has also more than doubled increasing 131.5 percent from $1.1 million to $2.4 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 163 to 168. Staffing citywide has increased from 839 to 925 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 $4.8 million in FY 2017 to $13.3 million in FY 2026.

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The FY 2026 Amended 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	$295,733	$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**

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 Amended 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.

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CITY OF GALVESTON ADMINISTRATIVE OVERHEAD
FY 2017-2026

Budget Category	FY 2017 Budget	FY 2025 Estimated	FY 2026 Proposed
Administrative Offices			
City Secretary/Council	510,774	680,878	701,910
Elections	60,000	40,000	75,000
City Manager	831,001	826,675	805,730
City Attorney	884,180	1,120,896	1,132,270
City Auditor	278,291	523,249	532,830
Human Resources	443,025	667,700	725,460
Finance	1,948,581	2,766,610	2,805,050
Taxation	255,314	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	**5,211,166**	**9,057,880**	**8,928,560**
Operating Budget			
General Fund	57,003,604	82,501,449	84,711,326
Less Administrative Depts	5,211,166	9,057,880	8,928,560
General Fund Operations	51,792,438	73,443,569	75,782,766
Special Funds	33,857,546	64,551,653	106,328,414
Enterprise Funds	43,552,270	56,953,356	62,663,841
Debt Service Fund	1,754,505	4,675,078	4,676,780
Total Operating Budget	**130,956,759**	**199,623,656**	**249,451,801**
Capital Budget	**FY 2017 Budget**	**FY 2025 Budget**	**FY 2026 Proposed**
Streets	14,827,920	12,176,568	57,128,161
Drainage	2,493,025	130,580,702	120,144,721
Water	30,535,877	60,070,045	61,015,936
Sewer	20,593,518	37,123,528	34,795,136
Parks	4,212,500	11,818,156	11,729,173
Other	6,446,039	12,890,797	18,979,150
Subtotal Capital Budget	**79,108,879**	**264,659,796**	**303,792,277**
Total Capital and Operating Budget	**210,065,638**	**464,283,452**	**553,244,078**
Admin as Pct of Op Budget	**4%**	**5%**	**4%**
Admin as Pct of Cap & Op Budget	**2%**	**2%**	**2%**

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The FY 2026 Amended 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.

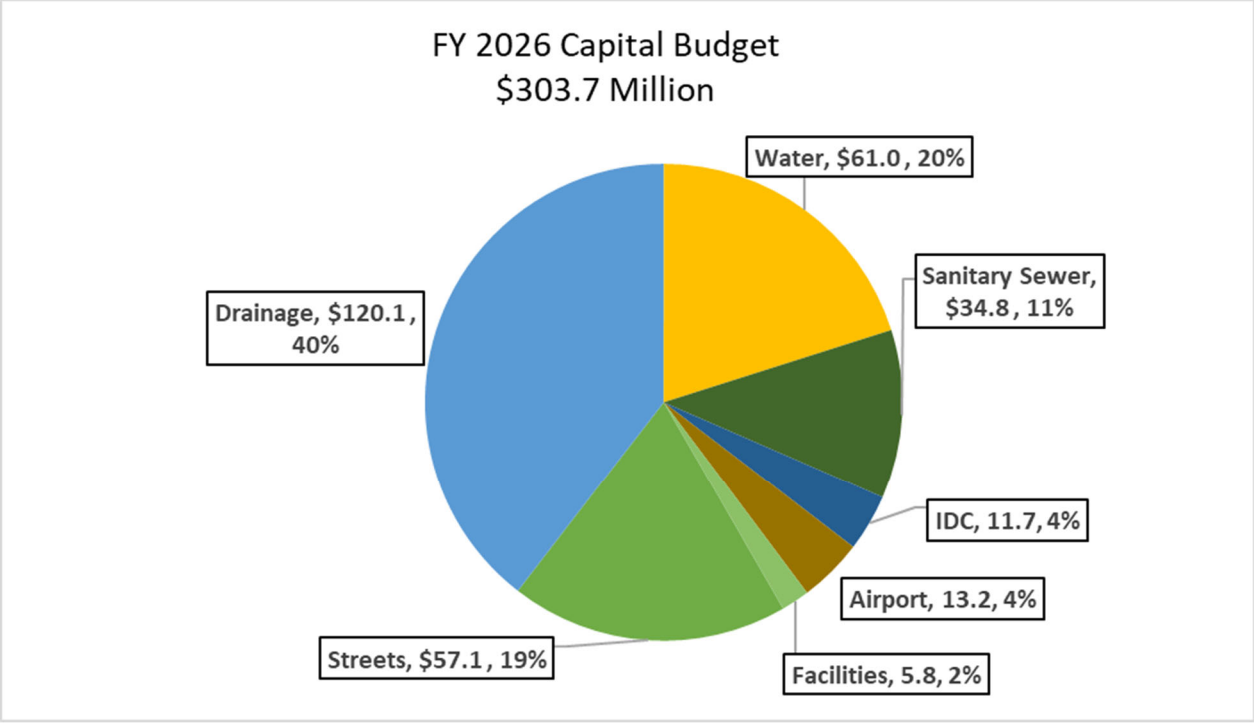
City management's priorities in the upcoming year:

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

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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 Amended 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

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section offers a bird's eye view of the budget, including the economic assumptions behind the 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 Amended 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

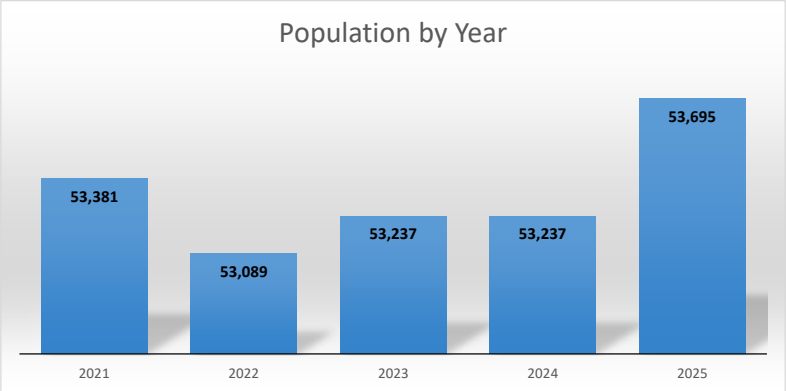
$57,216
Median Household Income

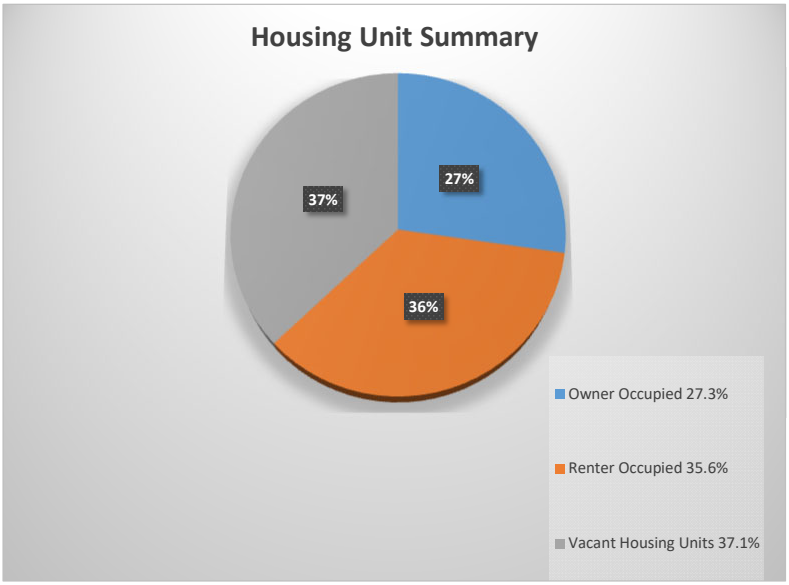
$258,300
Median Value of owner occupied housing units

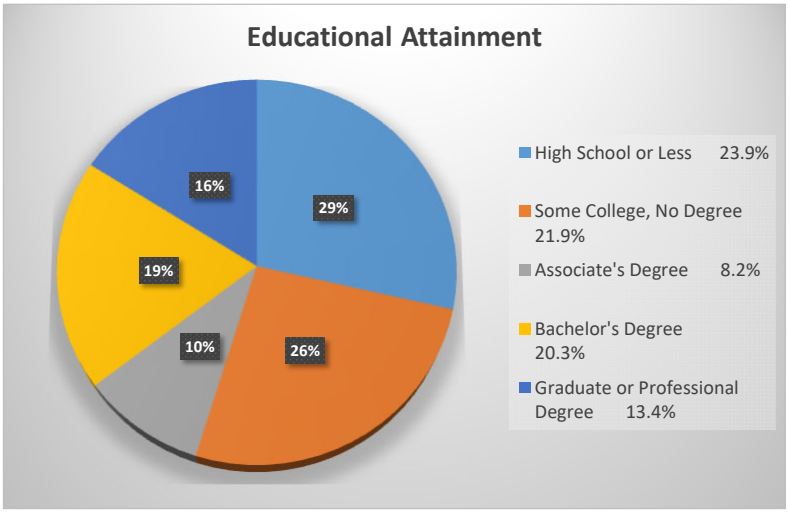
$1,278
Median gross rent

2.74
Persons per household

23,748
Households



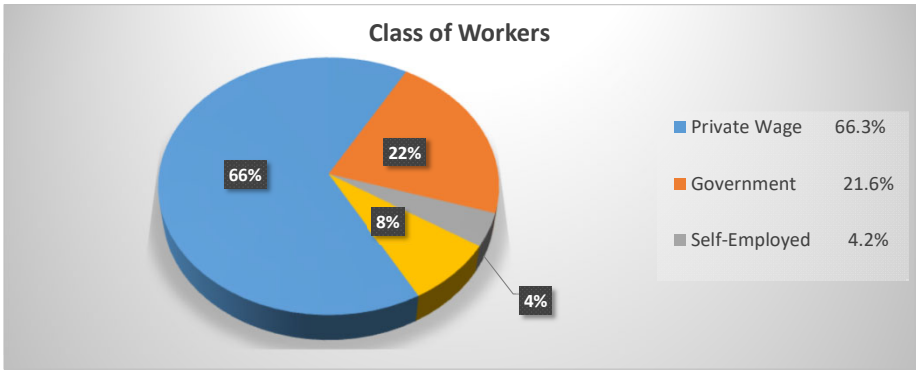


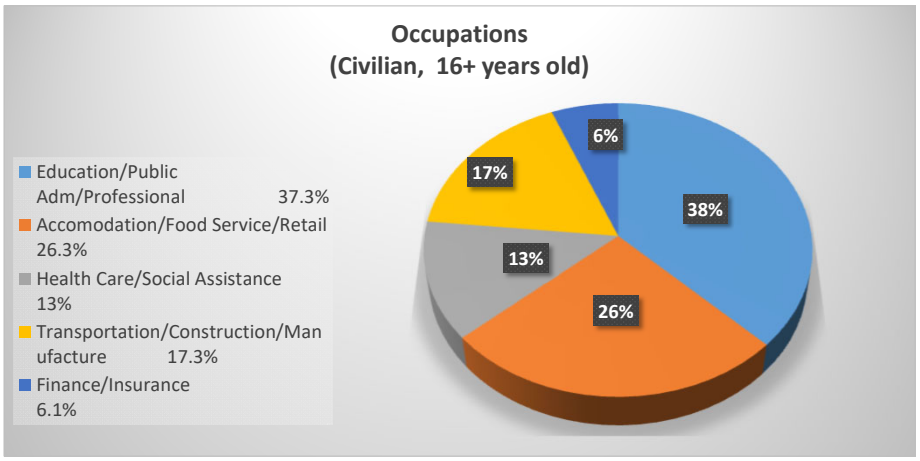


Source:
*U.S. Census Bureau, www.census.gov (2018-2023)
*Galveston -Market-Profile

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

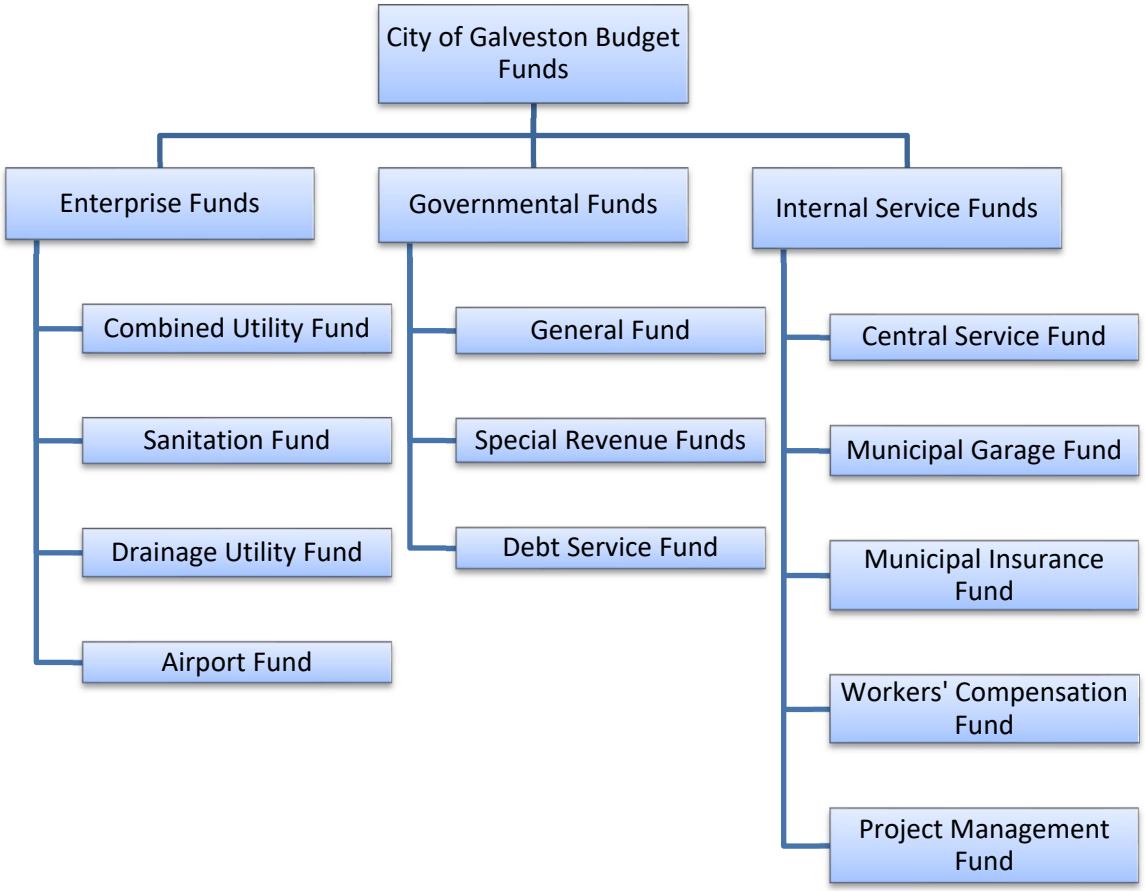
	** Top 10 Property Taxpayers (Tax Year 2025)	Total Assessed Value
1.	Fertitta Hospitality Inc	104,543,570
2.	GCC Supply & Trading	102,895,968
3.	Centerpoint Energy Houston	79,001,140
4.	Pecos Housing Finance Corporation	52,225,000
5.	Texas International Terminals	43,515,310
6.	3433 Cove View Blvd LLC	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					■

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 (please round to the nearest ten). 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. If an employee or position needs to be added and/or changed, please e-mail the information to Debbi Pierce. 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. Adopt the FY 2025 Operating and Capital Budget.
Sep 18*	Public Hearing Tax Rate. 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 Adopt Tax Rate. (No later than 7 days after the public hearing)

*Denotes City Council meetings


CITY OF GALVESTON
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TEXAS

BUDGET SUMMARY

FY 2026 AMENDED BUDGET
CITYWIDE BUDGET SUMMARY

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 $233.3 million for operating expenditure funds, which is $50,408 or 0.2 percent more than last year's budget and $26.1 million or 11.2 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 $84.1 million includes $59.0 million for public safety and infrastructure.

Special Funds, 17 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 $46.6 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 grow 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 released an expected and early Supplement to the Certified Tax Roll on August 8, 2025 to account for significant activity related to a substantial taxpayer. This Supplement 1 resulted in a taxable value that is only 0.2 percent higher than 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 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.
4. 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 will be 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.
5. 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 ratified, adopted 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 $122.0 million dollars and FY 2026 at $91.2 million dollars. This difference of $34.6 million is due primarily to the programming of virtually all special revenue beginning balances.

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	$25,290,107
Special Revenue Funds	51,890,894	54,185,097	54,185,097	46,630,817
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	20,576,579
Total	**$102,783,787**	**$98,526,588**	**$98,526,588**	**$94,575,788**
Revenue				
General Fund	$77,339,160	$81,619,190	$84,397,660	$84,268,250
Special Revenue Funds	68,619,167	67,165,357	65,067,585	62,503,913
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**	**$218,393,481**	**$215,847,493**
Expenditures				
General Fund	$77,581,591	$81,597,335	$81,700,736	$84,096,640
Special Revenue Funds	60,412,655	86,821,938	62,033,905	83,024,880
Debt Service Fund	4,679,308	4,675,078	4,675,078	4,676,780
Enterprise Funds	58,904,510	60,158,850	58,917,008	61,505,310
Total	**$201,578,064**	**$233,253,201**	**$207,326,727**	**$233,303,610**
Revenues over/(under) Expenditures				
General Fund	($242,430)	$21,855	$2,696,924	$171,610
Special Revenue Funds	8,206,512	(19,656,581)	3,033,680	(20,520,967)
Debt Service Fund	264,314	383,392	146,552	324,520
Enterprise Funds	(1,842,481)	4,222,063	5,189,598	2,568,720
Total	**$6,385,915**	**($15,029,271)**	**$11,066,754**	**($17,456,116)**
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	$25,290,107	$25,461,717
Special Revenue Funds	60,109,780	34,528,516	57,218,777	26,109,850
Debt Service Fund	1,931,733	2,315,125	2,078,285	2,402,805
Enterprise Funds	18,631,276	19,822,386	20,576,579	21,055,299
Sub-Total	**$104,451,271**	**$79,048,464**	**$105,163,748**	**$75,029,672**
Internal Service Funds (1)	$15,342,457	$17,088,203	$16,745,668	$16,048,303
TOTAL WITH INTERNAL SERVICE FUNDS	**$119,793,728**	**$96,136,667**	**$121,909,416**	**$91,077,975**

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

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	$75,771,140	$75,771,140
Special Revenue Funds:				
Rosenberg Library	6,155,322	0	6,187,650	6,187,650
Convention Center Surplus	14,481,040	(644,814)	14,762,398	14,117,584
Infrastructure Fund	9,966,341	(1,242,969)	17,963,461	16,720,492
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	669,952	375,647	(34,421)	341,226
Police Special Revenue Fund	139,175	0	164,656	164,656
Police Quartermaster Fund	100,200	0	171,063	171,063
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)	8,715,235	8,243,413
Hotel Occupancy Tax Fund	39,524,281	0	38,511,197	38,511,197
Total	**91,487,881**	**(3,118,625)**	**104,080,268**	**100,961,643**
Debt Service Fund	4,675,078	0	4,676,780	4,676,780
Enterprise Funds:				
Combined Utility	47,669,385	0	46,934,750	46,934,750
Sanitation	10,310,430	0	11,337,370	11,337,370
Drainage Utility	3,718,860	0	3,878,780	3,878,780
Airport	1,491,129	0	1,444,410	1,444,410
Total	**63,189,804**	**0**	**63,595,309**	**63,595,310**
Grand Total	**$235,265,463**	**($3,118,625)**	**$248,123,497**	**$245,004,872**

Amount of growth remaining under 7% cap	($3,610,548)
***Percent increase in the City's operating budget**	**3.14%**

*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 2025	Fiscal Year 2026	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	5,252,260	208,112
Totals	5,044,148	5,252,260	208,112


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FY 2026 AMENDED BUDGET
CITYWIDE REVENUE SUMMARY

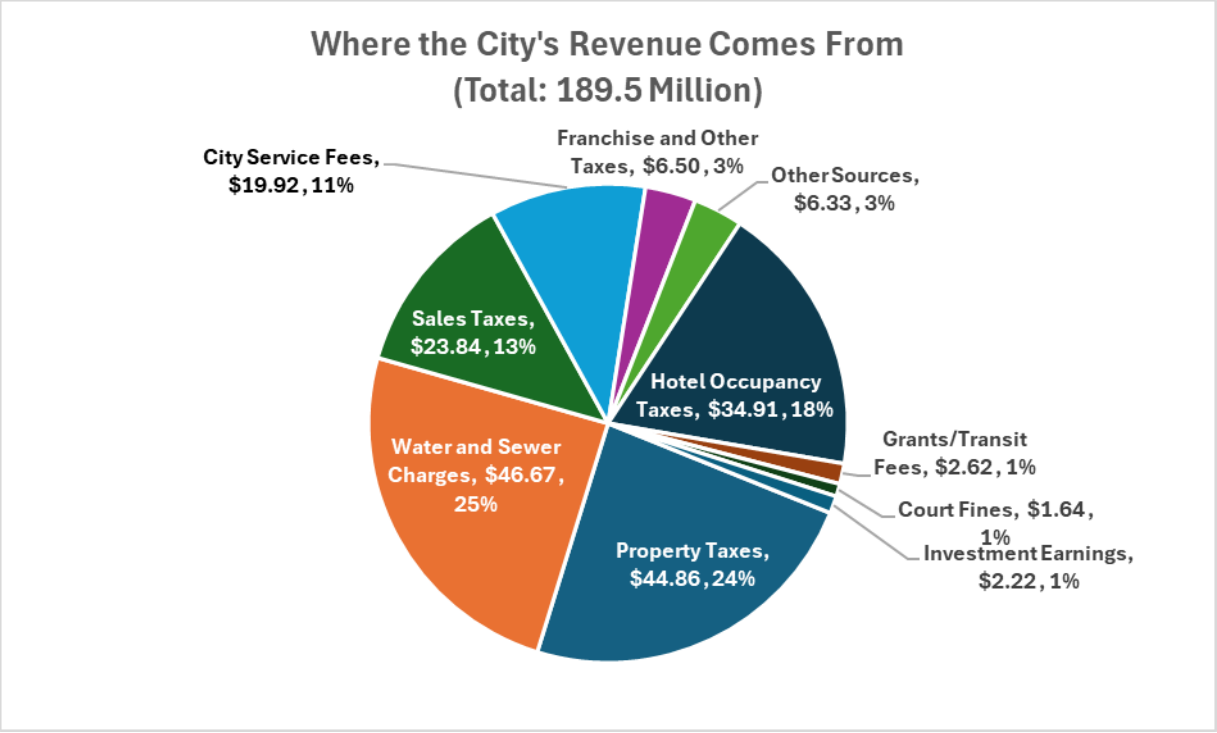
Overview

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 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 Adopted	FY26 +/- FY25 Est	Pct Diff
Property Taxes	$ 41,669	$ 42,940	$ 41,215	$ 44,861	$ 43,743	$ 44,860	$ 1,117	2.6%
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	6,334	-1,904	-23.1%
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	2,218	-574	-20.6%
Total	**$ 159,736**	**$ 188,536**	**$ 175,905**	**$ 189,791**	**$ 190,239**	**$ 189,503**	**-736**	**-0.4%**

Total citywide revenue included in the FY 2026 Amended Budget is $189.5 million or approximately $-736,000 less than the FY 2025 Projected total of $190.2 million. The largest portion of this decrease is tied to the year over year comparison of Other Revenue which included the one-time sale of land at the Scholes International Airport in FY 2025.



Property Taxes

This year's property tax revenue has been heavily impacted as the first year in the last five where the net increase in taxable value year over year was less than 1 percent. The initial roll reported prior to the protest and hearings period was 14.0 billion or 7.3 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 by $1,000.0 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	$13,906,330,598	($934,927,605)	$12,971,402,993	$11,215,044,521	-6.7%	8.2%	16.0%
2025	2026	$14,030,135,028	($1,019,117,524)	$13,011,017,504	$11,339,917,460	-7.3%	0.3%	8.2%

The tax rate is calculated using partial hearings results ($830.0 million in appraised value 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 ($1,359.3 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 (FY2025) -	$0.408850
No-New-Revenue Rate (FY2026) -	$0.408687
Voter-Approval-Rate (FY2026) -	$0.448764
Amended Rate (FY2026) -	$0.408687
Rate Decrease (FY2026 less FY2025) -	$(0.000163)

The chart on the next page is provided to document the relationship between the Taxable Value, the Amended 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.

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	11,339,917,460
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	46,344,768
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	45,881,321

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	49,785,865
Percent Collection Actual Compared with Calculated Levy	-0.5%	-0.4%	-2.0%	0.1%	-1.2%	0.2%

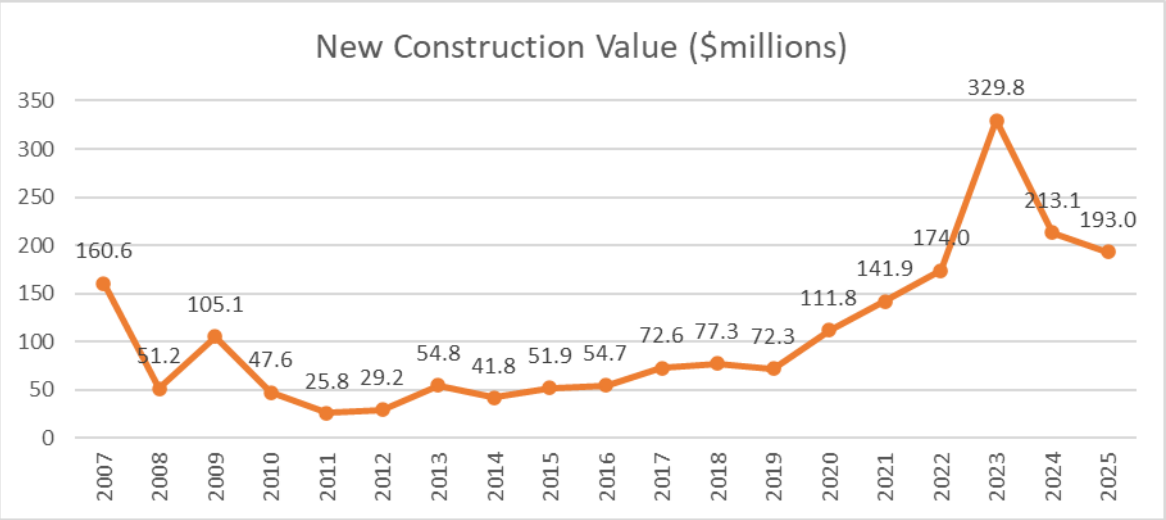
The Property Tax Revenue Levies and Collections table is useful in calculating total taxable value and revenue for the entire tax roll, resulting in the "Total Collections" line at the bottom of the page. The Levy section catalogs the Values and Tax Rates used to produce a tax levy amount each year for 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.

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 Amended 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 $788,930 in revenue increase that is shared with eighteen city departments, the City's bondholders, TIRZ 13, MUD 30, and the Rosenberg Library.

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 (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**	

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 adopted 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.

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.

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 pretty evenly between STRs and hotels, marking a significant point in the level of compliance with the HOT ordinance and State law.

The City reviewed its ordinance requirements for STRs, including those that speak to City codes that need to be followed by STR owners. These codes were evaluated to ensure that neighborhoods retain their residential quality. Consequently, technological support for collections and tracking unregistered STRs was upgraded by the Park Board with concurrence from the City Council and the registration fee was 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 was 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 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. The $14.2 million amount reported as a part of the City's FY 2023 HOT revenue is part of the new processes that were put in place.

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.

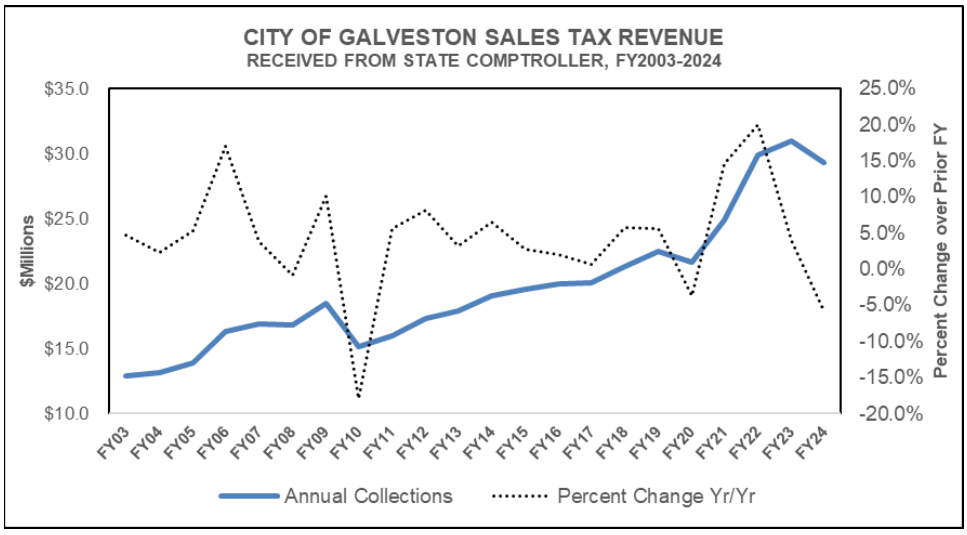
CITY OF GALVESTON SALES TAX SUMMARY

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

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 2024 but has seen a slight increase again in FY 2025.

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 sixth 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.

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.

FY 2026 AMENDED BUDGET
CITYWIDE EXPENDITURE SUMMARY

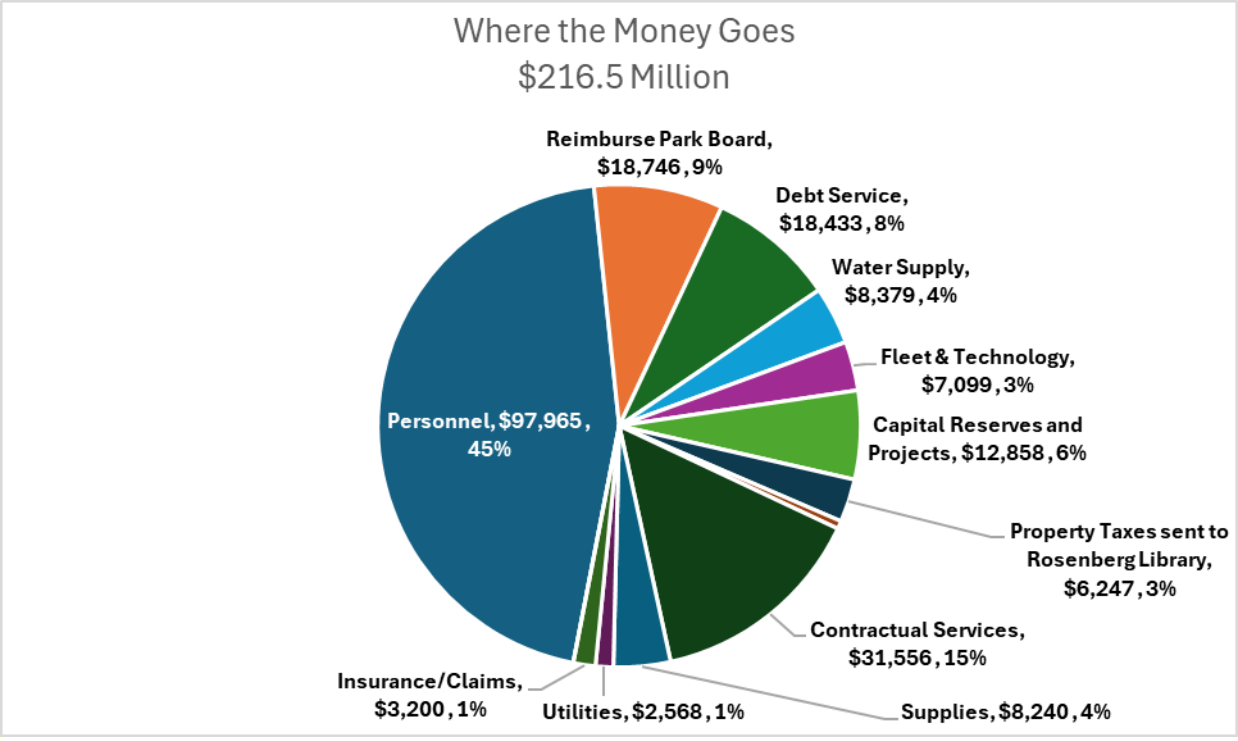
Overview

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 Adopted	FY26 +/- FY25 Est	Pct Diff
Personnel	$73,036	$82,684	$88,028	$94,902	$91,267	$97,965	$6,698	7.3%
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	$7,099	$1,731	32.3%
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	$27,753	$30,371	$29,934	$31,556	$1,622	5.4%
Supplies	$7,107	$9,563	$8,888	$8,890	$7,754	$8,240	$486	6.3%
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**	**$193,141**	**$211,566**	**$195,041**	**$216,454**	**$21,413**	**11.0%**

A close review of this table and the Citywide Revenue chart reveals a difference of approximately $27.0 million more expense than revenue in FY 2026. The difference is comprised primarily of $20.5 million in carryover balances from Special Funds that are Amended 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.



Personnel Cost

Personnel cost is almost half of the FY 2026 Budget and our highest priority. Personnel costs are budgeted at $6.7 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, nineteen positions more than in FY 2025. Position increases are primarily in the Special Revenue Fund and related to the reversion of 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 8.0% 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.)

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**

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 Internal Service 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 ratified $0.408687 tax rate 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 $0.5 million compared to FY 2025 estimate. This includes fuel and lubricants as well as concrete and aggregate. Costs for both the garage and technology were 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


CITY OF GALVESTON
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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).

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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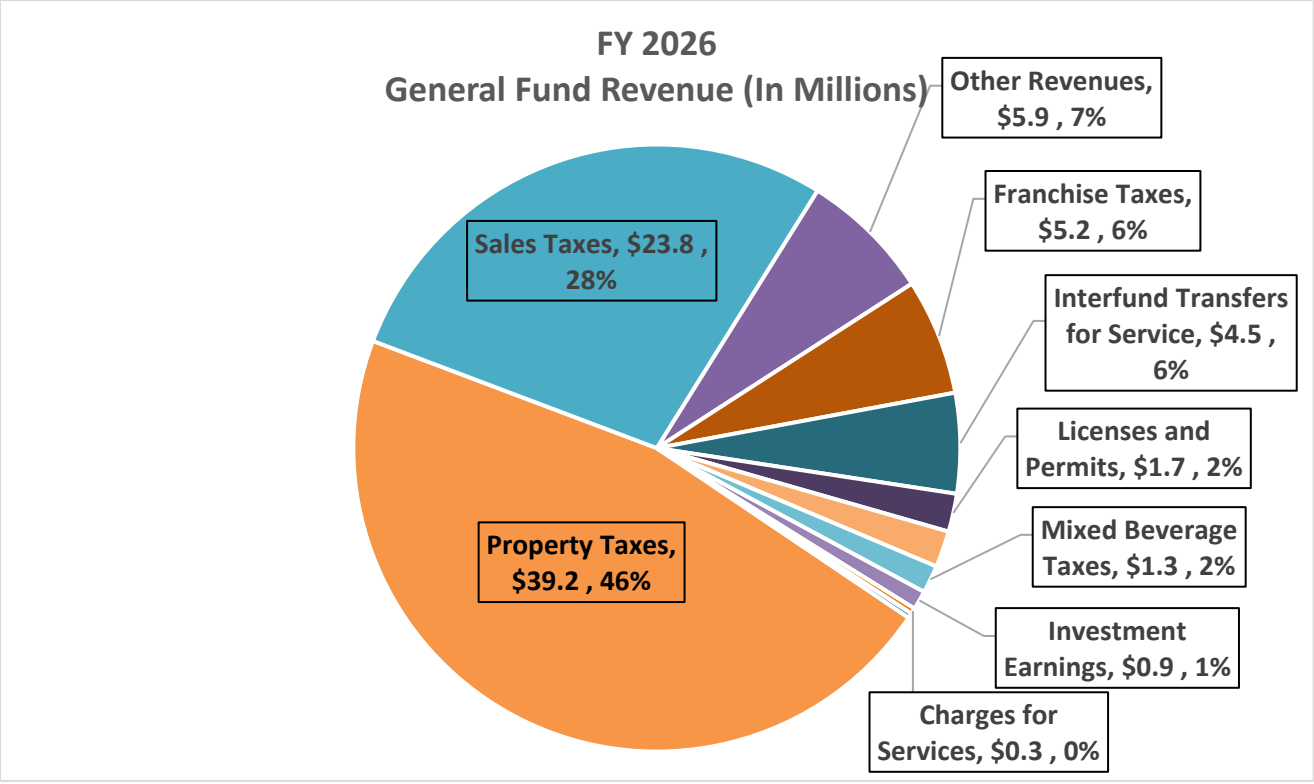
GENERAL FUND

FY 2026 AMENDED BUDGET
GENERAL FUND SUMMARY

General Fund Revenue Overview

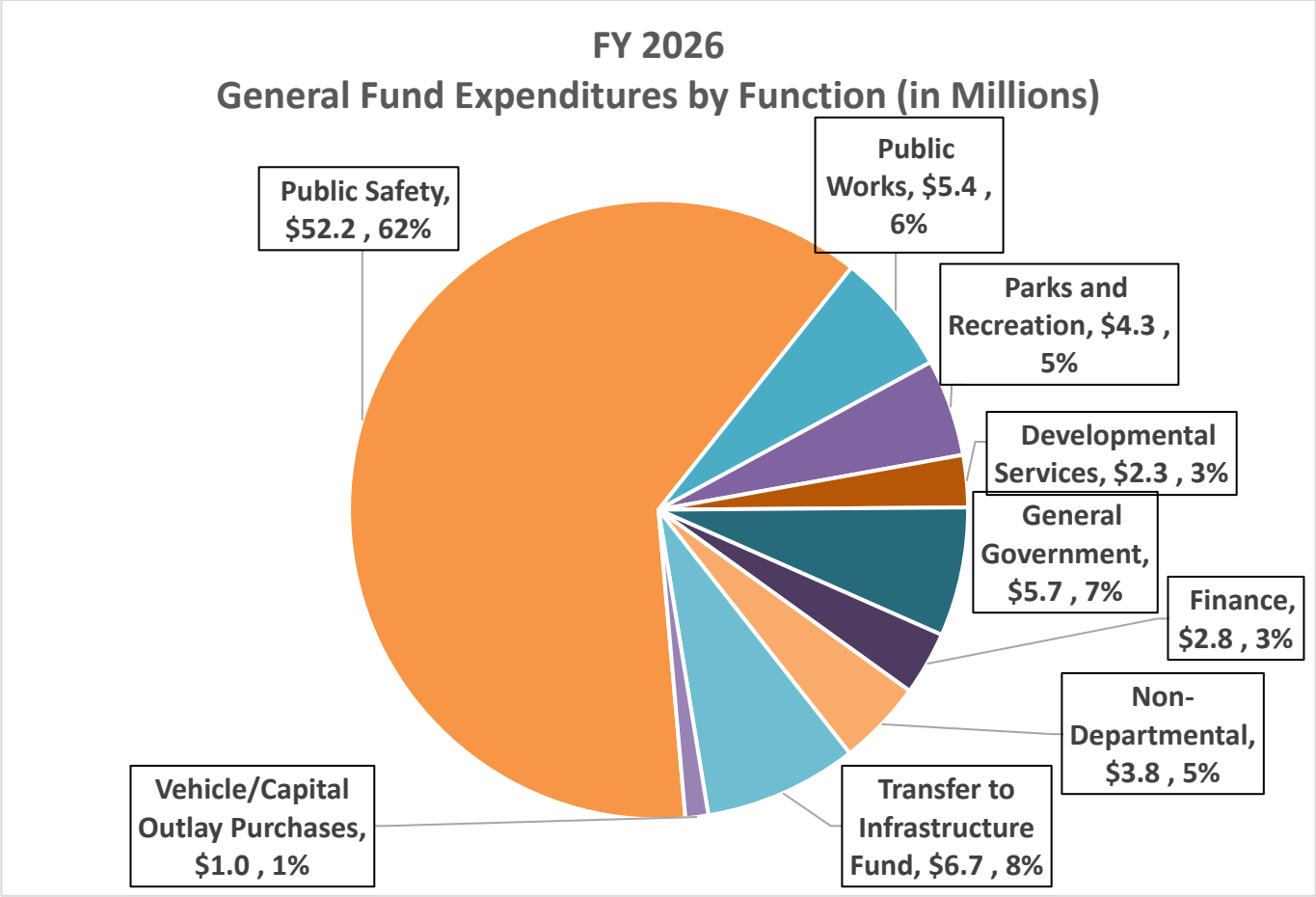
The General Fund is financed primarily with two of the City's major revenue resources, property and sales taxes. These revenues generate 74.4 percent of total revenue, $63.1 million in FY 2026. Property and Sales tax revenue are used to provide public safety services, street and traffic maintenance, and the major set aside for Infrastructure and Debt Service. The FY 2026 Amended Budget includes $64.3 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 $4.5 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 $129,410 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 Amended 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 at $1.6 million or 51.7 percent of the total changes. 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 Amended General Fund Budget includes an ending fund balance of $25.5 million which is 110 days of operating expenditures at the rate of $230,402 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	39,213,660
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**	**$38,775,980**
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	2,468	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**	**$69,113,880**
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	196,060
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**	**$4,508,670**
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
348175	Backflow Prevention Tester Fees	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	1,645,880
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**	**$5,928,840**
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**	**$84,268,250**

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**	**$25,290,107**
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	$38,775,980
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	4,508,670
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	5,928,840
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**	**$84,268,250**
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	$27,671,390
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	17,839,840
Emergency Management	297,272	261,272	260,361	301,135	380,135	379,269	412,735	422,006	420,281	413,800
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	1,083,040
Animal Services	0	0	0	0	0	0	0	0	0	825,960
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	2,394,930
	$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**	**$52,223,760**
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	$2,336,320
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	3,030,820
	$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**	**$5,367,140**
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	$1,341,400
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	2,921,040
	$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**	**$4,262,440**
Developmental Services										
Building Inspection	863,094	804,075	803,667	935,089	935,089	866,385	940,499	939,926	990,942	1,002,300
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	1,283,500
	$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**	**$2,285,800**
General Government										
City Secretary	$609,409	$629,440	$625,566	$662,807	$662,807	$637,983	$685,891	$682,544	$680,878	$714,200
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	895,230
City Manager	749,373	749,373	809,793	764,395	805,250	778,748	806,430	836,349	826,675	804,020
City Auditor	427,925	415,686	414,790	489,277	507,577	455,031	452,355	412,639	523,249	531,120
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	1,128,850
Human Resources	630,190	600,205	595,954	668,097	679,097	648,090	689,735	690,225	667,643	722,490
Transportation	975,000	975,000	975,000	975,000	975,000	975,000	975,000	825,000	500,000	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**	**$5,239,752**	**$5,670,910**

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	$699,290
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	1,198,280
Purchasing	331,160	356,324	354,559	373,006	391,006	386,392	392,693	408,771	402,683	389,150
Budget	351,798	288,798	288,503	385,171	410,171	447,228	592,872	610,049	552,868	508,060
	$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**	**$2,794,780**
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	1,351,710
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	0	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 Info	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	6,741,500
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 Purchases	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**	**$10,988,376**	**$11,491,810**
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**	**$81,700,736**	**$84,096,640**
Revenues Over/(Under) Expenditures	**$0**	**($1,349,999)**	**$2,392,642**	**$415,472**	**$415,471**	**($242,430)**	**($140,637)**	**$21,855**	**$2,696,924**	**$171,610**
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**	**$26,475,406**	**$25,461,717**
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**	**$25,290,107**	**$25,461,717**
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**	**$26,860,516**	**$27,648,210**
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)**	**($1,570,409)**	**($2,186,493)**
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**	**$82,886,035**	**$84,096,640**

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	$52,223,760
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	$5,367,140
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	$4,262,440
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	$2,285,800
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	5,239,752	$5,670,910
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	$2,794,780
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	$11,491,810
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**	**$82,888,035**	**$84,096,640**

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	$58,398,130
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	$2,694,970
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	$12,423,901	$12,144,530
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	$8,325,500
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	$1,000,000
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**	**$82,888,035**	**$84,096,640**

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	$27,671,390
Fire	15,994,562	17,087,525	17,031,269	17,839,840
Emergency Management	379,269	422,006	420,281	413,800
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	1,083,040
Animal Services	0	0	0	825,960
Communication/Dispatch	1,940,809	2,391,547	2,102,144	2,394,930
Special Events	0	0	0	0
Public Safety Operations Total	**$46,701,731**	**$50,556,516**	**$50,458,253**	**$52,223,760**

CATEGORY	FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
Personnel Services	$39,669,657	$42,100,446	$41,920,217	$43,777,370
Materials and Supplies	560,825	642,275	617,279	572,650
Contractual Services	6,429,956	7,735,020	7,888,350	7,847,540
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**	**$52,223,760**

HIGHLIGHTS (FY2026 Budget Over/Under FY2025 Estimated)

Personnel Services - Net increases (+$1,857,153) include funding for salary increases (+$1,061,010) per the Collective Bargaining Agreements for Police and Fire, a 10% increase (+$430,680) in Group Health insurance, move one (1) Deputy City Marshal to the Short Term Rental Fund (-$83,206), and the annualized cost (+$448,669) of personnel for net against overtime usage from FY25.

Materials and Supplies - Net decreases (-$44,629) includes an increase to uniforms (+$50,000) for Fire per the CBA, 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 (+$16,670) across various miscellaneous materials and supplies line items with the Public Safety Departments.

Contractual Services - Net decrease (-$44,810) includes decreases (-$148,056) in garage charges, decreases (-$212,618) in computer charges, is a 20% increase (+$332,526) requested by the Galveston County Health District and decreases (-$12,662) 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	$43,395,630

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	$23,608,200
Materials and Supplies	238,178	295,765	275,259	214,300
Contractual Services	3,967,905	4,433,860	4,539,636	3,764,690
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**	**$27,671,390**

BUDGET HIGHLIGHTS (FY2026 BUDGET OVER/UNDER FY2025 ESTIMATED)

Personnel Services - Net increases (+$381,172) includes a Market Adjustment (+$467,420) 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 (+$258,027).

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 (-$772,956) 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 (-$183,000) and Computer Charges (-$184,943), and partially offset by an increase (+$79,646) 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

WD Ledger Account - Spend Category	FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
Personnel Services				
511000 - SC511001 Regular Payroll	$14,076,038	$14,962,590	$14,670,596	$15,376,290
511000 - SC511005 Longevity	83,713	95,890	80,840	91,560
511000 - SC511006 Differential Pay	107,940	111,290	119,639	110,470
511000 - SC511007 Vehicle/Motor Allowance	50,594	50,610	50,978	50,610
511000 - SC511008 Dog Handler Allowance	21,683	28,920	21,730	28,920
511000 - SC511009 Overtime	1,709,236	1,062,000	1,680,385	1,100,000
511000 - SC511011 Mounted Patrol Allowance	19,260	21,690	18,738	21,680
511000 - SC511021 Part-Time Payroll	22,465	26,100	585	0
511000 - SC511026 Ferry Landing Overtime	132,123	120,000	156,071	120,000
511000 - SC511039 Tourism Related Activities	5,080	250,000	250,000	250,000
511000 - SC511110 Incentive Pay	326,038	329,250	350,211	337,050
511000 - SC511125 Residency Pay	58,559	59,020	43,901	51,470
511000 - SC511143 Crisis Negotiation Team	5,394	6,340	5,183	4,520
511000 - SC511145 SWAT Pay	16,676	17,200	16,063	19,890
511000 - SC511147 Dive Team Pay	13,239	12,660	14,100	13,560
511000 - SC511148 SRG Team Pay	20,038	18,980	23,023	23,500

FY2026 BUDGET
POLICE

LINE ITEM DETAIL

WD Ledger Account - Spend Category	FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
511000 - SC511150 Uniform Allowance	76,500	100,500	102,000	126,000
511500 - SC511510 Group Health Insurance - Employer's	2,484,672	2,466,280	2,466,280	2,702,390
511500 - SC511515 Worker's Compensation	131,823	263,660	263,660	263,660
511500 - SC511520 Group Life Insurance	67,856	75,500	70,562	75,290
511500 - SC511530 Social Security - Employer's	1,007,569	1,067,730	1,076,078	1,096,810
511500 - SC511535 Medicare - Employer's	235,725	250,090	251,710	256,510
511500 - SC511542 City Employee Retirement	134,331	136,710	154,513	114,820
511000 - SC511544 Police Retirement	3,012,900	3,004,870	2,860,908	3,004,110
511600 - SC511650 Salary Reimbursements	(1,709,992)	(1,513,870)	(1,515,284)	(1,630,910)
511600 - SC511655 Salary Reimbursements-Grants	(12,604)	0	(5,442)	0
Total Personnel Services	**$22,096,857**	**$23,024,010**	**$23,227,028**	**$23,608,200**
Materials and Supplies				
521000 - SC521001 Office Supplies	19,485	27,300	26,694	28,200
523000 - SC523100 Minor Office Equipment	11,262	21,000	18,953	15,000
523000 - SC523110 Laptop Refresh Only	59,996	50,000	38,960	0
521000 - SC521005 Training Materials	23,071	25,195	18,495	20,000
522000 - SC522011 Chemicals	603	800	800	1,500
521000 - SC521009 Clothing	34,808	47,000	67,000	35,000
523000 - SC523120 Minor Tools	26,686	25,500	21,500	12,500
523000 - SC523125 Minor Equipment	34,542	67,500	55,804	72,000
523000 - SC523130 Motor Vehicle Parts	8,132	10,000	7,501	8,500
523000 - SC523135 Equipment Parts	99	0	0	0
521000 - SC521013 Other Supplies	5,710	7,350	5,043	6,500
525000 - SC525031 Electricity	11,920	12,320	12,418	13,000
525000 - SC525032 Natural Gas	1,865	1,800	2,091	2,100
Total Materials and Supplies	**$238,178**	**$295,765**	**$275,259**	**$214,300**
Contractual Services				
531000 - SC531004 Consultant Services	5,400	5,400	5,400	5,400
531000 - SC531005 Other Services	240,154	360,500	360,289	0
531000 - SC531008 Laboratory Testing	6,007	10,000	7,500	15,000
531000 - SC531025 Memberships	2,594	2,000	2,360	2,000
531000 - SC531029 Software Maintenance Contracts	137	150	130	0
531100 - SC531124 Towing Payments	11,474	10,500	10,500	13,000
531100 - SC531125 Other Contracts	4,811	5,000	4,000	0
531200 - SC531230 Equipment Repairs	45,849	28,000	27,000	36,500
531200 - SC531240 Maintenance Contracts	256,960	540,000	620,498	668,000
531300 - SC531320 Equipment Rental	0	0	0	10,000
531300 - SC531325 Vehicle Rental	40,081	40,000	48,170	40,000
531300 - SC531340 Justice Center - Lease	318,147	320,000	318,147	320,000
531300 - SC531343 Justice Center - Rent/Maintenance	216,000	356,000	452,200	325,840
531300 - SC531345 Justice Center - Jail	153,787	195,000	168,652	180,000
531300 - SC531350 Garage Charges	1,263,270	1,158,980	1,092,233	909,240
531300 - SC531360 Computer Charges	1,110,860	1,110,860	1,110,860	925,920
532000 - SC532062 Postage	4,091	5,000	5,255	5,000
532000 - SC532065 Printing, Duplication	18,544	20,000	18,157	18,000
532080 - SC532084 Cellular Service	31,359	28,000	29,354	29,000
532080 - SC532086 Other Communications	17,359	16,680	15,746	18,000
532080 - SC532087 Aircard Service	45,296	40,000	65,751	62,000

FY2026 BUDGET
POLICE

LINE ITEM DETAIL				
WD Ledger Account - Spend Category	**FY2024**	**FY2025**	**FY2025**	**FY2026**
533080 - SC533083 Travel Expenses	44,886	35,000	35,000	20,000
533080 - SC533085 Travel/Training	85,478	88,000	91,360	103,000
534000 - SC534030 Surety Bond & Notary Fees	123	400	200	400
534000 - SC534036 Dental Insurance	32,832	48,390	40,536	48,390
532000 - SC532068 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**	**$3,764,690**
Other Charges and Services				
540000 - SC540007 Court Costs And Judgments	618	4,600	6,873	2,000
540000 - SC540008 Meeting Expenditures	2,984	1,000	500	500
540000 - SC540011 Grants & Awards	970	500	334	500
544087 - SC544087 Expense Reimbursement	(4,252)	(4,000)	(4,595)	(4,000)
540000 - SC540030 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				
553000 - SC553013 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				
560000 - SC564117 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**	**$27,671,390**


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	$16,372,770
Materials and Supplies	302,489	313,940	316,386	319,950
Contractual Services	1,156,603	1,208,740	1,293,185	1,166,620
Other Charges and Services	(17,973)	2,020	(34,514)	(19,500)
TOTAL	**$15,994,562**	**$17,087,525**	**$17,031,269**	**$17,839,840**

BUDGET HIGHLIGHTS (FY2026 BUDGET OVER/UNDER FY2025 ESTIMATED)

Personnel Services - Net increases (+$796,888) includes funding (+$593,590) 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 (+$311,034).

Materials and Supplies - Net increases (+$3,564) includes an increase in clothing allowance (+$50,000) per the CBA, a decrease in funding of protective gear (-$21,231), decreases for minor tools

Contractual Services - Net decreases (-$126,565) includes decreases in garage charges (-$45,862), decreases in computer charges (-$87,200) 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

WD Ledger Account - Spend Category	FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
Personnel Services				
511000 - SC511001 Regular Payroll	$9,628,752	$10,192,479	$10,131,017	$10,335,420
511000 - SC511002 COLA Increases	0	0	0	482,010
511000 - SC511005 Longevity	93,031	101,580	93,377	96,060
511000 - SC511006 Differential Pay	174,206	170,560	47,356	18,770
511000 - SC511009 Overtime	678,772	515,500	776,839	514,000
511000 - SC511110 Incentive Pay	440,118	448,510	569,074	632,280
511000 - SC511125 Residency Pay	62,267	62,770	56,160	52,710
511500 - SC511510 Group Health Insurance - Employer's	1,618,461	1,613,330	1,613,330	1,777,310
511500 - SC511515 Worker's Compensation	75,183	150,370	150,370	151,070
511500 - SC511520 Group Life Insurance	46,393	51,070	48,806	52,240
511500 - SC511530 Social Security - Employer's	17,684	24,663	18,952	24,020
511500 - SC511535 Medicare - Employer's	153,441	166,629	166,205	169,220
511500 - SC511542 City Employee Retirement	35,646	53,084	43,358	51,720
511500 - SC511543 Firemen's Retirement	2,104,260	2,409,460	2,396,161	2,448,360
511500 - SC511545 Pension Benefit Adjustments	0	0	0	111,580
511600 - SC511655 Salary Reimbursements-Grants	(574,771)	(397,180)	(654,793)	(544,000)
Total Personnel Services	**$14,553,443**	**$15,562,825**	**$15,456,211**	**$16,372,770**
Materials and Supplies				
521000 - SC521001 Office Supplies	8,457	12,500	9,025	4,850
523000 - SC523100 Minor Office Equipment	2,253	3,000	3,000	1,500
521000 - SC521003 Printed Materials	3,934	5,000	3,115	1,500
521100 - SC521100 Disposable Medical Supplies	5,080	6,000	6,000	7,000
521000 - SC521009 Clothing	71,717	75,000	75,000	125,000
521100 - SC521103 Protective Gear	80,087	100,000	96,231	75,000
522000 - SC522037 Janitorial Supplies	14,325	15,000	15,000	12,000
523000 - SC523120 Minor Tools	61,980	46,000	54,108	35,000
525000 - SC525031 Electricity	47,244	43,440	44,658	48,500
525000 - SC525032 Natural Gas	7,413	8,000	10,249	9,600
Total Materials and Supplies	**$302,489**	**$313,940**	**$316,386**	**$319,950**
Contractual Services				
531000 - SC531025 Memberships	1,145	2,000	1,425	1,000
531000 - SC531027 Certification & Permit Fees	16,481	11,000	11,000	17,000
531000 - SC531029 Software Maintenance Contracts	41,359	47,000	47,000	47,000
531100 - SC531116 Hazardous Waste Disposal & Supplies	2,412	3,000	3,000	1,500
531200 - SC531230 Equipment Repairs	4,712	7,500	7,500	7,000
531200 - SC531245 Compliance Maintenance	31,092	37,000	37,000	40,000
531300 - SC531343 Justice Center - Utilities	132,165	72,570	72,565	72,570
531300 - SC531350 Garage Charges	466,535	557,930	650,382	604,520
531300 - SC531360 Computer Charges	367,763	359,110	359,110	271,910
532000 - SC532062 Postage	753	1,000	922	0
532000 - SC532065 Printing, Duplication	4,093	5,000	4,767	4,500
532080 - SC532083 Telephone Service	1,926	2,000	1,932	1,700
532080 - SC532084 Cellular Service	3,496	3,750	3,912	3,980
532080 - SC532086 Other Communications	17,463	20,000	16,696	18,000
532080 - SC532087 Aircard Service	9,833	9,400	5,975	5,940
533080 - SC533085 Travel/Training	55,376	70,480	70,000	70,000
Total Contractual Services	**$1,156,603**	**$1,208,740**	**$1,293,185**	**$1,166,620**

FY2026 BUDGET
FIRE

LINE ITEM DETAIL

WD Ledger Account - Spend Category	FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
Other Charges and Services				
540000 - SC540007 Court Costs And Judgments	0	500	500	0
544087 - SC544087 Expense Reimbursement	(25,577)	(10,480)	(44,014)	(27,500)
540000 - SC540028 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**	**$17,839,840**

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	62,800
TOTAL	**$379,269**	**$422,006**	**$420,281**	**$413,800**

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 (-$11,444) includes a decrease (-$4,819) for garage charges, computer charges (-$6,712), 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

WD Ledger Account - Spend Category	FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
Personnel Services				
511000 - SC511001 Regular Payroll	$217,665	$253,659	$255,284	$253,660
511000 - SC511005 Longevity	457	570	557	680
511000 - SC511009 Overtime	10,954	0	0	1,500
511500 - SC511510 Group Health Insurance - Employer's	27,971	33,060	33,060	36,420
511500 - SC511515 Worker's Compensation	148	300	300	570
511500 - SC511520 Group Life Insurance	1,032	1,180	1,257	1,240
511500 - SC511530 Social Security - Employer's	13,811	15,759	15,659	15,860
511500 - SC511535 Medicare - Employer's	3,230	3,685	3,662	3,710
511500 - SC511542 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				
521000 - SC521001 Office Supplies	624	1,500	854	1,200
521000 - SC521009 Clothing	205	500	250	500
523000 - SC523125 Minor Equipment	0	2,000	1,000	1,500
Total Materials and Supplies	**$829**	**$4,000**	**$2,104**	**$3,200**
Contractual Services				
531000 - SC531025 Memberships	0	250	180	200
531300 - SC531350 Garage Charges	5,529	5,530	9,210	4,390
531300 - SC531360 Computer Charges	56,246	52,220	52,220	45,510
532080 - SC532084 Cellular Service	1,834	2,400	966	1,020
532080 - SC532086 Other Communications	4,749	8,250	4,800	4,800
532080 - SC532087 Aircard Service	1,213	700	1,368	1,380
533080 - SC533085 Travel/Training	2,933	4,500	4,500	4,500
535000 - SC535387 Public Education	600	2,000	1,000	1,000
Total Contractual Services	**$73,104**	**$75,850**	**$74,243**	**$62,800**
Total Expenses	**$379,269**	**$422,006**	**$420,281**	**$413,800**

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

WD Ledger Account - Spend Category	FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
Contractual Services				
531100 - SC531125 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	$746,740
Materials and Supplies	13,204	20,120	17,865	20,700
Contractual Services	313,279	352,040	317,284	348,100
Other Charges and Services	(21,677)	(7,250)	(15,392)	(32,500)
TOTAL	**$1,084,260**	**$1,149,518**	**$1,112,049**	**$1,083,040**

BUDGET HIGHLIGHTS (FY2026 BUDGET OVER/UNDER FY2025 ESTIMATED)

Personnel Services - Net increases (+$353,519) includes moving one (1) Deputy City Marshal to the Short Term Rental Fund (-$83,206), fund an overall 10% increase (+$10,950) in Group Health insurance, and the annualized cost of personnel (+$26,705).

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 (+$31,736) includes increase to Lot Maintenance and Lot Demolition (+$39,000) and various contractual account decreases (-$8,184)

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	1.70
Deputy Marshal	4.00	5.00	5.00	3.00
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

WD Ledger Account - Spend Category	FY2024 ACTUAL	FY2025 BUDGET	FY2026 ESTIMATED	FY2026 BUDGET
Personnel Services				
511000 - SC511001 Regular Payroll	$528,513	$582,750	$526,333	$491,600
511000 - SC511005 Longevity	2,605	3,000	2,520	2,520
511000 - SC511006 Differential Pay	1,185	1,130	1,459	1,540
511000 - SC511009 Overtime	6,609	10,000	18,835	10,000
511000 - SC511110 Incentive Pay	13,120	13,370	14,494	14,290
511000 - SC511125 Residency Pay	6,901	9,510	6,925	6,920
511500 - SC511510 Group Health Insurance	121,000	121,000	121,000	118,730
511500 - SC511515 Worker's Compensation	410	820	820	820
511500 - SC511520 Group Life Insurance	2,530	2,790	2,879	3,800
511500 - SC511530 Social Security - Employment	33,517	38,421	34,856	35,580
511500 - SC511535 Medicare - Employer's	7,839	8,982	8,152	8,320
511500 - SC511542 City Employee Retirement	72,479	82,745	75,671	76,620
511600 - SC511650 Salary Reimbursements	(23,872)	(89,910)	(25,000)	(24,000)
511600 - SC511655 Salary Reimbursements-Grants	6,620	0	3,348	0
Total Personnel Services	**$779,454**	**$784,608**	**$792,291**	**$746,740**
Materials and Supplies				
521000 - SC521001 Office Supplies	5,803	8,100	7,837	8,000
523000 - SC523100 Minor Office Equipment	609	1,120	1,120	1,500
521000 - SC521009 Clothing	5,732	5,000	2,830	5,000
523000 - SC523120 Minor Tools	420	500	500	1,000
523000 - SC523125 Minor Equipment	639	5,400	5,579	5,200
Total Materials and Supplies	**$13,204**	**$20,120**	**$17,865**	**$20,700**
Contractual Services				
531000 - SC531025 Memberships	150	150	150	150
531000 - SC531027 Certification & Permit Fees	100	600	590	380
531000 - SC531028 Software Licenses	14,335	34,600	14,765	15,000
531100 - SC531120 Lot Maintenance	32,256	40,000	40,000	50,000
531100 - SC531121 Lot Demolition	30,200	31,000	31,000	60,000
531100 - SC531125 Other Contracts	5,880	6,710	6,710	0
531100 - SC531125 Graffiti Removal	0	150	0	0
531200 - SC531240 Maintenance Contracts	3,465	3,500	3,465	5,000
531300 - SC531350 Garage Charges	85,810	89,410	79,184	70,610
531300 - SC531360 Computer Charges	107,517	107,520	107,520	102,700
535000 - SC535100 Water Service	3,499	0	0	0
532000 - SC532062 Postage	2,768	3,500	2,818	3,100
532000 - SC532065 Printing, Duplication	5,882	6,000	6,979	6,600
532080 - SC532083 Telephone Service	894	1,000	897	800
532080 - SC532084 Cellular Service	6,454	6,500	5,648	6,240
532080 - SC532086 Other Communications	1,620	1,700	1,620	11,600
532080 - SC532087 Aircard Service	6,168	6,300	6,053	6,420
533080 - SC533085 Travel/Training	4,293	7,000	6,185	4,500
533080 - SC533088 Training Expense	1,740	5,400	2,700	4,700
535000 - SC535388 Advertising	247	1,000	1,000	300
Total Contractual Services	**313,279**	**352,040**	**317,284**	**348,100**

FY2026 BUDGET
CITY MARSHAL

LINE ITEM DETAIL

WD Ledger Account - Spend Category	FY2024 ACTUAL	FY2025 BUDGET	FY2026 ESTIMATED	FY2026 BUDGET
Other Charges and Services				
540000 - SC540001 Filing and Releasing Fees	16,680	30,000	28,200	25,000
544087 - SC544087 Expense Reimbursement	(40,870)	(40,000)	(46,613)	(60,000)
540000 - SC540028 Miscellaneous Expense	0	250	36	0
540000 - SC540030 Bank Service Charges	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**	**$1,083,040**

FY2026 BUDGET
ANIMAL SERVICES

EXPENDITURE SUMMARY

	FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
Personnel Services	$0	$0	$0	$381,740
Materials and Supplies	0	0	0	7,500
Contractual Services	0	0	0	436,720
TOTAL	**$0**	**$0**	**$0**	**$825,960**

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
ANIMAL SERVICES

LINE ITEM DETAIL

WD Ledger Account - Spend Category	FY2024 ACTUAL	FY2025 BUDGET	FY2026 ESTIMATED	FY2026 BUDGET
Personnel Services				
511000 - SC511001 Regular Payroll	$0	$0	$0	$242,700
511000 - SC511005 Longevity	0	0	0	630
511000 - SC511006 Differential Pay	0	0	0	500
511000 - SC511009 Overtime	0	0	0	5,000
511000 - SC511110 Incentive Pay	0	0	0	5,000
511500 - SC511510 Group Health Insurance	0	0	0	72,840
511500 - SC511515 Worker's Compensation	0	0	0	650
511500 - SC511520 Group Life Insurance	0	0	0	1,110
511500 - SC511530 Social Security - Employment	0	0	0	15,740
511500 - SC511535 Medicare - Employer's	0	0	0	3,680
511500 - SC511542 City Employee Retirement	0	0	0	33,890
Total Personnel Services	**$0**	**$0**	**$0**	**$381,740**
Materials and Supplies				
521000 - SC521001 Office Supplies	0	0	0	500
523000 - SC523100 Minor Office Equipment	0	0	0	1,000
521000 - SC521009 Clothing	0	0	0	1,000
523000 - SC523125 Minor Equipment	0	0	0	5,000
Total Materials and Supplies	**$0**	**$0**	**$0**	**$7,500**
Contractual Services				
531000 - SC531005 Other Services	0	0	0	360,000
531300 - SC531350 Garage Charges	0	0	0	45,860
531300 - SC531360 Computer Charges	0	0	0	25,000
532080 - SC532084 Cellular Service	0	0	0	1,500
532080 - SC532086 Other Communications	0	0	0	600
532080 - SC532087 Aircard Service	0	0	0	1,680
533080 - SC533085 Travel/Training	0	0	0	1,500
533080 - SC533088 Training Expense	0	0	0	580
Total Contractual Services	0	0	0	436,720
Total Expenses	**$0**	**$0**	**$0**	**$825,960**

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	73,810
Other Charges and Services	(4,500)	(6,000)	(6,000)	(6,000)
TOTAL	**$1,940,809**	**$2,391,547**	**$2,102,144**	**$2,394,930**

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 (+$72,082) includes increases in maintenance contracts (+$20,000) and computer charges (+$51,060) 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

WD Ledger Account - Spend Category	FY2024 ACTUAL	FY2025 BUDGET	FY2026 ESTIMATED	FY2026 BUDGET
Personnel Services				
511000 - SC511001 Regular Payroll	$972,731	$1,391,460	$1,151,829	$1,313,430
511000 - SC511005 Longevity	6,603	6,520	6,095	6,090
511000 - SC511006 Differential Pay	904	910	837	910
511000 - SC511009 Overtime	311,098	285,000	298,721	300,000
511000 - SC511021 Part-Time Payroll	19,519	10,000	0	0
511000 - SC511110 Incentive Pay	17,576	17,230	21,225	14,580
511000 - SC511125 Residency Pay	10,038	10,050	9,879	8,040
511500 - SC511510 Group Health Insurance	317,376	291,000	291,000	320,500
511500 - SC511515 Worker's Compensation	2,582	5,170	5,170	5,170
511500 - SC511520 Group Life Insurance	4,749	6,290	5,051	6,360
511500 - SC511530 Social Security - Employment	80,361	107,233	90,947	101,870
511500 - SC511535 Medicare - Employer's	18,794	25,081	21,270	23,820
511500 - SC511542 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				
521000 - SC521001 Office Supplies	2,949	3,200	2,356	3,000
523000 - SC523100 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				
531200 - SC531230 Equipment Repairs	3,500	1,000	500	1,500
531200 - SC531240 Maintenance Contracts	0	0	0	20,000
531300 - SC531360 Computer Charges	0	0	0	51,060
532000 - SC532065 Printing, Duplication	1,116	1,250	1,228	1,250
Total Contractual Services	4,616	2,250	1,728	73,810
Other Charges and Services				
544087 - SC544087 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**	**$2,394,930**

FY2026 BUDGET
SPECIAL EVENTS

LINE ITEM DETAIL

WD Ledger Account - Spend Category	FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
Other Charges and Services				
544087 - SC544087 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				
535000 - SC535370 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.

Mardi Gras Budget and Expense

	FY24 ACTUAL	FY25 BUDGET	FY25 ACTUAL	FY26 BUDGET
General Fund				
Police	$174,785	$176,277	$170,519	$169,110
Fire	22,971	23,167	26,215	26,000
Public Works (1)	70,715	71,319	77,671	77,030
City Marshal	16,306	16,445	11,595	11,500
Parks	16,899	17,043	19,437	19,280
Emergency Management	0	0	0	0
Out of Agency & Other Contract Public Safety (2)	86,814	87,555	107,564	106,680
Subtotal General Fund	**$388,489**	**$391,806**	**$413,001**	**$409,600**
Other Funds				
Water - Public Works	$7,017	$7,077	$10,654	$10,570
Sewer - Public Works	15,276	15,406	13,787	13,670
Sanitation - Public Works (1)	45,421	45,809	42,717	42,360
Drainage - Public Works	21,476	21,660	18,505	18,350
Garage	0	0	0	0
Construction	3,094	3,120	1,460	1,450
Airport	2,073	2,090	1,802	1,790
Facilities	3,006	3,032	2,224	2,210
Subtotal Other Funds	**$97,364**	**$98,194**	**$91,149**	**$90,400**
Total Expense	**$485,853**	**$490,000**	**$504,150**	**$500,000**
Expense Reimbursement				
Fees Received ($1 per participant)	$103,594	$104,000	$61,644	$104,000
Reimbursement from Event Promoter	100,000	100,000	100,000	100,000
Expense Reimbursement Total	**$203,594**	**$204,000**	**$161,644**	**$204,000**
Total	**$282,258**	**$286,000**	**$342,506**	**$296,000**

NOTES:

(1) Totals for General Fund Public Works and Sanitation Public Works include labor and equipment costs.

(2) Contract Public Safety totals include outside agencies' police security, equipment rentals, and EMS.


CITY OF GALVESTON
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TEXAS

FY2026 BUDGET
PUBLIC WORKS OPERATIONS

DEPARTMENT	FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
Streets	$3,060,092	$2,371,977	$3,102,657	$2,336,320
Traffic	3,381,336	3,053,366	3,073,043	3,030,820
Public Works Operations Total	**$6,441,428**	**$5,425,343**	**$6,175,701**	**$5,367,140**

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	1,518,380
Contractual Services	1,194,026	1,381,586	1,428,208	1,111,400
Other Charges and Services	(511,478)	(964,000)	(477,886)	(753,800)
Capital Outlay	30,771	14,345	14,345	0
Public Works Operations Total	**$6,441,428**	**$5,425,343**	**$6,175,701**	**$5,367,140**

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 (+$1,236) for various line items throughout the departmental supply accounts.

Contractual Services - Net decrease (-$316,812) includes decreases (-$278,699) in garage charges, decreases (-$31,858) in computer charges, and decreases (-$6,251) 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 decrease (-$14,345) for Capital Outlay 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	779,040
Other Charges and Services	(493,626)	(960,000)	(461,627)	(739,800)
TOTAL	**$3,060,092**	**$2,371,977**	**$3,102,657**	**$2,336,320**

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 Development Corporation and increases (+$2,562) to miscellaneous supply accounts.

Contractual Services - Net decrease (-$279,032) includes decreases (-$268,286) in garage charges, computer charges (-$22,903), and increases (+$12,157) for miscellaneous contractual line items.

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

PERFORMANCE INDICATORS

INDICATORS	FY2023 ACTUAL	FY2024 ACTUAL	FY2025 ESTIMATED	FY2026 BUDGET
Potholes Patched - Service Request Completed w/in 24 hour Avg	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

WD Ledger Account - Spend Category	FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
Personnel Services				
511000 - SC511001 Regular Payroll	$1,557,879	$1,758,225	$1,709,501	$1,701,800
511000 - SC511005 Longevity	14,026	15,480	15,130	16,900
511000 - SC511006 Differential Pay	1,219	910	907	910
511000 - SC511009 Overtime	166,077	80,000	80,000	80,000
511000 - SC511125 Residency Pay	33,691	32,630	32,539	32,630
511500 - SC511510 Group Health Insurance	485,616	498,840	498,840	537,560
511500 - SC511515 Worker's Compensation	45,207	90,420	90,420	90,420
511500 - SC511520 Group Life Insurance	7,633	7,370	8,162	7,620
511500 - SC511530 Social Security - Employment	104,921	117,011	111,911	113,600
511500 - SC511535 Medicare - Employer's	24,538	27,364	26,173	26,570
511500 - SC511542 City Employee Retirement	230,609	251,947	245,303	244,610
511600 - SC511650 Salary Reimbursements	(436,024)	(513,420)	(486,202)	(500,000)
511600 - SC511655 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				
521000 - SC521001 Office Supplies	2,132	5,500	4,219	2,375
522000 - SC522011 Chemicals	4,581	200	574	0
521000 - SC521009 Clothing	34,778	25,000	25,000	30,000
522000 - SC522015 Concrete And Aggregate	297,391	300,000	289,064	300,000
522000 - SC522025 Fuel and Lubricants	0	0	1,917	475
522000 - SC522037 Janitorial Supplies	2,212	2,300	2,300	2,185
521100 - SC521105 Safety Supplies	7,318	8,000	8,000	12,700
523000 - SC523120 Minor Tools	13,903	16,000	13,641	13,500
523000 - SC523125 Minor Equipment	4,081	3,500	3,500	3,325
522000 - SC522065 Paint And Lumber	4,831	2,500	2,500	3,800
523000 - SC523135 Equipment Parts	2,274	3,500	1,797	2,000
521000 - SC521011 Other Materials	66,800	77,000	61,808	71,250
521000 - SC521013 Other Supplies	4,504	2,500	2,500	2,850
Total Materials and Supplies	**$444,804**	**$446,000**	**$416,820**	**$444,460**
Contractual Services				
531000 - SC531005 Other Services	219	0	90	200
531000 - SC531025 Memberships	36	0	0	0
531100 - SC531115 Refuse Disposal	1,554	1,500	1,503	1,500
531200 - SC531220 Building Repairs	1,790	0	0	0
531200 - SC531230 Equipment Repairs	5,470	15,000	8,909	11,300
531300 - SC531310 Rental Of Land & Buildings	73,024	74,850	74,900	76,730
531300 - SC531320 Equipment Rental	47,090	60,000	45,000	52,250
531300 - SC531350 Garage Charges	606,298	721,800	796,279	527,990
531300 - SC531360 Computer Charges	122,422	122,430	122,430	99,530
532000 - SC532065 Printing, Duplication	0	100	0	0
532080 - SC532083 Telephone Service	275	300	276	300
532080 - SC532084 Cellular Service	3,985	3,600	3,296	3,000
532080 - SC532086 Other Communications	3,268	3,500	3,207	3,300
532080 - SC532087 Aircard Service	2,165	1,200	1,431	1,440
533080 - SC533085 Travel/Training	149	1,500	750	1,500
535000 - SC535389 Food Services	5,777	0	0	0
Total Contractual Services	**$873,522**	**$1,005,780**	**$1,058,072**	**$779,040**

FY2026 BUDGET
STREETS

LINE ITEM DETAIL

WD Ledger Account - Spend Category	FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
Other Charges and Services				
540000 - SC540005 Project Management Costs	51,283	45,000	53,208	53,000
544087 - SC544087 Expense Reimbursement	(365,762)	(450,000)	(306,488)	(410,900)
544087 - SC544096 Expense Reimbursement-Project Mgmt	(119,493)	(475,000)	(128,347)	(312,700)
544087 - SC544097 Expense Reimb - Other	(59,654)	(80,000)	(80,000)	(69,200)
Total Other Charges and Services	**($493,626)**	**($960,000)**	**($461,627)**	**($739,800)**
Total Expenses	**$3,060,092**	**$2,371,977**	**$3,102,657**	**$2,336,320**

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 37th to 20th 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	1,073,920
Contractual Services	320,504	375,806	370,136	332,360
Other Charges and Services	(17,851)	(4,000)	(16,258)	(14,000)
Capital Outlay	30,771	14,345	14,345	0
TOTAL	**$3,381,336**	**$3,053,366**	**$3,073,043**	**$3,030,820**

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 (-$26,404) to various materials and supplies.

Contractual Services - Net decrease (-$37,776) includes decreases in Other Contracts(-$14,758) and a net decrease of (-$23,018) 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 (-$14,345) 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

WD Ledger Account - Spend Category	FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
Personnel Services				
511000 - SC511001 Regular Payroll	$920,666	$950,660	$954,698	$976,800
511000 - SC511005 Longevity	5,719	6,670	6,101	7,060
511000 - SC511009 Overtime	264,241	180,000	186,306	180,000
511000 - SC511125 Residency Pay	14,086	15,060	12,589	15,060
511500 - SC511510 Group Health Insurance	266,097	266,100	266,100	291,360
511500 - SC511515 Worker's Compensation	8,048	16,100	16,100	16,100
511500 - SC511520 Group Life Insurance	4,542	4,620	4,687	4,590
511500 - SC511530 Social Security - Employment	71,011	71,447	69,872	73,090
511500 - SC511535 Medicare - Employer's	16,607	16,706	16,341	17,090
511500 - SC511542 City Employee Retirement	157,010	153,843	154,810	157,390
511600 - SC511650 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				
521000 - SC521001 Office Supplies	3,917	4,500	5,424	4,270
521000 - SC521003 Printed Materials	903	1,500	750	250
522000 - SC522011 Chemicals	2,854	1,500	790	750
521000 - SC521009 Clothing	21,288	20,000	23,265	19,000
522000 - SC522017 Sign Materials	198,559	85,000	72,561	92,250
522000 - SC522025 Fuel and Lubricants	442	0	594	0
522000 - SC522037 Janitorial Supplies	2,291	2,000	3,460	2,500
521100 - SC521105 Safety Supplies	17,914	18,000	18,000	16,630
522000 - SC522045 Electrical Hardware	316,190	160,000	174,409	142,120
523000 - SC523120 Minor Tools	25,525	25,000	25,570	23,750
523000 - SC523125 Minor Equipment	48,041	33,509	38,492	41,800
522000 - SC522065 Paint And Lumber	44,970	75,000	70,211	61,750
523000 - SC523135 Equipment Parts	1,100	3,000	1,563	2,000
521000 - SC521013 Other Supplies	5,717	5,000	5,000	4,750
525000 - SC525031 Electricity	696,800	650,000	658,135	660,000
525000 - SC525032 Natural Gas	1,902	2,000	2,101	2,100
Total Materials and Supplies	**$1,388,414**	**$1,086,009**	**$1,100,324**	**$1,073,920**
Contractual Services				
531000 - SC531005 Other Services	0	0	90	0
531000 - SC531025 Memberships	1,160	2,000	1,613	1,140
531000 - SC531028 Software Licenses	0	0	714	0
531100 - SC531115 Refuse Disposal	4,927	5,000	5,249	4,900
531100 - SC531125 Other Contracts	66,276	110,000	89,758	75,000
531200 - SC531220 Building Repairs	0	2,146	2,146	0
531200 - SC531230 Equipment Repairs	8,003	9,000	4,607	6,840
531300 - SC531320 Equipment Rental	6,535	7,500	4,286	5,130
531300 - SC531350 Garage Charges	171,453	127,310	149,948	139,540
531300 - SC531360 Computer Charges	31,049	86,190	86,190	77,230
532000 - SC532062 Postage	0	0	92	0
532080 - SC532083 Telephone Service	206	300	207	180
532080 - SC532084 Cellular Service	7,495	6,900	7,326	7,020
532080 - SC532086 Other Communications	8,424	8,460	7,210	7,160
532080 - SC532087 Aircard Services	912	1,000	701	720
533080 - SC533085 Travel/Training	7,946	10,000	10,000	7,500
535000 - SC535389 Food Services	6,118	0	0	0
Total Contractual Services	**$320,504**	**$375,806**	**$370,136**	**$332,360**

FY2026 BUDGET
TRAFFIC

LINE ITEM DETAIL

WD Ledger Account - Spend Category	FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
Other Charges and Services				
544087 - SC544087 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				
560000 - SC564003 Vehicle Capital Outlay	0	0	0	0
560000 - SC564117 Machinery & Equipment	30,771	14,345	14,345	0
Total Capital Outlay	**$30,771**	**$14,345**	**$14,345**	**$0**
Total Expenses	**$3,381,336**	**$3,053,366**	**$3,073,043**	**$3,030,820**


CITY OF GALVESTON
1839
TEXAS

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	$1,341,400
Parks and Parkways	2,464,629	3,019,931	2,861,340	2,921,040
Parks and Recreation Operations Total	**$3,770,415**	**$4,290,387**	**$4,178,847**	**$4,262,440**

CATEGORY	FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
Personnel Services	$2,500,778	$2,810,242	$2,735,405	$2,970,510
Materials and Supplies	513,570	455,665	448,489	487,200
Contractual Services	830,196	1,100,730	1,133,582	878,930
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**	**$4,262,440**

HIGHLIGHTS (FY2026 Budget Over/Under FY2025 Estimated)

Personnel Services - Net increase (+$235,105) includes a 10% increase (+$65,200) in Group Health insurance, and an increase in the annualized cost ($169,905) 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 (+$43,137), decrease in computer charges (-$39,412) 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	$2,970,510

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	251,390
Other Charges and Services	5,984	3,750	(52,629)	5,800
TOTAL	**$1,305,786**	**$1,270,456**	**$1,317,507**	**$1,341,400**

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 (-$81,133) includes a decrease (-$50,000) for building repairs related to Hurricane Beryl, a decreases (-$39,362) 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

WD Ledger Account - Spend Category	FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
Personnel Services				
511000 - SC511001 Regular Payroll	$398,384	$431,519	$408,860	$439,840
511000 - SC511005 Longevity	2,195	2,450	2,463	2,810
511000 - SC511009 Overtime	12,802	3,000	6,807	3,000
511000 - SC511021 Part-Time Payroll	214,288	135,000	220,000	220,000
511000 - SC511125 Residency Pay	3,138	3,140	1,502	3,140
511500 - SC511510 Group Health Insurance	95,874	95,870	95,870	105,620
511500 - SC511515 Worker's Compensation	670	1,340	1,340	1,340
511500 - SC511520 Group Life Insurance	1,960	2,000	2,149	2,140
511500 - SC511530 Social Security - Employment	37,821	35,654	38,307	38,980
511500 - SC511535 Medicare - Employer's	8,845	8,338	8,959	9,120
511500 - SC511542 City Employee Retirement	54,264	58,763	56,021	59,920
511600 - SC511650 Salary Reimbursements	(671)	0	(1,358)	0
Total Personnel Services	**$829,569**	**$777,074**	**$840,920**	**$885,910**
Materials and Supplies				
521000 - SC521001 Office Supplies	23,515	24,000	21,000	22,000
521000 - SC521009 Clothing	3,475	3,500	2,800	2,000
522000 - SC522037 Janitorial Supplies	31,162	33,000	33,000	32,000
521100 - SC521105 Safety Supplies	720	500	500	500
522000 - SC522040 Recreation Supplies	19,304	19,000	17,000	19,000
523000 - SC523125 Minor Equipment	3,232	2,500	2,000	2,500
522000 - SC522065 Paint and Lumber	2,129	1,000	0	0
525000 - SC525031 Electricity	117,041	118,620	118,000	118,000
525000 - SC525032 Natural Gas	2,193	2,250	2,400	2,300
Total Materials and Supplies	**$202,770**	**$204,370**	**$196,700**	**$198,300**
Contractual Services				
531000 - SC531014 Building Security	8,038	8,000	7,300	8,000
531000 - SC531025 Memberships	2,228	2,500	2,200	2,200
531000 - SC531028 Software Licenses	0	2,700	1,575	1,580
531200 - SC531220 Building Repairs	22,471	32,058	90,000	40,000
531200 - SC531230 Equipment Repairs	11,644	12,000	10,000	11,000
531200 - SC531240 Maintenance Contracts	2,964	2,400	3,400	3,000
531300 - SC531320 Equipment Rental	6,112	6,884	5,200	5,000
531300 - SC531360 Computer Charges	190,406	188,690	188,690	149,330
532000 - SC532062 Postage	34	30	30	40
532000 - SC532065 Printing, Duplication	999	1,000	1,000	1,000
532080 - SC532083 Telephone Service	4,027	4,000	4,020	4,000
532080 - SC532084 Cellular Service	652	500	483	490
532080 - SC532086 Other Communications	13,583	13,500	13,000	16,500
532080 - SC532087 Aircard Service	976	1,500	1,500	1,500
533080 - SC533085 Travel/Training	3,328	8,500	3,300	7,000
535000 - SC535388 Advertising	0	1,000	818	750
Total Contractual Services	**$267,463**	**$285,262**	**$332,516**	**$251,390**
Other Charges and Services				
540000 - SC540008 Meeting Expenditures	1,002	1,000	0	1,000
544087 - SC544087 Expense Reimbursement	(4,884)	(6,450)	(14,350)	(5,000)
540000 - SC540027 Reimbursable from Insurance Claims	0	0	(47,479)	0
540000 - SC540030 Bank Service Charges	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**	**$1,341,400**


CITY OF GALVESTON
1839
TEXAS

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	$2,084,600
Materials and Supplies	310,800	251,295	251,789	288,900
Contractual Services	562,733	815,468	801,066	627,540
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**	**$2,921,040**

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 ($134,665) for personnel.

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

Contractual Services - Net decrease (-$173,529) includes decreases (-173,616) for equipment repairs to park equipment and building repairs (-$45,000) related to Hurricane Beryl, increases for garage charges (+$43,137) 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 Acreage	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

WD Ledger Account - Spend Category	FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
Personnel Services				
511000 - SC511001 Regular Payroll	$1,330,792	$1,599,780	$1,532,584	$1,639,680
511000 - SC511005 Longevity	9,644	11,960	9,933	11,770
511000 - SC511006 Differential Pay	2,015	1,830	1,813	1,830
511000 - SC511009 Overtime	150,055	132,500	132,500	132,500
511000 - SC511125 Residency Pay	29,864	30,120	27,695	27,610
511500 - SC511510 Group Health Insurance - Employer's	517,058	502,510	502,510	557,960
511500 - SC511515 Worker's Compensation	11,973	23,900	23,900	23,900
511500 - SC511520 Group Life Insurance	6,596	7,560	7,431	8,000
511500 - SC511530 Social Security - Employer's	91,170	110,123	104,194	112,590
511500 - SC511535 Medicare - Employer's	21,322	25,755	24,368	26,330
511500 - SC511542 City Employee Retirement	198,378	237,130	227,555	242,430
511600 - SC511650 Salary Reimbursements	(697,659)	(650,000)	(700,000)	(700,000)
Total Personnel Services	**$1,671,208**	**$2,033,168**	**$1,894,485**	**$2,084,600**
Materials and Supplies				
521000 - SC521001 Office Supplies	2,480	4,000	2,400	3,000
522000 - SC522003 Agriculture Supplies	58,116	36,000	40,000	48,000
522000 - SC522012 Park Equipment and Supplies	179,381	128,135	135,000	160,000
521000 - SC521009 Clothing	27,764	27,000	27,000	32,000
522000 - SC522037 Janitorial Supplies	24,053	24,000	25,000	24,000
522000 - SC522045 Electrical Hardware	4,413	9,000	3,000	4,400
523000 - SC523120 Minor Tools	3,416	5,000	2,800	3,500
523000 - SC523125 Minor Equipment	2,700	5,000	4,000	3,500
522000 - SC522065 Paint and Lumber	168	3,000	1,600	2,000
523000 - SC523135 Equipment Parts	988	0	0	0
525000 - SC525031 Electricity	7,319	10,160	10,989	8,500
Total Materials and Supplies	**$310,800**	**$251,295**	**$251,789**	**$288,900**
Contractual Services				
531000 - SC531025 Memberships	180	600	300	250
531100 - SC531115 Refuse Disposal	130	1,000	300	250
531100 - SC531119 Landscaping Services	241,110	256,100	244,100	245,000
531200 - SC531220 Building Repairs	5,800	26,292	48,000	3,000
531200 - SC531230 Equipment Repairs	13,296	223,616	223,616	50,000
531300 - SC531320 Equipment Rental	9,944	12,000	9,000	10,000
531300 - SC531350 Garage Charges	286,233	286,760	270,000	313,140
532000 - SC532065 Printing and Duplication	0	100	50	0
532080 - SC532084 Cellular Service	4,279	5,000	4,300	3,900
533080 - SC533085 Travel and Training	1,761	4,000	1,400	2,000
Total Contractual Services	**$562,733**	**$815,468**	**$801,066**	**$627,540**
Other Charges and Services				
544087 - SC544087 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				
560000 - SC564003 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**	**$2,921,040**

FY2026 BUDGET
DEVELOPMENTAL SERVICES OPERATIONS SUMMARY

DEPARTMENT	FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
Building Inspection	866,385	939,926	990,942	1,002,300
Planning	1,200,381	1,242,210	1,174,241	1,283,500
Developmental Services Total	**$2,066,767**	**$2,182,136**	**$2,165,182**	**$2,285,800**

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	359,940
Other Charges and Services	29,023	35,000	31,348	35,000
Developmental Services Total	**$2,066,767**	**$2,182,136**	**$2,165,182**	**$2,285,800**

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 (+$23,246) includes the City's match on an AA Recognition (+$20,000), and increases (+$3,246) 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	127,400
TOTAL	**$866,385**	**$939,926**	**$990,942**	**$1,002,300**

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 (+$12,316) includes an increase in computer charges (+$11,052), and increases (+$1,264) 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

WD Ledger Account - Spend Category	FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
Personnel Services				
511000 - SC511001 Regular Payroll	$521,873	$574,560	$601,715	$599,400
511000 - SC511005 Longevity	3,076	3,290	3,585	4,020
511000 - SC511006 Differential Pay	125	0	907	0
511000 - SC511009 Overtime	2,290	0	9,345	0
511000 - SC511125 Residency Pay	4,394	5,020	5,036	5,020
511500 - SC511510 Group Health Insurance	119,016	119,020	119,020	131,120
511500 - SC511515 Worker's Compensation	358	720	720	900
511500 - SC511520 Group Life Insurance	2,336	2,660	2,923	2,920
511500 - SC511530 Social Security - Employment	30,859	36,136	37,443	37,720
511500 - SC511535 Medicare - Employer's	7,217	8,447	8,757	8,820
511500 - SC511542 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				
521000 - SC521001 Office Supplies	2,505	3,000	2,922	3,000
521000 - SC521003 Printed Materials	392	200	539	550
521000 - SC521009 Clothing	20	200	100	200
Total Materials and Supplies	**$2,916**	**$3,400**	**$3,561**	**$3,750**
Contractual Services				
531000 - SC531004 Consultant Services	7,446	15,000	15,000	12,000
531000 - SC531025 Memberships	1,295	1,300	1,300	1,300
531000 - SC531027 Certification & Permit Fees	59	110	55	90
531300 - SC531350 Garage Charges	22,300	22,300	29,160	26,310
531300 - SC531360 Computer Charges	38,940	38,940	38,940	49,990
532000 - SC532065 Printing, Duplication	4,210	4,000	4,000	8,000
532080 - SC532083 Telephone Service	482	500	444	450
532080 - SC532084 Cellular Service	1,430	1,500	1,448	1,500
532080 - SC532087 Aircard Service	3,191	3,200	2,738	2,760
533080 - SC533085 Travel/Training	22,801	22,000	22,000	25,000
535000 - SC535388 Advertising	286	0	0	0
Total Contractual Services	**$102,440**	**$108,850**	**$115,084**	**$127,400**
Total Expenses	**$866,385**	**$939,926**	**$990,942**	**$1,002,300**


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	232,540
Other Charges and Services	29,023	35,000	31,348	35,000
TOTAL	**$1,200,381**	**$1,242,210**	**$1,174,241**	**$1,283,500**

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 (+$10,931) includes the City's match on an AA Recognition (+$20,000) and decreases (-$9,069) 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
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

WD Ledger Account - Spend Category	FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
Personnel Services				
511000 - SC511001 Regular Payroll	$850,893	$894,495	$845,347	$916,000
511000 - SC511005 Longevity	3,263	3,570	3,209	3,640
511000 - SC511006 Differential Pay	1,807	1,830	1,024	1,830
511000 - SC511009 Overtime	489	0	17	0
511000 - SC511021 Part-time Payroll	16,502	22,500	32,011	18,600
511000 - SC511125 Residency Pay	7,529	7,530	5,362	7,530
511500 - SC511510 Group Health Insurance	119,579	119,020	119,020	131,110
511500 - SC511515 Worker's Compensation	448	900	900	1,130
511500 - SC511520 Group Life Insurance	4,184	4,140	3,954	4,350
511500 - SC511530 Social Security - Employment	53,452	57,411	54,411	58,750
511500 - SC511535 Medicare - Employer's	12,501	13,428	12,725	13,740
511500 - SC511542 City Employee Retirement	112,768	121,146	113,449	124,030
511600 - SC511650 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				
521000 - SC521001 Office Supplies	4,253	4,000	4,246	5,250
523000 - SC523100 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				
531000 - SC531025 Memberships	1,469	2,000	2,418	2,000
531000 - SC531028 Software Licenses	105,126	108,280	108,280	108,280
531100 - SC531125 Other Contracts	0	0	0	20,000
531300 - SC531350 Garage Charges	4,460	4,460	5,832	5,270
531300 - SC531360 Computer Charges	67,062	67,070	67,070	54,890
532000 - SC532062 Postage	11,213	9,500	9,535	9,000
532000 - SC532065 Printing, Duplication	8,753	12,720	8,634	12,000
532080 - SC532083 Telephone Service	894	900	897	900
532080 - SC532084 Cellular Service	4,355	4,500	4,345	4,400
532080 - SC532086 Other Communications	195	300	0	200
532080 - SC532087 Aircard Service	773	900	502	600
533080 - SC533085 Travel/Training	7,124	5,000	5,000	5,000
535000 - SC535388 Advertising	5,379	12,000	9,094	10,000
Total Contractual Services	**$216,805**	**$227,630**	**$221,606**	**$232,540**
Other Charges and Services				
540000 - SC540030 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**	**$1,283,500**

FY2026 BUDGET
GENERAL GOVERNMENT OPERATIONS

DEPARTMENT	FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
City Secretary	$637,983	$682,544	$680,878	$714,200
Elections	77,609	40,000	40,000	$75,000
Municipal Court	816,581	882,802	880,410	$895,230
City Manager	778,748	836,349	826,675	$804,020
City Auditor	455,031	412,639	523,249	$531,120
City Attorney	1,032,655	1,144,984	1,120,896	$1,128,850
Human Resources	648,090	690,225	667,643	$722,490
Island Transit - Local Match	975,000	825,000	500,000	$800,000
General Government Operations Total	**$5,421,697**	**$5,514,543**	**$5,239,752**	**$5,670,910**

CATEGORY	FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
Personnel Services	$3,675,996	$3,938,453	$3,881,449	$4,017,490
Materials and Supplies	60,342	73,630	65,498	76,040
Contractual Services	1,605,583	1,503,510	1,147,071	1,455,980
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**	**$5,239,752**	**$5,670,910**

HIGHLIGHTS (FY2026 Budget Over/Under FY2025 Estimated)

Personnel Services - Net increase (+$136,041) includes a 10% increases (+$40,580) 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 (+408,987) include increase (+$300,000) in General Fund transfers to Island Transit, and increases (+$8,897) to various departmental 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	30.20
General Government - Personnel Costs	$3,675,996	$3,938,453	$3,881,449	$4,017,490

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	$511,560
Materials and Supplies	8,061	9,500	7,819	8,400
Contractual Services	131,111	150,830	146,639	152,240
Other Charges and Services	25,629	19,500	20,904	42,000
TOTAL	**$637,983**	**$682,544**	**$680,878**	**$714,200**

BUDGET HIGHLIGHTS (FY2026 BUDGET OVER/UNDER FY2025 ESTIMATED)

Personnel Services - Net increases (+$6,044) primarily in Group Health Insurance.

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

Contractual Services - Net increase (+$5,597) includes an increase (+$4,030) in codification expenses from FY25 and increases (+$1,571) 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 anniversary 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	1.00
Senior Administrative Assistant	1.00	1.00	1.00	0.00
TOTAL	**4.00**	**4.00**	**4.00**	**4.00**

FY2026 BUDGET
CITY SECRETARY

LINE ITEM DETAIL

WD Ledger Account - Spend Category	FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
Personnel Services				
511000 - SC511001 Regular Payroll	$340,387	$365,200	$366,906	$367,000
511000 - SC511005 Longevity	1,604	1,760	1,813	2,000
511000 - SC511006 Differential Pay	2,590	1,810	2,720	2,720
511000 - SC511009 Overtime	2,504	1,200	1,200	1,200
511000 - SC511125 Residency Pay	0	0	0	0
511500 - SC511510 Group Health Insurance	52,896	52,900	52,900	58,280
511500 - SC511515 Worker's Compensation	222	450	450	450
511500 - SC511520 Group Life Insurance	1,672	1,690	1,708	1,590
511500 - SC511530 Social Security - Employment	21,018	22,941	22,752	23,120
511500 - SC511535 Medicare - Employer's	4,916	5,367	5,321	5,410
511500 - SC511542 City Employee Retirement	45,374	49,396	49,747	49,790
Total Personnel Services	**$473,182**	**$502,714**	**$505,516**	**$511,560**
Materials and Supplies				
521000 - SC521001 Office Supplies	5,765	6,500	4,869	6,000
523000 - SC523100 Minor Office Equipment	1,941	2,500	2,500	2,000
521000 - SC521003 Printed Materials	355	500	450	400
Total Materials and Supplies	**$8,061**	**$9,500**	**$7,819**	**$8,400**
Contractual Services				
531000 - SC531012 Records Management	22,451	25,000	29,859	29,000
531000 - SC531020 Codification Charges	11,770	15,000	8,470	12,500
531000 - SC531025 Memberships	17,018	21,000	28,244	28,300
531300 - SC531360 Computer Charges	49,756	49,760	49,760	48,610
532000 - SC532062 Postage	1,148	800	1,206	1,100
532000 - SC532065 Printing, Duplication	4,553	12,000	5,064	8,000
532080 - SC532083 Telephone Service	619	650	621	700
532080 - SC532084 Cellular Service	4,617	4,300	4,709	4,380
532080 - SC532086 Other Communications	932	575	828	900
532080 - SC532087 Aircard Service	2,510	2,200	1,261	1,200
533080 - SC533084 Council Members Travel/Training	3,366	6,000	3,177	5,000
533080 - SC533085 Travel/Training	5,131	5,000	5,326	5,000
535000 - SC535388 Advertising	7,240	8,500	8,114	7,500
534000 - SC534030 Surety Bond & Notary Fees	0	45	0	50
Total Contractual Services	**$131,111**	**$150,830**	**$146,639**	**$152,240**
Other Charges and Services				
540000 - SC540008 Meeting Expenditures	13,706	7,500	8,904	15,000
540000 - SC540009 Commemoration	486	500	500	500
540000 - SC540010 Protocol	7,737	7,500	7,500	7,500
540000 - SC540012 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**	**$714,200**

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

WD Ledger Account - Spend Category	FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
Contractual Services				
531100 - SC531125 Other Contracts	$75,779	$30,000	$30,000	$65,000
535000 - SC535388 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	185,130
Other Charges and Services	50,850	45,000	108,880	70,000
TOTAL	**$816,581**	**$882,802**	**$880,410**	**$895,230**

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 (-$21,738) includes a decrease in the allocation method of Comcast ethernet -($25,624) with various increases (+$3,886) 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

WD Ledger Account - Spend Category	FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
Personnel Services				
511000 - SC511001 Regular Payroll	$361,962	$397,635	$357,545	$414,330
511000 - SC511005 Longevity	3,777	4,530	3,823	4,250
511000 - SC511006 Differential Pay	2,669	2,700	2,720	2,710
511000 - SC511009 Overtime	186	500	500	500
511000 - SC511125 Residency Pay	3,981	2,500	2,518	5,040
511500 - SC511510 Group Health Insurance	119,016	119,020	119,020	131,120
511500 - SC511515 Worker's Compensation	593	1,190	1,190	1,190
511500 - SC511520 Group Life Insurance	1,802	1,940	1,859	2,020
511500 - SC511530 Social Security - Employment	21,677	25,284	25,218	26,460
511500 - SC511535 Medicare - Employer's	5,070	5,915	5,898	6,190
511500 - SC511542 City Employee Retirement	48,573	54,458	54,849	56,990
511600 - SC511650 Salary Reimbursements	(19,772)	(17,500)	(17,500)	(17,500)
Total Personnel Services	**$549,533**	**$598,172**	**$557,640**	**$633,300**
Materials and Supplies				
521000 - SC521001 Office Supplies	3,180	6,000	5,320	5,000
523000 - SC523100 Minor Office Equipment	0	1,250	1,250	1,500
521000 - SC521009 Clothing	0	600	450	300
Total Materials and Supplies	**$3,180**	**$7,850**	**$7,020**	**$6,800**
Contractual Services				
531000 - SC531018 Contractual Labor	68,100	70,725	70,575	72,000
531000 - SC531025 Memberships	0	55	55	60
531100 - SC531125 Other Contracts	1,290	1,316	1,315	1,350
531200 - SC531240 Maintenance Contracts	26,265	31,440	31,440	34,290
531300 - SC531360 Computer Charges	49,756	49,760	49,760	43,630
532000 - SC532062 Postage	15,217	21,000	15,107	16,000
532000 - SC532065 Printing, Duplication	10,416	13,000	7,854	13,500
532080 - SC532086 Other Communications	40,706	41,500	27,924	2,300
533080 - SC533085 Travel/Training	1,267	2,984	2,840	2,000
Total Contractual Services	**$213,018**	**$231,780**	**$206,870**	**$185,130**
Other Charges and Services				
540000 - SC540030 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**	**$895,230**


CITY OF GALVESTON
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TEXAS

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	32,320
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**	**$804,020**

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 (-$7,761) 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

WD Ledger Account - Spend Category	FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
Personnel Services				
511000 - SC511001 Regular Payroll	$583,417	$613,851	$615,421	$615,860
511000 - SC511005 Longevity	1,304	1,440	1,413	1,560
511000 - SC511006 Differential Pay	904	910	907	910
511000 - SC511007 Vehicle/Motor Allowance	17,965	18,000	18,128	18,070
511000 - SC511009 Overtime	1,227	0	0	0
511000 - SC511021 Part-Time Payroll	4,564	0	5,000	5,120
511000 - SC511125 Residency Pay	5,019	5,040	5,036	5,040
511500 - SC511510 Group Health Insurance	39,853	39,680	39,680	43,710
511500 - SC511515 Worker's Compensation	418	840	840	840
511500 - SC511520 Group Life Insurance	2,247	2,850	2,257	2,990
511500 - SC511530 Social Security - Employment	24,958	27,942	27,938	26,580
511500 - SC511535 Medicare - Employer's	8,762	9,274	9,226	9,380
511500 - SC511542 City Employee Retirement	79,897	85,342	85,252	85,640
511600 - SC511650 Salary Reimbursements	(55,055)	(50,000)	(50,000)	(50,000)
Total Personnel Services	**$715,478**	**$755,169**	**$761,098**	**$765,700**
Materials and Supplies				
521000 - SC521001 Office Supplies	5,201	5,000	5,000	5,000
Total Materials and Supplies	**$5,201**	**$5,000**	**$5,000**	**$5,000**
Contractual Services				
531000 - SC531016 Professional Services	0	0	3,270	0
531000 - SC531025 Memberships	3,861	3,800	3,800	3,800
531300 - SC531360 Computer Charges	23,796	23,800	23,800	21,620
532000 - SC532062 Postage	114	150	130	150
532000 - SC532065 Printing, Duplication	1,823	3,000	1,790	2,500
532080 - SC532083 Telephone Service	619	630	621	530
532080 - SC532084 Cellular Service	1,166	1,100	1,530	1,560
532080 - SC532086 Other Communications	907	900	1,159	1,200
532080 - SC532087 Aircard Service	1,474	1,800	1,015	960
533080 - SC533083 Travel/Training	2,487	5,000	2,962	0
Total Contractual Services	**$36,248**	**$40,180**	**$40,078**	**$32,320**
Other Charges and Services				
540000 - SC540008 Meeting Expenditures	0	1,000	500	1,000
540000 - SC540013 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**	**$804,020**


CITY OF GALVESTON
1839
TEXAS

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	40,690
Other Charges and Services	(22,800)	(115,750)	(16,400)	0
TOTAL	**$455,031**	**$412,639**	**$523,249**	**$531,120**

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 (-$16,728) includes eliminating funding (-$15,000) for temporary personnel and various adjustments (-$1,728) 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

WD Ledger Account - Spend Category	FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
Personnel Services				
511000 - SC511001 Regular Payroll	$324,741	$363,237	$360,779	$363,240
511000 - SC511005 Longevity	1,263	1,420	1,264	1,410
511500 - SC511510 Group Health Insurance	39,672	39,680	39,680	43,700
511500 - SC511515 Worker's Compensation	148	300	300	380
511500 - SC511520 Group Life Insurance	1,616	1,690	1,777	1,770
511500 - SC511530 Social Security - Employment	19,414	22,612	22,032	22,610
511500 - SC511535 Medicare - Employer's	4,620	5,291	5,211	5,290
511500 - SC511542 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				
521000 - SC521001 Office Supplies	2,337	2,300	1,859	2,300
525000 - SC525031 Electricity	680	750	655	700
525000 - SC525032 Natural Gas	310	300	344	340
Total Materials and Supplies	**$3,327**	**$3,350**	**$2,859**	**$3,340**
Contractual Services				
531000 - SC531015 Temporary Employee Services	0	0	15,000	0
531300 - SC531310 Rental Of Land & Buildings	20,768	20,530	22,154	21,360
531300 - SC531360 Computer Charges	15,143	15,150	15,150	13,130
532000 - SC532062 Postage	42	20	20	30
532000 - SC532065 Printing, Duplication	591	750	642	750
532000 - SC532066 Print Shop Charges	206	210	207	180
532080 - SC532083 Telephone Service	456	460	258	240
533080 - SC533085 Travel/Training	3,338	5,000	3,984	5,000
Total Contractual Services	**$40,544**	**$42,120**	**$57,415**	**$40,690**
Other Charges and Services				
544087 - SC544087 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**	**$531,120**


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	69,890
Other Charges and Services	2,752	10,500	10,000	6,000
TOTAL	**$1,032,655**	**$1,144,984**	**$1,120,896**	**$1,128,850**

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 (-$8,070) include reductions in computer charges (-$4,156), Travel and Training (-$3,000) and decreases (-$914) 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
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

WD Ledger Account - Spend Category	FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
Personnel Services				
511000 - SC511001 Regular Payroll	$774,450	$822,903	$825,473	$825,500
511000 - SC511005 Longevity	2,024	2,230	2,224	2,510
511000 - SC511006 Differential Pay	904	910	907	910
511500 - SC511510 Group Health Insurance	79,708	79,350	79,350	87,410
511500 - SC511515 Worker's Compensation	520	1,040	1,040	1,040
511500 - SC511520 Group Life Insurance	3,741	3,770	3,948	4,010
511500 - SC511530 Social Security - Employment	44,289	51,211	47,866	51,390
511500 - SC511535 Medicare - Employer's	11,093	11,981	11,875	12,020
511500 - SC511542 City Employee Retirement	73,709	81,829	77,755	80,800
511500 - SC511547 ICMA-401A Governmental Money Plan	19,294	28,450	19,504	20,870
511600 - SC511650 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				
521000 - SC521001 Office Supplies	1,121	2,000	1,000	1,000
523000 - SC523100 Minor Office Equipment	427	1,500	0	1,000
521000 - SC521003 Printed Materials	10,759	12,000	12,000	14,500
521000 - SC521009 Clothing	0	180	0	0
Total Materials and Supplies	**$12,306**	**$15,680**	**$13,000**	**$16,500**
Contractual Services				
531000 - SC531006 Attorney's Fees	8,349	25,000	25,000	25,000
531000 - SC531025 Memberships	4,484	3,000	3,000	2,000
531300 - SC531360 Computer Charges	36,776	36,780	36,780	32,630
532000 - SC532062 Postage	1,755	2,000	700	1,000
532000 - SC532065 Printing, Duplication	591	1,500	650	460
532080 - SC532083 Telephone Service	482	600	480	500
532080 - SC532084 Cellular Service	522	500	474	500
532080 - SC532087 Aircard Service	456	750	870	800
533080 - SC533085 Travel/Training	4,853	15,000	10,000	7,000
Total Contractual Services	**$58,267**	**$85,130**	**$77,954**	**$69,890**
Other Charges and Services				
540000 - SC540007 Court Costs And Judgment	2,752	10,000	10,000	6,000
540000 - SC540008 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**	**$1,128,850**


CITY OF GALVESTON
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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, valuing and accepting all perspectives and promoting opportunities for all employees for professional growth.

ACCOMPLISHMENTS

- Implementation and Training of City Employees on Phase I Workday HRIS commencing 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 with 95% on-time completion rate.
- Implemented 5 new vendors that cover 11 new benefits plans overall.
- Successfully implemented the Workday platform for benefits with positive feedback 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 health insurance 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 Civil Service entrance exams for the Fire and Police Departments, including the successful implementation of quarterly entrance exams for the Police Department resulting in the highest number of eligible candidates in the Police Department in several years.
- 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.
- Successfully on-boarded Park Board employees during the transition from the Park Board of some City Parks, the Call Center, and HOT Collections into the City’s Parks Department, Finance Department, and Emergency Management Department.

GOALS

- Review, update and monitor policies and procedures consistent with the direction of the Manager’s office.
- Build an extensive talent pipeline and maintain low turnover rates.
- Enhance employee wellness initiatives with a goal of increasing employee participation in wellness programs by 15%.
- Enhance employee benefits education with quarterly newsletters, flyers, information packets and updated FAQs.
- Implement an automated dependent verification process to reduce compliance risk.
- Host and Conduct training courses for all employees on the City Drug & Alcohol Policy and Testing Procedures; Discrimination, Harassment and Hostile Work Environment; Conflict Resolution; Tolerance and Recognition for all City Employees; and Increase employee engagement across the organization**.**
- 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	100,710
Other Charges and Services	1,527	3,700	1,850	2,400
TOTAL	**$648,090**	**$690,225**	**$667,643**	**$722,490**

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 (+$22,596) 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 (-$3,181) 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

WD Ledger Account - Spend Category	FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
Personnel Services				
511000 - SC511001 Regular Payroll	$383,893	$401,935	$396,303	$410,410
511000 - SC511005 Longevity	1,569	1,770	1,723	1,970
511000 - SC511006 Differential Pay	1,807	1,830	1,813	1,830
511000 - SC511009 Overtime	4,226	1,000	1,000	1,000
511000 - SC511125 Residency Pay	2,259	2,270	2,264	2,270
511500 - SC511510 Group Health Insurance	68,738	68,740	68,740	75,730
511500 - SC511515 Worker's Compensation	244	490	490	490
511500 - SC511520 Group Life Insurance	1,878	1,910	1,955	2,010
511500 - SC511530 Social Security - Employment	23,083	25,350	24,321	25,880
511500 - SC511535 Medicare - Employer's	5,398	5,928	5,688	6,050
511500 - SC511542 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				
521000 - SC521001 Office Supplies	5,103	6,000	3,800	4,500
523000 - SC523100 Minor Office Equipment	138	750	750	1,000
521000 - SC521005 Training Materials	23,025	25,000	25,000	30,000
521000 - SC521009 Clothing	0	500	250	500
Total Materials and Supplies	**$28,266**	**$32,250**	**$29,800**	**$36,000**
Contractual Services				
531000 - SC531015 Temporary Employee Services	11,046	0	10,783	25,000
531000 - SC531025 Memberships	1,252	1,500	1,500	1,500
531100 - SC531125 Other Contracts	2,653	15,000	4,440	12,000
531300 - SC531360 Computer Charges	30,715	30,720	30,720	27,140
532000 - SC532062 Postage	1,819	3,000	2,116	2,500
532000 - SC532065 Printing, Duplication	2,481	4,000	2,696	2,600
532080 - SC532083 Telephone Service	482	750	483	500
532080 - SC532084 Cellular Service	1,120	1,250	1,036	1,020
532080 - SC532086 Other Communications	291	250	331	360
532080 - SC532087 Aircard Service	1,140	1,000	1,010	1,090
533080 - SC533085 Travel/Training	8,622	16,000	8,000	12,000
535000 - SC535388 Advertising	12,165	15,000	15,000	15,000
Total Contractual Services	**$73,786**	**$88,470**	**$78,116**	**$100,710**
Other Charges and Services				
540000 - SC540008 Meeting Expenditures	388	700	350	400
540000 - SC540013 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**	**$722,490**

FY2026 BUDGET
ISLAND TRANSIT - LOCAL MATCH

LINE ITEM DETAIL

	FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
Contractual Services				
531000 - SC531030 Transit Operation	$975,000	$825,000	$500,000	$800,000
Total Contractual Services	**$975,000**	**$825,000**	**$500,000**	**$800,000**
Total Expenses	**$975,000**	**$825,000**	**$500,000**	**$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	$699,290
Accounting	1,121,021	1,196,949	1,138,498	1,198,280
Purchasing	386,392	408,771	402,683	389,150
Budget	447,228	610,049	552,868	508,060
Finance Operations Total	**$2,562,756**	**$2,888,332**	**$2,766,610**	**$2,794,780**

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	23,700
Contractual Services	419,741	459,280	485,999	490,740
Other Charges and Services	11,539	13,600	13,646	12,600
Finance Operations Total	**$2,562,756**	**$2,888,332**	**$2,766,610**	**$2,794,780**

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 (+$1,960).
Contractual Services - Net increase (+$4,741) in miscellaneous departmental 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.
- Prepared and submitted approximately 20 FEMA applications for Hurricane Beryl disaster recovery projects for approximately 8 million. To date 2 debris projects have been awarded for approximately 2 million. Remaining projects are pending development by FEMA.
- Completed final TDEM audits for final closeout of Winter Storm event. Currently awaiting closeout letter from FEMA.
- Completed remaining audits on Hurricane Ike. Awaiting final closeout letter from FEMA. Reconciliation with TDEM and FEMA completed.
- Continued administration of Congressional FEMA Earmark for the 59th Street Water Tank 10 million. Project going out to bid in August 2025 for construction.
- Continued administration of Congressional Earmark for the Causeway Waterline 10 million. Project in final design, procurement for construction late 2025.
- Awarded contract amendment with GLO for approximately 7.3 million for the 59th Street Water Tank for FEMA match.
- Awarded contract amendment with GLO for approximately 8 million for the Causeway Waterline to pay the FEMA local match.
- Prepared GLO reimbursement requests for the South Shore Pump station. Reimbursements to date after the 1.5 million local match is approximately $4.7 Million.
- Conduct weekly CDBG-MIT Compliance Monitoring for the South Shore Drainage Pump Station.
- Assisted Parks Department with Hurricane Beryl documentation of repair cost to Beach Pocket Park #2 to seek reimbursement from Galveston County
- Awarded US DOT SMART Grant in the amount of 2 million dollars

GOALS

- Continue to review 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.
- Provide grant administration for the construction of the South Shore Drainage CDBG-MIT project.
- Provide grant administration for the construction of the 14th Street Drainage Project (Phase 2).
- Provide grant administration for the construction of the 59th Street Water Tank.
- Provide grant administration for the construction of the Causeway Waterline.
- Provide grant administration for the US DOT SMART Grant

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	207,330
TOTAL	**$608,116**	**$672,563**	**$672,560**	**$699,290**

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 (-$7,210) 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

WD Ledger Account - Spend Category	FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
Personnel Services				
511000 - SC511001 Regular Payroll	$324,521	$363,416	$345,250	$367,640
511000 - SC511005 Longevity	407	460	540	640
511000 - SC511009 Overtime	21,861	0	0	0
511000 - SC511021 Part-time Payroll	0	0	0	0
511000 - SC511125 Residency Pay	0	0	0	0
511500 - SC511510 Group Health Insurance	39,672	39,680	38,420	43,710
511500 - SC511515 Worker's Compensation	74	340	340	340
511500 - SC511520 Group Life Insurance	1,623	1,710	1,600	1,790
511500 - SC511530 Social Security - Employment	20,841	22,746	20,650	22,830
511500 - SC511535 Medicare - Employer's	4,874	5,315	4,870	5,340
511500 - SC511542 City Employee Retirement	45,452	48,976	46,100	49,170
511600 - SC511650 Salary Reimbursements	0	0	0	0
Total Personnel Services	**$459,326**	**$482,643**	**$457,770**	**$491,460**
Materials and Supplies				
521000 - SC521001 Office Supplies	0	0	0	0
523000 - SC523100 Minor Office Equipment	0	0	0	0
521000 - SC521003 Printed Materials	0	0	0	0
521000 - SC521009 Clothing	228	500	250	500
Total Materials and Supplies	**$228**	**$500**	**$250**	**$500**
Contractual Services				
531000 - SC531004 Consultant Services	6,755	10,000	42,500	25,000
531000 - SC531015 Temporary Employee Services	0	2,940	1,470	0
531000 - SC531025 Memberships	0	400	400	400
531100 - SC531125 Other Contracts	121,099	153,000	144,990	159,090
531300 - SC531360 Computer Charges	17,306	16,330	16,330	13,130
532000 - SC532065 Printing, Duplication	150	0	0	0
532080 - SC532083 Telephone Service	334	150	140	140
532080 - SC532084 Cellular Service	0	0	480	480
532080 - SC532087 Aircard Service	523	600	1,180	1,490
533080 - SC533085 Travel/Training	2,396	6,000	7,050	7,600
Total Contractual Services	**$148,563**	**$189,420**	**$214,540**	**$207,330**
Total Expenses	**$608,116**	**$672,563**	**$672,560**	**$699,290**


CITY OF GALVESTON
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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	19,000
Contractual Services	205,864	201,250	204,750	219,410
Other Charges and Services	11,539	13,000	13,646	12,000
TOTAL	**$1,121,021**	**$1,196,949**	**$1,138,498**	**$1,198,280**

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 (+$2,114) for office supplies and minor office equipment.

Contractual Services - Net increase (+$14,660) includes increases in consultant services (+$6,500), temporary employee services (+$6,711), and increases (+$1,449) 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

WD Ledger Account - Spend Category	FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
Personnel Services				
511000 - SC511001 Regular Payroll	$670,886	$727,346	$680,271	$713,750
511000 - SC511005 Longevity	1,545	1,850	1,748	2,180
511000 - SC511006 Differential Pay	0	0	0	0
511000 - SC511009 Overtime	3,688	1,800	1,800	1,800
511000 - SC511021 Part-Time Payroll	7,000	0	40	0
511000 - SC511125 Residency Pay	2,510	2,510	2,518	2,510
511500 - SC511510 Group Health Insurance	119,016	119,020	119,020	131,120
511500 - SC511515 Worker's Compensation	889	1,780	1,780	1,780
511500 - SC511520 Group Life Insurance	3,336	3,360	3,359	3,480
511500 - SC511530 Social Security - Employment	41,139	45,477	42,114	44,650
511500 - SC511535 Medicare - Employer's	9,621	10,632	9,849	10,440
511500 - SC511542 City Employee Retirement	88,623	97,924	90,718	96,160
511600 - SC511650 Salary Reimbursements	(58,762)	(50,000)	(50,000)	(60,000)
511600 - SC511655 Salary Reimbursements-Grants	0	0	0	0
Total Personnel Services	**$889,491**	**$961,699**	**$903,216**	**$947,870**
Materials and Supplies				
521000 - SC521001 Office Supplies	0	15,000	12,550	14,500
523000 - SC523100 Minor Office Equipment	12,843	3,300	1,650	3,000
521000 - SC521003 Printed Materials	1,284	2,700	2,686	1,500
521000 - SC521009 Clothing	0	0	0	0
Total Materials and Supplies	**$14,126**	**$21,000**	**$16,886**	**$19,000**
Contractual Services				
531000 - SC531004 Consultant Services	122,000	105,000	105,000	111,500
531000 - SC531005 Other Services	0	0	0	500
531000 - SC531015 Temporary Employee Services	7,015	10,000	23,289	30,000
531000 - SC531025 Memberships	3,990	5,800	3,742	5,200
531300 - SC531360 Computer Charges	47,593	47,600	47,600	41,510
532000 - SC532062 Postage	7,314	7,500	7,187	7,500
532000 - SC532065 Printing, Duplication	6,634	13,500	7,370	12,500
532080 - SC532083 Telephone Service	1,101	1,200	1,104	1,000
532080 - SC532084 Cellular Service	483	500	483	500
532080 - SC532086 Other Communications	175	150	199	200
532080 - SC532087 Aircard Service	1,824	2,000	777	1,000
533080 - SC533085 Travel/Training	7,736	8,000	8,000	8,000
Total Contractual Services	**$205,864**	**$201,250**	**$204,750**	**$219,410**
Other Charges and Services				
540000 - SC540008 Meeting Expenditures	0	0	0	0
540000 - SC540028 Miscellaneous Expense	0	0	0	0
540000 - SC540030 Bank Service Charges	11,539	13,000	13,646	12,000
Total Other Charges and Services	**$11,539**	**$13,000**	**$13,646**	**$12,000**
Total Expenses	**$1,121,021**	**$1,196,949**	**$1,138,498**	**$1,198,280**


CITY OF GALVESTON
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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	43,040
TOTAL	**$386,392**	**$408,771**	**$402,683**	**$389,150**

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.
Contractual Services - Net decrease (-$1,754) for miscellaneous contractual line items.

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	1.00
Contract Administrator	1.00	1.00	1.00	1.00
TOTAL	**3.00**	**3.00**	**3.00**	**3.00**

FY2026 BUDGET
FINANCE PURCHASING

LINE ITEM DETAIL

WD Ledger Account - Spend Category	FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
Personnel Services				
511000 - SC511001 Regular Payroll	$246,459	$263,783	$259,443	$246,460
511000 - SC511005 Longevity	622	720	723	720
511500 - SC511510 Group Health Insurance	39,853	39,680	39,680	43,710
511500 - SC511515 Worker's Compensation	223	450	450	900
511500 - SC511520 Group Life Insurance	1,212	1,210	1,278	1,210
511500 - SC511530 Social Security - Employment	15,122	16,404	16,033	15,330
511500 - SC511535 Medicare - Employer's	3,537	3,831	3,750	3,580
511500 - SC511542 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				
521000 - SC521001 Office Supplies	592	800	800	600
523000 - SC523100 Minor Office Equipment	409	1,000	1,000	600
Total Materials and Supplies	**$1,001**	**$1,800**	**$1,800**	**$1,200**
Contractual Services				
531000 - SC531025 Memberships	212	2,250	1,610	1,000
531300 - SC531360 Computer Charges	19,470	19,470	19,470	17,370
532000 - SC532062 Postage	0	50	50	50
532080 - SC532083 Telephone Service	206	350	199	220
532080 - SC532084 Cellular Service	1,043	960	966	1,000
533080 - SC533085 Travel/Training	2,351	2,500	2,500	1,400
535000 - SC535388 Advertising	22,834	20,000	20,000	22,000
Total Contractual Services	**$46,116**	**$45,580**	**$44,794**	**$43,040**
Total Expenses	**$386,392**	**$408,771**	**$402,683**	**$389,150**


CITY OF GALVESTON
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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	20,960
Other Charges and Services	0	600	0	600
TOTAL	**$447,228**	**$610,049**	**$552,868**	**$508,060**

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 decrease (-$955) 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	3,000	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

WD Ledger Account - Spend Category	FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
Personnel Services				
511000 - SC511001 Regular Payroll	$307,687	$418,940	$374,162	$355,690
511000 - SC511005 Longevity	2,981	3,240	3,134	3,330
511000 - SC511125 Residency Pay	2,510	2,510	2,518	2,510
511500 - SC511510 Group Health Insurance	45,748	66,120	66,120	43,710
511500 - SC511515 Worker's Compensation	145	480	480	600
511500 - SC511520 Group Life Insurance	1,477	1,940	2,039	1,740
511500 - SC511530 Social Security - Employment	19,467	26,327	23,496	22,410
511500 - SC511535 Medicare - Employer's	4,553	6,159	5,495	5,240
511500 - SC511542 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				
521000 - SC521001 Office Supplies	1,151	3,000	1,804	2,000
523000 - SC523100 Minor Office Equipment	555	1,000	1,000	1,000
Total Materials and Supplies	**$1,706**	**$4,000**	**$2,804**	**$3,000**
Contractual Services				
531000 - SC531025 Memberships	915	1,000	1,000	1,000
531300 - SC531360 Computer Charges	12,980	12,980	12,980	11,010
532000 - SC532065 Printing, Duplication	3,500	3,800	3,800	3,800
532080 - SC532083 Telephone Service	138	250	127	150
532080 - SC532087 Aircard Service	456	500	258	500
533080 - SC533085 Travel/Training	525	3,000	3,000	3,000
535000 - SC535388 Advertising	685	1,500	750	1,500
Total Contractual Services	**$19,198**	**$23,030**	**$21,915**	**$20,960**
Other Charges and Services				
540000 - SC540011 Grants & Awards	0	600	0	600
Total Other Charges and Services	**$0**	**$600**	**$0**	**$600**
Total Expenses	**$447,228**	**$610,049**	**$552,868**	**$508,060**

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	9,745,100
Governmental Expenditures Total	**$11,745,883**	**$12,618,978**	**$11,903,690**	**$11,491,810**

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	8,241,500
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**	**$11,491,810**

HIGHLIGHTS (FY2026 Budget Over/Under FY2025 Estimated)

Contractual Services - Net decreases ($4,000) for Other Services and Attorney fees.

Other Charges and Services - Decrease (-$309,233) 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 (+$761,965) includes an increase (+$211,965) 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 (+$26,276) includes an increase (+$27,662) based on information provided by the Tax Collection Fee and Galveston Central Appraisal District and a decrease in general fund contingency (-$1,386).

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

WD Ledger Account - Spend Category	FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
Special Events and Programs				
535000 - SC535350 Tax Collection Fee	$7,338	$8,000	$7,338	$8,000
535000 - SC535355 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

WD Ledger Account - Spend Category	FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
Other Charges and Services				
540000 - SC540036 Insurance Expense	682,147	658,946	658,946	678,510
540000 - SC540037 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
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	8,241,500
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**	**$9,745,100**

BUDGET HIGHLIGHTS (FY2026 BUDGET OVER/UNDER FY2025 ESTIMATED)

Contractual Services - Net decreases ($4,000) for Other Services and Attorney fees.
Other Charges and Services - Net decrease (-$18,740) for General Fund portion for Community Outreach and Public Information.
Operating Transfers - Increase (+$761,965) includes an increase (+$211,965) 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 decrease (-$1,386) to maintain current level of funding in general fund contingency account for FY2026.

FY2026 BUDGET
NON-DEPARTMENTAL EXPENDITURES

LINE ITEM DETAIL

WD Ledger Account - Spend Category	FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
Personnel Services				
511000 - SC511002 COLA Increases	$0	$0	$0	$0
511500 - SC511515 Worker's Compensation	196,000	0	0	0
511500 - SC511545 Pension and Fringe Benefits	0	0	0	0
Total Personnel Services	**$196,000**	**$0**	**$0**	**$0**
Contractual Services				
531000 - SC531004 Consultant Services	1,450	0	0	0
531000 - SC531005 Other Services	0	0	2,000	0
531000 - SC531006 Attorney's Fees	0	0	2,000	0
531100 - SC531125 Other Contracts	0	250,000	0	0
535000 - SC535389 Food Services	4,706	0	0	0
Total Contractual Services	**$6,156**	**$250,000**	**$4,000**	**$0**
Other Charges and Services				
540000 - SC540018 Receivable Adjustments	0	461,000	0	0
540000 - SC540038 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				
553000 - SC553030 Transfer to Infrastructure Fund	6,257,485	6,529,535	6,529,535	6,741,500
553000 - SC553035 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**	**$8,241,500**
Capital Outlay				
560000 - SC564003 Vehicle Capital Outlay	1,279,811	1,895,910	1,538,887	1,000,000
560000 - SC564005 Capital Outlay-Improvements	168,628	0	348,012	0
Total Capital Outlay	**$1,448,440**	**$1,895,910**	**$1,886,899**	**$1,000,000**
Special Events and Programs				
535000 - SC535375 Litigation/Damage Claims	9,452	0	79,694	0
592001 - SC592001 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**	**$9,745,100**


CITY OF GALVESTON
1839
TEXAS

SPECIAL REVENUE FUND

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	0
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	0
Asset Forfeiture Fund	334,592	578,113	578,113	176,226
Police Special Revenue Fund	84,703	50,795	50,795	53,656
Police Quartermaster Fund	63,008	91,573	91,573	83,063
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	0
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	2,104,274
Island Transit	12,410	932,526	932,526	410,418
HOT Fund Summary	26,875,365	27,760,296	27,760,296	27,811,755
Total	**$57,179,723**	**$60,311,339**	**$60,311,339**	**$46,680,817**
Revenues				
Rosenberg Library	$5,570,724	$6,155,322	$6,165,322	$6,187,650
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	0
Separation Pay Fund **	1,585,570	1,075,570	1,075,570	0
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	0
Asset Forfeiture Fund	386,460	165,000	256,000	165,000
Police Special Revenue Fund	127,772	80,400	138,880	111,000
Police Quartermaster Fund	89,166	88,500	88,500	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	0
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	5,136,630
HOT Fund Summary	36,529,551	37,147,700	35,856,700	35,726,250
Total	**$68,619,167**	**$67,165,357**	**$65,067,585**	**$62,503,913**

***** - Notated Funds will be reported as Comined Revenue Producing Parks beginning in FY 2026

****** - Notated Funds are being reported in other fund groupings based on our external auditor's recommendations beginning in FY 2026.

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	$6,187,650
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	0
Separation Pay Fund **	1,521,513	1,247,089	1,290,576	0
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	0
Asset Forfeiture Fund	142,939	669,952	657,887	341,226
Police Special Revenue Fund	161,680	139,175	136,020	164,656
Police Quartermaster Fund	60,601	100,200	97,010	171,063
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	0
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	769,071	8,293,413
Island Transit	4,105,765	5,044,148	4,682,291	5,252,260
HOT Fund Summary	35,644,620	39,524,281	35,805,241	38,511,197
Total	**$65,499,924**	**$96,532,029**	**$64,551,653**	**$83,074,880**
Prior Year Adjustment				
Island Transit	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	73,161	176,226	0
Police Special Revenue Fund	50,795	(7,980)	53,656	0
Police Quartermaster Fund	91,573	79,873	83,063	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	450,602	764,061
Island Transit	932,526	677,358	410,418	294,788
HOT Fund Summary	27,760,296	25,383,715	27,811,755	25,026,808
Total	**$60,311,339**	**$30,944,667**	**$60,827,267**	**$26,109,851**

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	$6,187,650
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	0
Separation Pay Fund	1,521,513	1,247,089	1,290,576	0
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	0
Asset Forfeiture Fund	142,939	669,952	657,887	341,226
Police Special Revenue Fund	161,680	139,175	136,020	164,656
Police Quartermaster Fund	60,601	100,200	97,010	171,063
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	0
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	769,071	8,293,413
Island Transit	4,105,765	5,044,148	4,682,291	5,252,260
HOT Fund Summary	35,644,620	39,524,281	35,805,241	38,511,197
TOTAL	**$65,499,924**	**$96,532,029**	**$64,551,653**	**$83,074,880**

CATEGORY	FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
Personnel Services	$7,213,273	$9,041,398	$8,157,400	$9,237,733
Materials and Supplies	1,603,276	1,259,093	1,006,881	965,523
Contractual Services	17,645,706	16,690,478	16,671,336	16,862,410
Other Charges and Services	25,176,540	36,097,392	26,360,042	36,057,528
Operating Transfers	1,617,043	1,980,756	2,059,062	1,623,630
Capital Outlay	10,052,628	21,317,602	7,877,928	9,122,617
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	7,210,839
TOTAL	**$65,499,924**	**$96,532,029**	**$64,551,653**	**$83,074,880**

See the following pages for detailed discussions of each budget.

FY2026 BUDGET
SPECIAL REVENUE FUND - ROSENBERG LIBRARY

LINE ITEM DETAIL

	FY2024 ACTUAL CITY SUPPORT	CITY SUPPORT FY2025 BUDGET	FY2025 ESTIMATED CITY SUPPORT	CITY SUPPORT FY2026 BUDGET
REVENUES				
311100 - RC311100 Real Property	$5,535,357	6,115,322	6,115,322	6,147,650
311100 - RC311100 Real Property - Delinquent	35,367	40,000	50,000	40,000
TOTAL REVENUES	**$5,570,724**	**$6,155,322**	**$6,165,322**	**$6,187,650**
EXPENDITURES				
Other Charges and Services				
544028 - SC544028 Contributions	5,570,724	6,155,322	6,165,322	6,187,650
Total Other Charges and Services	**$5,570,724**	**$6,155,322**	**$6,165,322**	**$6,187,650**
TOTAL EXPENDITURES	**$5,570,724**	**$6,155,322**	**$6,165,322**	**$6,187,650**
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 $22,328 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 $1,645,880, which ensures that the Library and the City will each have an 1.31 percent increase in tax revenue in FY 2026. The FY 2025 contribution was a 6.09% percent increase over the previous year and will be true-up at year end once all taxes have been recorded for FY 2025.

FY2026 ADOPTED BUDGET
SPECIAL REVENUE FUND - ROSENBERG LIBRARY

CITY 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	$6,147,650
311110 Real Property - Delinquent	35,367	40,000	50,000	40,000
TOTAL REVENUES	**$5,570,724**	**$6,155,322**	**$6,165,322**	**$6,187,650**
EXPENDITURES				
Other Charges and Services				
544028 Contributions to Rosenberg Library	4,225,695	4,483,040	4,483,040	4,541,770
544028 Contributions to City of Galveston	1,345,029	1,672,280	1,672,280	1,645,880
Total Other Charges and Services	**$5,570,724**	**$6,155,320**	**$6,155,320**	**$6,187,650**

ROSENBERG LIBRARY SUMMARY	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	4,541,770
Total Revenue, Gains and Other Support	**$4,225,695**	**$4,483,040**	**$4,483,040**	**$4,541,770**
EXPENDITURES				
Salaries & Wages	2,389,343	2,511,298	2,505,897	2,567,710
Fringe Benefits	781,266	827,385	850,686	977,828
Personnel Subtotal	**$3,170,609**	**$3,338,683**	**$3,356,583**	**$3,545,538**
Programs & Promotions	183,955	180,000	148,355	146,000
Supplies	57,362	52,597	52,579	54,793
Direct Program Expense Subtotal	**$241,317**	**$232,597**	**$200,934**	**$200,793**
Book/EBook Purchases	35,882	40,000	37,074	25,000
Memorial Donations	0	0	0	0
Materials & Periodicals	110,211	110,000	91,794	63,759
Interest Expense	0	0	0	0
Books and Periodicals Subtotal	**$146,093**	**$150,000**	**$128,868**	**$88,759**
Professional Fees	86,999	75,000	118,087	160,000
Administrative	0	0	0	0
Service and Professional Fees Subtotal	**$86,999**	**$75,000**	**$118,087**	**$160,000**
Building System Maintenance, Security and Equip	209,848	206,000	164,565	105,000
Computer Maintenance	156,572	190,000	200,886	125,000
Utilities	129,780	144,760	157,882	161,680
Facility Insurance	141,000	146,000	146,665	155,000
Office and Occupancy Subtotal	**$637,200**	**$686,760**	**$669,998**	**$546,680**
Total Functional Expenses	**$4,282,218**	**$4,483,040**	**$4,474,470**	**$4,541,770**
Revenue Over/(Under) Expenditures	**($56,523)**	**$0**	**$8,570**	**$0**

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	767,730
Rail Trolley Operations	684,675	720,186	690,627	705,900
Trolley Cars/ Buses	2,308,739	15,373	15,753	0
Subtotal Island Transit	**$3,601,157**	**$1,346,129**	**$1,424,815**	**$1,473,630**
Administration/Tourism Reserve				
Administrative Service Charge	133,800	133,800	133,800	180,210
Surplus Reserve	0	6,765,611	0	7,106,624
Subtotal Administration/Tourism	**$133,800**	**$6,899,411**	**$133,800**	**$7,286,834**
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 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
REVENUES				
314060 - RC314060 Hotel Occupancy Tax	$4,510,922	$5,014,200	$4,700,000	$4,505,133
311100 - RC311120 Penalties & Interest	23,981	50,000	50,000	50,000
361100 - RC361110 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				
511600 - SC511650 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				
521000 - SC521013 Other Supplies	4,549	10,000	0	10,000
Total Materials and Supplies	**$4,549**	**$10,000**	**$0**	**$10,000**
Contractual Services				
531000 - SC531016 Professional Services	49,500	149,500	0	0
531100 - SC531111 Asbestos Testing	2,125	0	6,210	0
531100 - SC531125 Other Contracts	282,120	282,120	282,120	282,120
531200 - SC531230 Equipment Repairs	18,897	80,000	80,000	50,000
531200 - SC531250 Vehicle Repairs	80,297	0	0	0
531300 - SC531320 Equipment Rental	0	30,000	30,000	30,000
Total Contractual Services	**$432,938**	**$541,620**	**$398,330**	**$362,120**
Other Charges and Services				
540000 - SC540005 Project Management Costs	71,378	0	21,667	0
540000 - SC540034 Administrative Service Charge	133,800	133,800	133,800	180,210
540000 - SC540039 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				
553026 - SC553550 HOT Tax Transfer Out	1,342,418	1,480,756	1,559,062	1,623,630
Total Operating Transfers	**$1,342,418**	**$1,480,756**	**$1,559,062**	**$1,623,630**
Capital Outlay				
560000 - SC564003 Vehicle Capital Outlay	2,222,205	0	0	0
560000 - SC564005 Capital Outlay - Improvements	1,726,047	3,847,753	724,010	3,083,500
560000 - SC565506 Engineering Services	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 - SC592004 Surplus Reserve	0	6,765,611	0	7,106,624
Total Special Events and Programs	**$0**	**$6,765,611**	**$0**	**$7,106,624**
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 - PUBLIC ACCESS CHANNEL FUND

LINE ITEM DETAIL

REVENUES	FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
341000 - RC341016 P.E.G. Fees	140,367	160,000	132,000	135,000
361100 - RC361110 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				
523000 - SC523125 Minor Equipment	0	0	6,000	0
Total Materials and Supplies	**$0**	**$0**	**$6,000**	**$0**
Contractual Services				
531000 - SC531013 Media Services	0	0	55,374	60,950
Total Contractual Services	**$0**	**$0**	**$55,374**	**$60,950**
Capital Outlay				
560000 - SC564005 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.


CITY OF GALVESTON
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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				
341000 - RC341017 Parking Meter Fees	$1,450,378	$1,500,000	$1,469,054	$1,500,000
361100 - RC361110 Interest Earned-Operating	70,397	50,000	55,666	50,000
363000 - RC363200 Other Revenue	7,077	0	558	0
363000 - RC363270 Towed/Abandoned Vehicles	0	0	0	0
TOTAL REVENUES	**$1,527,852**	**$1,550,000**	**$1,525,279**	**$1,550,000**
EXPENDITURES				
Personnel Services				
511000 - SC511001 Regular Payroll	$270,215	$270,450	$253,370	$283,970
511000 - SC511002 COLA Increases	0	16,300	0	6,840
511000 - SC511005 Longevity	1,243	1,450	1,393	1,630
511000 - SC511009 Overtime	2,035	7,500	7,500	7,500
511000 - SC511110 Incentive Pay	1,204	1,230	1,439	1,230
511000 - SC511125 Residency Pay	3,765	3,780	3,776	3,780
511000 - SC511410 Separation Vacation	0	0	7,578	0
511000 - SC511420 Separation Sick Pay	0	0	22,936	0
511500 - SC511510 Group Health Insurance	66,734	66,120	66,120	72,840
511500 - SC511515 Worker's Compensation	1,161	2,330	2,913	2,330
511500 - SC511520 Group Life Insurance	1,343	1,330	1,378	1,390
511500 - SC511530 Social Security - Employment	17,303	17,630	18,385	18,480
511500 - SC511535 Medicare - Employer's	3,990	4,120	4,300	4,320
511500 - SC511542 City Employee Retirement	36,570	37,970	39,440	39,800
511600 - SC511650 Salary Reimbursements	491,979	500,000	523,012	500,000
Total Personnel Services	**$897,543**	**$930,210**	**$953,540**	**$944,110**
Materials and Supplies				
521000 - SC521001 Office Supplies	1,029	1,500	1,500	1,500
523000 - SC523100 Minor Office Equipment	11,164	15,000	15,000	12,000
521000 - SC521009 Clothing	1,384	1,000	1,000	1,000
522000 - SC522037 Janitorial Supplies	1,403	4,000	2,530	3,000
523000 - SC523135 Equipment Parts	0	10,000	5,000	8,000
525000 - SC525032 Natural Gas	11,517	12,500	13,720	12,500
Total Materials and Supplies	**$26,498**	**$44,000**	**$38,751**	**$38,000**
Contractual Services				
531000 - SC531026 Transaction Fees	194,923	195,000	194,301	200,000
531000 - SC531028 Software Licenses	21,036	22,500	22,500	22,100
531100 - SC531119 Landscaping Services	19,140	0	0	0
531100 - SC531125 Other Contracts	0	1,500	2,352	2,360
531200 - SC531240 Maintenance Contracts	33,244	33,250	33,244	33,250
531300 - SC531350 Garage Charges	54,487	45,500	44,389	34,270
531300 - SC531360 Computer Charges	25,152	32,450	32,450	28,960
532080 - SC532084 Cellular Service	2,409	2,500	1,543	1,620
532080 - SC532087 Aircard Service	3,991	1,400	1,784	1,860
Total Contractual Services	**$354,383**	**$334,100**	**$332,563**	**$324,420**
Other Charges and Services				
540000 - SC540031 Capital Reserve	0	1,380,783	0	1,467,096
Total Other Charges and Services	**$0**	**$1,380,783**	**$0**	**$1,467,096**

FY2026 BUDGET
SPECIAL REVENUE FUND - PARKING MANAGEMENT FUND

LINE ITEM DETAIL

	FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
Capital Outlay				
560000 - SC564003 Vehicle Capital Outlay	50,308	206,288	206,288	0
560000 - SC564005 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 (-$8,143) includes decreases in garage charges (-$10,114), and increase in expected transaction fees (+$5,699) and decreases (-$3,728) 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 - ASSET FORFEITURE FUND

LINE ITEM DETAIL

	FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
REVENUES				
330000 - RC332110 Drug Enforcement Agency	$362,075	$150,000	$230,000	$150,000
361100 - RC361110 Interest Earned-Operating	24,385	15,000	26,000	15,000
TOTAL REVENUES	**$386,460**	**$165,000**	**$256,000**	**$165,000**
EXPENDITURES				
Materials and Supplies				
523000 - SC523125 Minor Equipment	62,531	85,200	78,300	70,000
Total Materials and Supplies	**$62,531**	**$85,200**	**$78,300**	**$70,000**
Contractual Services				
531100 - SC531124 Towing Payments	5,935	0	0	25,000
531200 - SC531230 Equipment Repairs	0	24,000	23,940	0
531300 - SC531325 Vehicle Rental	27,833	20,000	15,000	30,000
533080 - SC533085 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				
540000 - SC540031 Capital Reserve	0	129,852	130,000	96,226
Total Other Charges and Services	**$0**	**$129,852**	**$130,000**	**$96,226**
Capital Outlay				
560000 -SC563015 Technology Improvements	28,565	10,000	10,000	80,000
560000 - SC564003 Vehicle Capital Outlay	0	29,900	29,800	0
560000 - SC564117 Machinery and Equipment	0	346,000	345,847	0
Total Capital Outlay	**$28,565**	**$385,900**	**$385,647**	**$80,000**
TOTAL EXPENDITURES	**$142,939**	**$669,952**	**$657,887**	**$341,226**
REVENUES OVER/(UNDER) EXPENDITURES	**$243,521**	**($504,952)**	**($401,887)**	**($176,226)**
BEGINNING FUND BALANCE-RESTRICTED	**$334,592**	**$578,113**	**$578,113**	**$176,226**
ENDING FUND BALANCE-RESTRICTED	**$578,113**	**$73,161**	**$176,226**	**$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				
330000 - RC334030 TX Dept. of Public Safety	$19,394	$8,700	$18,970	$15,300
330000 - RC335005 Local Forfeiture Receipts	85,669	67,200	117,500	91,700
361100 - RC361110 Interest Earned-Operating	4,373	4,500	1,910	4,000
363000 - RC363270 Towed/Abandoned Vehicles	18,335	0	500	0
378000 - RC378000 Sale of Gen Fixed Assets	0	0	0	0
TOTAL REVENUES	**$127,772**	**$80,400**	**$138,880**	**$111,000**
EXPENDITURES				
Materials and Supplies				
521000 - SC521007 Petty Cash	12,801	20,000	20,000	15,000
522000 - SC522025 Fuel and Lubricants	15,358	15,000	20,000	15,000
523000 - SC523125 Minor Equipment	61,249	37,500	34,000	25,000
521000 - SC521013 Other Supplies	5,075	10,000	13,000	25,000
Total Materials and Supplies	**$94,483**	**$82,500**	**$87,000**	**$80,000**
Contractual Services				
531200 - SC531240 Maintenance Contracts	58,756	29,020	29,020	0
533080 - SC533085 Travel/Training	8,440	20,000	20,000	10,000
Total Contractual Services	**$67,197**	**$49,020**	**$49,020**	**$10,000**
Other Charges and Services				
540000 - SC540031 Capital Reserve	0	7,655	0	74,656
Total Other Charges and Services	**$0**	**$7,655**	**$0**	**$74,656**
TOTAL EXPENDITURES	**$161,680**	**$139,175**	**$136,020**	**$164,656**
REVENUES OVER/(UNDER) EXPENDITURES	**($33,908)**	**($58,775)**	**$2,860**	**($53,656)**
BEGINNING FUND BALANCE-RESTRICTED	**$84,703**	**$50,795**	**$50,795**	**$53,656**
ENDING FUND BALANCE-RESTRICTED	**$50,795**	**($7,980)**	**$53,656**	**$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
361100 - RC361110 Interest Earned-Operating	$5,166	$4,500	$4,500	$4,000
370000 - RC370025 Operating Transfer In	84,000	84,000	84,000	84,000
TOTAL REVENUES	**$89,166**	**$88,500**	**$88,500**	**$88,000**
EXPENDITURES				
Materials and Supplies				
521000 - SC521009 Clothing	60,601	100,200	97,010	171,063
Total Materials and Supplies	**$60,601**	**$100,200**	**$97,010**	**$171,063**
TOTAL EXPENDITURES	**$60,601**	**$100,200**	**$97,010**	**$171,063**
REVENUES OVER/(UNDER) EXPENDITURES	**$28,565**	**($11,700)**	**($8,510)**	**($83,063)**
BEGINNING FUND BALANCE-RESTRICTED	**$63,008**	**$91,573**	**$91,573**	**$83,063**
ENDING FUND BALANCE-RESTRICTED	**$91,573**	**$79,873**	**$83,063**	**$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 - ALARM PERMIT FUND

LINE ITEM DETAIL

REVENUES	FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
321000 - RC321325 Alarm Permit	$34,100	$36,000	$32,200	$23,600
361100 - RC361110 Interest Earned-Operating	4,894	4,500	3,900	3,200
TOTAL REVENUES	**$38,994**	**$40,500**	**$36,100**	**$26,800**
EXPENDITURES				
Personnel Services				
511000 - SC511001 Regular Payroll	$36,224	$36,220	$38,133	$31,230
511000 - SC511002 COLA Increases	0	0	0	760
511000 - SC511005 Longevity	352	390	370	410
511000 - SC511006 Differential Pay	678	680	680	680
511000 - SC511125 Residency Pay	1,882	1,880	1,887	1,880
511500 - SC511510 Group Health Insurance	9,956	9,920	9,920	10,930
511500 - SC511520 Group Life Insurance	179	180	189	160
511500 - SC511530 Social Security - Employment	2,164	2,430	2,426	2,120
511500 - SC511535 Medicare - Employer's	506	570	567	500
511500 - SC511542 City Employee Retirement	5,108	5,230	5,483	4,570
511600 - SC511650 Salary Reimbursements	0	500	0	0
Total Personnel Services	**$57,048**	**$58,000**	**$59,655**	**$53,240**
Contractual Services				
531000 - SC531028 Software Licenses	7,600	10,500	5,408	5,700
532000 - SC532062 Postage	2,543	3,000	2,483	1,700
532000 - SC532065 Printing, Duplication	596	1,500	2,844	3,000
Total Contractual Services	**$10,739**	**$15,000**	**$10,735**	**$10,400**
Other Charges and Services				
540000 - SC540031 Capital Reserve	0	44,037	0	10,374
Total Other Charges and Services	**$0**	**$44,037**	**$0**	**$10,374**
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

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 - FIRE SPECIAL REVENUE FUND

LINE ITEM DETAIL

REVENUES	FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
330000 - RC334030 TX Dept. of Public Safety	$1,868	$1,800	$1,800	$1,800
361100 - RC361110 Interest Earned-Operating	16,171	10,000	12,000	1,000
363000 - RC363200 Other Revenues	99,946	52,500	63,990	60,000
TOTAL REVENUES	**$117,985**	**$64,300**	**$77,790**	**$62,800**
EXPENDITURES				
Contractual Services				
533080 - SC533083 Training Expenses	913	2,559	0	4,360
Total Contractual Services	**$913**	**$2,559**	**$0**	**$4,360**
Capital Outlay				
560000 - SC564117 Machinery and Equipment	15,599	419,273	129,000	371,052
Total Capital Outlay	**$15,599**	**$419,273**	**$129,000**	**$371,052**
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.


CITY OF GALVESTON
1839
TEXAS

FY2026 BUDGET
SPECIAL REVENUE FUND - MUNICIPAL COURT BUILDING SECURITY FUND

LINE ITEM DETAIL

REVENUES	FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
351100 - RC351170 Building Security Funding Fee	$28,463	$25,000	$29,200	$29,200
361100 - RC361110 Interest Earned-Operating	469	500	300	250
TOTAL REVENUES	**$28,932**	**$25,500**	**$29,500**	**$29,450**
EXPENDITURES				
Personnel Services				
511600 - SC511650 Salary Reimbursements	21,410	21,410	21,380	15,453
Total Personnel Services	**$21,410**	**$21,410**	**$21,380**	**$15,453**
Contractual Services				
531000 - SC531007 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**
351100 - RC351172 Municipal Court Technology Fee	$24,243	$24,000	$24,500	$24,000
361100 - RC361110 Interest Earned-Operating	2,125	1,500	2,300	1,500
TOTAL REVENUES	**$26,368**	**$25,500**	**$26,800**	**$25,500**
EXPENDITURES				
Contractual Services				
531200 - SC531240 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				
540000 - SC540031 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

REVENUES	FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
351100 - RC351176 Juvenile Case Manager Fees	$28,815	$28,000	$29,800	$28,000
361100 - RC361110 Interest Earned-Operating	11,894	8,500	11,400	8,500
363000 - RC363200 Other Revenues	0	0	0	0
370000 - RC370025 Operating Transfer In	0	0	0	0
TOTAL REVENUES	**$40,709**	**$36,500**	**$41,200**	**$36,500**
EXPENDITURES				
Personnel Services				
511600 - SC511650 Salary Reimbursements	19,772	20,000	17,500	6,000
Total Personnel Services	**$19,772**	**$20,000**	**$17,500**	**$6,000**
Materials and Supplies				
523000 - SC523100 Minor Office Equipment	0	0	0	1,000
Total Materials and Supplies	**$0**	**$0**	**$0**	**$1,000**
Contractual Services				
533080 - SC533085 Travel/Training	0	1,000	1,000	0
Total Contractual Services	**$0**	**$1,000**	**$1,000**	**$0**
Other Charges and Services				
540000 - SC540031 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 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
REVENUES				
363000 - RC363200 Other Revenues	168,475	0	0	0
TOTAL REVENUES	**$168,475**	**$0**	**$0**	**$0**
EXPENDITURES				
Contractual Services				
531000 - SC531006 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				
540000 - SC540007 Court Costs and Judgements	0	10,000	0	10,000
540000 - SC540031 Capital Reserve	0	377,386	0	466,937
Total Other Charges and Services	**$0**	**$387,386**	**$0**	**$476,937**
Capital Outlay				
560000 - SC564005 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 - SHORT TERM RENTAL REGULATION FUND

LINE ITEM DETAIL

		FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
REVENUES					
311100 - RC311120	Penalties & Interest	$44,518	$60,000	$25,000	$25,000
321000 - RC322135	STR Licenses & Fees (Remitted to PB)	1,219,500	1,110,000	1,104,000	1,150,000
321000 - RC322135	STR Licenses & Fees (PB Expenses)	(408,814)	(415,000)	(415,000)	0
361100 - RC361110	Interest Earned-Operating	0	0	0	50,000
TOTAL REVENUES		**$855,204**	**$755,000**	**$714,000**	**$1,225,000**
EXPENDITURES					
Personnel Services					
511000 - SC511001	Regular Payroll	$0	$0	$0	$280,550
511000 - SC511005	Longevity	0	0	0	240
511000 - SC511009	Overtime	0	0	0	7,500
511000 - SC511021	Part-time Payroll	0	0	0	31,200
511000 - SC511110	Incentive Pay	0	0	0	1,230
511500 - SC511510	Group Health Insurance	0	0	0	72,840
511500 - SC511515	Workers' Compensation	0	0	0	350
511500 - SC511520	Group Life Insurance	0	0	0	1,290
511500 - SC511530	Social Security - Employment	0	0	0	19,880
511500 - SC511535	Medicare - Employer's	0	0	0	4,650
511500 - SC511542	City Employee Retirement	0	0	0	42,820
511600 - SC511650	Salary Reimbursements	0	800,000	0	0
Total Personnel Services		**$0**	**$800,000**	**$0**	**$462,550**
Materials and Supplies					
521000 - SC521001	Office Supplies	0	0	0	1,500
523000 - SC523100	Minor Office Equipment	0	0	0	1,500
521000 - SC521009	Clothing	0	0	0	1,000
522000 - SC522037	Janitorial Supplies	0	0	0	3,000
523000 - SC523120	Minor Tools	0	0	0	1,000
523000 - SC523125	Minor Equipment	0	0	0	5,000
Total Materials and Supplies		**$0**	**$0**	**$0**	**$13,000**
Contractual Services					
531000 - SC531026	Transaction Fees	0	0	0	52,880
531000 - SC531028	Software Licenses	0	0	0	300,000
531300 - SC531350	Garage Charges	0	0	0	15,000
531300 - SC531360	Computer Charges	0	0	0	20,000
532080 - SC532084	Cellular Service	0	0	0	1,620
532080 - SC532087	Aircard Service	0	0	0	1,860
533080 - SC533085	Travel/Training	0	0	0	2,500
Total Contractual Services		**$0**	**$0**	**$0**	**$393,860**
Other Charges and Services					
544087 - SC544087	Expense Reimbursement	0	590,200	0	0
540000 - SC540031	Capital Reserve	0	0	0	2,662,038
540000 - SC540034	Administrative Service Charge	0	0	0	46,000
Total Other Charges and Services		**$0**	**$590,200**	**$0**	**$2,708,038**
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

		FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
REVENUES					
370000 - RC370030	General Fund	$10,441	$0	$0	$0
	Reimbursable Subtotal	**$10,441**	**$0**	**$0**	**$0**
	Transfer In (Local Match 10%)				
370000 - RC370033	Airport	0	0	0	0
	Local Match Subtotal	**$0**	**$0**	**$0**	**$0**
	Insurance Proceeds/Donations				
348645 - RC348645	General Fund	0	0	0	0
TOTAL REVENUES		**$10,441**	**$0**	**$0**	**$0**
EXPENDITURES					
Other Charges and Services					
560000 - SC564005	General Fund				
560000 - SC564005	Disaster Consulting	$0	$0	$0	$0
560000 - SC564005	Streets	0	0	0	0
560000 - SC564005	Traffic	0	0	0	0
560000 - SC564005	Parks	0	0	0	0
	Subtotal - General Fund	**$0**	**$0**	**$0**	**$0**
560000 - SC564005	Island Transit	0	0	0	0
560000 - SC564005	Central Garage	0	0	0	0
560000 - SC564005	Airport	0	0	0	0
560000 - SC564005	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**	**$2,104,274**
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	503,920
Revenue Producing City/County Parks	341,245	1,106,478	769,071	821,002
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	$2,570,269	$8,293,413
Excess (deficiency) of revenues over (under) expenditures	**($948,583)**	**($2,759,317)**	**($1,270,620)**	**($1,340,213)**
Ending Fund Balance	**$3,374,894**	**$615,577**	**$2,104,274**	**$764,061**

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	$2,590,230

FY2026 BUDGET
PARKS SPECIAL FUND REVENUE DETAIL

LINE ITEM DETAIL

WD Ledger Account - Spend Category	FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
Restricted Park Revenue				
341000 - RC341021 Beach User Fees - Pocket Parks	$169,610	$190,000	$190,000	$215,000
341000 - RC341021 Beach User Fees - Dellanera RV	0	0	0	318,100
341000 - RC341021 Beach User Fees - Seawall Urban	393,220	540,000	176,600	1,775,000
341000 - RC341022 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				
341000 - RC341023 Vendor/Concessions	11,325	100,000	100,000	127,400
341000 - RC341072 Pavilion Rental/Weddings	0	0	0	20,000
341000 - RC341024 Memberships/Admissions	0	0	0	90,000
341000 - RC341025 Rentals (Parks & Rec.)	738	450	450	8,000
City/County Parks Unrestricted Subtotal	**$12,063**	**$100,450**	**$100,450**	**$245,400**
Lasker Community Pool				
341000 - RC341020 Recreation Fees	$48,184	$55,000	$55,000	$55,000
341000 - RC341024 Memberships/Admissions	104,362	121,000	121,000	127,000
341000 - RC341025 Rentals	9,350	12,000	12,000	12,000
341000 - RC341027 Concessions	12,176	13,200	13,200	14,500
341000 - RC341028 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				
341000 - RC341020 Recreation Fees	0	0	0	300,000
341000 - RC341024 Memberships/Admissions	0	0	0	5,000
341000 - RC341071 Fishing	0	0	0	1,151,300
341000 - RC341073 Camping	0	0	0	752,700
341000 - RC341027 Concessions	0	0	0	73,200
Dellanera & Seawolf Unrestricted Subtotal	**$0**	**$0**	**$0**	**$2,282,200**
Other Revenues				
361100 - RC361110 Interest Earned - Operating	190,847	110,000	119,098	129,000
363000 - RC363200 Other Revenues	0	0	0	7,500
Other Revenues Subtotal	**$190,847**	**$110,000**	**$119,098**	**$136,500**
Other Funding Sources				
363000 - RC363280 Other Funding Sources	0	0	0	1,250,500
370000 - RC370031 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	$503,920
Revenue Producing City/County Parks	341,245	1,106,478	769,071	821,002
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**	**$2,570,269**	**$8,293,413**

CATEGORY	FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
Personnel Services	$626,432	$795,160	$831,254	$2,590,230
Materials and Supplies	97,265	118,360	109,749	238,100
Contractual Services	194,012	406,985	364,425	1,480,810
Other Charges and Services	105,850	1,932,514	168,090	2,626,281
Capital Outlay	1,380,460	1,152,277	1,096,750	1,253,777
Contingency Reserve	0	7,971	0	104,215
TOTAL	**$2,404,019**	**$4,413,267**	**$2,570,269**	**$8,293,413**

HIGHLIGHTS (FY2026 Budget Over/Under FY2025 Estimated)

NOTE: In FY 2026 the City is 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 (+$1,758,976) includes increases related to adding operational staff to the City related to Seawolf, Dellanera, and Seawall (+1,916,970) and decreases in County revenue producing parks and Lasker Pool (-157,994).

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 (+$47,350) 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 (+$1,058,895) 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 increases in the other areas netting (+6,085),

Other Charges and Services - Net increase (+$2,458,191) includes an increase (+$696,290) for adding the three parks into the City's operational portfolio, (+$429,720) in City Revenue Producing parks resulting from the consolidation of the expanded Parks system, and increase of (+$254,795) for capital reserve in the County Revenue Producing parks, increase (+$1,101,816) to capital reserve in Seawall Parking, and various decreases (-$24,430) in Lasker Pool and the County Parks.

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 (+104,215) 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
341000 - RC341023 Vendor/Concessions	0	0	0	15,000
341000 - RC341072 Pavilion Rental/Weddings	0	0	0	20,000
341000 - RC341024 Memberships/Admissions	0	0	0	90,000
341000 - RC341025 Rentals (Parks & Rec.)	0	0	0	8,000
361100 - RC361110 Interest Earned - Operating	0	0	0	15,000
363000 - RC363280 Other Funding Sources	0	0	0	350,000
City/County Parks Unrestricted Subtotal	**$0**	**$0**	**$0**	**$498,000**
Materials and Supplies				
522000 - SC522003 Agriculture Supplies	0	0	0	1,000
522000 - SC522012 Park Supplies & Equipment	0	0	0	5,000
523000 - SC523125 Minor Equipment	0	0	0	12,000
525000 - SC525031 Electricity	0	0	0	18,000
Total Materials and Supplies	**$0**	**$0**	**$0**	**$36,000**
Contractual Services				
531000 - SC531014 Building Security	0	0	0	2,000
531100 - SC531130 Improvement Expenditure	0	0	0	20,000
531200 - SC531220 Building Repairs	0	0	0	5,000
531200 - SC531230 Equipment Repairs	0	0	0	10,000
532080 - SC532086 Other Communications	0	0	0	1,200
Total Contractual Services	**$0**	**$0**	**$0**	**$38,200**
Other Charges and Services				
540000 - SC540031 Capital Reserve	0	0	0	102,490
540000 - SC540034 Administrative Service Charge	0	0	0	5,920
540000 - SC540037 Facilities Maintenance	0	0	0	321,310
Total Other Charges and Services	**$0**	**$0**	**$0**	**$429,720**
TOTAL EXPENDITURES	**$0**	**$0**	**$0**	**$503,920**
REVENUES OVER/(UNDER) EXPENDITURES	**$0**	**$0**	**$0**	**($5,920)**
BEGINNING FUND BALANCE-ASSIGNED	**$0**	**$0**	**$0**	**$0**
ENDING FUND BALANCE-ASSIGNED	**$0**	**$0**	**$0**	**($5,920)**

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				
341000 - RC341021 Beach User Fees	$169,610	$190,000	$190,000	$215,000
341000 - RC341022 Season Pass	13,300	10,000	10,000	13,000
341000 - RC341023 Vendor/Concessions	11,325	100,000	100,000	112,400
341000 - RC341025 Rentals (Parks & Rec.)	738	450	450	0
361100 - RC361110 Interest Earned - Operating	47,904	40,000	28,098	30,000
TOTAL REVENUES	**$242,876**	**$340,450**	**$328,548**	**$370,400**
EXPENDITURES				
Personnel Services				
511000 - SC511001 Regular Payroll	107,266	126,680	178,436	103,890
511000 - SC511002 COLA Increases	0	6,330	0	2,600
511000 - SC511005 Longevity	127	230	286	370
511000 - SC511006 Differential Pay	632	630	634	630
511000 - SC511009 Overtime	4,576	500	500	1,000
511000 - SC511021 Part-time Payroll	27,203	100,000	100,000	50,000
511000 - SC511410 Separation Vacation	1,963	0	0	0
511000 - SC511420 Separation Sick Pay	1,663	0	0	0
511000 - SC511430 Separation Compensatory Time	239	0	0	0
511500 - SC511510 Group Health Insurance	23,628	22,490	35,289	29,140
511500 - SC511515 Workers' Compensation	126	250	250	250
511500 - SC511520 Group Life Insurance	542	620	960	690
511500 - SC511530 Social Security - Employment	8,859	11,430	17,230	9,670
511500 - SC511535 Medicare - Employer's	2,072	2,670	4,029	2,260
511500 - SC511542 City Employee Retirement	15,522	24,610	30,187	14,140
Total Personnel Services	**$194,418**	**$296,440**	**$367,803**	**$214,640**
Materials and Supplies				
521000 - SC521001 Office Supplies	243	4,000	3,890	4,000
523000 - SC523100 Minor Office Equipment	0	2,500	2,290	0
521000 - SC521003 Printed Materials	0	2,000	1,075	2,000
522000 - SC522012 Park Supplies and Equipment	691	7,000	4,714	7,000
521000 - SC521009 Clothing	0	1,700	1,881	2,000
522000 - SC522017 Sign Materials	187	1,800	1,800	1,500
523000 - SC523125 Minor Equipment	446	1,500	1,500	1,500
522000 - SC522065 Paint and Lumber	1,612	500	507	350
525000 - SC525031 Electricity	1,326	1,760	1,262	1,850
Total Materials and Supplies	**$4,505**	**$22,760**	**$18,920**	**$20,200**
Contractual Services				
531000 - SC531014 Building Security	916	0	0	0
531000 - SC531016 Professional Services	3,000	50,000	0	0
531000 - SC531028 Software Licenses	0	1,575	1,575	1,580
531100 - SC531130 Improvement Expenditure	31,276	48,110	62,733	76,710
531200 - SC531220 Building Repairs	42,316	131,000	131,000	56,000
531200 - SC531230 Equipment Repairs	584	0	0	500
531300 - SC531320 Equipment Rental	24,853	53,000	47,600	65,000
531300 - SC531360 Computer Charges	0	0	0	31,240
532080 - SC532084 Cellular Service	1,117	2,260	2,054	1,500
532080 - SC532087 Aircard Services	608	1,680	737	240
533080 - SC533083 Travel Expenses	0	200	200	0
Total Contractual Services	**$104,669**	**$287,825**	**$245,898**	**$232,770**

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				
540000 - SC540005 Project Management Cost	0	60,000	60,000	0
540000 - SC540031 Capital Reserve	0	281,226	0	254,795
540000 - SC540034 Administrative Service Charge	14,113	10,950	10,950	14,820
Total Other Charges and Services	**$14,113**	**$352,176**	**$70,950**	**$269,615**
Capital Outlay				
560000 - SC564003 Vehicle Capital Outlay	13,078	0	0	0
560000 - SC564005 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**	**$769,071**	**$821,002**
REVENUES OVER/(UNDER) EXPENDITURES	**($98,368)**	**($766,028)**	**($440,522)**	**($450,602)**
BEGINNING FUND BALANCE-RESTRICTED	**$989,493**	**$891,125**	**$891,125**	**$450,602**
ENDING FUND BALANCE-RESTRICTED	**$891,125**	**$125,097**	**$450,602**	**$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 (-$20,623) includes decreases (-$75,000) for funding improvements completed in FY25 to the Pocket Parks and various line item increases (+$54,377).

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

REVENUE		FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
341000 - RC341020	Recreation Fees	$48,184	$55,000	$55,000	$55,000
341000 - RC341024	Memberships/Admissions	104,362	121,000	121,000	127,000
341000 - RC341025	Rentals	9,350	12,000	12,000	12,000
341000 - RC341027	Concessions	12,176	13,200	13,200	14,500
341000 - RC341028	Training/Education	2,325	1,200	2,300	2,300
361100 - RC361110	Interest Earned - Operating	14,168	10,000	12,000	14,000
370000 - RC370031	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					
511000 - SC511001	Regular Payroll	134,412	168,870	141,073	141,180
511000 - SC511002	COLA Increases	0	0	0	0
511000 - SC511005	Longevity	139	410	148	260
511000 - SC511006	Differential Pay	272	370	272	290
511000 - SC511009	Overtime	3,776	2,500	1,400	2,500
511000 - SC511021	Part-time Payroll	206,451	232,000	232,000	235,000
511000 - SC511410	Separation Vacation	1,963	0	0	0
511000 - SC511420	Separation Sick Pay	1,663	0	0	0
511000 - SC511430	Separation Compensatory Time	239	0	0	0
511500 - SC511510	Group Health Insurance	38,350	39,670	39,670	33,510
511500 - SC511515	Workers' Compensation	81	160	160	200
511500 - SC511520	Group Life Insurance	649	830	727	690
511500 - SC511530	Social Security - Employment	21,275	25,060	23,232	21,340
511500 - SC511535	Medicare - Employer's	4,975	5,860	5,433	4,990
511500 - SC511542	City Employee Retirement	18,392	22,990	19,236	19,260
511600 - SC511650	Salary Reimbursements	(624)	0	0	(600)
Total Personnel Services		**$432,014**	**$498,720**	**$463,452**	**$458,620**
Materials and Supplies					
521000 - SC521001	Office Supplies	4,429	5,000	5,000	7,000
522000 - SC522003	Agriculture Supplies	48	0	0	0
522000 - SC522011	Chemicals	29,208	34,000	32,000	37,000
521000 - SC521009	Clothing	2,693	5,000	5,000	6,000
522000 - SC522037	Janitorial Supplies	5,036	4,000	4,000	5,000
521100 - SC521105	Safety Supplies	1,696	3,000	2,691	3,000
522000 - SC522040	Recreation Supplies	777	4,200	3,000	4,000
523000 - SC523120	Minor Tools	0	2,500	2,500	2,000
523000 - SC523125	Minor Equipment	6,082	3,000	3,000	3,000
522000 - SC522065	Paint and Lumber	423	0	0	0
525000 - SC525031	Electricity	21,382	22,900	21,300	21,600
525000 - SC525032	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

LINE ITEM DETAIL

	FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
Contractual Services				
531000 - SC531012 Records Management	1,876	1,500	2,000	2,200
531000 - SC531014 Building Security	114	1,500	1,342	2,500
531000 - SC531025 Memberships	1,675	1,500	1,500	1,700
531000 - SC531028 Software Licenses	0	2,900	1,575	1,580
531100 - SC531119 Landscaping Services	26,393	28,530	28,523	20,000
531200 - SC531220 Building Repairs	11,573	7,000	9,500	3,000
531200 - SC531240 Maintenance Contracts	515	1,500	4,000	20,000
531300 - SC531360 Computer Charges	23,580	23,580	23,580	0
532000 - SC532065 Printing, Duplication	200	200	318	500
532080 - SC532083 Telephone Service	206	250	207	210
532080 - SC532084 Cellular Service	1,354	1,300	1,354	1,360
532080 - SC532086 Other Communications	8,244	9,000	8,000	5,760
532080 - SC532087 Aircard Service	190	300	228	230
533080 - SC533085 Travel/Training	5,478	4,900	3,500	5,000
535000 - SC535388 Advertising	1,422	1,700	1,400	2,000
535000 - SC535389 Food Services	6,524	8,500	6,500	8,500
Total Contractual Services	**$89,343**	**$94,160**	**$93,527**	**$74,540**
Other Charges and Services				
544087 - SC544087 Expense Reimbursement	(88)	0	(66)	0
540000 - SC540030 Bank Service Charges	211	200	200	200
540000 - SC540036 Insurance Expenses	49,480	54,876	54,876	59,510
540000 - SC540037 Facilities Maintenance	0	0	0	27,000
Total Other Charges and Services	**$49,603**	**$55,076**	**$55,010**	**$86,710**
Capital Outlay				
560000 - SC564005 Capital Outlay - Improvements	42,293	0	0	0
Total Capital Outlay	**$42,293**	**$0**	**$0**	**$0**
Special Events and Programs				
592000 - SC592000 Contingency Reserve	0	7,971	0	104,215
Total Special Events and Programs	**$0**	**$7,971**	**$0**	**$104,215**
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 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

REVENUES		FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
341000 - RC341020	Recreation Fees	$0	$0	$0	$20,000
341000 - RC341024	Memberships/Admissions	0	0	0	$2,500
341000 - RC341073	Camping - Non-Beach User Fee	0	0	0	$752,700
341000 - RC341073	Camping - Beach User Fee (29.71%)	0	0	0	$318,100
341000 - RC341027	Concessions	0	0	0	$64,100
363000 - RC363200	Other Revenues	0	0	0	$7,500
363000 - RC363280	Other Funding Sources	0	0	0	496,600
	Dellanera RV Revenue Subtotal	**$0**	**$0**	**$0**	**$1,661,500**
Personnel Services					
511000 - SC511001	Regular Payroll	0	0	0	293,000
511000 - SC511009	Overtime	0	0	0	10,000
511000 - SC511021	Part-time Payroll	0	0	0	15,000
511500 - SC511510	Group Health Insurance	0	0	0	58,300
511500 - SC511515	Workers' Compensation	0	0	0	4,780
511500 - SC511520	Group Life Insurance	0	0	0	1,600
511500 - SC511530	Social Security - Employment	0	0	0	19,700
511500 - SC511535	Medicare - Employer's	0	0	0	4,610
511500 - SC511542	City Employee Retirement	0	0	0	40,500
511600 - SC511650	Salary Reimbursements	0	0	0	0
Total Personnel Services		**$0**	**$0**	**$0**	**$447,490**
Materials and Supplies					
521000 - SC521001	Office Supplies	0	0	0	5,000
521000 - SC521009	Clothing	0	0	0	1,000
523000 - SC523125	Minor Equipment	0	0	0	10,000
Total Materials and Supplies		**$0**	**$0**	**$0**	**$16,000**
Contractual Services					
531000 - SC531028	Software Licenses	0	0	0	15,000
531100 - SC531125	Other Contracts	0	0	0	330,000
531300 - SC531350	Garage Charges	0	0	0	5,000
531300 - SC531360	Computer Charges	0	0	0	1,000
532080 - SC532084	Cellular Service	0	0	0	500
533080 - SC533085	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				
540000 - SC540030 Bank Service Charges	0	0	0	45,000
540000 - SC540031 Capital Reserve	0	0	0	318,100
540000 - SC540034 Administrative Service Charge	0	0	0	46,600
Total Other Charges and Services	**$0**	**$0**	**$0**	**$409,700**
Capital Outlay				
560000 - SC564003 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
SPECIAL REVENUE FUND - SEAWALL PARKING FUND

LINE ITEM DETAIL

	FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
REVENUES				
341000 - RC341022 Season Pass	$0	$0	$0	$6,700
341000 - RC341037 Seawall Parking-Transient Fees	$393,220	$540,000	$176,600	$1,775,000
361100 - RC361110 Interest Earned-Operating	128,775	60,000	79,000	70,000
TOTAL REVENUES	**$521,995**	**$600,000**	**$255,600**	**$1,851,700**
Personnel Services				
511000 - SC511001 Regular Payroll	$0	$0	$0	$126,700
511000 - SC511021 Part-time Payroll	0	0	0	62,700
511500 - SC511510 Group Health Insurance	0	0	0	43,700
511500 - SC511515 Workers' Compensation	0	0	0	250
511500 - SC511520 Group Life Insurance	0	0	0	620
511500 - SC511530 Social Security - Employment	0	0	0	11,740
511500 - SC511535 Medicare - Employer's	0	0	0	2,750
511500 - SC511542 City Employee Retirement	0	0	0	16,910
511600 - SC511650 Salary Reimbursements	0	0	0	0
Total Personnel Services	**$0**	**$0**	**$0**	**$265,370**
Materials and Supplies				
522000 - SC522017 Sign Materials	8,623	0	0	25,000
Total Materials and Supplies	**$8,623**	**$0**	**$0**	**$25,000**
Contractual Services				
531000 - SC531028 Software Licenses	0	0	0	12,000
531100 - SC531125 Other Contracts	0	0	0	700,000
531100 - SC531130 Improvement Expenditure	0	25,000	25,000	0
Total Contractual Services	**$0**	**$25,000**	**$25,000**	**$712,000**
Other Charges and Services				
540000 - SC540004 Materials Testing	0	35,000	0	20,000
540000 - SC540005 Project Management Cost	0	60,000	0	30,000
540000 - SC540030 Bank Service Charges	0	0	0	130,000
540000 - SC540031 Capital Reserve	0	1,388,132	0	1,101,816
540000 - SC540034 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				
560000 - SC564005 Capital Outlay-Improvements	1,252,378	770,000	855,000	900,000
560000 - SC565506 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**

FY2026 BUDGET
SPECIAL REVENUE FUND - SEAWALL PARKING FUND

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**

FY2026 BUDGET
PARKS SPECIAL REVENUE FUND - SEAWOLF PARK

LINE ITEM DETAIL

REVENUES		FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
341000 - RC341020	Recreation Fees	$0	$0	$0	$280,000
341000 - RC341024	Memberships/Admissions	0	0	0	2,500
341000 - RC341071	Fishing	0	0	0	1,151,300
341000 - RC341027	Concessions	0	0	0	9,100
363000 - RC363280	Other Funding Sources	0	0	0	403,900
	Seawolf Unrestricted Subtotal	**$0**	**$0**	**$0**	**$1,846,800**
Personnel Services					
511000 - SC511001	Regular Payroll	0	0	0	787,900
511000 - SC511009	Overtime	0	0	0	10,000
511000 - SC511021	Part-time Payroll	0	0	0	55,000
511500 - SC511510	Group Health Insurance	0	0	0	145,700
511500 - SC511515	Workers' Compensation	0	0	0	24,900
511500 - SC511520	Group Life Insurance	0	0	0	1,500
511500 - SC511530	Social Security - Employment	0	0	0	52,880
511500 - SC511535	Medicare - Employer's	0	0	0	12,370
511500 - SC511542	City Employee Retirement	0	0	0	113,860
Total Personnel Services		**$0**	**$0**	**$0**	**$1,204,110**
Materials and Supplies					
521000 - SC521001	Office Supplies	0	0	0	2,500
522000 - SC522003	Agriculture Supplies	0	0	0	5,000
521000 - SC521009	Clothing	0	0	0	5,000
522000 - SC522037	Janitorial Supplies	0	0	0	2,500
523000 - SC523125	Minor Equipment	0	0	0	10,000
525000 - SC525031	Electricity	0	0	0	15,000
Total Materials and Supplies		**$0**	**$0**	**$0**	**$40,000**
Contractual Services					
531000 - SC531028	Software Licenses	0	0	0	20,000
531100 - SC531125	Other Contracts	0	0	0	40,000
531300 - SC531350	Garage Charges	0	0	0	5,000
531300 - SC531360	Computer Charges	0	0	0	1,000
532080 - SC532084	Cellular Service	0	0	0	800
533080 - SC533085	Travel/Training	0	0	0	2,500
Total Contractual Services		**$0**	**$0**	**$0**	**$69,300**
Other Charges and Services					
540000 - SC540030	Bank Service Charges	0	0	0	20,000
540000 - SC540031	Capital Reserve	0	0	0	0
540000 - SC540034	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				
560000 - SC564003 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**

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	1,473,630
General Fund	975,000	825,000	500,000	800,000
Total Revenues	$5,013,508	$4,788,980	$4,160,183	$5,136,630
Expenditures:				
Administration	$221,296	$222,900	$217,120	$283,790
Transit System	1,869,059	2,226,210	2,142,656	2,354,470
FTA Maintenance	689,754	1,261,070	913,453	1,104,370
Bus Trolley System	629,200	613,570	718,435	789,330
Rail Trolley System	696,456	720,398	690,627	720,300
Total Expenditures	$4,105,765	$5,044,148	$4,682,291	$5,252,260
Excess (deficiency) of revenues over (under) expenditures	$907,743	($255,168)	($522,108)	($115,630)
Prior Year Adjustment	$12,374	$0	$0	$0
Ending Fund Balance - Committed	$932,526	$677,358	$410,418	$294,788

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					
330000 - RC331300	FTA-Operating Grants	$1,163,858	$1,791,800	$1,291,800	$1,900,000
330000 - RC331313	FTA-ARP Act Funding	375,122	0	0	0
330000 - RC331315	FTA E & D Grant	200,747	165,000	165,000	165,000
330000 - RC334300	TXDOT Revenue (State)	650,222	459,000	459,000	450,000
330000 - RC331180	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					
341000 - RC341012	General Fund	975,000	825,000	500,000	800,000
341000 - RC341030	UTMB Shuttles	20,063	10,000	20,416	17,000
341000 - RC341031	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					
363000 - RC363150	Parking Garage Revenues	31,783	31,000	44,000	30,000
363000 - RC348320	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 - RC378000	Sale Of Gen.Fixed Assets	0	5,000	0	5,000
370000 - RC370025	Operating Transfers - In	1,292,418	1,277,180	1,395,793	1,473,630
	Other Funding Sources Subtotal	**$1,292,418**	**$1,282,180**	**$1,395,793**	**$1,478,630**
Total Island Transit Special Fund Revenue		**$5,013,508**	**$4,788,980**	**$4,160,183**	**$5,136,630**

FY2026 BUDGET
ISLAND TRANSIT FUND
EXPENDITURE SUMMARY

DEPARTMENT	FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
Administration	221,296	222,900	217,120	283,790
Transit System	1,869,059	2,226,210	2,142,656	2,354,470
FTA Maintenance	689,754	1,261,070	913,453	1,104,370
Bus Trolley System	629,200	613,570	718,435	789,330
Rail Trolley System	696,456	720,398	690,627	720,300
TOTAL	**$4,105,765**	**$5,044,148**	**$4,682,291**	**$5,252,260**

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	957,290
Other Charges and Services	119,793	125,810	106,832	144,460
TOTAL	**$4,105,765**	**$5,044,148**	**$4,682,291**	**$5,252,260**

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 of (+$104,240) includes an increase (+$69,450) in in Software to manage routes, maintain funding (+34,208) for Harris County Rides Program, and various increases to other departmental contractual line items (+$582).

Other Charges and Services - Net increase (+$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	121,500
Other Charges and Services	1,380	1,200	1,759	1,800
TOTAL	**$221,296**	**$222,900**	**$217,120**	**$283,790**

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 (+$51,823) includes an increase (+$69,450) in in Software to manage routes and various reductions to other contractual line items (-$17,627).

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					
511000 - SC511001	Regular Payroll	$95,261	$98,640	$94,945	$103,830
511000 - SC511002	Civilian Pension/Comp Adjust.	0	4,900	0	0
511000 - SC511005	Longevity	836	920	711	790
511000 - SC511006	Differential Pay	361	0	168	130
511000 - SC511009	Overtime	1,548	1,600	1,600	1,600
511000 - SC511125	Residency Pay	0	0	147	520
511500 - SC511510	Group Health Insurance	18,708	21,200	21,200	23,310
511500 - SC511515	Worker's Compensation	272	550	550	550
511500 - SC511520	Group Life Insurance	476	650	468	510
511500 - SC511530	Social Security - Employment	5,752	6,270	5,937	6,630
511500 - SC511535	Medicare - Employer's	1,345	1,470	1,388	1,550
511500 - SC511542	City Employee Retirement	12,676	13,510	13,026	14,270
511500 - SC511545	Pension and Benefits Adjustment	0	0	0	0
Total Personnel Services		**$137,235**	**$149,710**	**$140,140**	**$153,690**
Materials and Supplies					
521000 - SC521001	Office Supplies	791	1,000	1,154	2,100
522000 - SC522037	Janitorial Supplies	3,277	3,000	2,946	3,200
521000 - SC521013	Other Supplies	489	1,000	919	800
525000 - SC525031	Electricity	601	800	526	700
Total Materials and Supplies		**$5,158**	**$5,800**	**$5,544**	**$6,800**
Contractual Services					
531000 - SC531007	Security Service	14,823	13,000	16,526	17,500
531000 - SC531025	Memberships	879	650	900	900
531000 - SC531029	Software Maintenance Contracts	0	0	0	69,450
531100 - SC531125	Other Contracts	27,932	30,000	26,612	6,200
531200 - SC531220	Building Repairs	279	1,000	1,000	1,000
531300 - SC531360	Computer Charges	17,520	10,840	10,840	9,590
532000 - SC532062	Postage	300	600	514	500
532000 - SC532065	Printing, Duplication	6,302	4,700	4,558	5,400
532080 - SC532083	Telephone Service	1,170	1,200	1,173	1,200
532080 - SC532084	Cellular Service	3,699	3,000	5,379	4,000
532080 - SC532086	Other Communications	1,190	1,200	1,189	4,760
533080 - SC533085	Travel/Training	3,428	0	987	1,000
Total Contractual Services		**$77,523**	**$66,190**	**$69,677**	**$121,500**
Other Charges and Services					
540000 - SC540030	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**	**$283,790**

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	523,360
Other Charges and Services	70,180	70,870	70,870	83,150
TOTAL	**$1,869,059**	**$2,226,210**	**$2,142,656**	**$2,354,470**

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 (+$58,991) 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					
511000 - SC511001	Regular Payroll	$810,823	$844,050	$901,133	$942,750
511000 - SC511002	Civilian Pension/Comp Adjust.	0	49,700	0	0
511000 - SC511005	Longevity	5,312	6,510	4,534	5,690
511000 - SC511006	Differential Pay	532	0	760	840
511000 - SC511009	Overtime	34,307	70,000	47,049	60,000
511000 - SC511125	Residency Pay	10,341	12,000	9,775	10,440
511000 - SC511410	Separation Vacation	282	0	3,224	0
511000 - SC511420	Separation Sick Pay	203	0	768	0
511500 - SC511510	Group Health Insurance	217,790	293,000	293,000	351,820
511500 - SC511515	Workers' Compensation	27,792	55,590	55,590	69,490
511500 - SC511520	Group Life Insurance	3,828	4,870	3,951	5,530
511500 - SC511530	Social Security - Employment	51,409	57,820	59,102	63,220
511500 - SC511535	Medicare - Employer's	12,023	13,520	13,822	14,790
511500 - SC511542	City Employee Retirement	112,229	124,500	128,602	136,130
511500 - SC511545	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					
521000 - SC521001	Office Supplies	1,339	3,500	4,761	3,500
523000 - SC523100	Minor Office Equipment	0	1,000	1,000	700
522000 - SC522025	Fuel And Lubricants	0	60,000	58,000	60,000
525000 - SC525031	Electricity	17,992	18,560	18,516	18,560
525000 - SC525032	Natural Gas	2,408	4,500	3,830	4,500
Total Materials and Supplies		**$21,740**	**$87,560**	**$86,107**	**$87,260**
Contractual Services					
535000 - SC535410	Harris County Rides Program	275,851	279,600	241,692	275,900
531000 - SC531025	Memberships	0	500	250	250
531200 - SC531220	Building Repairs	49	3,000	1,000	3,000
531300 - SC531350	Garage Charges	140,742	180,640	144,122	168,870
531300 - SC531360	Computer Charges	58,730	58,730	58,730	55,840
532000 - SC532065	Printing, Duplication	211	750	465	500
533080 - SC533085	Travel/Training	3,016	3,000	3,548	4,000
535000 - SC535390	Cleaning Service	11,670	10,000	14,563	15,000
Total Contractual Services		**$490,269**	**$536,220**	**$464,369**	**$523,360**
Other Charges and Services					
540000 - SC540036	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**	**$2,354,470**

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	156,320
Other Charges and Services	(6,157)	0	(19,537)	0
TOTAL	**$689,754**	**$1,261,070**	**$913,453**	**$1,104,370**

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 (-$18,466) 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				
511000 - SC511001 Regular Payroll	$282,941	$561,750	$318,314	$452,220
511000 - SC511002 Civilian Pension/Comp Adjust.	0	28,000	0	0
511000 - SC511005 Longevity	3,338	4,490	2,784	3,360
511000 - SC511009 Overtime	21,376	25,000	25,000	25,000
511000 - SC511125 Residency Pay	2,670	3,260	1,089	780
511000 - SC511410 Separation Vacation	0	0	2,135	0
511000 - SC511420 Separation Sick Pay	0	0	1,120	0
511500 - SC511510 Group Health Insurance	79,599	158,700	158,700	174,820
511500 - SC511515 Worker's Compensation	15,018	30,040	30,040	30,040
511500 - SC511520 Group Life Insurance	1,471	2,740	1,719	2,940
511500 - SC511530 Social Security - Employment	18,337	36,860	21,225	29,840
511500 - SC511535 Medicare - Employer's	4,288	8,620	4,964	6,980
511500 - SC511542 City Employee Retirement	40,284	79,370	46,778	64,270
511500 - SC511545 Pension and Benefits Adjustment	0	0	0	0
Total Personnel Services	**$469,323**	**$938,830**	**$613,868**	**$790,250**
Materials and Supplies				
521000 - SC521001 Office Supplies	747	1,000	750	1,100
522000 - SC522025 Fuel And Lubricants	10,840	10,000	8,444	15,000
522000 - SC522037 Janitorial Supplies	3,363	3,000	3,349	3,700
523000 - SC523120 Minor Tools	923	3,000	2,250	2,000
523000 - SC523130 Motor Vehicle Parts	94,113	108,500	111,110	110,000
522000 - SC522065 Paint and Lumber	2,198	0	0	1,000
521000 - SC521013 Other Supplies	19,240	25,000	18,432	25,000
Total Materials and Supplies	**$131,424**	**$150,500**	**$144,336**	**$157,800**
Contractual Services				
531100 - SC531125 Other Contracts	23,579	30,000	26,511	30,000
531200 - SC531220 Building Repairs	7,129	15,000	16,637	15,000
531200 - SC531224 General Repairs	0	1,500	1,960	0
531200 - SC531250 Vehicle Repairs	13,003	75,000	74,373	65,000
531300 - SC531360 Computer Charges	40,240	40,240	40,240	31,320
535000 - SC535390 Cleaning Service	11,212	10,000	15,064	15,000
Total Contractual Services	**$95,164**	**$171,740**	**$174,786**	**$156,320**
Other Charges and Services				
540000 - SC540027 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**	**$1,104,370**

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	84,050
TOTAL	**$629,200**	**$613,570**	**$718,435**	**$789,330**

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 (+$10,117) 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				
511000 - SC511001 Regular Payroll	$341,762	$316,020	$412,513	$459,610
511000 - SC511002 Civilian Pension/Comp Adjust.	0	14,900	0	0
511000 - SC511005 Longevity	1,270	1,300	1,910	2,200
511000 - SC511006 Differential Pay	10	0	0	0
511000 - SC511009 Overtime	21,012	22,000	22,000	15,000
511000 - SC511125 Residency Pay	2,033	1,960	2,227	1,960
511500 - SC511510 Group Health Insurance	91,141	79,340	79,340	87,410
511500 - SC511515 Workers' Compensation	1,260	2,520	2,520	2,520
511500 - SC511520 Group Life Insurance	1,727	1,010	1,878	1,040
511500 - SC511530 Social Security - Employment	21,622	21,160	26,674	29,680
511500 - SC511535 Medicare - Employer's	5,057	4,950	6,238	6,940
511500 - SC511542 City Employee Retirement	47,977	45,570	58,164	63,920
511500 - SC511545 Pension and Benefits Adjustment	0	0	0	0
Total Personnel Services	**$534,869**	**$510,730**	**$613,502**	**$670,280**
Materials and Supplies				
523000 - SC523130 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				
531200 - SC531250 Vehicle Repairs	4,430	14,000	14,000	22,500
531300 - SC531350 Garage Charges	53,681	49,100	46,193	47,800
531300 - SC531360 Computer Charges	9,740	13,740	13,740	13,750
Total Contractual Services	**$67,850**	**$76,840**	**$73,933**	**$84,050**
Total Expenses	**$629,200**	**$613,570**	**$718,435**	**$789,330**

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	72,060
Other Charges and Services	54,390	53,740	53,740	59,510
TOTAL	**$696,456**	**$720,398**	**$690,627**	**$720,300**

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 (+$1,776) 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				
511000 - SC511001 Regular Payroll	$363,014	$359,630	$326,015	$377,260
511000 - SC511002 Civilian Pension/Comp Adjust.	0	7,200	0	0
511000 - SC511005 Longevity	3,115	2,830	3,262	3,370
511000 - SC511006 Differential Pay	0	0	0	0
511000 - SC511009 Overtime	22,306	20,000	20,000	20,000
511000 - SC511125 Residency Pay	7,312	6,530	6,727	6,530
511500 - SC511510 Group Health Insurance	85,090	59,600	59,600	32,780
511500 - SC511515 Workers' Compensation	1,260	5,040	5,040	5,040
511500 - SC511520 Group Life Insurance	1,655	1,480	1,476	750
511500 - SC511530 Social Security - Employment	23,542	24,130	21,699	25,240
511500 - SC511535 Medicare - Employer's	5,506	5,640	5,075	5,900
511500 - SC511542 City Employee Retirement	52,091	51,960	47,530	54,360
511500 - SC511545 Pension and Benefits Adjustment	0	0	0	0
Total Personnel Services	**$564,890**	**$544,040**	**$496,424**	**$531,230**
Materials and Supplies				
522000 - SC522025 Fuel And Lubricants	20,408	25,000	25,000	25,000
523000 - SC523130 Motor Vehicle Parts	10,319	15,000	33,000	20,000
521000 - SC521013 Other Supplies	8,221	11,830	12,180	12,500
Total Materials and Supplies	**$38,947**	**$51,830**	**$70,180**	**$57,500**
Contractual Services				
531100 - SC531120 Lot Maintenance	1,418	3,000	1,500	3,000
531100 - SC531125 Other Contracts	14,637	48,788	48,816	50,000
531200 - SC531220 Building Repairs	545	(330)	638	2,500
531200 - SC531250 Vehicle Repairs	0	4,000	4,000	3,000
531300 - SC531360 Computer Charges	21,630	15,330	15,330	13,560
Total Contractual Services	**$38,229**	**$70,788**	**$70,284**	**$72,060**
Other Charges and Services				
540000 - SC540036 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**	**$720,300**

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	$28,488,750
Transfer In - State HOT	5,888,446	6,600,000	6,268,000	6,420,000
Interest Earned-Operating	1,324,812	847,700	1,021,700	817,500
Subtotal	**$36,529,551**	**$37,147,700**	**$35,856,700**	**$35,726,250**
TOTAL REVENUES	**$36,529,551**	**$37,147,700**	**$35,856,700**	**$35,726,250**
EXPENDITURES				
Reimburse Park Board Operating Budget	$18,233,294	$19,800,000	$19,001,000	$18,746,400
Administrative Service Fees	$0	$0	$0	$625,950
City of Galveston HOT Expenditures (Beach	400,783	0	444,190	0
City of Galveston HOT Expenditures	24,236	3,739,239	365,094	3,865,047
Cultural Arts Payments	2,003,505	2,169,700	2,022,100	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**	**$25,607,829**	**$29,411,697**
Surplus Payments to Convention Center Operator	$5,292,370	$5,148,706	$5,148,706	$4,594,367
Surplus Payments to the City	$5,092,370	$5,048,706	$5,048,706	$4,505,133
Subtotal	**$10,384,740**	**$10,197,412**	**$10,197,412**	**$9,099,500**
TOTAL EXPENDITURES	**$35,644,620**	**$39,524,281**	**$35,805,241**	**$38,511,197**
REVENUES OVER/(UNDER) EXPENDITURES	**$884,931**	**($2,376,581)**	**$51,459**	**($2,784,947)**
BEGINNING FUND BALANCE-ASSIGNED	**$26,875,365**	**$27,760,296**	**$27,760,296**	**$27,811,755**
ENDING FUND BALANCE-ASSIGNED	**$27,760,296**	**$25,383,715**	**$27,811,755**	**$25,026,808**

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 2026 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	$1,605,000
379551 Transfer In - State HOT	2,237,610	2,508,000	2,382,000	2,439,600
361110 Interest Earned-Operating	119,875	80,430	97,700	78,160
Subtotal	**$3,861,742**	**$4,238,430**	**$4,046,700**	**$4,122,760**
TOTAL REVENUES	**$3,861,742**	**$4,238,430**	**$4,046,700**	**$4,122,760**
EXPENDITURES				
Other Charges and Services				
544101 Reimburse Park Board	3,758,774	4,158,000	3,949,000	3,980,400
547040 Administrative Service Charge	0	0	0	64,200
Total Other Charges and Services	**$3,758,774**	**$4,158,000**	**$3,949,000**	**$4,044,600**
TOTAL EXPENDITURES	**$3,758,774**	**$4,158,000**	**$3,949,000**	**$4,044,600**
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	$1,605,000
379551 Transfer In - State HOT	1,972,630	2,211,000	2,100,000	2,150,700
361110 Interest Earned-Operating	134,942	86,980	90,300	72,240
Subtotal	**$3,611,829**	**$3,947,980**	**$3,757,300**	**$3,827,940**
TOTAL REVENUES	**$3,611,829**	**$3,947,980**	**$3,757,300**	**$3,827,940**
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	3,691,500
547040 Administrative Service Charge	0	0	0	64,200
Total Other Charges and Services	**$3,490,292**	**$3,861,000**	**$3,861,000**	**$3,755,700**
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**	**$3,755,700**
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

REVENUES	FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
379551 Transfer In - State HOT	1,678,207	1,881,000	1,786,000	1,829,700
361110 Interest Earned-Operating	135,319	74,050	121,700	97,400
Subtotal	**$1,813,526**	**$1,955,050**	**$1,907,700**	**$1,927,100**
TOTAL REVENUES	**$1,813,526**	**$1,955,050**	**$1,907,700**	**$1,927,100**
EXPENDITURES				
Other Charges and Services				
544101 Reimburse Park Board	1,700,396	1,881,000	1,786,000	1,829,700
547040 Administrative Service Charge	0	0	0	0
Total Other Charges and Services	**$1,700,396**	**$1,881,000**	**$1,786,000**	**$1,829,700**
TOTAL EXPENDITURES	**$1,700,396**	**$1,881,000**	**$1,786,000**	**$1,829,700**
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	$9,630,000
361110 Interest Earned-Operating	376,340	227,180	279,200	223,400
Subtotal	**$9,401,072**	**$10,127,180**	**$9,684,200**	**$9,853,400**
TOTAL REVENUES	**$9,401,072**	**$10,127,180**	**$9,684,200**	**$9,853,400**
EXPENDITURES				
Other Charges and Services				
544101 Reimburse Park Board	8,949,462	9,900,000	9,405,000	9,244,800
544029 Contributions from the City	334,370	0	0	0
547040 Administrative Service Charge	0	0	0	385,200
Total Other Charges and Services	**$9,283,832**	**$9,900,000**	**$9,405,000**	**$9,630,000**
TOTAL EXPENDITURES	**$9,283,832**	**$9,900,000**	**$9,405,000**	**$9,630,000**
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	$2,407,500
361110 Interest Earned-Operating	119,298	81,350	98,100	78,500
Subtotal	**$2,375,413**	**$2,556,350**	**$2,449,100**	**$2,486,000**
TOTAL REVENUES	**$2,375,413**	**$2,556,350**	**$2,449,100**	**$2,486,000**
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	198,350	345,950
Total Contractual Services	**$1,953,505**	**$2,169,700**	**$2,022,100**	**$2,169,700**
Other Charges and Services				
547040 Administrative Service Charge	0	0	0	96,300
Total Other Charges and Services	**$0**	**$0**	**$0**	**$96,300**
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**	**$2,129,357**	**$2,376,000**
REVENUES OVER/(UNDER) EXPENDITURES	**$264,367**	**$282,310**	**$319,743**	**$110,000**
BEGINNING FUND BALANCE-ASSIGNED	**$2,542,231**	**$2,806,598**	**$2,806,598**	**$3,126,341**
ENDING FUND BALANCE-ASSIGNED	**$2,806,598**	**$3,088,908**	**$3,126,341**	**$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	$401,250
361110 Interest Earned-Operating	162,913	87,510	113,600	90,900
Subtotal	**$538,978**	**$500,010**	**$504,600**	**$492,150**
TOTAL REVENUES	**$538,978**	**$500,010**	**$504,600**	**$492,150**
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	16,050
544125 Capital Reserve	0	3,514,239	0	1,865,047
Total Other Charges and Services	**$0**	**$3,514,239**	**$0**	**$1,881,097**
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**	**$3,881,097**
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	$12,840,000
314060 Local Hotel Occupancy Tax (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**	**$11,094,100**
TOTAL REVENUES	**$12,724,979**	**$12,092,000**	**$11,703,600**	**$11,094,100**
EXPENDITURES				
Contractual Services				
531125 Other Contracts	10,730,662	10,128,410	10,128,410	9,099,500
Total Contractual Services	**$10,730,662**	**$10,128,410**	**$10,128,410**	**$9,099,500**
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**	**$11,094,100**
REVENUES OVER/(UNDER) EXPENDITURES	**$51,730**	**$0**	**($387,998)**	**$0**
Surplus to Allocate	**$10,784,740**	**$10,197,412**	**$10,128,410**	**$9,099,500**
City of Galveston Allocation	**$5,092,370**	**$5,048,706**	**$5,048,706**	**$4,505,133**
Landry's Allocation	**$5,292,370**	**$5,148,706**	**$5,148,706**	**$4,594,367**
Landry's Liquidity	**$400,000**	**$0**	**$0**	**$0**
	$10,784,740	**$10,197,412**	**$10,197,412**	**$9,099,500**
REVENUES OVER/(UNDER) EXPENDITURES	**$51,730**	**$0**	**($457,000)**	**$0**
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**	**$2,468,525**

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)	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
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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.

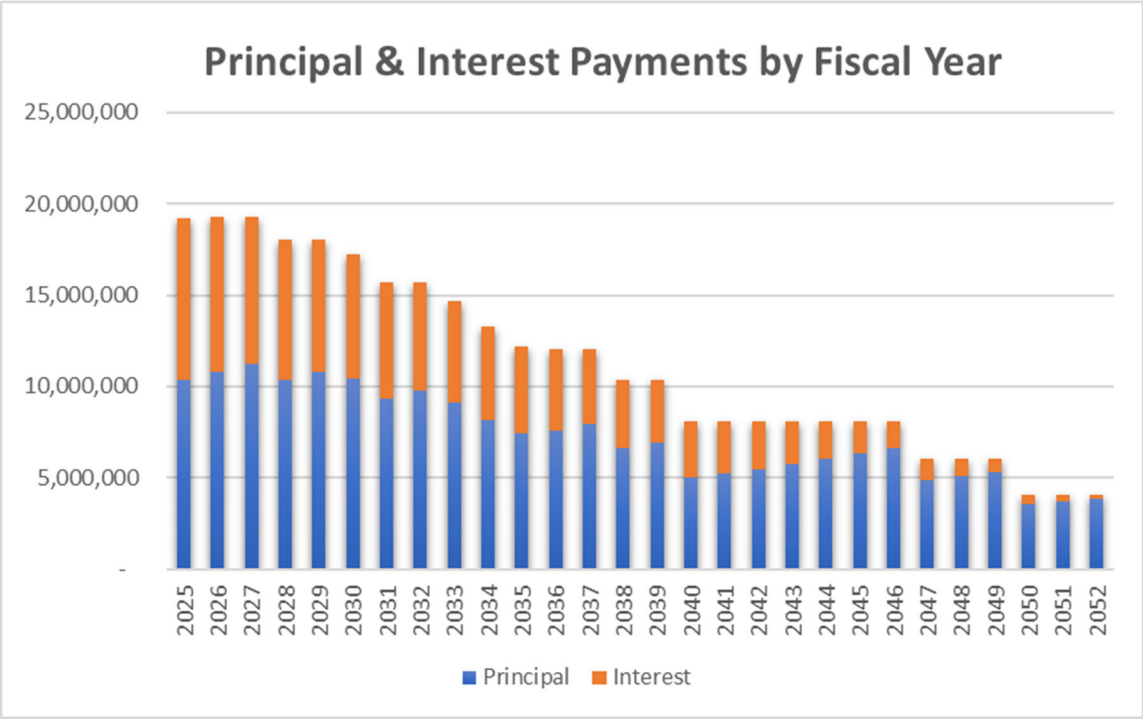
For instance, the five bond sales for new projects have been structured so that the City's debt service schedule is predictable with no "balloon notes" and no lengthy times of interest-only payments. Debt payments for each sale are flat (water and sewer debt) and slightly declining (GO debt). Also, the 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.

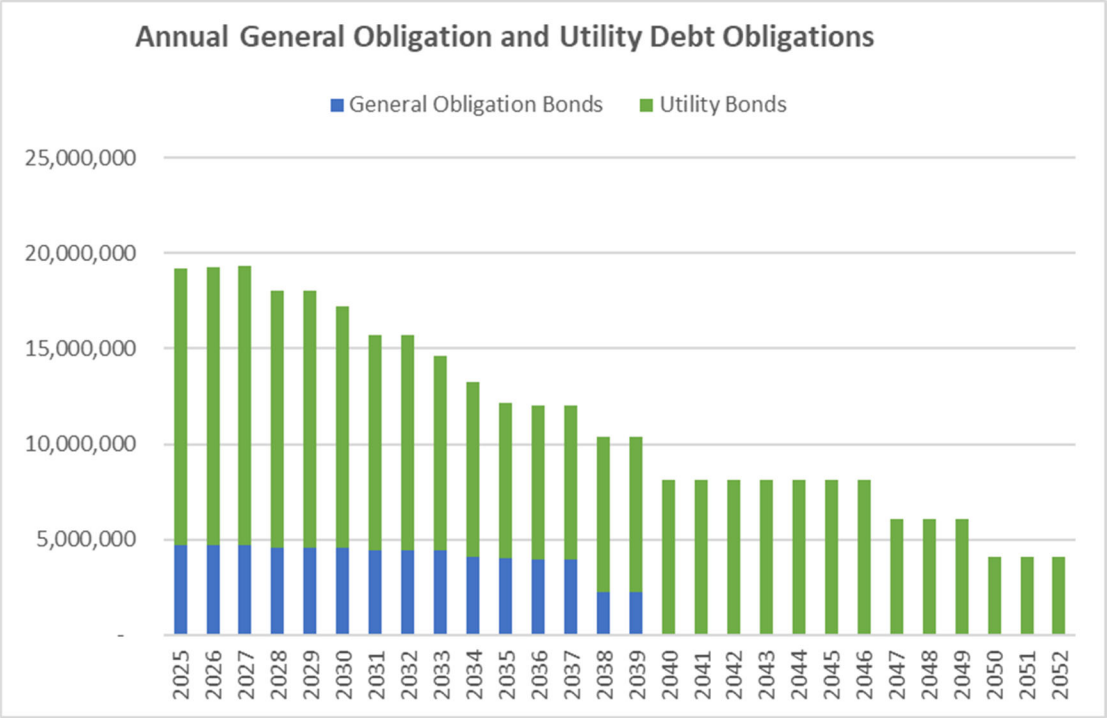
BOND SALES CONDUCTED FROM 2014 TO 2025

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	$4,869,000
311110	Property Taxes - Delinquent	37,170	40,000	36,120	36,500
361110	Interest Earned-Operating	139,165	117,970	108,280	95,800
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	1,386,931
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**	**$20,576,579**
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	$45,534,750
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	10,687,370
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	3,838,780
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	1,353,217	1,444,410
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**	**$58,917,008**	**$61,505,310**
Revenues over/(under) Expenditures								26,174,468		
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	$2,137,250
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	503,760
Drainage Utility Fund	(331,355)	(331,355)	92,924	22,291	22,291	(164,355)	(98,970)	81,140	173,845	(192,780)
Scholes Airport Fund	149,099	149,099	345,914	127,322	127,322	216,934	118,922	148,294	70,254	120,490
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**	**$5,189,598**	**$2,568,721**
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	$737,250
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	(146,240)
Drainage Utility Fund	(394,136)	(562,865)	(35,570)	(494,402)	(579,518)	(392,418)	(233,970)	(53,860)	28,465	(232,780)
Scholes Airport Fund	(18,401)	(18,401)	208,483	17,322	(241,967)	(63,275)	63,922	8,535	(69,505)	120,490
Total	**($3,986,743)**	**($5,009,315)**	**$273,572**		**($8,804,289)**	**($5,444,197)**	**($4,575,191)**	**$1,191,109**	**$1,945,303**	**$478,720**
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	$16,212,243
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	2,455,762
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	879,874
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	1,386,931	1,507,421
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**	**$20,576,579**	**$21,055,300**

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	46,934,750
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	11,337,370
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	3,878,780
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	1,492,976	1,444,410
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**	**$62,161,303**	**$63,595,310**

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	$21,320,981	$22,812,340
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	3,154,835	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	8,627,950
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**	**$62,161,303**	**$63,595,310**

BUDGET HIGHLIGHTS

Personnel Services - Net increases (+$1,491,359) includes funding for a 10% increase (+$328,560) in Group Health insurance, (+$293,464) increase in reimbursements to Streets for repairs, and (+$869,335) for annualized personnel costs.

Materials and Supplies - Net increase (+$132,985) includes increases (+$40,942) to electricity, increases (+$51,990) for minor equipment and pipe & plumbing supplies and increases in miscellaneous supply line items (+$40,053).

Contractual Services - Net increases (+$433,756) include includes an increase (+$324,649) in garage charges, a decrease in computer charges (-$6,460), software licenses (+$81,432), and net increases (+$34,135) 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	$1,923,000
Utility Billing	1,413,044	1,590,398	1,520,130	2,143,640
Supply	2,744,606	2,871,425	2,765,620	2,678,100
Distribution	3,915,939	4,047,254	3,884,270	3,885,810
Industrial Pretreatment	354,143	404,908	357,030	388,570
Collection	5,053,695	5,553,441	5,172,340	5,454,930
Wastewater Treatment Plant	6,027,656	5,914,890	5,730,450	6,005,130
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**	**$45,534,750**
Operating Income (Loss)	**($1,498,365)**	**$3,470,410**	**$3,835,779**	**$2,137,250**
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**	**$16,212,243**
90 Day Reserve	***$11,088,756***	***$11,074,485***	***$10,844,016***	***$11,227,746***
120 Day Reserve	***$14,785,008***	***$14,765,980***	***$14,458,689***	***$14,970,329***

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	$961,500
Utility Billing		710,477	795,199	753,320	1,071,820
Supply		2,744,606	2,871,425	2,765,620	2,678,100
Distribution		3,915,939	4,047,254	3,884,270	3,885,810
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**	**$25,443,930**
Operating Income (Loss)		**($1,356,241)**	**$1,321,980**	**$871,579**	**$350,070**
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**	**$8,618,639**
90 Day Reserve		***$6,431,925***	***$6,250,098***	***$6,174,644***	***$6,273,846***
120 Day Reserve		***$8,575,900***	***$8,333,464***	***$8,232,858***	***$8,365,128***

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	$961,500
Utility Billing	710,477	795,199	753,320	1,071,820
Supply	2,802,867	2,887,982	2,782,177	2,718,100
Distribution	4,481,253	4,726,573	4,665,070	4,055,810
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**	**25,653,930**
Transfer to Improvement Fund	370,000	300,000	300,000	300,000
Waterworks Fund Total	**$27,338,623**	**$26,378,996**	**$26,174,468**	**$25,953,930**

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	1,938,630
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**	**$25,953,930**

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 (+$47,449) include increases for software licenses (+$81,432), decreases (-$11,400) to garage charges, decreases (-$10,278) 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	176,720
Other Charges and Services	127,871	147,500	130,323	130,000
Operating Transfers	0	0	0	0
Capital Outlay	0	35,500	35,500	0
Debt Service	0	0	0	0
Special Programs and Events	0	0	0	0
TOTAL	**$803,522**	**$911,082**	**$931,320**	**$961,500**

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 (+$19,798) needed for software licenses (+$6,725), an increase for advertising (+$6,741), computer charges (+$10,000) and decreases (-$1,441) 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

WD Ledger Account - Spend Category	FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
Personnel Services				
511000 - SC511001 Regular Payroll	$202,618	$297,150	$378,636	$322,230
511000 - SC511005 Longevity	898	1,070	2,601	2,850
511000 - SC511006 Differential Pay	808	1,000	1,504	920
511000 - SC511009 Overtime	6,866	1,000	11,996	7,900
511000 - SC511021 Part-time Payroll	23,122	22,190	34,925	29,100
511000 - SC511110 Incentive Pay	0	0	40	0
511000 - SC511125 Residency Pay	1,436	840	4,727	2,090
511500 - SC511510 Group Health Insurance	50,665	70,490	70,490	75,180
511500 - SC511515 Worker's Compensation	237	480	480	480
511500 - SC511520 Group Life Insurance	991	1,390	1,302	1,580
511500 - SC511530 Social Security - Employment	14,182	20,047	26,574	23,000
511500 - SC511535 Medicare - Employer's	3,320	4,685	6,229	5,380
511500 - SC511542 City Employee Retirement	27,768	40,210	53,279	44,870
511600 - SC511650 Salary Reimbursements	180,681	90,000	(1,732)	120,000
Total Personnel Services	**$513,592**	**$550,552**	**$591,050**	**$635,580**
Materials and Supplies				
521000 - SC521001 Office Supplies	6,755	9,000	6,611	8,000
523000 - SC523100 Minor Office Equipment	627	750	750	700
521000 - SC521009 Clothing	1,124	950	720	950
522000 - SC522037 Janitorial Supplies	1,970	0	46	0
521100 - SC521105 Safety Supplies	22	500	338	400
523000 - SC523120 Minor Tools	75	850	850	750
525000 - SC525031 Electricity	8,294	9,100	8,210	8,400
Total Materials and Supplies	**$18,866**	**$21,150**	**$17,525**	**$19,200**
Contractual Services				
531000 - SC531005 Other Services	750	700	700	750
531000 - SC531006 Attorney's Fees	50,276	50,000	50,000	50,000
531000 - SC531007 Security Service	0	0	4,613	7,320
531000 - SC531025 Memberships	157	2,000	2,070	2,000
531000 - SC531027 Certificate & Permit Fees	0	50	50	100
531000 - SC531028 Software Licenses	21,217	21,275	21,275	28,000
531000 - SC531029 Software Maint. Contracts	0	6,725	6,725	6,730
531100 - SC531115 Refuse Disposal	703	0	0	3,000
531200 - SC531240 Maintenance Contracts	5,732	7,000	5,712	7,000
531300 - SC531350 Garage Charges	21,388	19,440	17,083	13,460
531300 - SC531360 Computer Charges	24,856	24,860	24,860	32,630
532000 - SC532062 Postage	1,050	1,500	2,986	1,920
532000 - SC532065 Printing, Duplication	2,618	6,000	6,490	5,400
532080 - SC532083 Telephone Service	1,066	1,080	1,070	910
532080 - SC532084 Cellular Service	3,082	1,350	2,901	1,040
532080 - SC532086 Other Communications	4,265	6,000	3,871	3,880
532080 - SC532087 Air card Service	4,905	3,900	4,086	4,080
533080 - SC533085 Travel/Training	297	2,000	1,672	1,000
535000 - SC535388 Advertising	832	2,500	759	7,500
Total Contractual Services	**$143,193**	**$156,380**	**$156,923**	**$176,720**
Other Charges and Services				
540000 - SC535388 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				
560000 - SC564099 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**	**$961,500**


CITY OF GALVESTON
1839
TEXAS

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	180,060
Other Charges and Services	180,076	182,488	199,770	180,000
TOTAL	**$710,477**	**$795,199**	**$753,320**	**$1,071,820**

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 (+$48,968) includes an increase for software maintenance contracts (+$21,188), garage charges (+$31,391) for Meter Tech group, and miscellaneous decreases (-$3,611) 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

WD Ledger Account - Spend Category	FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
Personnel Services				
511000 - SC511001 Regular Payroll	$233,617	$295,722	$262,629	$452,220
511000 - SC511005 Longevity	1,423	1,720	1,359	1,800
511000 - SC511006 Differential Pay	688	650	999	1,020
511000 - SC511009 Overtime	3,913	3,000	3,000	3,000
511000 - SC511021 Part-time Payroll	8,624	8,000	8,000	8,000
511000 - SC511110 Incentive Pay	0	0	30	0
511000 - SC511125 Residency Pay	953	970	945	970
511500 - SC511510 Group Health Insurance	76,038	76,040	76,040	134,760
511500 - SC511515 Worker's Compensation	3,295	6,590	6,590	6,590
511500 - SC511520 Group Life Insurance	1,171	1,380	1,285	1,750
511500 - SC511530 Social Security - Employment	14,916	19,223	16,764	28,950
511500 - SC511535 Medicare - Employer's	3,488	4,494	3,920	6,770
511500 - SC511542 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				
521000 - SC521001 Office Supplies	4,266	3,938	2,698	2,500
523000 - SC523100 Minor Office Equipment	267	(63)	9	500
521000 - SC521003 Printed Materials	841	3,125	1,603	1,500
522000 - SC522037 Janitorial supplies	0	150	150	150
Total Materials and Supplies	**$5,374**	**$7,150**	**$4,460**	**$4,650**
531000 - SC531007 Security Service	6,533	6,500	6,756	6,000
531000 - SC531015 Temporary Employee Services	5,416	8,000	0	5,000
531000 - SC531028 Software Licenses	2,601	8,000	3,000	0
531100 - SC531125 Other Contracts	14,472	14,000	14,000	12,000
531200 - SC531240 Maintenance Contracts	15,947	23,013	19,812	41,000
531300 - SC531350 Garage Charges	0	0	0	31,390
531300 - SC531360 Computer Charges	40,129	31,430	31,430	32,870
532000 - SC532062 Postage	51,668	49,000	48,489	44,000
532000 - SC532065 Printing, Duplication	865	1,200	940	1,000
532080 - SC532083 Telephone Service	482	500	483	500
532080 - SC532084 Cellular Service	1,279	300	1,270	1,300
532080 - SC532086 Other Communications	1,083	1,100	1,095	1,100
532080 - SC532087 Aircard Services	4,411	2,900	2,360	2,400
533080 - SC533085 Travel/Training	490	1,500	1,454	1,500
Total Contractual Services	**$145,374**	**$147,443**	**$131,090**	**$180,060**
Other Charges and Services				
540000 - SC540030 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**	**$1,071,820**

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	856,420
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**	**$3,018,100**

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 (+$2,107) include increases for software licenses (+$77,122), decreases (-$59,102) in maintenance contracts, decreases (-$40,383) in garage charges and increases (+$24,470) 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

WD Ledger Account - Spend Category	FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
Personnel Services				
511000 - SC511001 Regular Payroll	$663,041	$709,906	$716,523	$663,200
511000 - SC511005 Longevity	6,363	6,810	6,795	7,370
511000 - SC511009 Overtime	187,994	90,000	90,247	50,000
511000 - SC511110 Incentive Pay	41,973	40,380	44,753	40,380
511000 - SC511125 Residency Pay	2,510	2,530	2,518	2,530
511500 - SC511510 Group Health Insurance	183,519	163,690	163,690	174,820
511500 - SC511515 Worker's Compensation	7,358	14,720	14,720	14,720
511500 - SC511520 Group Life Insurance	3,251	3,310	3,430	10,060
511500 - SC511530 Social Security - Employment	54,471	52,676	51,299	47,340
511500 - SC511535 Medicare - Employer's	12,739	12,320	11,997	11,070
511500 - SC511542 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				
521000 - SC521001 Office Supplies	8,706	7,000	5,247	5,000
522000 - SC522011 Chemicals	70,780	112,303	112,303	130,000
521000 - SC521009 Clothing	19,289	15,000	14,804	12,000
522000 - SC522025 Fuel and Lubricants	81,096	51,000	30,868	40,280
522000 - SC522037 Janitorial Supplies	3,767	4,000	4,000	3,130
521100 - SC521105 Safety Supplies	7,835	15,000	12,139	11,500
522000 - SC522045 Electrical Hardware	0	0	2,574	0
523000 - SC523120 Minor Tools	16,844	11,500	9,642	5,000
523000 - SC523125 Minor Equipment	33,077	34,000	34,000	20,000
522000 - SC522065 Paint And Lumber	2,555	8,500	6,375	3,900
522000 - SC522075 Pipe and Plumbing Supplies	15,563	4,000	4,000	4,000
523000 - SC523135 Equipment Parts	45,344	45,000	45,000	20,000
521000 - SC521013 Other Supplies	2,206	2,500	2,500	2,850
525000 - SC525031 Electricity	420,837	465,330	409,658	450,600
Total Materials and Supplies	**$727,901**	**$775,133**	**$693,110**	**$708,260**
Contractual Services				
531000 - SC531005 Other Services	56,560	30,000	24,560	30,000
531000 - SC531008 Laboratory Testing	29,949	30,000	30,000	30,000
531000 - SC531025 Memberships	2,093	2,000	2,000	2,000
531000 - SC531027 Certification & Permit Fees	78,186	102,082	102,082	111,000
531000 - SC531028 Software Licenses	2,022	182,113	182,113	259,230
531000 - SC531029 Software Maintenance Contract	0	2,200	2,200	0
531100 - SC531120 Lot Maintenance	70,117	55,000	55,000	70,520
531100 - SC531125 Other Contracts	1,915	2,000	2,000	2,000
531200 - SC531220 Building Repairs	2,740	6,860	6,860	3,000
531200 - SC531230 Equipment Repairs	43,361	46,140	25,505	30,000
531200 - SC531240 Maintenance Contracts	158,099	164,102	164,102	105,000
531300 - SC531320 Equipment Rental	7,822	0	0	4,750
531300 - SC531350 Garage Charges	175,233	160,180	156,977	116,590
531300 - SC531360 Computer Charges	75,653	75,200	75,200	69,290
532000 - SC532065 Printing, Duplication	0	1,000	1,009	1,040
532080 - SC532083 Telephone Service	5,672	5,700	5,817	5,790

FY2026 BUDGET
SUPPLY

LINE ITEM DETAIL

WD Ledger Account - Spend Category	FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
532080 - SC532084 Cellular Service	3,320	3,400	3,718	3,630
532080 - SC532086 Other Communications	1,873	1,920	1,883	1,910
532080 - SC532087 Aircard Service	1,461	1,620	1,187	1,170
533080 - SC533085 Travel/Training	6,095	15,000	12,035	9,500
535000 - SC535389 Food Services	3,061	0	72	0
Total Contractual Services	**$725,234**	**$886,517**	**$854,320**	**$856,420**
Other Charges and Services				
544087 - SC544087 Expense Reimbursement	9,382	0	0	(10,000)
Total Other Charges and Services	**$9,382**	**$0**	**$0**	**($10,000)**
Operating Transfers				
553000 - SC553010 Waterworks - Transfer Out	150,000	300,000	300,000	300,000
Total Operating Transfers	**$150,000**	**$300,000**	**$300,000**	**$300,000**
Capital Outlay				
560000 - SC564003 Vehicle Capital Outlay	21,200	16,557	16,557	40,000
560000 - SC564117 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**	**$3,018,100**

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	690,110
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**	**$4,055,810**

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 decrease (-$11,894) includes a decrease (-$13,580) in garage charges, and an increase (+$1,686) 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 Water 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

WD Ledger Account - Spend Category	FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
Personnel Services				
511000 - SC511001 Regular Payroll	$1,303,225	$1,635,035	$1,471,362	$1,392,300
511000 - SC511005 Longevity	4,057	5,830	3,680	5,020
511000 - SC511006 Differential Pay	5,088	5,870	3,019	3,630
511000 - SC511009 Overtime	380,902	200,000	200,000	200,000
511000 - SC511110 Incentive Pay	52,150	57,420	46,397	46,720
511000 - SC511125 Residency Pay	11,861	13,050	5,074	5,020
511500 - SC511510 Group Health Insurance	407,004	413,620	413,620	406,450
511500 - SC511515 Worker's Compensation	14,518	29,040	29,040	29,040
511500 - SC511520 Group Life Insurance	6,325	7,140	6,517	6,540
511500 - SC511530 Social Security - Employment	104,347	118,865	105,207	102,470
511500 - SC511535 Medicare - Employer's	24,404	27,800	24,605	23,960
511500 - SC511542 City Employee Retirement	228,398	255,954	227,788	220,640
511600 - SC511650 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				
521000 - SC521001 Office Supplies	9,201	8,050	8,050	7,000
522000 - SC522011 Chemicals	538	550	550	500
521000 - SC521009 Clothing	23,294	24,000	20,789	30,000
522000 - SC522015 Concrete And Aggregate	51,949	55,000	57,899	55,000
522000 - SC522025 Fuel and Lubricants	95	0	193	0
522000 - SC522037 Janitorial Supplies	4,799	5,000	3,844	4,460
521100 - SC521105 Safety Supplies	16,443	16,000	16,000	19,000

FY2026 BUDGET
DISTRIBUTION

LINE ITEM DETAIL

WD Ledger Account - Spend Category	FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
522000 - SC522045 Electrical Hardware	0	0	82	0
523000 - SC523120 Minor Tools	38,074	39,500	31,089	45,400
523000 - SC523125 Minor Equipment	4,733	36,133	21,055	50,700
522000 - SC522065 Paint And Lumber	1,807	2,500	2,105	2,500
522000 - SC522075 Pipe And Plumbing Supplies	206,419	200,000	200,000	212,100
523000 - SC523135 Equipment Parts	23,557	30,000	19,330	19,100
521000 - SC521013 Other Supplies	12,164	6,000	6,000	6,650
525000 - SC525031 Electricity	1,423	1,590	1,004	1,500
Total Materials and Supplies	**$394,495**	**$424,323**	**$387,990**	**$453,910**
Contractual Services				
531000 - SC531005 Other Services	125	0	90	0
531000 - SC531025 Memberships	4,361	4,000	4,000	3,900
531000 - SC531027 Certification & Permit Fees	10,044	10,000	10,000	10,000
531000 - SC531028 Software Licenses	7	5,100	1,506	2,100
531100 - SC531115 Refuse Disposal	1,554	1,500	1,500	1,600
531200 - SC531220 Building Repairs	5,573	5,000	4,180	3,600
531200 - SC531230 Equipment Repairs	12,127	10,000	10,000	11,780
531200 - SC531240 Maintenance Contracts	8,274	7,367	7,367	8,000
531300 - SC531320 Equipment Rental	5,906	5,000	5,000	4,850
531300 - SC531350 Garage Charges	444,500	461,100	487,579	488,800
531300 - SC531360 Computer Charges	133,606	133,600	133,600	120,020
532000 - SC532062 Postage	486	0	498	0
532000 - SC532065 Printing, Duplication	198	500	754	0
532080 - SC532083 Telephone Service	241	240	242	210
532080 - SC532084 Cellular Service	8,946	8,300	7,476	7,150
532080 - SC532086 Other Communications	2,162	2,200	1,946	2,100
532080 - SC532087 Aircard Service	6,002	6,000	6,071	6,000
533080 - SC533085 Travel/Training	18,078	20,000	20,000	20,000
535000 - SC535388 Advertising	1,469	0	0	0
535000 - SC535389 Food Services	5,877	0	182	0
Total Contractual Services	**$669,535**	**$679,907**	**$701,990**	**$690,110**
Other Charges and Services				
540000 - SC535388 Project Mgmt. Costs (Capital)	1,803	0	0	0
544087 - SC544087 Expense Reimbursement	145,598	85,000	132,980	150,000
540000 - SC540027 Reimb From Insurance Claims	(356)	0	0	0
Total Other Charges and Services	**$147,045**	**$85,000**	**$132,980**	**$150,000**
Operating Transfers				
553000 - SC553010 Waterworks - Transfer Out	220,000	0	0	0
Total Operating Transfers	**$220,000**	**$0**	**$0**	**$0**
Capital Outlay				
560000 - SC564003 Vehicle Capital Outlay	126,806	606,289	710,608	120,000
560000 - SC564117 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**	**$4,055,810**

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

WD Ledger Account - Spend Category	FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
Personnel Services				
511000 - SC511002 Civilian Comp Adjustments	$0	$0	$0	$0
511500 - SC511515 Worker's Compensation	12,000	0	0	0
Total Personnel Services	**$12,000**	**$0**	**$0**	**$0**
Contractual Services				
531000 - SC531004 Consultant Services	0	12,000	12,000	0
531300 - SC531310 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				
547010 - SC547011 Surface Water Purchase	2,557,922	2,866,000	2,810,307	2,819,360
547010 - SC547013 Surface Water - Capital	1,225,930	1,282,000	1,281,162	1,291,190
547010 - SC547014 Surface Water - Main. & Operations	4,232,424	4,208,000	4,248,949	4,268,200
540000 - SC540034 Administrative Service Charge	983,000	983,000	983,000	1,032,000
540000 - SC540035 Payment In Lieu Of Taxes	300,000	300,000	300,000	300,000
540000 - SC540036 Insurance Expense	339,257	366,540	366,540	374,620
540000 - SC540037 City Hall Maintenance	92,436	97,720	97,723	101,530
540000 - SC540038 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				
553000 - SC553010 Waterworks - Transfer Out	1,468,195	0	0	0
553000 - SC553035 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				
560000 - SC564117 Machinery and Equipment	260,020	0	0	0
Total Capital Outlay	**$260,020**	**$0**	**$0**	**$0**
Debt Service				
571010 - SC571010 Interest Expense	3,864,818	3,774,573	3,774,573	3,684,050
571070 - SC571071 Agent Fees	2,513	2,500	2,500	2,500
571050 - SC571050 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	$961,500
Utility Billing	702,567	795,199	766,810	1,071,820
Industrial Pretreatment	354,143	404,908	357,030	388,570
Collection	5,053,695	5,553,441	5,172,340	5,454,930
Wastewater Treatment Plant	6,027,656	5,914,890	5,730,450	6,005,130
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**	**$20,090,820**
Operating Income (Loss)	**($142,123)**	**$2,148,430**	**$2,964,200**	**$1,787,180**
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**	**$7,593,603**
90 Day Reserve	***$4,656,831***	***$4,824,387***	***$4,669,373***	***$4,953,901***
120 Day Reserve	***$6,209,109***	***$6,432,516***	***$6,225,830***	***$6,605,201***

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	$961,500
Utility Billing	702,567	795,199	766,810	1,071,820
Industrial Pretreatment	354,143	444,908	397,030	428,570
Collection	6,116,786	6,667,760	6,388,140	5,804,930
Wastewater Treatment Plant	6,654,415	6,149,890	5,965,450	6,155,130
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**	**20,630,820**
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**	**$20,980,820**

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	2,483,370
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**	**$20,980,820**

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 (+$83,086) includes increase (+$68,928) in garage charges, increase in computer charges (+$3,818), and increases (+$11,182) 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	176,720
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**	**$961,500**

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 (+$27,391) needed for software licenses (+$6,725), an increase for advertising (+$6,741), computer charges (+$10,000) and increases (+$6,152) 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

WD Ledger Account - Spend Category		FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
Personnel Services					
511000 - SC511001	Regular Payroll	$202,664	$297,150	$389,918	$322,230
511000 - SC511005	Longevity	898	1,070	2,600	2,850
511000 - SC511006	Differential Pay	809	1,000	1,504	920
511000 - SC511009	Overtime	6,872	1,000	12,130	7,900
511000 - SC511021	Part-time Payroll	23,123	22,190	46,628	29,100
511000 - SC511125	Residency Pay	1,434	840	2,936	2,090
511500 - SC511510	Group Health Insurance	50,648	70,490	70,490	75,180
511500 - SC511515	Worker's Compensation	237	480	480	480
511500 - SC511520	Group Life Insurance	991	1,390	1,328	1,580
511500 - SC511530	Social Security - Employment	14,185	20,047	27,852	23,000
511500 - SC511535	Medicare - Employer's	3,321	4,685	6,528	5,380
511500 - SC511542	City Employee Retirement	27,774	40,210	54,559	44,870
511600 - SC511650	Salary Reimbursements	146,597	90,000	(26,732)	120,000
Total Personnel Services		**$479,553**	**$550,552**	**$590,220**	**$635,580**
Materials and Supplies					
521000 - SC521001	Office Supplies	6,755	9,000	6,640	8,000
523000 - SC523100	Minor Office Equipment	627	750	750	700
521000 - SC521009	Clothing	924	950	950	950
522000 - SC522037	Janitorial Services	1,970	0	53	0
521100 - SC521105	Safety Supplies	(103)	500	500	400
523000 - SC523120	Minor Tools	975	850	850	750
525000 - SC525031	Electricity	8,294	9,100	8,246	8,400
Total Materials and Supplies		**$19,442**	**$21,150**	**$17,990**	**$19,200**
Contractual Services					
531000 - SC531005	Other Services	750	700	700	750
531000 - SC531006	Attorney's Fees	50,276	50,000	50,000	50,000
531000 - SC531007	Security Services	0	0	4,613	7,320
531000 - SC531025	Memberships	157	2,000	2,162	2,000
531000 - SC531027	Certification & Permit Fees	0	50	50	100
531000 - SC531028	Software Licenses	21,217	21,275	21,275	28,000
531000 - SC531029	Software Maint. Contract	0	6,725	6,471	6,730
531100 - SC531115	Refuse Disposal	703	0	0	3,000
531200 - SC531240	Maintenance Contracts	5,732	7,000	5,212	7,000
531300 - SC531350	Garage Charges	21,388	19,440	17,087	13,460
531300 - SC531360	Computer Charges	24,856	24,860	24,860	32,630
532000 - SC532062	Postage	1,050	1,500	2,986	1,920
532000 - SC532065	Printing, Duplication	2,618	6,000	4,463	5,400
532080 - SC532083	Telephone Service	1,066	1,080	1,069	910
532080 - SC532084	Cellular Service	131	1,350	454	1,040
532080 - SC532086	Other Communications	4,265	6,000	3,871	3,880
532080 - SC532087	Aircard Service	2,170	3,900	1,797	4,080
533080 - SC533085	Travel/Training	297	2,000	1,500	1,000
535000 - SC535388	Advertising	832	2,500	759	7,500
Total Contractual Services		**$137,506**	**$156,380**	**$149,330**	**$176,720**
Other Charges and Services					
540000 - SC535388	Project Management Cost	127,871	147,500	130,320	130,000
Total Other Charges and Services		**$127,871**	**$147,500**	**$130,320**	**$130,000**
Capital Outlay					
560000 - SC564005	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**	**$961,500**


CITY OF GALVESTON
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TEXAS

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	180,060
Other Charges and Services	182,458	182,488	202,340	180,000
TOTAL	**$702,567**	**$795,199**	**$766,810**	**$1,071,820**

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 (+$38,658) includes an increase for software maintenance contracts (+$7,372), garage charges (+$31,391) for Meter Tech group, and miscellaneous decreases (-$105) 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

WD Ledger Account - Spend Category	FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
Personnel Services				
511000 - SC511001 Regular Payroll	$233,617	$295,722	$262,629	$452,220
511000 - SC511005 Longevity	1,424	1,720	1,359	1,800
511000 - SC511006 Differential Pay	633	650	991	1,020
511000 - SC511009 Overtime	3,917	3,000	3,000	3,000
511000 - SC511021 Part-time Payroll	8,624	8,000	8,000	8,000
511000 - SC511110 Incentive Pay	0	0	30	0
511000 - SC511125 Residency Pay	954	970	948	970
511500 - SC511510 Group Health Insurance	76,038	76,040	76,040	134,760
511500 - SC511515 Worker's Compensation	3,295	6,590	6,590	6,590
511500 - SC511520 Group Life Insurance	1,147	1,380	1,285	1,750
511500 - SC511530 Social Security - Employment	14,804	19,223	16,776	28,950
511500 - SC511535 Medicare - Employer's	3,462	4,494	3,923	6,770
511500 - SC511542 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				
521000 - SC521001 Office Supplies	4,214	3,938	3,940	2,500
523000 - SC523100 Minor Office Equipment	267	(63)	(63)	500
521000 - SC521003 Printed Materials	647	3,125	1,563	1,500
522000 - SC522037 Janitorial Supplies	0	150	150	150
Total Materials and Supplies	**$5,128**	**$7,150**	**$5,590**	**$4,650**
Contractual Services				
531000 - SC531007 Security Service	6,533	6,500	6,500	6,000
531000 - SC531015 Temporary Employee Services	5,416	8,000	0	5,000
531000 - SC531028 Software Licenses	2,601	8,000	3,000	0
531100 - SC531125 Other Contracts	13,783	14,000	14,000	12,000
531200 - SC531240 Maintenance Contracts	15,947	23,013	33,628	41,000
531300 - SC531350 Garage Charges	0	0	0	31,390
531300 - SC531360 Computer Charges	40,129	31,430	31,430	32,870
532000 - SC532062 Postage	48,204	49,000	48,491	44,000
532000 - SC532065 Printing, Duplication	865	1,200	1,070	1,000
532080 - SC532083 Telephone Service	482	500	442	500
532080 - SC532084 Cellular Service	254	300	241	1,300
532080 - SC532086 Other Communications	1,083	1,100	1,097	1,100
532080 - SC532087 Aircard Service	0	2,900	0	2,400
533080 - SC533085 Travel/Training	490	1,500	1,500	1,500
Total Contractual Services	**$135,786**	**$147,443**	**$141,400**	**$180,060**
Other Charges and Services				
540000 - SC540030 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**	**$1,071,820**

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	44,040
Other Charges and Services	0	0	0	0
Capital Outlay	0	40,000	40,000	40,000
TOTAL	**$354,143**	**$444,908**	**$397,030**	**$428,570**

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 (-$19,070) includes a decrease (-$13,465) in garage charges, decrease (-$3,054), and decreases (-$2,551) 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

WD Ledger Account - Spend Category	FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
Personnel Services				
511000 - SC511001 Regular Payroll	$154,128	$201,642	$164,872	$201,640
511000 - SC511005 Longevity	1,102	1,250	445	640
511000 - SC511009 Overtime	20,084	20,000	20,000	20,000
511000 - SC511125 Residency Pay	1,029	0	1,192	0
511500 - SC511510 Group Health Insurance	52,896	52,900	52,900	58,280
511500 - SC511515 Worker's Compensation	2,190	4,380	4,380	5,480
511500 - SC511520 Group Life Insurance	743	940	543	990
511500 - SC511530 Social Security - Employment	10,107	13,815	11,315	13,780
511500 - SC511535 Medicare - Employer's	2,364	3,229	2,646	3,220
511500 - SC511542 City Employee Retirement	22,885	29,752	24,899	29,670
511600 - SC511650 Salary Reimbursements	(2,230)	0	(1,803)	0
Total Personnel Services	**$265,298**	**$327,908**	**$281,390**	**$333,700**
Materials and Supplies				
521000 - SC521001 Office Supplies	1,928	2,000	1,445	1,900
522000 - SC522011 Chemicals	0	100	100	100
521000 - SC521009 Clothing	1,778	2,000	2,000	1,200
522000 - SC522037 Janitorial Supplies	416	400	565	0
521100 - SC521105 Safety Supplies	1,172	1,200	1,200	1,200
523000 - SC523120 Minor Tools	919	1,200	1,200	1,050
523000 - SC523125 Minor Equipment	2,518	2,500	2,030	2,380
521000 - SC521013 Other Supplies	6,873	4,000	4,000	3,000
Total Materials and Supplies	**$15,604**	**$13,400**	**$12,540**	**$10,830**
Contractual Services				
531000 - SC531008 Laboratory Testing	0	0	266	2,000
531000 - SC531025 Memberships	250	50	0	0
531000 - SC531027 Certification & Permit Fees	561	600	414	0
531000 - SC531028 Software Licenses	0	2,500	2,500	0
531200 - SC531220 Building Repairs	5	0	0	0
531300 - SC531350 Garage Charges	38,926	32,040	31,399	17,940
531300 - SC531360 Computer Charges	25,960	24,100	24,100	21,050
532000 - SC532065 Printing, Duplication	0	150	150	0
532080 - SC532083 Telephone Service	138	150	126	120
532080 - SC532084 Cellular Service	1,922	1,930	1,931	1,930
532080 - SC532087 Aircard Service	63	80	0	0
533080 - SC533085 Travel/Training	2,980	500	500	1,000
535000 - SC535388 Advertising	2,437	1,500	1,714	0
Total Contractual Services	**$73,241**	**$63,600**	**$63,100**	**$44,040**
Capital Outlay				
560000 - SC564003 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**	**$428,570**


CITY OF GALVESTON
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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	678,550
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**	**$5,804,930**

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 (+$32,023) include increases in garage charges (+$35,735), in maintenance contracts(+9,000), increases (+$5,966) in software licenses, decreases (-$21,617) in computer charges, and various minor increases ($2,939) 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

WD Ledger Account - Spend Category	FY2024 ACTUAL	FY2026 BUDGET	FY2026 ESTIMATED	FY2026 BUDGET
Personnel Services				
511000 - SC511001 Regular Payroll	$1,881,025	$2,384,990	$2,017,349	$2,191,500
511000 - SC511005 Longevity	8,588	10,640	8,492	10,460
511000 - SC511006 Differential Pay	1,563	1,360	2,354	910
511000 - SC511009 Overtime	579,098	475,000	475,000	475,000
511000 - SC511110 Incentive Pay	74,457	75,590	76,287	73,790
511000 - SC511125 Residency Pay	19,532	20,100	19,620	20,100
511500 - SC511510 Group Health Insurance	572,707	585,600	585,600	595,840
511500 - SC511515 Worker's Compensation	21,210	42,420	42,420	42,420
511500 - SC511520 Group Life Insurance	9,263	10,890	9,691	19,230
511500 - SC511530 Social Security - Employment	154,136	183,998	158,462	171,850
511500 - SC511535 Medicare - Employer's	36,048	43,029	37,060	40,190
511500 - SC511542 City Employee Retirement	335,285	396,184	346,772	370,030
511600 - SC511650 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

WD Ledger Account - Spend Category	FY2024 ACTUAL	FY2026 BUDGET	FY2026 ESTIMATED	FY2026 BUDGET
Materials and Supplies				
521000 - SC521001 Office Supplies	9,559	9,000	9,000	7,000
522000 - SC522003 Agriculture Supplies	142	0	0	0
522000 - SC522011 Chemicals	538	500	15	0
521000 - SC521009 Clothing	33,682	30,000	30,000	30,000
522000 - SC522015 Concrete And Aggregate	41,949	75,000	67,899	75,000
522000 - SC522025 Fuel and Lubricants	95	200	200	200
522000 - SC522037 Janitorial Supplies	3,943	3,600	3,600	3,420
521100 - SC521105 Safety Supplies	16,788	17,500	17,500	19,800
522000 - SC522045 Electrical Hardware	0	0	2,873	5,000
523000 - SC523120 Minor Tools	38,055	49,500	36,570	41,800
523000 - SC523125 Minor Equipment	54,953	125,000	75,000	95,000
522000 - SC522065 Paint And Lumber	1,807	2,000	2,000	1,900
522000 - SC522075 Pipe And Plumbing Supplies	249,770	250,000	214,825	237,000
523000 - SC523135 Equipment Parts	63,887	35,000	50,926	40,000
521000 - SC521011 Other Materials	684	0	67	0
521000 - SC521013 Other Supplies	11,974	7,500	7,500	9,500
525000 - SC525031 Electricity	1,422	1,590	1,124	1,440
Total Materials and Supplies	**$529,249**	**$606,390**	**$519,100**	**$567,060**
Contractual Services				
531000 - SC531005 Other Services	125	0	90	0
531000 - SC531025 Memberships	4,361	4,000	4,000	3,990
531000 - SC531027 Certification & Permit Fees	9,930	10,000	8,462	10,000
531000 - SC531028 Software Licenses	2,257	5,000	4,034	10,000
531100 - SC531115 Refuse Disposal	1,554	1,500	1,500	1,500
531100 - SC531125 Other Contracts	0	1,000	500	1,000
531200 - SC531220 Building Repairs	5,053	1,000	1,000	2,500
531200 - SC531230 Equipment Repairs	11,976	15,000	15,000	14,250
531200 - SC531240 Maintenance Contracts	8,274	8,000	8,000	17,100
531300 - SC531310 Rental Of Land & Buildings	7,800	8,000	7,982	8,190
531300 - SC531320 Equipment Rental	18,438	18,000	18,000	17,100
531300 - SC531350 Garage Charges	348,170	357,350	364,965	400,700
531300 - SC531360 Computer Charges	178,927	178,930	178,930	157,320
532000 - SC532062 Postage	486	0	495	0
532080 - SC532083 Telephone Service	241	250	241	200
532080 - SC532084 Cellular Service	8,139	8,000	6,699	6,680
532080 - SC532086 Other Communications	1,497	1,500	1,046	900
532080 - SC532087 Aircard Service	3,419	3,420	3,109	3,120
533080 - SC533085 Travel/Training	26,630	30,000	22,284	24,000
535000 - SC535388 Advertising	1,469	0	0	0
535000 - SC535389 Food Services	5,877	0	182	0
Total Contractual Services	**$644,624**	**$650,950**	**$646,520**	**$678,550**
Other Charges and Services				
544087 - SC544087 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				
560000 - SC564003 Vehicle Capital Outlay	384,787	1,041,289	1,145,608	250,000
560000 - SC564117 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**	**$5,804,930**

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	1,343,860
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**	**$6,505,130**

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 (+$17,224) includes increase (+$50,288) in garage charges, decreases (-$10,675) in computer charges, and miscellaneous decreases (-$22,389) 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

WD Ledger Account - Spend Category	FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
Personnel Services				
511000 - SC511001 Regular Payroll	$1,753,484	$2,096,770	$1,944,187	$2,103,500
511000 - SC511005 Longevity	8,573	10,390	9,274	10,980
511000 - SC511006 Differential Pay	125	0	907	0
511000 - SC511009 Overtime	430,081	250,000	250,000	250,000
511000 - SC511110 Incentive Pay	72,288	72,300	91,345	101,270
511000 - SC511125 Residency Pay	10,855	10,050	10,071	10,050
511500 - SC511510 Group Health Insurance	467,835	474,450	474,450	517,170
511500 - SC511515 Worker's Compensation	13,977	27,960	27,960	27,960
511500 - SC511520 Group Life Insurance	8,729	9,130	9,128	9,610
511500 - SC511530 Social Security - Employment	136,387	151,247	140,505	153,500
511500 - SC511535 Medicare - Employer's	31,897	35,370	32,860	35,900
511500 - SC511542 City Employee Retirement	297,570	325,683	307,793	330,520
511600 - SC511650 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				
521000 - SC521001 Office Supplies	9,408	7,500	7,500	6,000
523000 - SC523100 Minor Office Equipment	5,014	1,500	1,500	1,450
522000 - SC522011 Chemicals	241,081	205,000	235,766	223,900
521000 - SC521009 Clothing	28,459	30,000	27,142	26,000
522000 - SC522025 Fuel and Lubricants	36,460	4,000	4,162	10,000
522000 - SC522037 Janitorial Supplies	11,104	10,500	10,500	10,500
521100 - SC521105 Safety Supplies	3,752	(1,000)	5,042	11,200
522000 - SC522045 Electrical Hardware	18,773	0	1,291	1,000
523000 - SC523120 Minor Tools	12,137	10,500	8,328	7,600
523000 - SC523125 Minor Equipment	55,779	55,000	43,962	9,980
522000 - SC522065 Paint And Lumber	2,765	2,800	2,789	15,960
522000 - SC522075 Pipe And Plumbing Supplies	4,253	8,745	7,843	7,000
523000 - SC523135 Equipment Parts	53,353	79,000	79,000	80,750

FY2026 BUDGET
WASTEWATER TREATMENT PLANT

LINE ITEM DETAIL

WD Ledger Account - Spend Category	FY2024 ACTUAL	FY2026 BUDGET	FY2026 ESTIMATED	FY2026 BUDGET
521000 - SC521011 Other Materials	1,891	0	0	0
521000 - SC521013 Other Supplies	10,333	6,000	4,967	7,250
525000 - SC525031 Electricity	672,960	706,530	663,355	690,000
525000 - SC525032 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				
531000 - SC531005 Other Services	15,097	14,000	10,191	12,000
531000 - SC531008 Laboratory Testing	60,521	65,000	62,184	61,000
531000 - SC531025 Memberships	1,857	113,000	113,000	1,100
531000 - SC531027 Certification & Permit Fees	118,850	0	0	115,000
531000 - SC531028 Software Licenses	0	3,000	3,000	0
531100 - SC531110 Sludge Removal	603,667	398,755	385,433	366,700
531100 - SC531120 Lot Maintenance	37,141	25,000	25,000	34,200
531100 - SC531125 Other Contracts	118,783	60,000	60,000	61,750
531200 - SC531220 Building Repairs	13,764	1,500	44,445	6,180
531200 - SC531230 Equipment Repairs	102,210	98,100	82,674	90,250
531200 - SC531240 Maintenance Contracts	56,497	91,900	91,900	105,000
531300 - SC531320 Equipment Rental	51,393	31,000	31,000	35,000
531300 - SC531350 Garage Charges	185,664	160,180	156,971	207,260
531300 - SC531360 Computer Charges	173,627	173,630	173,630	162,960
532000 - SC532065 Printing, Duplication	593	0	0	0
532080 - SC532083 Telephone Service	55,491	55,800	56,962	55,000
532080 - SC532084 Cellular Service	5,014	4,800	5,232	4,680
532080 - SC532086 Other Communications	13,580	13,500	10,725	11,930
532080 - SC532087 Aircard Service	7,332	7,500	6,757	7,200
533080 - SC533085 Travel/Training	7,040	7,000	7,525	6,650
535000 - SC535389 Food Services	886	0	0	0
Total Contractual Services	**$1,629,006**	**$1,323,665**	**$1,326,630**	**$1,343,860**
Operating Transfers				
553000 - SC553011 Sewer - Transfer Out	150,000	300,000	300,000	350,000
Total Operating Transfers	**$150,000**	**$300,000**	**$300,000**	**$350,000**
Capital Outlay				
560000 - SC564003 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**	**$6,505,130**

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.

LINE ITEM DETAIL

WD Ledger Account - Spend Category	FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
Personnel Services				
511000 - SC511002 Civilian Pension/Comp Adjustments	$0	$0	$0	$0
511500 - SC511515 Worker's Compensation	25,000	0	0	0
Total Personnel Services	**$25,000**	**$0**	**$0**	**$0**
Contractual Services				
531000 - SC531004 Consultant Services	0	15,000	15,000	0
531300 - SC531310 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				
540000 - SC540034 Administrative Service Charge	713,000	713,000	713,000	875,000
540000 - SC540035 Payment In Lieu Of Taxes	300,000	300,000	300,000	300,000
540000 - SC540036 Insurance Expense	367,979	391,880	391,880	423,200
540000 - SC540037 City Hall Maintenance	239,756	255,600	255,590	265,530
540000 - SC540038 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				
553000 - SC553035 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 - SC571010 Interest Expense	2,322,159	2,323,700	2,323,700	2,258,580
571070 - SC571071 Agent Fees	2,513	2,500	2,500	2,500
571050 - SC571050 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	$7,123,810
Recycling	1,146,822	1,124,588	1,057,770	1,109,020
Utility Billing	255,307	292,558	285,090	298,830
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**	**$10,687,370**
Operating Income (Loss)	**($396,695)**	**$522,219**	**$1,109,720**	**$503,760**
Transfer to Improvement Account/Capital Outlay	$0	$0	$0	$650,000
Ending Balance	**$1,492,282**	**$2,014,501**	**$2,602,002**	**$2,455,762**
90 Day Reserve	***$2,253,741***	***$2,216,818***	***$2,144,701***	***$2,299,899***
120 Day Reserve	***$3,004,988***	***$2,955,758***	***$2,859,601***	***$3,066,533***

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	$7,123,810
Recycling	1,146,822	1,124,588	1,057,770	1,109,020
Utility Billing	255,307	292,558	285,090	298,830
Other expenses	1,973,399	1,995,300	1,995,300	2,805,710
Subtotal	**9,140,171**	**10,310,430**	**10,143,430**	**11,337,370**
Sanitation Fund Total	**$9,140,171**	**$10,310,430**	**$10,143,430**	**$11,337,370**

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	3,292,870
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**	**$11,337,370**

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 (+$168,063) includes an increase (+$137,110) for garage charges, a increase in Disposal costs (+$38,500), and decreases (-$7,547) 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	3,023,550
Other Charges and Services	(14,961)	(5,000)	(15,000)	(10,000)
TOTAL	**$5,764,642**	**$6,897,984**	**$6,805,270**	**$7,123,810**

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 (+$162,242) includes an increase (+$114,259) for garage charges, a increase in Disposal costs (+$38,500), and increases (+$9,483) 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					
511000 - SC511001	Regular Payroll	$2,168,680	$2,361,241	$2,343,294	$2,364,100
511000 - SC511005	Longevity	17,634	19,190	19,109	21,360
511000 - SC511009	Overtime	349,402	250,000	250,000	300,000
511000 - SC511125	Residency Pay	27,605	27,610	27,503	27,610
511500 - SC511510	Group Health Insurance	602,947	621,530	621,530	684,700
511500 - SC511515	Worker's Compensation	80,352	108,710	108,710	108,710
511500 - SC511520	Group Life Insurance	10,772	10,930	11,463	11,480
511500 - SC511530	Social Security - Employment	152,521	164,803	160,347	168,210
511500 - SC511535	Medicare - Employer's	35,670	38,544	37,500	39,340
511500 - SC511542	City Employee Retirement	334,229	354,854	352,144	362,200
511600 - SC511650	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					
521000 - SC521001	Office Supplies	818	2,000	3,647	200
523000 - SC523100	Minor Office Equipment	863	0	0	100
522000 - SC522011	Chemicals	5,492	850	850	850
521000 - SC521009	Clothing	41,047	37,000	37,000	36,400
522000 - SC522037	Janitorial Supplies	9,746	0	42	10,000
521100 - SC521105	Safety Supplies	12,271	10,000	12,532	11,500
523000 - SC523120	Minor Tools	2,672	9,000	9,000	1,500
523000 - SC523125	Minor Equipment	589	1,000	1,000	1,500
522000 - SC522065	Paint And Lumber	42	1,500	1,500	0
522000 - SC522075	Pipe and Plumbing Supplies	17	0	0	0
523000 - SC523135	Equipment Parts	1,334	6,346	3,373	800
521000 - SC521013	Other Supplies	1,000	5,000	2,664	3,700
525000 - SC525031	Electricity	5,572	6,500	5,762	6,000
Total Materials and Supplies		**$81,463**	**$79,196**	**$77,370**	**$72,550**
Contractual Services					
531000 - SC531025	Memberships	0	250	125	250
531000 - SC531028	Software Licenses	109,400	0	0	0
531000 - SC531029	Software Maint Contracts	21,813	86,940	88,923	86,940
531100 - SC531115	Refuse Disposal	588,151	1,800,000	1,761,500	1,800,000
531100 - SC531125	Other Contracts	216,655	119,154	119,154	156,000
531200 - SC531220	Building Repairs	3,755	19,052	11,961	7,500
531200 - SC531230	Equipment Repairs	7,943	5,000	2,500	6,000
531200 - SC531240	Maintenance Contracts	8,350	9,000	5,968	6,700
531300 - SC531350	Garage Charges	763,466	651,300	652,897	767,160
531300 - SC531360	Computer Charges	219,576	195,780	195,780	168,260
532000 - SC532062	Postage	1,207	1,200	740	1,000
532000 - SC532065	Printing, Duplication	482	1,500	750	1,300
532080 - SC532083	Telephone Service	275	300	276	240
532080 - SC532084	Cellular Service	4,267	3,900	3,588	3,000
532080 - SC532086	Other Communications	8,424	8,400	7,441	7,400
532080 - SC532087	Aircard Service	14,271	14,600	9,698	11,800
Total Contractual Services		**$1,968,400**	**$2,916,376**	**$2,861,300**	**$3,023,550**
Other Charges and Services					
544087 - SC544087	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**	**$7,123,810**


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	217,160
TOTAL	**$1,146,822**	**$1,124,588**	**$1,057,770**	**$1,109,020**

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 (+$1,999) includes to various contractual accounts.

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				
511000 - SC511001 Regular Payroll	$435,013	$471,545	$458,958	$465,690
511000 - SC511005 Longevity	3,920	4,330	3,862	4,390
511000 - SC511009 Overtime	145,045	100,000	61,134	80,000
511000 - SC511125 Residency Pay	11,586	12,550	10,417	10,050
511500 - SC511510 Group Health Insurance	145,464	145,470	145,470	160,250
511500 - SC511515 Worker's Compensation	12,042	24,090	24,090	24,090
511500 - SC511520 Group Life Insurance	2,069	2,180	2,004	2,260
511500 - SC511530 Social Security - Employment	35,827	36,482	32,625	34,730
511500 - SC511535 Medicare - Employer's	8,379	8,536	7,630	8,120
511500 - SC511542 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				
521000 - SC521001 Office Supplies	3,661	3,000	3,000	3,500
521000 - SC521009 Clothing	6,671	7,000	7,500	7,000
522000 - SC522037 Janitorial Supplies	1,804	1,500	1,500	1,300
521100 - SC521105 Safety Supplies	4,665	4,000	3,719	4,800
523000 - SC523120 Minor Tools	839	1,500	937	1,300
523000 - SC523125 Minor Equipment	1,780	3,000	4,327	3,400
522000 - SC522065 Paint and Lumber	81	200	100	200
523000 - SC523135 Equipment Parts	11	300	150	500
521000 - SC521013 Other Supplies	7,348	2,600	2,600	4,000
525000 - SC525031 Electricity	1,103	1,000	1,247	1,500
Total Materials and Supplies	**$27,963**	**$24,100**	**$25,080**	**$27,500**
Contractual Services				
531000 - SC531005 Other Services	800	800	800	800
531000 - SC531025 Memberships	0	0	407	200
531000 - SC531027 Certification & Permit Fees	0	780	390	500
531100 - SC531125 Other Contracts	13,430	29,448	29,448	15,000
531200 - SC531230 Equipment Repairs	6,899	5,400	8,096	5,000
531300 - SC531320 Equipment Rental	11,185	5,000	5,000	7,500
531300 - SC531350 Garage Charges	167,590	133,600	130,578	153,430
531300 - SC531360 Computer Charges	34,613	34,620	34,620	27,650
532080 - SC532083 Telephone Service	69	100	63	80
532080 - SC532084 Cellular Service	1,558	1,500	1,448	1,500
532080 - SC532086 Other Communications	5,520	5,500	4,310	5,500
Total Contractual Services	**$241,664**	**$216,748**	**$215,160**	**$217,160**
Total Expenses	**$1,146,822**	**$1,124,588**	**$1,057,770**	**$1,109,020**


CITY OF GALVESTON
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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	52,160
Other Charges and Services	72,983	73,995	80,940	78,500
TOTAL	**$255,307**	**$292,558**	**$285,090**	**$298,830**

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 (+$3,821) 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				
511000 - SC511001 Regular Payroll	$81,837	$106,008	$98,282	$105,460
511000 - SC511005 Longevity	546	660	517	620
511000 - SC511006 Differential Pay	288	160	406	420
511000 - SC511009 Overtime	1,485	1,500	1,500	1,500
511000 - SC511021 Part-time Payroll	3,450	3,100	3,100	3,100
511000 - SC511125 Residency Pay	400	420	394	390
511500 - SC511510 Group Health Insurance	27,770	27,780	27,780	30,600
511500 - SC511515 Worker's Compensation	123	250	250	250
511500 - SC511520 Group Life Insurance	407	500	451	510
511500 - SC511530 Social Security - Employment	5,234	6,933	6,308	6,910
511500 - SC511535 Medicare - Employer's	1,224	1,623	1,475	1,620
511500 - SC511542 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				
521000 - SC521001 Office Supplies	1,592	975	975	900
523000 - SC523100 Minor Office Equipment	148	775	400	500
521000 - SC521003 Printed Materials	336	950	475	500
Total Materials and Supplies	**$2,077**	**$2,700**	**$1,850**	**$1,900**
Contractual Services				
531000 - SC531007 Security Service	2,613	3,000	2,401	2,400
531000 - SC531015 Temporary Employee Services	2,166	4,000	0	2,000
531000 - SC531028 Software Licenses	1,040	1,500	1,500	0
531100 - SC531125 Other Contracts	5,617	8,205	12,220	2,000
531200 - SC531240 Maintenance Contracts	5,476	4,000	4,000	14,000
531300 - SC531360 Computer Charges	9,086	9,090	9,090	12,160
532000 - SC532062 Postage	19,936	21,000	18,347	18,500
532000 - SC532065 Printing, Duplication	346	600	488	500
532080 - SC532086 Other Communications	35	100	43	100
533080 - SC533085 Travel/Training	134	500	250	500
Total Contractual Services	**$46,449**	**$51,995**	**$48,340**	**$52,160**
Other Charges and Services				
540000 - SC540030 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**	**$298,830**

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
Personnel Services				
511000 - SC511002 Civilian Pension/Comp Adjustments	$0	$0	$0	$0
Total Personnel Services	**$0**	**$0**	**$0**	**$0**
Other Charges and Services				
540000 - SC540034 Administrative Service Charge	293,000	293,000	293,000	447,000
540000 - SC540035 Payment In Lieu Of Taxes	300,000	300,000	300,000	300,000
540000 - SC540036 Insurance Expense	87,982	85,440	85,440	92,200
540000 - SC540037 Facilities Maintenance	43,329	46,610	46,610	48,420
540000 - SC540038 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				
553000 - SC553016 Sanitation - Transfer Out	0	0	0	650,000
553000 - SC553035 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 - SC571010 Interest Expenditure	89,498	75,270	75,270	50,740
571050 - SC571050 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**


CITY OF GALVESTON
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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	$3,641,850
Utility Billing	170,212	199,072	183,840	196,930
Total Expenses	**$3,519,222**	**$3,583,860**	**$3,441,850**	**$3,838,780**
Operating Income (Loss)	**($164,355)**	**$81,140**	**$173,845**	**($192,780)**
Capital Outlay/Improvement Fund Transfer	$228,063	$135,000	$145,380	$40,000
Ending Balance	**$1,084,189**	**$1,030,329**	**$1,112,654**	**$879,874**
90 Day Reserve	*$867,753*	*$883,692*	*$848,675*	*$946,548*
120 Day Reserve	*$1,157,005*	*$1,178,255*	*$1,131,567*	*$1,262,065*

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	$3,641,850
Utility Billing	170,212	199,072	183,840	196,930
Subtotal	**3,519,222**	**3,583,860**	**3,441,850**	**3,838,780**
Capital Outlay	228,063	135,000	145,380	40,000
Drainage Utility Total	**$3,747,285**	**$3,718,860**	**$3,587,230**	**$3,878,780**

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	638,670
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**	**$3,878,780**

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 (+$135,431) includes an increase (+$130,011) in garage charges and increases (+$5,420) 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	606,560
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**	**$3,681,850**

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 (+$134,722) includes an increase (+$130,011) in garage charges and increases (+$4,711) 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(+$23,608).

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					
511000 - SC511001	Regular Payroll	$1,274,405	$1,593,143	$1,509,075	$1,618,700
511000 - SC511002	Civilian Pension/Comp Adjustments	0	0	0	0
511000 - SC511005	Longevity	4,484	6,050	6,778	8,380
511000 - SC511006	Differential Pay	433	910	248	0
511000 - SC511009	Overtime	191,119	75,000	75,000	75,000
511000 - SC511110	Incentive Pay	542	0	41	0
511000 - SC511125	Residency Pay	6,159	5,870	8,611	5,870
511500 - SC511510	Group Health Insurance - Employer's	452,164	438,840	438,840	484,830
511500 - SC511515	Worker's Compensation	22,094	30,190	30,190	30,190
511500 - SC511520	Group Life Insurance	6,418	8,080	7,151	8,600
511500 - SC511530	Social Security - Employer's	87,375	104,220	96,709	105,890
511500 - SC511535	Medicare - Employer's	20,438	24,377	22,632	24,770
511500 - SC511542	City Employee Retirement	194,119	224,418	213,005	228,020
511600 - SC511650	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					
521000 - SC521001	Office Supplies	4,952	5,000	5,000	4,400
521000 - SC522011	Chemicals	55	100	100	0
521000 - SC521009	Clothing	31,687	28,000	27,425	26,000
522000 - SC522015	Concrete And Aggregate	35,804	50,000	49,084	50,000
522000 - SC522037	Janitorial Supplies	1,979	2,000	2,000	1,900
521100 - SC521105	Safety Supplies	11,387	11,500	11,500	12,600
523000 - SC523120	Minor Tools	29,914	15,000	12,040	14,250
523000 - SC523125	Minor Equipment	15,764	7,000	7,000	6,650
522000 - SC522065	Paint And Lumber	11,399	9,500	6,631	6,650
522000 - SC522075	Pipe And Plumbing Supplies	20,461	45,000	46,452	38,000
523000 - SC523135	Equipment Parts	3,094	4,000	3,096	3,330
521000 - SC521013	Other Materials	3,572	3,500	3,500	3,330
521000 - SC521013	Other Supplies	8,574	8,000	8,000	8,170
525000 - SC525031	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				
531000 - SC531005 Other Services	113,760	0	90	0
531000 - SC531025 Memberships	992	600	1,141	600
531000 - SC531027 Certification & Permit Fees	258	700	700	570
531000 - SC531028 Software Licenses	0	5,000	3,500	1,425
531100 - SC531115 Refuse Disposal	1,554	1,500	1,807	1,700
531100 - SC531125 Other Contracts	27,145	7,633	7,633	7,125
531200 - SC531220 Building Repairs	4,459	3,000	3,000	3,000
531200 - SC531230 Equipment Repairs	6,557	21,287	14,022	20,000
531200 - SC531240 Maintenance Contracts	8,274	7,367	7,367	7,200
531200 - SC531250 Vehicle Repairs	0	0	5,306	0
531300 - SC531320 Equipment Rental	28,040	15,713	7,500	19,670
531300 - SC531350 Garage Charges	300,400	288,320	282,554	412,570
531300 - SC531360 Computer Charges	117,057	117,060	117,060	112,760
532080 - SC532084 Cellular Service	8,763	9,000	8,304	8,300
532080 - SC532086 Other Communications	2,200	2,250	1,544	1,800
532080 - SC532087 Aircard Service	2,422	2,100	2,552	2,520
533080 - SC533085 Travel/Training	10,243	10,000	7,500	7,320
535000 - SC535388 Advertising	1,636	500	250	0
535000 - SC535389 Food Services	6,020	0	0	0
Total Contractual Services	**$639,781**	**$492,030**	**$471,830**	**$606,560**
Other Charges and Services				
540000 - SC540005 Project Management Costs	33,330	10,000	13,080	27,400
544087 - SC544087 Expense Reimbursement	5,060	(50,000)	(50,000)	0
540000 - SC540034 Administrative Service Charge	142,000	142,000	142,000	146,000
540000 - SC540036 Insurance Expense	40,619	38,120	38,120	43,140
540000 - SC540037 City Hall Maintenance	30,331	31,570	31,572	32,800
540000 - SC540038 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				
553000 - SC553035 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				
560000 - SC564003 Vehicle Capital Outlay	87,349	135,000	123,900	40,000
560000 - SC564099 Capital Outlay - Improvements	0	0	21,480	0
560000 - SC564117 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**	**$3,681,850**

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	32,110
Other Charges and Services	48,655	49,330	53,956	53,000
TOTAL	**$170,212**	**$199,072**	**$183,840**	**$196,930**

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				
511000 - SC511001 Regular Payroll	$53,115	$70,665	$61,116	$70,310
511000 - SC511002 Longevity	363	440	336	400
511000 - SC511005 Differential Pay	198	200	272	200
511000 - SC511006 Overtime	946	1,000	1,000	1,000
511000 - SC511009 Part-time Payroll	2,300	2,100	2,335	2,100
511000 - SC511021 Residency Pay	203	210	141	210
511500 - SC511510 Group Health Insurance	18,514	18,520	18,520	20,400
511500 - SC511515 Worker's Compensation	82	170	170	170
511500 - SC511520 Group Life Insurance	264	330	279	340
511500 - SC511530 Social Security - Employment	3,404	4,629	3,957	4,600
511500 - SC511535 Medicare - Employer's	796	1,079	926	1,080
511500 - SC511542 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				
521000 - SC521001 Office Supplies	1,013	850	572	600
523000 - SC523100 Minor Office Equipment	121	100	100	100
521000 - SC521003 Printed Materials	224	700	350	400
Total Materials and Supplies	**$1,359**	**$1,650**	**$1,022**	**$1,100**
Contractual Services				
531000 - SC531007 Security Service	1,742	2,100	1,750	1,900
531000 - SC531015 Temporary Employee Services	1,444	2,500	0	1,000
531000 - SC531028 Software Licenses	694	1,200	600	0
531100 - SC531125 Other Contracts	3,651	3,000	3,000	1,500
531200 - SC531240 Maintenance Contracts	5,579	7,870	6,357	6,800
531300 - SC531360 Computer Charges	6,057	6,060	6,060	8,110
532000 - SC532062 Postage	13,290	15,000	13,081	12,000
532000 - SC532065 Printing, Duplication	231	300	275	300
532080 - SC532086 Other Communications	83	250	29	100
533080 - SC533085 Travel/Training	90	500	250	400
Total Contractual Services	**$32,860**	**$38,780**	**$31,402**	**$32,110**
Other Charges and Services				
540000 - SC540030 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**	**$196,930**

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 (CONSOLIDATED)

EXPENDITURE SUMMARY

	FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
Personnel Services	$979,987	$1,189,418	$1,086,901	$0
Materials and Supplies	13,937	18,650	12,921	12,300
Contractual Services	400,597	417,090	383,662	444,390
Other Charges and Services	484,172	488,300	537,006	(456,690)
TOTAL	**$1,878,692**	**$2,113,458**	**$2,020,490**	**$0**

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. Beginning in FY2026, as part of the transition to Workday, Utility Billing will operate out of it's own Fund with reimbusements coming from the Utility Funds in the same allocation percentages.
Note: The Meter Service Group allocation is 50% Water (Distribution) and 50% Sewer (Collection).

Personnel Services - Net decreases (-$1,086,901) include transfer of Meter Tech group from distribution to Utility Billing (+$482,170) inclusive of benefits and annualized personnel costs from unfilled vacant positions, an increase (+$122,140) in Group Health Insurance, and a reimbursement of personnel costs (-1,691,210) from the Utility Funds.

Contractual Services - Net increases (+$60,728) includes an increase for software maintenance contracts (+$39,002), garage charges (+$31,350) for Meter Tech group, and miscellaneous decreases (-$9,624) to various contractual accounts.

Other Charges and Supply - Decrease (-$993,696) includes decreases in bank service charges (-$45,506) for online credit cards and phone payments and an increase (-$948,190) in non-personnel cost reimbursement from the Utility Funds.

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	1.000	1.000	1.000	1.000
Utility Billing Supervisor	1.000	1.000	1.000	1.000
Customer Service Supervisor	1.000	1.000	1.000	1.000
City Cashier Supervisor	0.000	1.000	1.000	1.000
Sr. Utility Customer Service Specialist	2.000	2.000	1.000	2.000
Utility Customer Service Specialist	8.000	8.000	7.000	8.000
Meter Services Supervisor	0.000	0.000	0.000	**1.000**
Senior Meter Service Technician	0.000	0.000	0.000	**1.000**
Meter Services Technician	0.000	0.000	0.000	**5.000**
Accountant	1.000	1.000	1.000	1.000
TOTAL	**14.000**	**15.000**	**13.000**	**22.000**

FY2026 BUDGET
UTILITY BILLING (CONSOLIDATED)

LINE ITEM DETAIL

	FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
Personnel Services				
511000 - SC511001 Regular Payroll	$602,187	$768,117	$684,656	$1,080,210
511000 - SC511005 Longevity	$3,755	$4,540	$3,571	$4,620
511000 - SC511006 Differential Pay	$1,807	$1,660	$2,667	$2,660
511000 - SC511009 Overtime	$10,261	$8,500	$8,500	$8,500
511000 - SC511021 Part-time Payroll	$22,997	$21,200	$21,435	$21,200
511000 - SC511110 Incentive Pay	$0	$0	$60	$0
511000 - SC511125 Residency Pay	$2,510	$2,570	$2,427	$2,540
511500 - SC511510 Group Health Insurance	$198,360	$198,380	$198,380	$320,520
511500 - SC511515 Worker's Compensation	$6,795	$13,600	$13,600	$13,600
511500 - SC511520 Group Life Insurance	$2,990	$3,590	$3,301	$4,350
511500 - SC511530 Social Security - Employment	$38,358	$50,008	$43,805	$69,410
511500 - SC511535 Medicare - Employer's	$8,971	$11,690	$10,245	$16,240
511500 - SC511542 City Employee Retirement	$80,997	$105,563	$94,255	$147,360
511600 - SC511650 Salary Reimbursement	$0	$0	$0	($1,691,210)
Total Personnel Services	**$979,987**	**$1,189,418**	**$1,086,901**	**$0**
Materials and Supplies				
521000 - SC521001 Office Supplies	11,085	9,700	8,184	6,500
523000 - SC523100 Minor Office Equipment	803	750	446	1,600
521000 - SC521003 Printed Materials	2,048	7,900	3,990	3,900
522000 - SC522037 Janitorial supplies	0	300	300	300
Total Materials and Supplies	**$13,937**	**$18,650**	**$12,921**	**$12,300**
Contractual Services				
531000 - SC531007 Security Service	17,420	18,100	17,408	16,300
531000 - SC531015 Temporary Employee Services	14,442	22,500	0	13,000
531000 - SC531028 Software Licenses	6,935	18,700	8,100	0
531100 - SC531125 Other Contracts	37,522	39,205	43,220	27,500
531200 - SC531240 Maintenance Contracts	42,948	57,895	63,798	102,800
531300 - SC531350 Garage Charges	40,129	31,430	31,430	62,780
531300 - SC531360 Computer Charges	95,401	78,010	78,010	86,010
532000 - SC532062 Postage	133,098	134,000	128,408	118,500
532000 - SC532065 Printing, Duplication	2,307	3,300	2,773	2,800
532080 - SC532083 Telephone Service	963	1,000	925	1,000
532080 - SC532084 Cellular Service	1,534	600	1,511	2,600
532080 - SC532086 Other Communications	2,283	2,550	2,265	2,400
532080 - SC532087 Aircard Services	4,411	5,800	2,360	4,800
533080 - SC533085 Travel/Training	1,204	4,000	3,454	3,900
Total Contractual Services	**$400,597**	**$417,090**	**$383,662**	**$444,390**
Other Charges and Services				
540000 - SC540030 Bank Service Charges	484,172	488,300	537,006	491,500
544087 - SC544087 Expense Reimbursement	0	0	0	(948,190)
Total Other Charges and Services	**$484,172**	**$488,300**	**$537,006**	**($456,690)**
Total Expenses	**$1,878,692**	**$2,113,458**	**$2,020,490**	**$0**


CITY OF GALVESTON
1839
TEXAS

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**	**$1,386,931**
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	$1,079,510	$1,127,410
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**	**$1,353,217**	**$1,444,410**
Operating Income (Loss)	**$216,934**	**$148,294**	**$70,254**	**$120,490**
Capital Outlay/Improvement Fund Transfer	$280,209	$139,759	$139,759	$0
Ending balance	**$1,456,436**	**$1,464,971**	**$1,386,931**	**$1,507,421**
90 Day Reserve	*$314,150*	*$333,215*	*$333,670*	*$356,156*
120 Day Reserve	*$418,866*	*$444,286*	*$444,893*	*$474,875*

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	$631,870	$671,960

FY2026 BUDGET
AIRPORT FUND EXPENDITURE SUMMARY

DEPARTMENT	FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
Airport Operations	$1,017,003	$1,071,300	$1,079,510	$1,127,410
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**	**1,353,217**	**1,444,410**
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**	**$1,492,976**	**$1,444,410**

CATEGORY	FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
Personnel Services	$582,463	$625,850	$631,870	$671,960
Materials and Supplies	87,227	97,300	99,220	105,900
Contractual Services	252,494	274,460	274,730	274,410
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**	**$1,492,976**	**$1,444,410**

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 decrease (-$322) includes increase (+$12,000) for replacement of Stancil Recorder for the Air Traffic Control Tower and decreases (-$12,322) 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 compared with FY 2025.

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	$631,870	$671,960
Materials and Supplies	87,227	97,300	99,220	105,900
Contractual Services	252,494	274,460	274,730	274,410
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**	**$1,492,976**	**$1,444,410**

BUDGET HIGHLIGHTS (FY2026 BUDGET OVER/UNDER FY2025 ESTIMATED)

Personnel Services - Net increase (+$40,090) includes funding for a 10% Group Health increase (+$10,800) and the annualized cost (+$29,290) 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 decrease (-$320) includes increase (+$12,000) for replacement of Stancil Recorder for the Air Traffic Control Tower and decreases (-$12,320) 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					
511000 - SC511001	Regular Payroll	$381,872	$414,952	$414,951	$438,700
511000 - SC511002	Civilian Pension/Comp Adjustments	0	0	0	0
511000 - SC511005	Longevity	2,171	2,530	2,530	1,780
511000 - SC511007	Vehicle/Motor Allowance	831	0	6,021	6,030
511000 - SC511009	Overtime	3,087	2,500	2,500	2,500
511000 - SC511125	Residency Pay	4,327	5,060	5,060	5,060
511500 - SC511510	Group Health Insurance - Employer's	105,792	105,800	105,800	116,600
511500 - SC511515	Worker's Compensation	1,864	3,730	3,730	3,730
511500 - SC511520	Group Life Insurance	1,942	1,920	1,920	2,130
511500 - SC511530	Social Security - Employer's	23,405	26,355	26,355	28,150
511500 - SC511535	Medicare - Employer's	5,474	6,166	6,166	6,580
511500 - SC511542	City Employee Retirement	51,699	56,837	56,837	60,700
Total Personnel Services		**$582,463**	**$625,850**	**$631,870**	**$671,960**
Materials and Supplies					
521000 - SC521001	Office Supplies	1,484	3,200	3,500	3,500
523000 - SC523100	Minor Office Equipment	1,114	1,000	1,000	3,600
522000 - SC522003	Agriculture Supplies	2,877	4,500	4,500	4,000
521000 - SC521009	Clothing	3,823	4,000	4,000	4,000
522000 - SC522037	Janitorial Supplies	4,550	5,000	5,000	4,500
522000 - SC522045	Electrical Hardware	11,068	20,000	23,500	23,500
523000 - SC523120	Minor Tools	1,861	2,000	120	2,000
523000 - SC523125	Minor Equipment	5,591	6,000	6,000	9,300
522000 - SC522065	Paint And Lumber	108	800	800	500
521000 - SC521013	Other Supplies	5,752	5,800	5,800	6,000
525000 - SC525031	Electricity	48,998	45,000	45,000	45,000
Total Materials and Supplies		**$87,227**	**$97,300**	**$99,220**	**$105,900**
Contractual Services					
531000 - SC531025	Memberships	3,964	4,000	4,000	4,000
531000 - SC531027	Certifications and Permit Fess	0	150	420	420
531000 - SC531028	Software Licenses	4,683	1,000	1,000	1,000
531000 - SC531029	Software Maintenance Contracts	6,000	10,600	10,600	10,600
531100 - SC531125	Other Contracts	23,423	27,500	27,500	26,800
531200 - SC531220	Building Repairs	30,329	50,000	50,000	50,000
531200 - SC531230	Equipment Repairs	38,730	30,000	30,000	27,500
531200 - SC531240	Maintenance Contracts	15,388	25,000	25,000	37,000
531300 - SC531350	Garage Charges	73,986	69,600	69,600	63,850
531300 - SC531360	Computer Charges	30,827	30,830	30,830	27,320
532000 - SC532062	Postage	104	500	500	500
532000 - SC532065	Printing, Duplication	0	300	300	300
532080 - SC532083	Telephone Service	4,063	4,000	4,000	4,200
532080 - SC532084	Cellular Service	1,000	1,000	1,000	940
532080 - SC532086	Other Communications	11,544	12,000	12,000	12,000
532080 - SC532087	Aircard Service	284	480	480	280
533080 - SC533085	Travel/Training	4,863	5,500	5,500	5,500
535000 - SC535388	Advertising	3,305	2,000	2,000	2,200
Total Contractual Services		**$252,494**	**$274,460**	**$274,730**	**$274,410**

FY2026 BUDGET
AIRPORT OPERATIONS

LINE ITEM DETAIL

	FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
Other Charges and Services				
540000 - SC540008 Meeting Expenditures	1,063	1,700	1,700	1,400
540000 - SC540028 Miscellaneous Expense	0	1,500	1,500	1,500
540000 - SC540030 Bank Service Charges	981	1,500	1,500	1,500
540000 - SC540034 Administrative Service Charge	43,000	43,000	43,000	61,000
540000 - SC540036 Insurance Expense	214,048	237,070	230,707	256,000
540000 - SC540037 Facilities Maintenance	79,347	54,120	54,120	56,230
540000 - SC540038 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				
553000 - SC553015 Airport - Transfer Out	200,000	0	0	0
553000 - SC553015 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**	**$1,492,976**	**$1,444,410**


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
Technology Improvement Fund *	0	0	0	0	0	0	0	0	0	3,230,248
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	12,263,196
Pension Reform Fund *	0	0	0	0	0	0	0	0	0	1,112,213
Separation Pay Fund *	0	0	0	0	0	0	0	0	0	0
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**	**$21,088,128**
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	$5,974,345
Technology Improvement Fund *	0	0	0	0	0	0	0	0	0	450,000
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	6,758,490
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
Pension Reform Fund *	0	0	0	0	0	0	0	0	0	37,500
Separation Pay Fund *	0	0	0	0	0	0	0	0	0	1,638,570
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**	**$36,955,985**
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	$6,514,110
Technology Improvement Fund *	0	0	0	0	0	0	0	0	0	3,680,248
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	7,147,750
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	3,012,620
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	15,495,773	18,069,800
Pension Reform Fund *	0	0	0	0	0	0	0	0	0	1,149,713
Separation Pay Fund *	0	0	0	0	0	0	0	0	0	1,638,570
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**	**$31,947,391**	**$41,995,811**
Adjustment to Fund Balance										
Central Garage Fund	0	0	(66,599)	0	0	0	0	0	0	0
Project Management Fund	0	0	(9,876)	0	0	0	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	$1,531,373
Technology Improvement Fund *	0	0	0	0	0	0	0	0	0	0
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	876,495
Casualty & Liability Insurance Fund	1,051,098	1,051,097	710,089	712,090	710,090	675,078	675,078	675,134	707,780	710,450
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	12,263,196	12,263,596
Pension Reform Fund *	0	0	(9,876)	0	0	0	0	0	0	0
Separation Pay Fund *	0	0	(76,476)	0	0	0	0	0	0	0
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**	**$12,506,950**	**$12,934,043**	**$12,598,980**	**$15,342,457**	**$18,226,623**	**$17,088,203**	**$16,745,668**	**$16,048,303**

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.

* - Notated Funds are being reported in Special Revenue Funds through FY 2025, but reported in Internal Service Funds based on our external auditor's recommendations beginning in FY 2026.


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	$6,514,110
Technology Improvement Fund *	0	0	0	0	0	0	0	0	0	3,680,248
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	7,147,750
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	3,012,620
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	15,495,773	18,069,800
Pension Reform Fund *	0	0	0	0	0	0	0	0	0	1,149,713
Separation Pay Fund *	0	0	0	0	0	0	0	0	0	1,638,570
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**	**$31,947,391**	**$41,995,811**

* - Notated Funds are being reported in Special Revenue Funds through FY 2025, but reported in Internal Service Funds based on our external auditor's recommendations beginning in FY 2026.

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	$7,519,390
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	22,386,211	26,480,710
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)	544,970
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	2,556,680
Special Programs and Events	0	0	0	0	0	0	0	0	0	1,513,431
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**	**$31,947,391**	**$41,995,811**

BUDGET HIGHLIGHTS

Personnel Services - Net increases (+$1,992,577) includes the transfer of the Separation Pay Fund (+$1,638,570) and the Technology Improvement Fund (+$149,100) from the Special Revenue Fund group, 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

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 (+$4,066,106) includes the transfer of Technology Improvement Fund (+$975,000) from the Special Revenue Fund Group, increases in group health Insurance claims and casualty and liability policies (+$2,798,913), increases in software maintenance contracts (+$287,437) and various other contractual line items (+$4,756).

Other Charges and Services - Net increase (+$641,677) 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 transfer of Technology Improvement Fund (+$2,192,430) fro the Special Revenue Fund group, 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.

Special Programs and Events - Net increase (+$1,513,431) includes the transfer of the Pension Reform Fund (+$1,149,713) and the Technology Improvement Fund (+$363,718) from the Special Revenue Fund group.

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	$3,545,065
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	736,230
Other Revenue	121,602	90,000	110,400	75,000
Total Revenues	**$6,254,246**	**$6,421,440**	**$6,415,690**	**$5,974,345**
Expenses:				
Mail	$184,786	$127,815	$128,260	$130,790
Information Technology	3,311,056	4,019,746	4,054,790	3,848,690
Facilities Department	1,414,629	1,503,436	1,402,310	1,560,930
Community Outreach	672,549	770,443	694,600	735,950
Total Expenses	**$5,583,020**	**$6,421,440**	**$6,279,960**	**$6,276,360**
Operating Income (Loss)	**$671,226**	**$0**	**$135,730**	**($302,015)**
Capital Outlay	$278,472	$0	$113,140	$237,750
Ending Fund Balance	**$2,048,548**	**$2,048,548**	**$2,071,138**	**$1,531,373**

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

WD Ledger Account - Spend Category		FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
Charges for Services					
341000 - RC341055	Data Processing	$3,998,789	$3,976,290	$3,976,290	$3,545,065
341000 - RC341056	Central Mail Charges	54,211	81,350	55,140	56,100
341000 - RC341060	Facilities Department	1,444,223	1,503,400	1,503,420	1,561,950
341000 - RC341061	Communications & Engagement	635,421	770,400	770,440	736,230
	Charges for Services Subtotal	**$6,132,644**	**$6,331,440**	**$6,305,290**	**$5,899,345**
Interest Income					
361100 - RC361110	Interest Earned-Operating	121,524	90,000	94,560	75,000
	Interest Income Subtotal	**$121,524**	**$90,000**	**$94,560**	**$75,000**
Other Revenues					
363000 - RC363200	Other Revenues	27	0	15,741	0
363000 - RC363220	Grant Reimbursement	52	0	99	0
	Other Revenues Subtotal	**$78**	**$0**	**$15,840**	**$0**
Other Funding Sources					
363000 - RC363280	Other Funding Sources	0	0	0	0
	Other Funding Sources Subtotal	**$0**	**$0**	**$0**	**$0**
	Total Central Service Fund Revenue	**$6,254,246**	**$6,421,440**	**$6,415,690**	**$5,974,345**

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	$4,086,440
Facilities	1,478,318	1,503,436	1,402,310	1,560,930
Community Outreach	672,549	770,443	694,600	735,950
Mail	184,786	127,815	128,260	130,790
Central Service Fund Total	**$5,861,492**	**$6,421,440**	**$6,393,100**	**$6,514,110**

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	2,420,600
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**	**$6,514,110**

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 (+$318,861) include increases in software maintenance contracts (+$287,437) and increases (+$28,424) 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	43,920
Other Charges and Services	64,052	9,380	9,380	11,870
TOTAL	**$184,786**	**$127,815**	**$128,260**	**$130,790**

BUDGET HIGHLIGHTS (FY2026 BUDGET OVER/UNDER FY2025 ESTIMATED)

Personnel Services - Net increase in annualized personnel costs (+$1,290), primarily Group Health Insurance.
Contractual Services - Net decrease (-$1,250) 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

WD Ledger Account - Spend Category	FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
Personnel Services				
511000 - SC511001 Regular Payroll	$46,966	$46,960	$49,427	$49,310
511000 - SC511002 Civilian Comp Adjustments	0	2,335	0	0
511000 - SC511005 Longevity	101	150	145	200
511500 - SC511510 Group Health Insurance - Employer's	13,285	13,230	13,230	14,570
511500 - SC511515 Worker's Compensation	135	270	270	270
511500 - SC511520 Group Life Insurance	231	230	245	250
511500 - SC511530 Social Security - Employer's	2,851	2,920	3,059	3,070
511500 - SC511535 Medicare - Employer's	667	680	715	720
511500 - SC511542 City Employee Retirement	6,143	6,290	6,620	6,610
Total Personnel Services	**$70,379**	**$73,065**	**$73,710**	**$75,000**
Contractual Services				
531200 - SC531230 Equipment Repairs	350	350	270	300
531300 - SC531320 Equipment Rental	6,229	6,230	6,230	6,450
531300 - SC531350 Garage Charges	6,443	4,720	4,610	5,100
531300 - SC531360 Computer Charges	6,490	0	0	0
532000 - SC532062 Postage	30,775	34,000	34,000	32,000
532080 - SC532083 Telephone Service	69	70	60	70
Total Contractual Services	**$50,356**	**$45,370**	**$45,170**	**$43,920**
Other Charges and Services				
540000 - SC547033 Compensated Absences	55,870	0	0	0
540000 - SC540036 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**	**$130,790**

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	1,702,450
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**	**$4,086,440**

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 (+$226,542) include increases in software maintenance contracts (+$287,439) and decreases (-$60,897) 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

WD Ledger Account - Spend Category	FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
Personnel Services				
511000 - SC511001 Regular Payroll	$1,140,283	$1,462,727	$1,145,150	$1,550,900
511000 - SC511002 Civilian Comp Adjustments	0	0	0	0
511000 - SC511005 Longevity	5,477	6,280	5,660	6,530
511000 - SC511006 Differential Pay	121	0	0	0
511000 - SC511009 Overtime	20,212	17,500	17,500	17,500
511000 - SC511021 Part Time Payroll	23,382	40,000	0	0
511000 - SC511410 Separation Vacation	3,438	0	0	0
511000 - SC511420 Separation Sick Pay	2,210	0	0	0
511500 - SC511510 Group Health Insurance	238,032	251,300	251,300	262,230
511500 - SC511515 Worker's Compensation	4,635	1,270	1,270	1,590
511500 - SC511520 Group Life Insurance	5,616	8,070	5,410	7,940
511500 - SC511530 Social Security - Employment	71,788	106,730	72,440	97,650
511500 - SC511535 Medicare - Employer's	16,858	24,960	16,940	22,840
511500 - SC511542 City Employee Retirement	153,129	224,500	156,000	210,300
511600 - SC511650 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				
521000 - SC521001 Office Supplies	2,791	3,500	3,500	3,500
523000 - SC523100 Minor Office Equipment	39,036	183,083	57,235	25,000
521000 - SC521009 Clothing	1,260	2,500	1,875	2,500
Total Materials and Supplies	**$43,087**	**$189,083**	**$62,610**	**$31,000**
Contractual Services				
535000 - SC535405 Networking & Cabling	11,988	6,000	6,500	6,000
531000 - SC531004 Consultant Services	153,037	166,917	120,000	154,700
531000 - SC531007 Security Service	597	0	0	0
531000 - SC531015 Temporary Employee Services	28,161	96,653	96,652	0
531000 - SC531025 Memberships	3	500	175	300
531000 - SC531028 Software Licenses	1,483	13,260	14,345	0
531000 - SC531029 Software Maintenance Contracts	473,681	895,186	753,581	1,041,020
531200 - SC531230 Equipment Repairs	849	1,400	500	1,000
531200 - SC531240 Maintenance Contracts	357,827	465,870	389,968	381,470
531300 - SC531320 Equipment Rental	6,669	7,500	8,874	7,300
531300 - SC531350 Garage Charges	4,652	4,650	5,156	4,550
532000 - SC532062 Postage	888	500	100	0
532000 - SC532065 Printing, Duplication	0	100	100	100
532080 - SC532083 Telephone Service	1,310	1,500	1,319	1,200
532080 - SC532084 Cellular Service	5,832	6,000	4,693	4,500
532080 - SC532086 Other Communications	68,451	70,000	55,307	70,010
532080 - SC532087 Aircard Service	6,148	6,000	5,300	5,300
533080 - SC533085 Travel/Training	15,778	30,000	13,340	25,000
535000 - SC535388 Advertising	834	1,500	0	0
Total Contractual Services	**$1,138,190**	**$1,773,536**	**$1,475,910**	**$1,702,450**

FY2026 BUDGET
TECHNOLOGY SERVICES

LINE ITEM DETAIL

	FY2024 ACTUAL	FY2026 BUDGET	FY2026 ESTIMATED	FY2026 BUDGET
Other Charges and Services				
540000 - SC540036 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				
553000 - SC553022 Transfer to Tech Impvt Fund	500,000	0	900,000	0
Total Operating Transfers	**$500,000**	**$0**	**$900,000**	**$0**
Capital Outlay				
560000 - SC564002 Office Furniture	10,935	0	600	0
560000 - SC564010 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**	**$4,086,440**

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 of FY2026 Costs	Rebate of Prior Year Charges applied to FY2026 Charge	FY2026 Adjusted Allocation
General Fund								
	City Secretary (includes Council)	4	20	24	49,760	50,890	(2,280)	48,610
	Courts	9	14	23	49,760	48,770	(5,140)	43,630
	City Manager	3	8	11	23,800	23,330	(1,710)	21,620
	City Auditor	3	4	7	15,150	14,840	(1,710)	13,130
	Finance-Administration	3	4	7	16,330	14,840	(1,710)	13,130
	Finance-Accounting	9	13	22	47,600	46,650	(5,140)	41,510
	Finance-Purchasing	3	6	9	19,470	19,080	(1,710)	17,370
	Finance-Budget	3	3	6	12,980	12,720	(1,710)	11,010
	City Attorney	6	11	17	36,780	36,050	(3,420)	32,630
	Human Resources	5	9	14	30,720	30,110	(2,970)	27,140
	Police Department	187	300	487	1,047,930	1,032,680	(106,760)	925,920
	Communications	22	8	30	62,930	63,620	(12,560)	51,060
	Fire Department	118	49	167	359,110	339,280	(67,370)	271,910
	Emergency Management	2	20	22	52,220	46,650	(1,140)	45,510
	Public Works-Streets	38	19	57	122,430	121,060	(21,530)	99,530
	Public Works-Traffic	20	22	42	86,190	88,720	(11,490)	77,230
	Parks Department	46	37	84	188,690	175,790	(26,460)	149,330
	Developmental Services	28	38	66	106,010	120,870	(15,990)	104,880
	City Marshal	9	11	20	107,520	110,690	(7,990)	102,700
	Animal Services *	4	8	12	0	0	0	25,000
Special Revenue Funds								
	Revenue Producing Parks *	3	8	11	0	23,740	0	33,240
	Lasker Pool **	2	13	15	23,580	31,380	0	0
	Parking Management	5	10	15	32,450	31,810	(2,850)	28,960
	Island Transit	22	10	32	58,730	68,490	(12,650)	55,840
	FTA Maintenance	12	6	18	40,240	38,170	(6,850)	31,320
	Island Transit Administration	2	3	5	10,840	10,500	(910)	9,590
	Seawall Transportation Route	6	2	8	13,740	17,180	(3,430)	13,750
	Rail Trolley System	2	5	7	15,330	14,840	(1,280)	13,560
	STR Regulation *	5	5	10	0	0	0	20,000
	CDBG Program Management	4	7	11	0	23,330	0	23,330

* New or Reorganized Departments missed on Proposed FY26 Budget Allocation sheet

** Amount shown on Proposed FY26 Budget Allocation sheet was incorrect. Adjusted Allocation shows corrected amount, however Rebate amount does not include correction.

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 of FY2026 Costs	Rebate of Prior Year Charges applied to FY2026 Charge	FY2026 Adjusted Allocation
Combined Utility System Fund: Waterworks Fund								
	Public Works - Administration **	4	14	18	24,860	37,240	(1,705)	32,630
	Public Works - Supply	12	24	36	75,200	76,360	(7,070)	69,290
	Public Works - Distribution	31	34	65	133,600	137,850	(17,830)	120,020
Combined Utility System Fund: Sanitary Sewer Fund								
	Public Works - Administration **	4	11	15	24,860	31,430	(1,705)	32,630
	Public Works - Pretreatment	4	7	11	24,100	23,330	(2,280)	21,050
	Public Works - Collection	44	42	86	178,930	182,280	(24,960)	157,320
	Public Works Main - WWTP	36	51	87	173,630	183,440	(20,480)	162,960
Sanitation Fund								
	Public Works - Sanitation	47	45	92	195,780	195,090	(26,830)	168,260
	Public Works - Recycling	11	5	16	34,620	33,930	(6,280)	27,650
Drainage Utility Fund								
	Public Works - Drainage Utility	33	29	62	117,060	131,700	(18,940)	112,760
Airport Fund								
	Airport	8	7	15	30,830	31,810	(4,570)	27,320
Combined Utility Billing								
	Utility Billing - Combined	15	30	45		94,580	(8,570)	86,010
	Utility Billing - Waterworks	6	14	20	31,430			
	Utility Billing - Sanitary Sewer	6	9	14	31,430			
	Utility Billing - Sanitation	2	4	6	9,090			
	Utility Billing - Drainage	1	3	4	6,060			
Internal Service Funds								
	Information Technology	18	0	18	0	0	0	0
	Facilities	8	15	23	49,750	48,770	(4,570)	44,200
	Mailroom	1	0	1	0	0	0	0
	Community Outreach	6	13	19	38,940	39,760	(3,280)	36,480
	Garage Admin	2	3	5	10,820	10,600	(1,140)	9,460
	Garage Operations	21	9	30	65,710	63,620	(11,990)	51,630
	Insurance Admin (Risk Mgmt)	1	6	6	13,580	13,150	(280)	12,870
	Construction Management	14	25	39	75,720	82,700	(7,990)	74,710
TOTAL				**1992**	**3,976,290**	**4,073,720**	**(497,230)**	**3,599,690**
Cost per Position/Device (People plus Devices for FY2025 allocation was 1,916)					2,075	2,126	(260)	1,807

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	606,870
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**	**$1,560,930**

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 (+$95,588) 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

WD Ledger Account - Spend Category	FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
Personnel Services				
511000 - SC511001 Regular Payroll	$482,689	$490,030	$495,652	$518,930
511000 - SC511002 Civilian Comp Adjustments	0	11,190	0	0
511000 - SC511005 Longevity	3,643	3,940	3,682	4,070
511000 - SC511009 Overtime	14,725	20,000	20,000	20,000
511000 - SC511125 Residency Pay	5,019	5,020	5,036	5,020
511500 - SC511510 Group Health Insurance - Employer's	105,959	105,800	105,800	116,550
511500 - SC511515 Worker's Compensation	5,550	11,100	11,100	11,100
511500 - SC511520 Group Life Insurance	2,250	4,546	2,469	2,510
511500 - SC511530 Social Security - Employer's	30,881	31,890	32,179	33,980
511500 - SC511535 Medicare - Employer's	7,222	7,460	7,526	7,950
511500 - SC511542 City Employee Retirement	66,075	68,670	70,004	73,170
511600 - SC511650 Salary Reimbursements	(5,018)	0	(897)	0
Total Personnel Services	**$718,995**	**$759,646**	**$752,550**	**$793,280**
Materials and Supplies				
521000 - SC521001 Office Supplies	722	550	550	3,000
523000 - SC523100 Minor Office Equipment	476	1,000	1,000	1,350
521000 - SC521009 Clothing	3,405	3,500	3,500	4,000
521100 - SC521103 Protective Gear	32	550	550	500
522000 - SC522025 Fuel And Lubricants	3,914	15,000	11,032	15,000
522000 - SC522037 Janitorial Supplies	17,389	18,000	13,500	16,350
522000 - SC522045 Electrical Hardware	1,506	8,000	4,150	6,860
523000 - SC523120 Minor Tools	2,306	5,000	5,000	4,500
523000 - SC523125 Minor Equipment	3,060	3,000	3,000	2,530
521000 - SC521013 Other Supplies	17,158	25,000	15,681	20,200
525000 - SC525031 Electricity	57,291	58,560	53,689	58,560
525000 - SC525032 Natural Gas	11,046	13,000	13,409	11,250
Total Materials and Supplies	**$118,305**	**$151,160**	**$125,060**	**$144,100**
Contractual Services				
531000 - SC531005 Other Services	6,199	15,000	11,593	15,000
531000 - SC531010 Inspection Fees	7,175	9,000	9,000	9,000
531000 - SC531014 Building Security	0	1,000	0	0
531000 - SC531028 Software Licenses	0	30,000	0	0
531100 - SC531115 Refuse Disposal	3,508	5,700	5,918	6,000
531100 - SC531119 Landscape Services	16,319	32,000	17,977	32,000
531200 - SC531220 Building Repairs	240,737	160,000	160,000	185,000
531200 - SC531230 Equipment Repairs	82,384	75,000	75,000	80,000
531200 - SC531240 Maintenance Contracts	60,569	65,000	60,884	99,560
531300 - SC531350 Garage Charges	26,080	24,380	23,555	27,110
531300 - SC531360 Computer Charges	49,756	49,750	49,750	44,200
532000 - SC532065 Printing, Duplication	1,244	2,000	828	2,000
532080 - SC532083 Telephone Service	3,477	3,500	3,542	3,600
532080 - SC532084 Cellular Service	3,965	4,000	3,885	3,900
532080 - SC532086 Other Communications	4,253	6,000	3,576	3,000
532080 - SC532087 Aircard Service	1,371	1,380	1,059	1,500
533080 - SC533085 Travel/Training	0	5,000	2,500	5,000
535000 - SC535390 Cleaning Service	81,742	90,500	82,214	90,000
Total Contractual Services	**$588,779**	**$579,210**	**$511,280**	**$606,870**

FY2026 BUDGET
FACILITIES DEPARTMENT

LINE ITEM DETAIL

	FY2024 ACTUAL	FY2026 BUDGET	FY2026 ESTIMATED	FY2026 BUDGET
Other Charges and Services				
540000 - SC540027 Reimbursable From Insurance Claims	(24,865)	0	0	0
540000 - SC540036 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				
560000 - SC564003 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**	**$1,560,930**

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	67,360
Other Charges and Services	1,666	2,730	11,730	14,450
TOTAL	**$672,549**	**$770,443**	**$694,600**	**$735,950**

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).

Materials and Supplies - Net increase ($250) to maintain funding levels from FY2025.

Contractual Services - Net decrease (-$5,029) in miscellaneous contractual line items.

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

WD Ledger Account - Spend Category	FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
Personnel Services				
511000 - SC511001 Regular Payroll	$531,465	$609,500	$605,940	$640,000
511000 - SC511002 Civilian Comp Adjustments	0	11,653	0	0
511000 - SC511005 Longevity	2,330	2,610	2,577	2,900
511000 - SC511009 Overtime	11,244	2,500	1,200	2,500
511000 - SC511125 Residency Pay	6,900	6,920	6,372	6,920
511500 - SC511510 Group Health Insurance - Employer's	76,638	89,300	89,300	98,400
511500 - SC511515 Worker's Compensation	551	1,110	1,110	1,110
511500 - SC511520 Group Life Insurance	2,647	2,970	3,294	3,120
511500 - SC511530 Social Security - Employer's	34,202	38,530	38,134	40,440
511500 - SC511535 Medicare - Employer's	7,999	9,010	8,928	9,460
511500 - SC511542 City Employee Retirement	72,254	82,980	82,416	87,090
511600 - SC511650 Salary Reimbursement	(199,804)	(235,730)	(235,730)	(245,000)
Total Personnel Services	**$546,424**	**$621,353**	**$603,540**	**$646,940**
Materials and Supplies				
521000 - SC521001 Office Supplies	6,230	9,000	6,200	6,500
521000 - SC521009 Clothing	575	1,000	750	700
521100 - SC522038 Safety Supplies	0	400	0	0
Total Materials and Supplies	**$6,805**	**$10,400**	**$6,950**	**$7,200**
Contractual Services				
531000 - SC531013 Media Services	51,669	55,000	0	0
531000 - SC531025 Memberships	2,509	1,000	2,500	2,500
531000 - SC531028 Software Licenses	3,690	4,500	3,600	3,700
531300 - SC531320 Equipment Rental	8,843	9,000	0	0
531300 - SC531350 Garage Charges	2,216	2,220	2,858	3,610
531300 - SC531360 Computer Charges	38,940	38,940	38,940	36,480
532000 - SC532062 Postage	0	100	40	0
532000 - SC532065 Printing, Duplication	130	1,000	750	750
532080 - SC532083 Telephone Service	344	360	345	350
532080 - SC532084 Cellular Service	3,472	3,840	3,470	3,480
532080 - SC532086 Other Communications	0	0	594	0
532080 - SC532087 Aircard Service	239	0	483	490
533080 - SC533085 Travel/Training	3,753	18,000	17,000	11,000
535000 - SC535388 Advertising	1,850	2,000	1,800	5,000
Total Contractual Services	**$117,654**	**$135,960**	**$72,380**	**$67,360**
Other Charges and Services				
544087 - SC544087 Expense Reimbursement	(9,320)	(9,000)	0	0
540000 - SC540036 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**	**$735,950**


CITY OF GALVESTON
1839
TEXAS

FY2026 BUDGET
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
TECHNOLOGY IMPROVEMENT FUND

LINE ITEM DETAIL

REVENUES		FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
370000 - RC370030	General Fund	$0	$300,000	$0	$100,000
370000 - RC370034	Central Services - Transfer In	500,000	0	900,000	250,000
370000 - RC370035	Infrastructure/Debt-Transfer In	3,000,000	500,000	500,000	0
361100 - RC361110	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					
511600 - SC511650	Salary Reimbursements	0	0	28,241	149,100
Total Personnel Services		**$0**	**$0**	**$28,241**	**$149,100**
Contractual Services					
531000 - SC531029	Software Maintenance Contracts	164,225	396,389	369,462	950,000
533080 - SC533083	Travel Expenses	25,753	0	67,772	0
533080 - SC533088	Training Expense	169,235	19,200	17,375	25,000
Total Contractual Services		**$359,213**	**$415,589**	**$454,608**	**$975,000**
Capital Outlay					
560000 - SC563015	Technology Improvements	0	4,435,170	7,168	0
560000 - SC564008	Data Processing Equipment	213,759	381,196	469,890	670,000
560000 - SC564012	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 - SC592000	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
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	$5,816,540
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**	**$6,758,490**
Expenses				
Administration	$972,009	$1,014,903	$1,018,360	$1,248,250
Operations	5,287,010	5,919,610	5,400,190	5,839,500
Total expenses	**$6,259,018**	**$6,934,513**	**$6,418,550**	**$7,087,750**
Net income (loss)	**$465,610**	**$8,387**	**$255,330**	**($329,260)**
Capital Outlay	$269,293	$106,000	$106,000	$60,000
Ending Fund Balance	**$1,116,424**	**$1,018,811**	**$1,265,755**	**$876,495**

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	$1,248,250
Garage Operations	5,287,010	5,919,610	5,400,190	5,899,500
Central Garage Fund Total	**$6,528,311**	**$7,040,513**	**$6,524,550**	**$7,147,750**

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	1,176,840
Other Charges and Services	328,865	647,760	581,320	766,930
Capital Outlay	269,293	106,000	106,000	60,000
Central Garage Fund Total	**$6,528,311**	**$7,040,513**	**$6,524,550**	**$7,147,750**

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 (-$25,308) in miscellaneous contractual accounts.

Other Charges and Services - Net increases (+$185,608) includes increase (+$66,440) for anticipated reimbursements from insurance claims for vehicles damaged in accidents and increases (+$119,168) 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	916,930
Capital Outlay	269,293	0	0	0
TOTAL	**$1,241,301**	**$1,120,903**	**$1,124,360**	**$1,248,250**

BUDGET HIGHLIGHTS (FY2026 BUDGET OVER/UNDER FY2025 ESTIMATED)

Personnel Services - Net increase (+$2,200) in annualized cost for personnel.

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

WD Ledger Account - Spend Category	FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
Personnel Services				
511000 - SC511001 Regular Payroll	$207,027	$206,450	$217,331	$216,780
511000 - SC511002 Civilian Comp Adjustments	0	4,763	0	0
511000 - SC511005 Longevity	3,036	3,110	3,122	3,220
511000 - SC511009 Overtime	4,822	5,000	5,000	5,000
511500 - SC511510 Group Health Insurance - Employer's	26,564	26,450	26,450	29,140
511500 - SC511515 Worker's Compensation	181	370	370	470
511500 - SC511520 Group Life Insurance	1,012	1,010	1,071	1,060
511500 - SC511530 Social Security - Employer's	13,354	13,300	14,003	13,950
511500 - SC511535 Medicare - Employer's	3,123	3,110	3,275	3,260
511500 - SC511542 City Employee Retirement	28,047	28,650	30,098	30,040
511600 - SC511650 Salary Reimbursements	0	0	0	0
Total Personnel Services	**$287,164**	**$292,213**	**$300,720**	**$302,920**
Materials and Supplies				
521000 - SC521001 Office Supplies	199	800	400	400
Total Materials and Supplies	**$199**	**$800**	**$400**	**$400**
Contractual Services				
531000 - SC531025 Memberships	549	600	549	600
531100 - SC531125 Other Contracts	0	1,000	300	200
531200 - SC531240 Maintenance Contracts	16,779	16,000	12,075	15,000
531300 - SC531360 Computer Charges	10,817	10,820	10,820	10,600
532000 - SC532062 Postage	43	60	30	60
532080 - SC532083 Telephone Service	138	150	138	140
532080 - SC532084 Cellular Service	610	500	928	1,000
533080 - SC533085 Travel/Training	0	1,000	640	400
Total Contractual Services	**$28,936**	**$30,130**	**$25,480**	**$28,000**
Other Charges and Services				
540000 - SC540033 Compensated Absences	(44,567)	0	0	0
540000 - SC540036 Insurance Expense	667,057	763,180	763,180	882,070
540000 - SC547037 Facilities Maintenance	33,219	34,580	34,580	34,860
Total Other Charges and Services	**$655,709**	**$797,760**	**$797,760**	**$916,930**
Capital Outlay				
560000 - SC564003 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**	**$1,248,250**

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	1,148,840
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**	**$5,899,500**

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 (-$27,828) 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

WD Ledger Account - Spend Category	FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
Personnel Services				
511000 - SC511001 Regular Payroll	$932,933	$953,200	$983,076	$996,600
511000 - SC511002 Civilian Comp Adjustments	0	57,450	0	0
511000 - SC511005 Longevity	10,953	12,040	11,228	12,240
511000 - SC511009 Overtime	67,067	65,000	65,000	65,000
511000 - SC511125 Residency Pay	32,220	32,620	30,213	30,110
511500 - SC511510 Group Health Insurance	277,704	277,700	277,700	305,930
511500 - SC511515 Worker's Compensation	13,067	16,140	16,140	16,140
511500 - SC511520 Group Life Insurance	4,416	4,380	4,732	4,670
511500 - SC511530 Social Security - Employment	65,262	65,900	66,498	68,440
511500 - SC511535 Medicare - Employer's	15,263	15,410	15,552	16,010
511500 - SC511542 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				
521000 - SC521001 Office Supplies	4,619	3,000	1,558	3,000
521000 - SC521009 Clothing	10,996	10,000	10,000	11,720
522000 - SC522025 Fuel And Lubricants	2,001,333	2,327,000	1,730,000	2,200,000
522000 - SC522037 Janitorial Supplies	3,916	5,000	2,724	3,900
523000 - SC523120 Minor Tools	25,206	20,000	24,258	25,000
523000 - SC522130 Motor Vehicle Parts	838,295	841,000	935,000	920,000
525000 - SC525031 Electricity	9,520	9,000	8,812	9,600
525000 - SC525032 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				
531000 - SC531005 Other Services	57	350	62	100
531100 - SC531125 Other Contracts	144,573	190,000	190,000	160,000
531200 - SC531220 Building Repairs	0	1,000	750	1,000
531200 - SC531250 Vehicle Repairs	854,811	800,000	873,000	900,000
531300 - SC531350 Garage Charges	36,641	40,110	42,743	31,300
531300 - SC531360 Computer Charges	67,063	65,710	65,710	51,630
532000 - SC532065 Printing, Duplication	2,307	1,000	2,506	2,910
532080 - SC532083 Telephone Service	1,143	1,200	1,154	1,120
532080 - SC532084 Cellular Service	119	0	483	540
532080 - SC532087 Aircard Service	456	500	258	240
533080 - SC533085 Travel/Training	849	0	0	0
Total Contractual Services	**$1,108,018**	**$1,099,870**	**$1,176,666**	**$1,148,840**
Other Charges and Services				
540000 - SC544098 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				
560000 - SC564003 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**	**$5,899,500**

FY2026 BUDGET
FLEET SERVICES

ALLOCATION OF COSTS TO DEPARTMENTS

Fund	Division	Unit Count	FY2025 Allocation	FY2026 Allocation of FY2026 Costs	Rebate of Prior Year Charges applied to FY2026 Charge	FY2026 Adjusted Allocation
General Fund						
	Police Department	113	1,114,300	958,720	(49,480)	909,240
	Fire Department	34	557,930	637,420	(32,900)	604,520
	Emergency Management	2	5,530	4,630	(240)	4,390
	Public Works-Streets	54	721,800	556,730	(28,740)	527,990
	Public Works-Traffic	29	127,310	147,130	(7,590)	139,540
	Parks Department	65	286,760	330,180	(17,040)	313,140
	Developmental Services	6	26,760	33,290	(1,710)	31,580
	City Marshal	13	89,410	74,450	(3,840)	70,610
	Animal Services	5	44,680	48,350	(2,490)	45,860
Special Revenue Funds						
	Parking Management	3	45,500	36,140	(1,870)	34,270
	Island Transit	31	229,740	219,010	(2,340)	216,670
Combined Utility System Fund: Waterworks Fund						
	Public Works - Administration	1.5	19,440	14,190	(730)	13,460
	Public Works - Supply	13	160,180	122,940	(6,350)	116,590
	Public Works - Distribution	54.5	461,100	515,400	(26,600)	488,800
Combined Utility System Fund: Sanitary Sewer Fund						
	Public Works - Administration	1.5	19,440	14,190	(730)	13,460
	Public Works - Pretreatment	2	32,040	18,910	(970)	17,940
	Public Works - Collection	42.5	357,350	401,920	(20,740)	381,180
	Public Works Main - WWTP	21	160,180	217,510	(10,250)	207,260
Sanitation Fund						
	Public Works - Sanitation	40	651,300	808,910	(41,750)	767,160
	Public Works - Recycling	8	133,600	161,780	(8,350)	153,430
Drainage Utility Fund						
	Public Works - Drainage Utility	46	288,320	435,020	(22,450)	412,570
Airport Fund						
	Airport	13	69,600	67,320	(3,470)	63,850
Combined Utility Billing						
	Utility Billing - Meter Services	7	72,080	66,200	(3,420)	62,780
Internal Service Funds						
	Information Technology	2	4,650	4,800	(250)	4,550
	Facilities	6	24,380	28,580	(1,470)	27,110
	Mailroom	1	4,720	5,380	(280)	5,100
	Community Outreach	1	2,220	3,800	(190)	3,610
	Garage Operations	7	40,110	33,000	(1,700)	31,300
	Insurance Admin (Risk Mgmt)	2	7,450	4,580	(240)	4,340
	Construction Management	6	34,270	33,990	(1,750)	32,240
TOTAL		**630**	**5,792,150**	**6,004,470**	**(299,930)**	**5,704,540**
Cost per Unit (Total Units for FY2025 allocation was 602)			9,622	9,531	(476)	9,055

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	$183,120
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**	**$3,012,620**
Net income (loss)	**($35,011)**	**$56**	**$32,702**	**$2,670**
Ending Fund Balance	**$675,078**	**$675,134**	**$707,780**	**$710,450**

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	$183,120
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**	**$3,012,620**

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	2,880,580
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**	**$3,012,620**

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 (+$239,159) includes an increases in various Policies in Force (+$242,190), and decreases from various contractual line items (-$3,031).

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	21,080
Other Charges and Services	(480)	1,600	800	1,680
TOTAL	**$165,460**	**$185,250**	**$162,770**	**$183,120**

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 decrease (+$3,031) to various contractual service line items.

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				
511000 - SC511001 Regular Payroll	$98,158	$109,780	$97,623	$113,810
511000 - SC511002 Civilian Comp Adjustments	0	5,470	0	0
511000 - SC511005 Longevity	488	540	513	580
511000 - SC511009 Overtime	130	0	20	500
511000 - SC511125 Residency Pay	251	260	254	260
511500 - SC511510 Group Health Insurance - Employer's	17,218	17,220	17,220	18,970
511500 - SC511515 Worker's Compensation	240	490	490	490
511500 - SC511520 Group Life Insurance	479	540	420	560
511500 - SC511530 Social Security - Employer's	5,991	6,890	6,022	7,140
511500 - SC511535 Medicare - Employer's	1,401	1,610	1,408	1,670
511500 - SC511542 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				
521000 - SC521001 Office Supplies	182	500	250	500
523000 - SC523120 Minor Tools	0	500	500	500
Total Materials and Supplies	**$182**	**$1,000**	**$750**	**$1,000**
Contractual Services				
531000 - SC531005 Other Services	1,871	960	840	1,140
531000 - SC531025 Memberships	120	250	125	250
531300 - SC531350 Garage Charges	8,303	7,450	7,373	4,340
531300 - SC531360 Computer Charges	16,058	13,580	13,580	12,870
532000 - SC532062 Postage	1	50	73	50
532080 - SC532083 Telephone Service	138	150	138	120
532080 - SC532084 Cellular Service	1,040	1,080	1,026	1,030
532080 - SC532087 Aircard Service	456	500	456	480
533080 - SC533085 Travel/Training	450	1,000	500	800
Total Contractual Services	**$28,438**	**$25,020**	**$24,110**	**$21,080**
Other Charges and Services				
540000 - SC547033 Compensated Absences	(480)	0	0	0
540000 - SC540028 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**	**$183,120**

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				
534000 - SC534032 Preventive Health Program	78,391	0	0	0
534000 - SC534033 Uninsured Damage Claims	159,779	160,000	160,000	160,000
534000 - SC534034 Uninsured Legal Fees	162,412	100,000	100,000	100,000
534000 - SC534035 Employee Assistance Program	10,080	0	0	0
Total Contractual Services	**$410,663**	**$260,000**	**$260,000**	**$260,000**
Other Charges and Services				
544087 - SC544087 Expense Reimbursement	(12,477)	0	0	0
535000 - SC535380 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**


CITY OF GALVESTON
1839
TEXAS

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	$12,263,196
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	900,813	1,200,000
Total expenses	$14,207,991	$15,475,754	$15,495,773	$18,069,800
Net income (loss)	$2,173,681	$1,560,746	$955,338	$400
Ending Fund Balance	$11,307,859	$12,868,605	$12,263,196	$12,263,596
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	$6,463,196	$6,463,596

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	$15,495,773	$18,069,800
Health and Life Insurance Total	**$14,207,991**	**$15,475,754**	**$15,495,773**	**$18,069,800**

CATEGORY	FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
Contractual Services	14,207,991	15,475,754	15,495,773	18,069,800
Health and Life Insurance Total	**$14,207,991**	**$15,475,754**	**$15,495,773**	**$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	900,813	1,200,000
Total Contractual Services		**$14,207,991**	**$15,475,754**	**$15,495,773**	**$18,069,800**
Total Expenses		**$19,297,431**	**$15,475,754**	**$15,495,773**	**$18,069,800**

FY2026 BUDGET
PENSION REFORM FUND

LINE ITEM DETAIL

REVENUES	FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
361100 - RC361110 Interest Earned-Operating	52,599	45,000	40,500	37,500
TOTAL REVENUES	**$52,599**	**$45,000**	**$40,500**	**$37,500**
EXPENDITURES				
Personnel Services				
511500 - SC511542 City Employee Retirement	0	0	0	0
Total Personnel Services	**$0**	**$0**	**$0**	**$0**
Contractual Services				
531000 - SC531004 Consultant Services	0	0	0	0
Total Contractual Services	**$0**	**$0**	**$0**	**$0**
Operating Transfers				
553000 - SC553025 Operating Transfer Out	0	0	0	0
Total Operating Transfers	**$0**	**$0**	**$0**	**$0**
Special Events and Programs				
592000 - SC592000 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
SEPARATION PAY FUND

LINE ITEM DETAIL

		FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
REVENUES					
370000 - RC370026	Waterworks - Transfer In	32,440	22,440	22,440	35,440
370000 - RC370027	Sewer System - Transfer In	40,800	40,800	40,800	40,800
370000 - RC370028	Sanitation Transfer In	35,700	35,700	35,700	35,700
370000 - RC370029	Drainage Transfers - In	20,000	20,000	20,000	20,000
370000 - RC370030	General Fund	1,450,000	950,000	950,000	1,500,000
370000 - RC370033	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					
511000 - SC511410	Separation Vacation	$507,861	$567,089	$504,500	$540,730
511000 - SC511420	Separation Sick Pay	668,101	650,000	$510,700	$1,065,070
511000 - SC511430	Separation Compensatory Time	56,402	30,000	$83,376	$32,770
511500 - SC511530	Social Security - Employer's	55,786	0	$45,100	$0
511500 - SC511535	Medicare - Employer's	17,869	0	$11,400	$0
511500 - SC511542	City Employee Retirement	34,938	0	$23,800	$0
511500 - SC511543	Firemen's Retirement	67,185	0	$13,000	$0
511000 - SC511544	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
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	174,890
Other Charges and Services	(1,595,813)	(1,740,210)	(719,239)	(260,200)
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.

Materials and Supplies - Includes increases (+$4,528) in miscellaneous supply line items.

Contractual Services - Net increase (+$1,638) in various contractual accounts.

Other Charges and Services - Net increase (+$459,247) 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	174,890
Other Charges and Services	(1,595,813)	(1,740,210)	(719,239)	(260,200)
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.

Materials and Supplies - Includes increases (+$4,528) in miscellaneous supply line items.

Contractual Services - Net increase (+$1,638) in various contractual accounts.

Other Charges and Services - Net increase (+$459,247) 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

WD Ledger Account - Spend Category	FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
Personnel Services				
511000 - SC511001 Regular Payroll	$1,082,365	$1,104,700	$230,268	$1,178,200
511000 - SC511002 Civilian Comp Adjustments	0	55,000	0	28,400
511000 - SC511005 Longevity	5,558	6,040	1,216	1,890
511000 - SC511006 Differential Pay	1,790	1,830	374	1,830
511000 - SC511009 Overtime	18,751	30,000	1,181	25,000
511000 - SC511021 Part-time payroll	60,698	0	12,154	0
511000 - SC511125 Residency Pay	10,038	10,050	2,077	10,050
511500 - SC511510 Group Health Insurance - Employer's	181,292	185,200	185,200	203,960
511500 - SC511515 Worker's Compensation	5,250	10,500	5,250	10,500
511500 - SC511520 Group Life Insurance	5,003	5,040	1,047	5,390
511500 - SC511530 Social Security - Employer's	71,359	71,460	14,953	75,450
511500 - SC511535 Medicare - Employer's	16,689	16,710	3,497	17,650
511500 - SC511542 City Employee Retirement	146,093	103,740	31,388	109,530
511600 - SC511650 Salary Reimbursements	(173,703)	(140,000)	(34,138)	(1,667,850)
511600 - SC511655 Salary Reimbursements-Grants	(19,313)	0	(6,254)	0
Total Personnel Services	**$1,411,870**	**$1,460,270**	**$448,213**	**$0**
Materials and Supplies				
521000 - SC521001 Office Supplies	4,318	6,000	4,635	6,000
523000 - SC523100 Minor Office Equipment	2,979	3,000	3,000	3,000
521000 - SC521009 Clothing	5,178	4,000	3,535	5,600
521100 - SC521105 Safety Supplies	2,456	750	375	1,300
523000 - SC523120 Minor Tools	852	600	600	500
522000 - SC522065 Paint and Lumber	698	750	750	800
522000 - SC521013 Other Supplies	44	500	250	400
525000 - SC525031 Electricity	519	560	562	660
525000 - SC525032 Natural Gas	523	530	575	550
Total Materials and Supplies	**$17,569**	**$16,690**	**$14,282**	**$18,810**
Contractual Services				
531000 - SC531025 Memberships	1,190	6,500	3,250	5,000
531000 - SC531029 Software Maintenance Contracts	51,222	51,500	51,500	55,000
531200 - SC531230 Equipment Repairs	1,160	500	500	500
531300 - SC531350 Garage Charges	30,273	34,270	33,845	32,240
531300 - SC531360 Computer Charges	75,716	75,720	75,720	74,710
532000 - SC532065 Printing, Duplication	449	750	619	1,100
532080 - SC532083 Telephone Service	619	630	569	540
532080 - SC532084 Cellular Service	4,357	4,380	4,335	1,320
532080 - SC532087 Aircard Service	456	500	456	480
533080 - SC533085 Travel & Training	554	5,000	2,500	4,000
535000 - SC535389 Food Services	49	0	(49)	0
Total Contractual Services	**$166,045**	**$179,750**	**$173,244**	**$174,890**

FY2026 BUDGET
PROJECT MANAGEMENT

LINE ITEM DETAIL

WD Ledger Account - Spend Category	FY2024 ACTUAL	FY2026 BUDGET	FY2026 ESTIMATED	FY2026 BUDGET
Other Charges and Services				
540000 - SC540005 Project Mgmt. Costs (Capital)	(1,620,262)	(1,761,910)	(740,939)	(285,690)
540000 - SC540033 Compensated Absences	3,111	0	0	0
540000 - SC540036 Insurance expense	21,338	21,700	21,700	25,490
Total Other Charges and Services	**($1,595,813)**	**($1,740,210)**	**($719,239)**	**($260,200)**
Capital Outlay				
560000 - SC564003 Vehicle Capital Outlay	0	58,500	58,500	61,500
560000 - SC564010 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

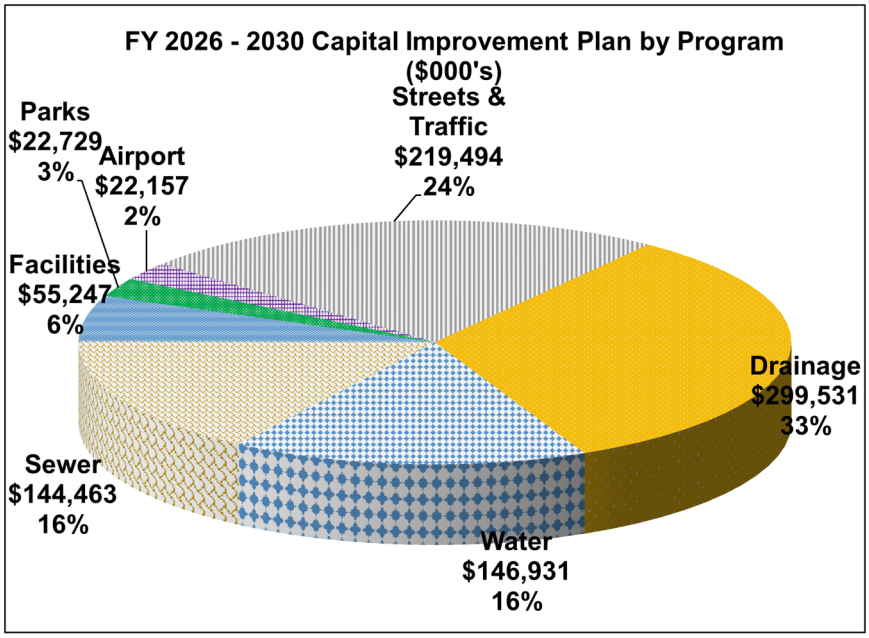
OFFICE OF THE CITY MANAGER

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

October 23, 2025

To: Honorable Mayor Craig Brown and Members of City Council
Subject: Amended FY 2026-2030 Capital Improvement Plan

Attached please find the Amended FY 2026-2030 Capital Improvement Plan (CIP) for the City of Galveston. The CIP will also be included in summary form in the Amended 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 Amended CIP.

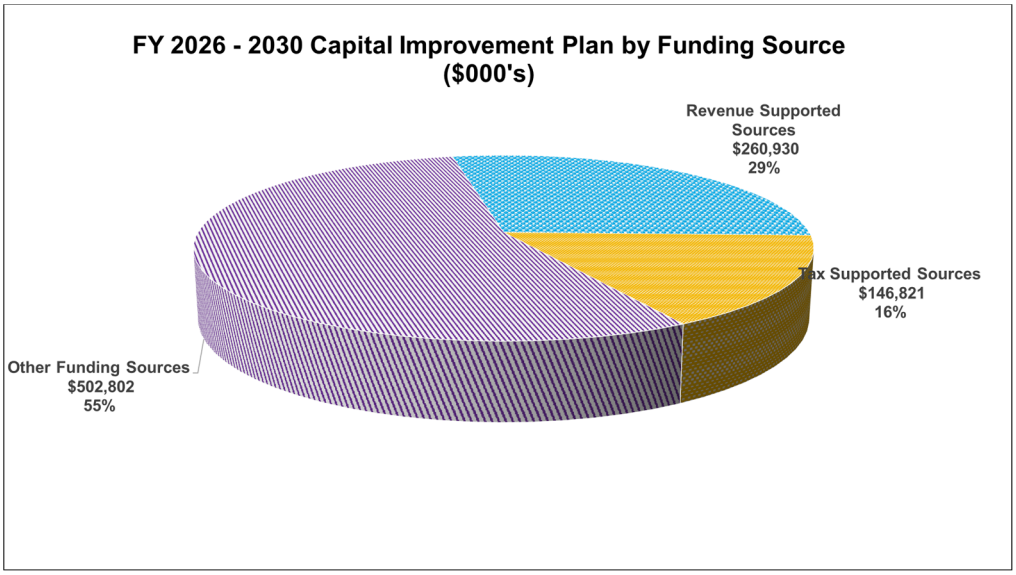


CIP highlights include:

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 may use 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, decreasing 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 amended 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 Amended 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 $67.5 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;

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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 Amended 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.

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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 Amended 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

FY2026 BUDGET
INFRASTRUCTURE AND DEBT FUND

LINE ITEM DETAIL

	FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
REVENUES				
361100 - RC361110 Interest Earned-Operating	240,942	175,000	235,000	175,000
363000 - RC363200 Other Revenues	2,952	0	3,327	0
370000 - RC370025 Operating Transfer In	5,697,131	6,529,535	6,257,485	6,741,500
TOTAL REVENUES	**$5,941,026**	**$6,704,535**	**$6,495,812**	**$6,916,500**
EXPENDITURES				
Personnel Services				
511000 - SC511001 Regular Payroll	$0	$16,843	$103,411	$0
511000 - SC511009 Overtime	0	26	775	0
511000 - SC511021 Part-time Payroll	0	0	19,450	0
511500 - SC511510 Group Health Insurance	0	2,306	16,315	0
511500 - SC511520 Group Life Insurance	0	67	392	0
511500 - SC511530 Social Security - Employment	0	1,015	7,611	0
511500 - SC511535 Medicare - Employer's	0	237	1,080	0
511500 - SC511542 City Employee Retirement	0	2,252	14,056	0
511600 - SC511650 Salary Reimbursements	324,333	157,573	78,787	157,573
Total Personnel Services	**$324,333**	**$180,319**	**$241,877**	**$157,573**
Materials and Supplies				
522000 - SC522015 Concrete and Aggregate	966,469	488,475	244,238	1,350,000
522000 - SC522017 Sign Materials	49,768	0	0	0
Total Materials and Supplies	**$1,016,237**	**$488,475**	**$244,238**	**$1,350,000**
Contractual Services				
531000 - SC531004 Consultant Services	378,283	88,718	78,920	0
531000 - SC531028 Software Licenses	48,546	0	0	0
531300 - SC531320 Equipment Rental	28,006	0	0	0
Total Contractual Services	**$454,835**	**$88,718**	**$78,920**	**$0**
Other Charges and Services				
540000 - SC540004 Materials Testing	0	0	0	100,000
540000 - SC540005 Project Management Cost	223,565	629,726	74,162	571,988
544087 - SC544097 Expense Reimbursement - Other	221,843	250,000	0	250,000
540000 - SC540031 Capital Reserve	0	152,193	0	4,017,879
Total Other Charges and Services	**$445,408**	**$1,031,919**	**$74,162**	**$4,939,867**
Operating Transfers				
553000 - SC553033 Transfer to Debt Service Fund	237,128	0	0	0
553000 - SC553022 Transfer to Technology Improvement	0	500,000	500,000	0
553000 - SC553025 Operating Transfer Out	37,498	0	0	0
Total Operating Transfers	**$274,626**	**$500,000**	**$500,000**	**$0**

FY2026 BUDGET
INFRASTRUCTURE AND DEBT FUND

LINE ITEM DETAIL				
Capital Outlay				
560000 - SC564003 Vehicle Capital Outlay	519,936	2,143,289	0	2,143,289
560000 - SC564005 Capital Outlay - Improvements	966,804	3,635,142	1,122,420	5,271,288
560000 - SC564117 Machinery & Equipment	9,214	0	0	600,000
560000 - SC565506 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				
535000 - SC535365 Fixed Asset Study	16,343	256,250	250,314	0
535000 - SC535385 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**	**$16,720,492**
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.


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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
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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**


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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 59th 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
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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
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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
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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**


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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.

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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
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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
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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
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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
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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.

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.

CITY OF GALVESTON * 1839 *

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 Services to estimated 84.1% LMI youth	• Provided 28 part-time employees as recreation aides • 736 children/youth (84.1% LMI) registered for summer and afterschool activities • 48 disabled children/youth served • 19,710 total daily sessions of service
City Marshall - Code Compliance Officers	• Provided 4 officers in LMI areas • 4,427 property inspections conducted • 3,093 code violations identified and corrected • 1,334 re-inspections conducted
City Marshall - Code Compliance Lot Clearance and Demolition in LMI areas	• 52 lot clearances/board-ups completed • 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

Docusign Envelope ID: 7AA218FE-55F7-4815-9F44-A09562D0EBD7

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

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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**

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ORDINANCE NO. 25- 049

AN ORDINANCE OF THE CITY OF GALVESTON, TEXAS, RATIFYING THE ESTABLISHED ADOPTED TAX RATE AND LEVYING AD VALOREM TAXES IN THE AMOUNT OF 40 CENTS AND 8.687 MILLS ($0.408687) UPON EACH ONE HUNDRED DOLLARS ($100.00) OF PROPERTY VALUATION FOR THE TAX YEAR 2025; MAKING VARIOUS FINDINGS AND PROVISIONS RELATED TO THE SUBJECT.

WHEREAS, The City Charter, Article VIII, section 2, authorizes the City Council of the City of Galveston, Texas, to levy taxes upon taxable property situated within its corporate limits; and,

WHEREAS, the Texas Tax Code, Chapter 26 establishes the legal parameters for adopting a municipal tax rate; and,

WHEREAS, the Council deems it in the City's interest to levy a tax rate of 40 Cents and 8.687 Mills ($0.408687) upon each One Hundred Dollars ($100.00) of property valuation for the tax year 2025; and,

WHEREAS, the Galveston County Tax Assessor Collector in her capacity as the Galveston City Tax Assessor Collector published a notice in the newspaper on September 12, 2025 of the City's No New Revenue and Voter Approval tax rate calculation for tax year 2025, and announcing the date and time for a public hearing on September 18, 2025, on the proposed property tax rate; and,

WHEREAS, the City Council held a public hearing on the proposed tax rate on September 18, 2025; and,

WHEREAS, the Council at its meeting on August 28, 2025, adopted the FY 2026 Budget including revenue to be collected from a property tax rate of 43 Cents and 0.2 Mills ($0.4302) upon each One Hundred Dollars ($100.00) of property valuation for the tax year 2025; and,

WHEREAS, Section 26.05(b)(1) of the State Tax Code requires that certain specific language be included in the ordinance adopting the tax rate; and,

WHEREAS, Section 26.05(b) of the State Tax Code requires that certain specific language be included in the motion to approve the ordinance adopting the tax rate; and,

WHEREAS, Section 26.05(b)(2) of the State Tax Code requires that certain specific language be included on the home page of the City's website after the ordinance is approved by a record vote of City Council; and,

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WHEREAS, the city by this ordinance and in accordance with Section 26.05(c) of the State Tax code states that if the governing body of a taxing unit does not adopt a tax rate before the date required by Subsection (a), the tax rate for the taxing unit for that tax year is the lower of the no-new-revenue tax rate calculated for that tax year or the tax rate adopted by the taxing unit for the preceding tax year. A tax rate established by this subsection is treated as an adopted tax rate. Before the fifth day after the establishment of a tax rate by this subsection, the governing body of the taxing unit must ratify the applicable tax rate in the manner required by Subsection (b)., hereby ratifies the adopted tax rate established based on Tax Code Chapter 26 Section 26.05(c); as provided below.

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

SECTION 1. That the findings and recitations set out in the preamble to this Ordinance are found to be true and correct and they are hereby adopted by the City Council and made a part hereof for all purposes.

SECTION 2. That the City Council of the City of Galveston, Texas, hereby ratifies the adopted tax rate established based on Tax Code Chapter 26 Section 26.05(c) and therefore levies a tax rate of 40 Cents and 8.687 Mills ($0.408687) upon each One Hundred Dollars ($100.00) of property valuation for the tax year 2025. The tax rate consists of two components per Section 26.05(a)(1) and (2) of the Texas Tax Code:

Debt Service (Interest & Sinking) Tax Rate: 3 Cents and 9.755 Mills ($0.039755)
Maintenance & Operations Tax Rate: 36 Cents and 8.932 Mills ($0.368932)

SECTION 3. That the tax rate specified in the above Section 2 shall be levied upon all property, real, personal, or mixed that is not otherwise exempt from taxation pursuant to the Constitution or laws of the State of Texas, which is situated within the corporate limits of the City of Galveston, Texas, on January 1, 2024, as ad valorem taxes upon each One Hundred Dollars ($100.00) valuation of such property.

SECTION 4. That the tax rate of $0.408687 as specified in the above Section 2 shall be applied at the following rates for the specified municipal purposes:

(1) General Purposes – 31 Cents and 8.932 Mills ($0.318932).
(2) Rosenberg Library Fund – 5 Cents ($0.05); and
(3) Debt Service Fund – 3 Cents and 9.755 Mills ($0.039755).

SECTION 5. The City Council officially finds, determines, and declares that sufficient notice of the date, hour, place, and subject of each meeting at which this Ordinance was discussed, considered, or acted upon was given in the manner required by Chapter 551 of the Texas Government Code and Chapter 26 of the Texas Tax Code, and that each such meeting has been open to the public, as required by law, at all times during such discussion, consideration, and action. The City Council ratifies, approves, and confirms such notices in the contents and posting thereof.

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SECTION 6. 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 7. All Ordinances or parts thereof in conflict herewith are repealed to the extent of such conflict only.

SECTION 8. 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 9. This Ordinance shall be and become effective from and after its adoption and publication in accordance with the provisions of The City Charter of the City of Galveston.

APPROVED AS TO FORM:

Signed by:
Donna Fairweather
6A59EBFC33E64A0...

DONNA M. FAIRWEATHER
INTERIM 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 the City of Galveston at a Special Meeting held on October 3, 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 3rd day of October, 2025.

DS

Signed by:
Janelle Williams
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Secretary for the City Council
of the City of Galveston

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City of Galveston

FINANCE
Csilla Ludanyi, Finance Director & CFO
CLudanyi@GalvestonTx.Gov | 409-797-3594 | www.galvestontx.gov

October 3, 2025

To: Brian Maxwell, City Manager
Hon. Mayor and City Council Members

From: Csilla Ludanyi, Finance Director & CFO

RE: Consider for approval an ordinance of the City of Galveston, Texas ratifying the established adopted rate and levying ad valorem taxes for tax year 2025 in the amount of 40 cents and 8.687 mills ($0.408687) upon each one hundred dollars ($100.00) of property valuation for the tax year 2025; Making various findings and provisions related to the subject. (C. Ludanyi)

I. Background

A. The Texas Tax Code Section 26.05(d) requires a public hearing on a proposed tax rate that exceeds the lower of the no-new-revenue or voter-approval tax rate.

B. Section 26.06 requires that Notice be provided for the public hearing on the tax rate and this was done in the Galveston County Daily News on September 12. The Notice included the proposed tax rate of $0.4302 and therefore this is the maximum tax rate the City Council is able to approve without re-noticing a public hearing.

C. The proposed tax rate included in the FY 2026 Adopted Budget is $0.4302 per $100 of taxable value. This rate is above the established adopted tax rate (the no-new-revenue rate) and therefore the budget will need to be amended to align with Charter requirements.

26.05(c) Established Adopted Tax Rate = NNR	Current (FY25)	Adopted Budget	VAR (3.5%)	Charter Cap (5%)
0.408687	0.408850	0.430200	0.448764	0.455346

D. Due to the Truth in Taxation requirements established in Section 26.05(c) required that the adopted property tax rate for tax year 2025 will be set at $0.408687 per $100 of taxable property value, which is the no-new-revenue rate of $0.408687 and less than the voter-approval rate of $0.448764.

E. Council must adopt the two components of the rate separately - TTC Section 26.05 (a):

a. $0.039755 for debt service (I&S)

City of Galveston

FINANCE
Csilla Ludanyi, Finance Director & CFO
CLudanyi@GalvestonTx.Gov | 409-797-3594 | www.galvestontx.gov

b. $0.368932 for maintenance and operations (M&O). Included in the M&O rate is $0.05 per $100 of taxable property value for the Rosenberg Library.

F. Section 102.009(a) of the Local Government Codes states "The governing body of the municipality may levy taxes only in accordance with the budget." The approval of the FY 2026 Budget based on a property tax rate of $0.4302 per $100 of valuation occurred on August 28, 2025, in advance of the tax rate consideration. A budget amendment will be required to incorporate in the lower tax rate in the adopted budget.

II. **Current Situation**

A. The State Tax Code in Section 26.05(b) does not provide for specific language to be used in the motion to adopt the tax rate ordinance since the No New Revenue rate is being ratified. The suggest motion is:

"I move that the Tax Code Chapter 26, Section 26.05(c) established adopted tax rate be ratified and taxes levied for tax year 2025 in the amount of 40 cents and 8.687 mills ($0.408687) upon each one hundred dollars ($100.00) of property valuation for the tax year 2025. This provides for a debt service rate of $0.039755 and a maintenance and operations tax rate of $0.368932.

B. As of the timing of vote on October 3, the Property Tax Code's requirements for public notices, public hearings, and certification of the tax roll and calculation of the no-new-revenue and voter-approval rates by the Galveston County Tax Assessor Collector have been met.

III. Issues

A. The FY 2026 Adopted Budget is based on a property tax rate of $0.4302 per $100 taxable value.

B. State law calls for the tax rate for 2025 to be adopted by City Council no more than seven days after the completion of the public hearing. If it is not adopted, State law calls for the council to ratify the no-new-revenue tax rate ($0.408687) or last year's rate ($0.408850), whichever is less. In this case, that would be the no-new-revenue tax rate of $0.408687 for 2025. This will reduce total property tax revenue to be collected with the $0.4302 rate by $2,439,556.

C. Single family properties comprise approximately 72.0 percent of total taxable value for the City of Galveston. Approximately 41.7 percent of these properties (9,812 out of 23,528) are homesteaders. The City increased its minimum homestead exemption amount from $5,000 to $60,000 for Tax Year 2022. This increase saves homesteaders approximately a total of $5.6 million in FY 2026.

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City of Galveston

FINANCE
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Homesteaded Property Owners Tax Rate Impact:
Ten Percent Increase in Assessed Value

			GCTAC Value #			
Assessed Value (AV) Last Year	$200,000	$300,000	**TY2024**	$400,000	$500,000	$600,000
Less Homestead Exemption	$60,000	$60,000	**Avg. HS TV**	$80,000	$100,000	$120,000
Taxable Value (TV)	$140,000	$240,000	$285,654	$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	$1,168	$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	**Avg. HS TV**	$88,000	$110,000	$132,000
Taxable Value (TV)	$160,000	$264,000	$303,413	$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	$1,240	$1,439	$1,798	$2,158
Change in Annual Tax	**$82**	**$98**	**$72**	**$130**	**$163**	**$195**

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City of Galveston Property Tax Exemptions
Tax Year 2025: Certified Estimate Tax Roll

Description	Tax Exemption Basis	Number of Exemptions from Tax Year 2025 Certified Roll	Value Exempted from Tax Year 2025 Certified Roll	Estimated Tax Break at $0.408687 Rate	Current Estimated Tax Break Per Exemption
Homestead	Minimum of $60,000 of Assessed Value	9,812	815,681,855	3,333,586	$ 340
Over 65 Exemption	$15,000 off Assessed Value	5,327	78,271,318	319,885	$ 60
Disabled Exemption	$10,000 off Assessed Value	460	4,196,734	17,152	$ 37
Permanent Freeze - Adopted by City Council in December 2005					
Over 65 Freeze		4,522	1,280,610,461	1,457,944	$ 322
Disabled Freeze		430	78,508,204	117,479	$ 273
	Total Local Exemptions		2,257,268,572	5,246,044	
State Exemptions					
Veterans' Exemptions & Others		2,183	3,787,388,745	15,478,565	

City of Galveston

FINANCE
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D. By way of explanation, the calculation of the tax rate under State law produces the no-new-revenue tax rate (NNR) and the voter-approval rate (VAR). The NNR is the rate that would generate last year's revenues using this year's values on the same properties. The VAR results in roughly 3.5 percent more revenue for maintenance and operations than the NNR. Once the M&O rate is calculated, it is then segmented into two portions: The General Fund rate and the Library Rate as established by the City Charter.

IV. Alternatives:

A. A rate other than $0.408687 cannot be ratified and levied due to the constraints established in Section 26.05(c) of the Tax Code.

IV. **Recommendation**

Ratify the established adopted property tax rate of $0.408687 per $100 of taxable value.

"I move that the Tax Code Chapter 26, Section 26.05(c) established adopted tax rate be ratified and taxes levied for tax year 2025 in the amount of 40 cents and 8.687 mills ($0.408687) upon each one hundred dollars ($100.00) of property valuation for the tax year 2025. This provides for a debt service rate of $0.039755 and a maintenance and operations tax rate of $0.368932.

Four votes of City Council are required for passage.

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.** **A. Original prior year ARB values:** ..... $ 688,143,279 **B. Prior year values resulting from final court decisions:** ..... - $ 574,639,374 **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.** **A. Prior year ARB certified value:** ..... $ 0 **B. Prior year disputed value:** ..... - $ 0 **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. **A. Absolute exemptions.** Use prior year market value: $ 8,596,233 **B. Partial exemptions.** Current year exemption amount or current year percentage exemption times prior year value: + $ 35,986,592 **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. **A. Prior year market value:** $ 208,876 **B. Current year productivity or special appraised value:** - $ 1,150 **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] **A. Certified values:** $ 12,406,276,822 **B. Counties:** Include railroad rolling stock values certified by the Comptroller's office: + $ **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 **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 **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] **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 **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 **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.** **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 **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 **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 **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 **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] **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 **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 **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
36.	**Rate adjustment for indigent health care expenditures.** [27] **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 **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 **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

[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. **Special Taxing Unit.** If the taxing unit qualifies as a special taxing unit, multiply Line 41C by 1.08. **- or -** **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: 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 2) the third tax year after the tax year in which the disaster occurred. 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: **(1)** are paid by property taxes; **(2)** are secured by property taxes; **(3)** are scheduled for payment over a period longer than one year; and **(4)** are not classified in the taxing unit's budget as M&O expenses. **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] Enter debt amount ..... $ 4,674,253 **B.** Subtract **unencumbered fund amount** used to reduce total debt. ..... – $ 0 **C.** Subtract **certified amount spent from sales tax to reduce debt** (enter zero if none) ..... – $ 0 **D.** Subtract **amount paid** from other resources ..... – $ 0 **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.** **A.** Enter the current year anticipated collection rate certified by the collector. [33] ..... 99.00 % **B.** Enter the prior year actual collection rate. ..... 99.00 % **C.** Enter the 2023 actual collection rate. ..... 99.39 % **D.** Enter the 2022 actual collection rate. ..... 99.84 % **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. 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. 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] **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] **- or -** **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.** **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] 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.* **- or -** 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. **- or -** 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)

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ORDINANCE NO. 25-037

AN ORDINANCE OF THE CITY OF GALVESTON, TEXAS, ADOPTING THE ANNUAL GOVERNMENTAL AND PROPRIETARY FUNDS BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2025 AND ENDING SEPTEMBER 30, 2026; MAKING APPROPRIATIONS FOR CITY OPERATIONS AND CAPITAL PROJECTS FOR SUCH FISCAL YEAR AS REFLECTED IN SUCH BUDGET; AUTHORIZING VARIOUS OTHER TRANSFERS; APPROVING AND ADOPTING THE FY 2026 CAPITAL BUDGET; APPROVING AND ADOPTING THE FY 2026-2030 CAPITAL IMPROVEMENT PLAN; AND MAKING VARIOUS FINDINGS AND PROVISIONS RELATED TO THE SUBJECT AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, The City Charter, Article VII, section 8, requires City Council of the City of Galveston, Texas, to approve and adopt the City budget no later than the second regularly scheduled September meeting of Council before the beginning of the fiscal year; and

WHEREAS, the City Manager has presented to the City Council a proposed budget of the expenditures of the City of Galveston for the fiscal year 2026; and

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

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

WHEREAS, the City Council on August 28, 2025, amended the herein budget regarding:

1. Addition of funding the fund balance to a level of 120 days and
2. The addition of a 2% COLA for civilian employees; and

WHEREAS, the City Charter, Article VII, Section 8, requires the City Manager to include in the proposed budget a statement of the capital projects planned for the next succeeding five (5) fiscal years, with estimates of their cost; and

WHEREAS, the FY 2026-2030 Capital Improvement Plan provides a general framework to guide project planning and financing over a five-year period; and

WHEREAS, the FY 2026-2030 Capital Improvement Plan is based on general priorities and available financing as can be anticipated at the present time; and

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WHEREAS, the Capital Improvement Plan will be updated annually as part of the proposed budget and include five years of planned and affordable projects while considering projects that have been completed in the prior fiscal year; and

WHEREAS, a copy of the budget has been filed with the City Secretary as required by Local Government Code Section 102.005 and 102.008, and the City Council desires to adopt the same.

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

SECTION 1. The findings and recitations set out in the preamble to this Ordinance are found to be true and correct and they are hereby adopted by the City Council and made a part hereof for all purposes.

SECTION 2. In accordance with the provisions of Local Government Code Section 102.007, the City Council hereby approves and adopts the budget described above, including the five-year capital improvement plan, which documents are shown on the City's internet page and kept on file in the City Secretary's Office as required by State law. The City Secretary is hereby directed to place on such budget and sign an endorsement reading as follows: "The Original Annual Government and Proprietary Funds Budget of the City of Galveston, Texas, for Fiscal Year 2026" and to keep such budget on file in her office as a public record. In addition, in accordance with Section 102.009 (d), Texas Local Government Code (Vernon's), the City Secretary is hereby directed to file a true copy of the approved Budget in the offices of the County Clerk of Galveston County.

SECTION 3. The FY 2026 Budget for operations shall be administered in accordance with Article VII, Section 9, 10, 19 and 20 of the City Charter and Section 102.010 of the Texas Local Government Code as follows:

a. The Council may transfer any unencumbered appropriation balance or portion thereof from one office, department, or agency to another, at any time. This is done in observance of the legal restrictions on revenue sources, and applies to the specific City Council appropriations listed in Exhibit A.

b. 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. This also applies to the line item amounts that comprise and are a part of each of the specific City Council appropriations listed in Exhibit A.

c. 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 have not 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

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(5) 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 the 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.

d. 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.

e. As provided by Section 102.010 of the Texas Local Government Code, emergency appropriation provisions do not prevent the governing body of the municipality from making changes in the budget for municipal purposes.

f. The Council shall not approve a budget that exceeds more than seven (7) per cent of the budget of the prior fiscal years as to total expenditures for any and all purposes excluding expenditures related to bond funded projects, grant funded programs, trust and agency funds, internal fund expenditures, and any capital improvement funds appropriated in the previous fiscal year that have not been expended.

g. 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.

h. Furthermore, the City Manager is authorized as follows without making any changes to appropriations adopted by the City Council:
   1. To identify and correct clerical errors or oversights in the Proposed Budget that need correction for the furtherance of the use of Best Practices and

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submission for peer review and comment in order to receive the GFOA Budget Award,

2. To update language and numerical presentations reflecting the budget has been adopted,
3. To include a section that provides five-year projections using the 2026 Adopted Budget as the base for major operating funds.

SECTION 4. That the Beginning Fund Balance reflected in the budget for each operating and capital budget fund for which a Budget is adopted hereby automatically shall be adjusted to be the amount of the Ending Fund Balance for Fiscal Year 2025 as fully adjusted to reflect the final Annual Comprehensive Financial Report for Fiscal Year 2025 when released, and subsequently automatically shall be adjusted to be the amount of the Ending Fund Balance included in the final Annual Comprehensive Financial Report for Fiscal Year 2025 for each respective fund. The revised Beginning Fund Balance shall thereafter be used to calculate the Fiscal Year 2026 Ending Fund Balance.

SECTION 5. That the Waterworks and Sewer System funds reflected prior to FY 2019 as separate funds are included in this ordinance as the Combined Utility System Fund as shown in Exhibit "A."

SECTION 6. The City Council hereby approves and adopts as part of the budget the FY 2026-2030 Capital Improvement Plan as included in Exhibits "B" and "C" and adopts the first year of that plan as the FY 2026 Capital Budget. The Capital Budget will be implemented as follows:

a. The Capital Budget includes specific projects in Exhibit "B" through the FY 2026-2030 Capital Improvement Plan. The Capital Budget may be amended by City Council action to accelerate, defer or otherwise change the FY 2026 Capital Budget for a single project based on the best interest of the City.

b. Reports will be provided to City Council quarterly on the status of each project that is a part of the FY 2026 Capital Budget including financial, design, and construction status information.

c. Funds shall be allocated to individual projects as approved in the FY 2026 Capital Budget when individual contracts are awarded or amended by City Council and/or projects are ready for implementation as provided in Exhibit "C".

d. Contracts and expenditures for individual projects shall be approved as provided by State law, the City Charter and the City's purchasing policies.

e. Expenditures of capital funds shall be for projects included in the approved and/or amended FY 2026 Capital Budget.

f. Funds shall be allocated based on the legal purpose of the capital funds and approval of the responsible party as required under 5(e), provided that the

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Finance Department shall be authorized to charge expenditures of current projects to older capital funds in amounts not to exceed $15,000 and as allowed by the laws governing those capital funds in order to close them out.

SECTION 7. Appropriation of capital funds allocated, committed, encumbered and/or expended in accordance with the FY 2026 Capital Budget is hereby approved as follows:

a. The beginning capital project funds balance as set forth in Exhibit "C" shall be adjusted automatically as described in and pursuant to Section 4.

b. By this action, Council hereby appropriates any additional income dedicated by City Council action or state law for capital projects that is received during FY 2026. This includes but is not limited to net proceeds from the sale of municipal bonds as approved and authorized by City Council, State and federal grants, interest income, capital recovery fees and additional amounts transferred from City operating funds to be used for capital projects.

c. At the close of each fiscal year any unencumbered balance of an appropriation of capital project funds shall revert to the fund from which appropriated and may be re-appropriated by the Council in the subsequent year

SECTION 8. The City Council hereby approves and adopts the FY 2026 Operating Budget of the Galveston Industrial Development Corporation (IDC) approved by the Board of Directors of the IDC on August 4, 2025, and included in the budget as Exhibit D.

SECTION 9. The City Council amends the herein budget to provide for the following:

1. Addition of funding the fund balance to a level of 120 days and
2. The addition of a 2% COLA for civilian employees.

SECTION 10. 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 11. All Ordinances or parts thereof in conflict herewith are repealed to the extent of such conflict only.

SECTION 12. 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.

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SECTION 13. The City Council officially finds, determines, and declares that sufficient notice of the date, hour, place, and subject of each meeting at which this Ordinance was discussed, considered, or acted upon was given in the manner required by Chapter 551 of the Texas Government Code and Chapter 102 of the Texas Local Government Code, and that each such meeting has been open to the public, as required by law, at all times during such discussion, consideration, and action. The City Council ratifies, approves, and confirms such notices in the contents and posting thereof.

SECTION 14. This Ordinance shall be and become effective from and after its adoption and publication in accordance with the provisions of The City Charter of the City of Galveston.

APPROVED AS TO FORM:

Signed by:
Donna Fairweather for
6A59EBFG33E64A0...
DONALD S. 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 the City of Galveston at a Regular meeting held on the 28th day of August 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 29th day of September, 2025.

DS

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

August 28, 2025

To: Brian Maxwell, City Manager
Hon. Mayor and City Council Members

From: Csilla Ludanyi, Finance Director & CFO

RE: Consider for action an ordinance of the City of Galveston, Texas, adopting the annual governmental and proprietary funds budget for the fiscal year beginning October 1, 2025 and ending September 30, 2026; Making appropriations for city operations and capital projects for such fiscal year as reflected in such budget; Authorizing various other transfers; Approving and adopting the FY 2026 Capital Budget; Approving and adopting the FY 2026-2030 Capital Improvement Plan; and making various findings and provisions related to the subject and providing for an effective date.

I. Background

A. The FY 2026 Proposed Budget includes $235.4 million for City operations, $2.1 million for one-time appropriations of fund balance as well as $303.8 million for capital improvement projects. The Budget also includes authorization for $42.0 million to be spent for internal services and billed to the major operating funds included in the total above. Ending Fund Balances totaling $73.8 million are also identified in the Ordinance and considered a part of the Budget.

B. Budget discussions with City Council began on June 26 with an overall budget calendar and a presentation of the long range forecast. Assumptions for the Proposed Budget were presented to ensure proper preparation was being made by departments.

C. The City received the Certified Property Tax roll on July 25 in compliance with State law, thereby clarifying the results of the appraisal review and protest process conducted by the Appraisal District. After the roll was received and the Truth in Taxation calculation certified by the Galveston County Tax Assessor Collector, the City was able to make adjustments related to revenue projections.

D. The City received an update to the Certified Property Tax roll with Supplement 1 and the Galveston County Tax Assessor Collector recalculated the Truth in Taxation amounts for the City on August 8, 2025.

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D. The Proposed FY 2026 Budget was presented by the City Manager on August 8 which met the requirement to present the Budget forty-five days prior to the start of the fiscal year (October 1) as required by the City Charter. To comply with State law, a public hearing is being held on August 28, 2025. The Council is required by State law to take action on the Proposed Budget at the conclusion of the hearing.

C. According to a provision added to the City Charter in 2016, if Council takes no action on the Budget by the end of the second meeting in September, the budget will take effect as proposed by the City Manager (Article VII Section 8 of the City Charter). Should the budget take effect through an absence of City Council action for any reason, the City Council retains the right to consider amendments to the budget after the fiscal year starts on October 1, 2025.

D. State law also requires the Budget be adopted by a record vote. A separate record vote must also be taken as required by State law that ratifies any increase in property tax revenue as a "property tax increase." This ratification vote has its own staff report, and is listed as a separate agenda item following the Budget ordinance itself.

E. A further requirement in the State law is that the budget must be adopted before the property tax rate can be approved. The public hearing on the proposed tax rate and ordinance adopting the property tax rate for Tax Year 2025 and Fiscal Year 2026 will be held on September 18, 2025. After the hearing is conducted on the 18th, the property tax rate ordinance must be adopted within seven days or by September 25th.

II. **Current Situation** (excerpted from the City Manager's Transmittal letter in the Proposed Budget document itself.)

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 $24.2 million in FY 2026 despite many ups and downs in the past decade. The majority of this increase can 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.

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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.

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).

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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**

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 19 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

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

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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.

III. Issues

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.
4. The General Fund's actual and projected ending fund balances for FY 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 originate for consideration of appropriation in FY 2026 by the City Council.
6. Internal Service Fund True-Ups have resulted in a rebate to departments on their contributions to the Garage and Central Services fund.
7. A five-year capital improvements program with proposed projects and correlated funding and financing sources is also included in compliance with the City Charter.
8. The proposed property tax rate of $0.408687 per $100 of taxable value is equal to the state legislated "No-New-Revenue" rate and less than the state defined Voter-Approval-Rate of $0.448764.

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9. 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.
10. Total operating fund balances are projected to end FY2025 at $94.7 million dollars and FY2026 at $75.1 million dollars. This difference of $33.2 million is due primarily to the programming of virtually all special revenue beginning balances.

Highlights

1. The Galveston County Appraisal District increased the certified taxable value by 3.1 percent from last year's certified taxable value.
2. Employee compensation increases are funded for Police and Fire personnel as determined by their collective bargaining agreements and are effective October and January respectively. The Proposed Budget also includes funds to continue progress in strengthing all three pension funds.

IV. Recommendation

Adopt the FY 2026 Budget as proposed.

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FY2026 Proposed Budget
Exhibit "A"
Operating Budget Appropriations

Fund	FY2026 Proposed Revenues	FY2026 Proposed Budget Appropriations	Fund Balance	Total
General Fund	86,487,710			
Police		27,671,390		
Fire		17,839,840		
Emergency Management		413,800		
Emergency Medical Service		1,994,800		
City Marshal		1,083,040		
Animal Services		825,960		
Comunications		2,394,930		
Special Events		0		
Public Works		5,367,140		
Parks & Recreation		4,262,440		
Development Services		2,285,800		
City Secretary		714,200		
Elections		75,000		
Municipal Court		895,230		
City Manager		804,020		
City Auditor		531,120		
City Attorney		1,128,850		
Human Resources		722,490		
Transportation		800,000		
Finance		2,794,780		
Taxation		395,000		
Facility Maintenance Services		1,351,710		
Civilian Compensation		384,220		
Comprehensive Plan		0		
General Fund Contingency		100,000		
Community Outreach/Public Information		403,600		
Vehicle Purchases		1,000,000		
General Fund Subtotal	**86,487,710**	**76,239,360**		
Operating Transfers to Infrastructure Fund		6,919,000		
Operating Transfers to Separation Pay Fund		1,500,000		
General Fund Total	**86,487,710**	**84,658,360**	**27,791,811**	**112,450,171**
Debt Service Fund Total	**4,985,500**	**4,676,780**	**$2,387,005**	**$7,063,785**
Special Revenue Funds				
Rosenberg Library	6,163,760	6,163,760	0	6,163,760
Convention Center Surplus	4,995,133	14,117,584	0	14,117,584
PEG Fund	185,000	2,143,738	0	2,143,738
Parking Management Fund	1,550,000	2,773,626	0	2,773,626
Asset Forfeiture Fund	165,000	341,226	0	341,226
Police Special Revenue Fund	111,000	164,656	0	164,656
Police Quartermaster Fund	88,000	171,063	0	171,063
Alarm Permit Fund	26,800	74,014	0	74,014
Fire Special Revenue Fund	62,800	375,412	0	375,412
Municipal Court Building Security Fund	29,450	29,453	0	29,453
Court Technology Fund	25,500	80,850	0	80,850
Local Truancy and Diversion Fund	36,500	304,353	0	304,353
Recovery and Capital Reserve Fund	0	676,937	0	676,937
STR Regulation Fund	1,225,000	3,577,448	0	3,577,448
Revenue Producing Parks	6,953,200	8,243,413	764,061	9,007,474
Island Transit	5,136,630	5,310,040	150,648	5,460,688
Hurricane Harvey Fund	0	0	24,194	24,194
HOT - Beach Maintenance	4,122,760	4,044,600	3,372,351	7,416,951
HOT - Beach Patrol	3,827,940	3,755,700	2,590,424	6,346,124
HOT - Beach Renourishment	1,927,100	1,829,700	3,180,217	5,009,917
HOT - Advertising/Tourism (CVB)	9,853,400	9,630,000	9,357,650	18,987,650
HOT - Arts (Cultural Events & Preservation)	2,486,000	2,376,000	3,238,741	5,614,741
HOT - Arts (City Owned Historic Property)	492,150	3,881,097	0	3,881,097
HOT - Debt Service	11,094,100	11,094,100	2,468,525	13,562,625
HOT - Convention Center Operations	1,922,800	1,900,000	821,300	2,721,300
Special Revenue Fund Total	**62,480,023**	**83,058,770**	**25,968,111**	**109,026,881**
Combined Utility System Fund	47,672,000			

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FY2026 Proposed Budget
Exhibit "A"
Operating Budget Appropriations

Fund	FY2026 Proposed Revenues	FY2026 Proposed Budget Appropriations	Fund Balance	Total
Waterworks		25,501,230		
Sanitary Sewer		20,205,820		
Combined Utility System Fund	**47,672,000**	**45,707,050**		
Appropriation of Fund Balance for One-Time Operating Items and FY2026 Capital Budget		1,400,000		
Combined Utility System Fund	**47,672,000**	**47,107,050**	**16,039,942**	**63,146,992**
Fund		**FY2026 Proposed Budget Appropriations**	**Fund Balance**	**Total**
Sanitation Fund	11,191,130			
Refuse Operations		10,755,670		
Sanitation Fund Subtotal	**11,191,130**	**10,755,670**		
Appropriation of Fund Balance for One-Time Operating Items and FY2026 Capital Budget		650,000		
Sanitation Fund Total	**11,191,130**	**11,405,670**	**2,387,462**	**13,793,132**
Drainage Fund	3,646,000			
Municipal Drainage Utility		3,877,880		
Drainage Fund Subtotal	**3,646,000**	**3,877,880**		
Appropriation of Fund Balance for One-Time Operating Items and FY2026 Capital Budget		40,000		
Drainage Fund Total	**3,646,000**	**3,917,880**	**840,774**	**4,758,654**
Utility Billing Fund	0			
Utility Billing		0		
Utility Billing Fund Subtotal	**0**	**0**		
Appropriation of Fund Balance for One-Time Operating Items and FY2026 Capital Budget		0		
Drainage Fund Total	**0**	**0**	**0**	**0**
Airport Fund	1,564,900			
Airport Operations		1,455,010		
Airport Fund Subtotal	**1,564,900**	**1,455,010**		
Appropriation of Fund Balance for One-Time Operating Items and FY2026 Capital Budget		0		
Airport Fund Total	**1,564,900**	**1,455,010**	**1,496,941**	**2,951,951**
Total Operating Budget	**218,027,263**	**236,279,520**	**76,912,046**	**313,191,566**
Internal Service Funds	36,955,985	42,098,751	15,916,978	58,015,729

Note: The Internal Service Funds are not included in the Citywide totals above to avoid duplication.

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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**

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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**

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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

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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**

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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**

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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.**

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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**

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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**

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FY2026 BUDGET
SPECIAL REVENUE FUND - INFRASTRUCTURE AND DEBT FUND

LINE ITEM DETAIL

	FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED	FY2026 BUDGET
REVENUES				
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	6,741,500
TOTAL REVENUES	**$5,941,026**	**$6,704,535**	**$6,495,812**	**$6,916,500**
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	4,017,879
Total Other Charges and Services	**$445,408**	**$1,031,919**	**$74,162**	**$4,939,867**
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**	**$16,720,492**
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.

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CITY OF GALVESTON
PROPOSED CAPITAL IMPROVEMENT PLAN
Exhibit C
FY 2026- 2030
TOTALS BY FUNDING SOURCE
(Page 1 of 1)

FUNDING SOURCE	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2026-2030 TOTAL
CITY FUNDS						
INFRASTRUCTURE SET ASIDE	$ 8,184,137	$ 4,553,386	$ 4,367,953	$ 3,557,812	$ 3,572,969	$ 24,236,257
IDC - BEACH NOURISHMENT	$ 1,811,313	$ 4,382,497	$ -	$ 2,000,000	$ -	$ 8,193,810
IDC - ECONOMIC DEVELOPMENT	$ 16,165,796	$ 1,600,000	$ 1,250,000	$ 850,000	$ -	$ 19,865,796
IDC - PARKS	$ 695,825	$ -	$ -	$ -	$ -	$ 695,825
IDC - CO2022A	$ 907,860	$ -	$ -	$ -	$ -	$ 907,860
IDC - INFRASTRUCTURE	$ 14,899,133	$ 2,024,605	$ 437,343	$ 450,463	$ 3,363,977	$ 21,175,521
2019 G.O. BONDS	$ 4,211,832	$ -	$ -	$ -	$ -	$ 4,211,832
2019 CO'S WATER	$ 2,361,895	$ -	$ -	$ -	$ -	$ 2,361,895
2019 CO'S SEWER	$ 1,534,994	$ -	$ -	$ -	$ -	$ 1,534,994
2022 CO'S WATER	$ 23,466,716	$ -	$ -	$ -	$ -	$ 23,466,716
2022 CO'S SEWER	$ 32,692,298	$ 6,375,000	$ -	$ -	$ -	$ 39,067,298
ENTERPRISE FUND - WATER IMPROVEMENT	$ 900,000	$ 900,000	$ 900,000	$ 900,000	$ 900,000	$ 4,500,000
ENTERPRISE FUND - SEWER IMPROVEMENT	$ 309,868	$ 300,000	$ 300,000	$ 300,000	$ 300,000	$ 1,509,868
ENTERPRISE FUND - DRAINAGE IMPROVEMENT	$ 60,000	$ -	$ -	$ -	$ -	$ 60,000
ENTERPRISE FUND - AIRPORT IMPROVEMENT	$ 970,264	$ 600,000	$ -	$ 300,000	$ -	$ 1,870,264
SUBTOTAL CITY FUNDS	**$ 109,171,931**	**$ 20,735,488**	**$ 7,255,296**	**$ 8,358,275**	**$ 8,136,946**	**$ 153,657,936**
OTHER FUNDING SOURCES						
FEMA	$ 39,579,268	$ -	$ 1,279,875	$ -	$ 6,658,875	$ 47,518,018
AMERICAN RESCUE PLAN	$ 1,745,661	$ -	$ -	$ -	$ -	$ 1,745,661
HISTORICAL PRESERVATION FUND	$ 156,402	$ -	$ -	$ -	$ -	$ 156,402
CDBG	$ 65,301,601	$ 400,000	$ 350,000	$ 350,000	$ 350,000	$ 66,751,601
TxDOT GRANTS	$ 12,186,419	$ 5,400,000	$ -	$ 2,700,000	$ 3,421,942	$ 23,708,361
SEAWALL USER FEES	$ 907,600	$ -	$ -	$ -	$ 855,485	$ 1,763,085
GALVESTON COUNTY	$ 3,850,000	$ 9,550,000	$ -	$ -	$ -	$ 13,400,000
SUBTOTAL OTHER FUNDING SOURCES	**$ 123,726,951**	**$ 15,350,000**	**$ 1,629,875**	**$ 3,050,000**	**$ 11,286,302**	**$ 155,043,128**
FUTURE FUNDING SOURCES						
TAX SUPPORTED BONDS -Future	$ 21,250,000	$ 8,750,000	$ -	$ 30,000,000	$ 7,533,750	$ 67,533,750
REVENUE SUPPORTED BONDS -Future	$ -	$ 52,510,267	$ 59,233,301	$ 34,479,088	$ 33,411,001	$ 179,633,657
REVENUE PRODUCING PARK FUNDS	$ 79,175	$ -	$ -	$ -	$ -	$ 79,175
DRAINAGE OPERATING BUDGET	$ -	$ 175,000	$ 1,950,000	$ 2,400,000	$ 2,400,000	$ 6,925,000
FEDERALLY EARMARK	$ 20,000,000	$ -	$ -	$ -	$ -	$ 20,000,000
GLO GRANT	$ -	$ 5,000,000	$ -	$ -	$ -	$ 5,000,000
GRANT - SS4A, RAISE, HGAC-TIP, UPWP - future	$ 27,439,220	$ 29,739,148	$ 10,009,739	$ 59,633,005	$ 109,286,500	$ 63,008,418
TWDB DWSRF LSLR	$ 125,000	$ 4,857,522	$ 19,430,088	$ -	$ -	$ 24,412,610
FUTURE FUNDING	$ 2,000,000	$ 2,194,215	$ 40,454,371	$ 3,954,335	$ 13,556,375	$ 120,917,142
SUBTOTAL FUTURE FUNDING	**$ 70,893,395**	**$ 103,226,152**	**$ 131,077,499**	**$ 130,466,428**	**$ 166,187,626**	**$ 342,180,000**
TOTAL	**$ 303,792,277**	**$ 139,311,640**	**$ 139,962,670**	**$ 141,874,703**	**$ 185,610,874**	**$ 910,552,164**

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IDC approved 8.5.2025

GALVESTON EST Texas 1838 INDUSTRIAL DEVELOPMENT CORPORATION

IDC Operations and Spending Plan - FY 2026

	Total FY 25	Total FY26	Diff (+/-)	draft FY26 Beach	draft FY26 ED	draft FY26 Parks	draft FY26 Infra
Operating Costs:							
Administration							
Support Staff	50,000	50,000	-	12,500	12,500	12,500	12,500
Management	100,000	100,000	-	25,000	25,000	25,000	25,000
Legal	50,000	50,000	-	12,500	12,500	12,500	12,500
Director of Policy & Gov. Affairs	92,264	92,264	-	23,066	23,066	23,066	23,066
Economic Dev. Coordinator	80,000	80,000	-		80,000		
Eco Dev/Coastal support staff*	-	-	-				
Coastal Resource Manager	78,729	78,729	-	78,729			
Coastal Resource Specialist	61,799	61,799	-	61,799			
GIS Analyst/Specialist	76,292	76,292	-	19,073	19,073	19,073	19,073
Coastal Resource Internship Strat Partnership	35,360	35,360	-	35,360			
Total Admin Expenses	624,444	624,444	-	268,027	172,139	92,139	92,139
Operations							
Lasker Pool	500,000	500,000	-			500,000	
Concrete Work Crew (Phases I & II)	435,000	435,000	-				435,000
Parks Work Crew (Phase III)	710,000	710,000	-			550,000	160,000
Beach Erosion & Remediation Crew (BERC)*	-	500,000	500,000	500,000			
Total Operations Expenses	1,645,000	2,145,000	500,000	500,000	-	1,050,000	595,000
Total Operating Costs:	**2,269,444**	**2,769,444**	500,000	**768,027**	**172,139**	**1,142,139**	**687,139**
Contractural Services:							
Consultant Services (531004)							
Windstorm Consultant *	25,000	25,000	-		25,000		
Coastal Grants Consultant*	45,000	45,000	-	45,000			
Other Contracts (531125)			-				
Beach Profiles/Survey Contract	176,541	236,541	60,000	236,541			
Park Board Reimb for Surveys	(77,461)	(77,461)	-	(77,461)			
Post-Storm Survey	177,019	237,019	60,000	237,019			
GEDP *	50,000	50,000	-		50,000		
Attorney's Fees (531006)	15,000	15,000	-	3,750	3,750	3,750	3,750
Total Contractual Services:	411,099	**531,099**	75,000	**444,849**	**78,750**	**3,750**	**3,750**
Promotional Expenses: (Capped at 10% of Total 4B Revenue approx. $750,000)							
Marketing (530014)							
GEDP Developer Conference *	10,000	10,000	-		10,000		
Target Marketing Initiatives *	25,000	25,000	-		25,000		
Marketing Materials	20,000	20,000	-		20,000		
Advertising (Legal Notices)	2,000	2,000	-	500	500	500	500
Total Promotional Expenses:	57,000	57,000	-	500	55,500	500	500
Economic Dev. Op Ex.							
Memberships (531025)	4,000	4,000	-		4,000		
Training/Education (347420)	2,500	4,500	2,000		4,500		
Travel/Training (533085)	2,000	3,000	1,000		3,000		
Technology	6,000	46,000	40,000		46,000		
Total Economic Dev. Op Ex.	14,500	57,500	43,000	-	57,500	-	-
Coastal Resource Op Ex							
Training/Education (347420)	-	-					
Travel/Training (533085)	11,000	12,000	1,000	12,000			
Total Coastal Resource Op Ex	11,000	12,000	1,000	12,000	-	-	-
Misc. Expenses:							
Meeting Expenditures (544032)	6,000	6,000	-	1,000	3,000	1,000	1,000
Election Expenses	-	-	-				
Equipment/supplies (521067)	4,000	4,000	-	2,000	2,000		
Total Misc. Expenses:	**10,000**	**10,000**	-	**3,000**	**5,000**	**1,000**	**1,000**

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IDC approved 8.5.2025

GALVESTON EST Texas 1839 INDUSTRIAL DEVELOPMENT CORPORATION

IDC Operations and Spending Plan - FY 2026

	Total FY 25	Total FY26	Diff (+/-)	draft FY26 Beach	draft FY26 ED	draft FY26 Parks	draft FY26 Infra
Debt Service							
Debt Service - Sandhill Crane Soccer Complex	859,646	860,000	354			860,000	
Debt Service -14th St/South Shore Pump Statio	1,364,575	1,370,000	5,425		820,000		550,000
Total Debt Service	2,224,221	2,230,000	5,779	-	820,000	860,000	550,000
Total Fiscal Year IDC Budget	**4,997,264**	**5,667,043**	624,779	**1,228,376**	**1,188,889**	**2,007,389**	**1,242,389**
		Change per Silo (+/-)		+ 621,000	+ 44,255	+ 354	+ 4,170

Changes reflect:

Beach Silo: Overall increase of $621,000 (increase of $120,000 in Beach Surveys: increase scope due to increased engineered beaches and increase of $500,000 for BERC if council approves project in Aug 2025)

ED Silo: Overall increase of $44,225 (Increase of $40,000 in Technology for ED Software Resources and increase of $4,255 in Training for staff and board)

Parks Silo: Increase of $354 due to Debt Service estimated payment

Infra Silo: Increase of $4,170 due to Debt Service estimated payment

* Proposed project (BERC) to be added to Operations Spending Plan pending approval of Council in Aug 2025

Docusign Envelope ID: FD2004F8-6F1B-4A48-961D-75248D3E8DCA

ORDINANCE NO. 25 - 052

AN ORDINANCE OF THE CITY OF GALVESTON, TEXAS, AMENDING THE TOTAL OPERATING BUDGET FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, BY REDUCING THE GENERAL FUND EXPENDITURE BUDGET BY FIVE HUNDRED SIXTY-ONE THOUSAND, SEVEN HUNDRED TWENTY DOLLARS (-$561,720), INCREASING THE ROSENBERG LIBRARY FUND EXPENDITURES BY TWENTY-THREE THOUSAND EIGHT HUNDRED NINETY DOLLARS ($23,890), REDUCING THE ISLAND TRANSIT FUND EXPENDITURES BY FIFTY-SEVEN THOUSAND SEVEN HUNDRED EIGHTY DOLLARS (-$57,780), REDUCING ENTERPRISE FUND EXPENDITURES BY TWO HUNDRED NINETY THOUSAND THREE HUNDRED DOLLARS (-$290,300), AND REDUCING INTERNAL SERVICE FUND EXPENDITURES BY ONE HUNDRED AND TWO THOUSAND, NINE HUNDRED FORTY DOLLARS (-$102,940), FOR A COMBINED TOTAL EXPENDITURE DECREASE OF NINE HUNDRED EIGHTY-EIGHT THOUSAND EIGHT HUNDRED FIFTY DOLLARS (-$988,850), TO PROPERLY RECORD EXPENDITURE ADJUSTMENTS REQUIRED FOR THE ADOPTION OF A LOWER TAX RATE OF $0.408687 PER $100 PROPERTY VALUATION DECREASING GENERAL FUND REVENUE BY TWO MILLION TWO HUNDRED NINETEEN THOUSAND FOUR HUNDRED SIXTY DOLLARS (-$2,219,460) AND INCREASING ROSENBERG LIBRARY FUND REVENUE BY TWENTY-THREE THOUSAND EIGHT HUNDRED NINETY DOLLARS ($23,890); MAKING VARIOUS FINDINGS AND PROVISIONS RELATED TO THE SUBJECT; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, on August 28, 2025, the Galveston City Council adopted Ordinance No. 25-037 authorizing an operating budget for Fiscal Year 2026; and

WHEREAS, on October 3, 2025, the Galveston City Council adopted Ordinance No. 25-049 ratifying the established adopted tax rate; and

WHEREAS, pursuant to "The City Charter," the City Council has the power to transfer any unencumbered appropriation balance or portion thereof from one office, department, or agency to another during the fiscal year; and

WHEREAS, since the adoption of the Fiscal Year 2026 budget, there has arisen a need to amend the Fiscal Year 2026 Operating Budget for the adjustment to various budget accounts to properly record expenses; and

WHEREAS, the City Council finds it in the public interest to amend the total Fiscal Year 2026 Operating Budget by adjusting various budget accounts as outlined in **Attachment A**.

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

SECTION 1. The findings and recitations set out in the preamble to this Ordinance are found to be true and correct, and they are hereby adopted by the City Council and made a part hereof for all purposes.

Docusign Envelope ID: FD2004F8-6F1B-4A48-961D-75248D3E8DCA

SECTION 2. The City Council hereby authorizes an amendment to decrease the Operating and Internal Service Fund Budget for Fiscal Year 2026 in the amount of nine hundred eighty-eight thousand eight hundred fifty dollars ($988,850) as outlined in Attachment A; incorporated herein for all intents and purposes.

a. Removal of the 2 percent Cost of Living Increase for civilian employees across all funds.
b. Reduction in transfer to Infrastructure and Debt Service Fund.
c. Increase in transfer to the Rosenberg Library.

SECTION 3. 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 4. All Ordinances or parts thereof in conflict herewith are repealed to the extent of such conflict only.

SECTION 5. 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; this Ordinance may be read and published by descriptive caption only.

SECTION 6. This Ordinance shall be and become effective from and after its adoption and publication in accordance with the provisions of the Charter of the City of Galveston.

APPROVED AS TO FORM:
Signed by:
Xochitl Vandiver-Gaskin for
6A59EBFC33E64A0...
DONNA FAIRWEATHER
INTERIM 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 the City of Galveston at a Regular Meeting held on the 23rd day of October 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 24th day of October 2025.

DS

Signed by:
Janelle Williams
F12776E17F29488...
Secretary for the City Council
of the City of Galveston

Docusign Envelope ID: FD2004F8-6F1B-4A48-961D-75248D3E8DCA

FY2026 Proposed Budget Amendment #1
Exhibit "A"
Operating Budget Appropriations

Fund	FY2026 Amended Budget Appropriations	Fund Balance	Total	FY2026 Adopted Budget Appropriations	Variance +/-
General Fund					
Revenues	**84,268,250**			**86,487,710**	**(2,219,460)**
Police	27,671,390			27,671,390	0
Fire	17,839,840			17,839,840	0
Emergency Management	413,800			413,800	0
Emergency Medical Service	1,994,800			1,994,800	0
City Marshal	1,083,040			1,083,040	0
Animal Services	825,960			825,960	
Comunications	2,394,930			2,394,930	
Special Events	0			0	0
Public Works	5,367,140			5,367,140	0
Parks & Recreation	4,262,440			4,262,440	0
Development Services	2,285,800			2,285,800	0
City Secretary	714,200			714,200	0
Elections	75,000			75,000	0
Municipal Court	895,230			895,230	0
City Manager	804,020			804,020	0
City Auditor	531,120			531,120	0
City Attorney	1,128,850			1,128,850	0
Human Resources	722,490			722,490	0
Transportation	800,000			800,000	0
Finance	2,794,780			2,794,780	0
Taxation	395,000			395,000	0
Facility Maintenance Services	1,351,710			1,351,710	0
Civilian Compensation	0			384,220	(384,220)
General Fund Contingency	100,000			100,000	0
Community Outreach/Public Information	403,600			403,600	0
Vehicle Purchases	1,000,000			1,000,000	0
Comprehensive Plan	0			0	0
General Fund Expenditure Subtotal	**75,855,140**			**76,239,360**	(384,220)
Operating Transfers to Infrastructure Fund	6,741,500			6,919,000	(177,500)
Operating Transfers to Separation Pay Fund	1,500,000			1,500,000	0
General Fund Expenditure Total	**84,096,640**	**25,010,631**	**109,107,271**	**84,658,360**	**(561,720)**
Debt Service Fund Total	**4,676,780**	**$2,402,805**	**$7,079,585**	**4,676,780**	**0**
Special Revenue Funds					
Rosenberg - Library Revenues	6,187,650			6,163,760	23,890
Rosenberg - Library Expenditures	6,187,650	0	6,187,650	6,163,760	23,890
Convention Center Surplus	14,117,584	0	14,117,584	14,117,584	0
PEG Fund	2,143,738	0	2,143,738	2,143,738	0
Parking Management Fund	2,773,626	0	2,773,626	2,773,626	0
Asset Forfeiture Fund	341,226	0	341,226	341,226	0
Police Special Revenue Fund	164,656	0	164,656	164,656	0
Police Quartermaster Fund	171,063	0	171,063	171,063	0
Alarm Permit Fund	74,014	0	74,014	74,014	0
Fire Special Revenue Fund	375,412	0	375,412	375,412	0
Municipal Court Building Security Fund	29,453	0	29,453	29,453	0
Court Technology Fund	80,850	0	80,850	80,850	0
Local Truancy and Diversion Fund	304,353	0	304,353	304,353	0
Recovery and Capital Reserve Fund	676,937	0	676,937	676,937	0
STR Regulation Fund	3,577,448	0	3,577,448	3,577,448	0
Revenue Producing Parks	8,243,413	764,061	9,007,474	8,243,413	0
Island Transit - Revenues	5,136,630			5,136,630	0
Island Transit - Expenditures	5,252,260	294,788	5,547,048	5,310,040	(57,780)
Hurricane Harvey Fund	0	24,194	24,194	0	0
HOT - Beach Maintenance	4,044,600	3,372,351	7,416,951	4,044,600	0
HOT - Beach Patrol	3,755,700	2,590,424	6,346,124	3,755,700	0
HOT - Beach Renourishment	1,829,700	3,180,217	5,009,917	1,829,700	0
HOT - Advertising/Tourism (CVB)	9,630,000	9,357,650	18,987,650	9,630,000	0
HOT - Arts (Cultural Events & Preservation)	2,376,000	3,236,341	5,612,341	2,376,000	0
HOT - Arts (City Owned Historic Property)	3,881,097	0	3,881,097	3,881,097	0
HOT - Debt Service	11,094,100	2,468,525	13,562,625	11,094,100	0
HOT - Convention Center Operations	1,900,000	821,300	2,721,300	1,900,000	0
Special Revenue Fund Exepnditure Total	**83,024,880**	**26,109,851**	**109,134,731**	**83,058,770**	**(33,890)**

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FY2026 Proposed Budget Amendment #1
Exhibit "A"
Operating Budget Appropriations

Fund	FY2026 Amended Budget Appropriations	Fund Balance	Total	FY2026 Adopted Budget Appropriations	Variance +/-
Combined Utility System Fund					
Revenues	**47,672,000**			**47,672,000**	**0**
Waterworks	25,443,930			25,501,230	(57,300)
Sanitary Sewer	20,090,820			20,205,820	(115,000)
Combined Utility System Fund	**45,534,750**			**45,707,050**	**(172,300)**
Appropriation of Fund Balance for One-Time Operating Items and FY2026 Capital Budget	1,400,000			1,400,000	0
Combined Utility System Fund	**46,934,750**	**16,212,243**	**63,146,993**	**47,107,050**	**(172,300)**

Fund	FY2026 Proposed Budget Appropriations	Fund Balance	Total	FY2026 Adopted Budget Appropriations	Variance +/-
Sanitation Fund					
Revenues	**11,191,130**			**11,191,130**	**0**
Refuse Operations	10,687,370			10,755,670	(68,300)
Sanitation Fund Subtotal	**10,687,370**			10,755,670	(68,300)
Appropriation of Fund Balance for One-Time Operating Items and FY2026 Capital Budget	650,000			650,000	0
Sanitation Fund Total	**11,337,370**	**2,455,762**	**13,793,132**	**11,405,670**	**(68,300)**
Drainage Fund					
Revenues	**3,646,000**			**3,646,000**	**0**
Municipal Drainage Utility	3,838,780			3,877,880	(39,100)
Drainage Fund Subtotal	**3,838,780**			**3,877,880**	**(39,100)**
Appropriation of Fund Balance for One-Time Operating Items and FY2026 Capital Budget	40,000			40,000	0
Drainage Fund Total	**3,878,780**	**879,874**	**4,758,654**	**3,917,880**	**(39,100)**
Utility Billing Fund					
Utility Billing	0			0	0
Utility Billing Fund Total	**0**	**0**	**0**	**0**	**0**
Airport Fund					
Revenues	**1,564,900**			**1,564,900**	**0**
Airport Operations	1,444,410			1,455,010	(10,600)
Airport Fund Subtotal	**1,444,410**			**1,455,010**	**(10,600)**
Appropriation of Fund Balance for One-Time Operating Items and FY2026 Capital Budget	0			0	0
Airport Fund Total	**1,444,410**	**1,507,421**	**2,951,831**	**1,455,010**	**(10,600)**
Total Operating Budget	**235,393,610**	**74,578,586**	**309,972,196**	**236,279,520**	**(885,910)**
Internal Service Funds	41,995,811	16,048,303	58,044,114	42,098,751	(102,940)

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City of Galveston

FINANCE DEPARTMENT
PO Box 779| Galveston, TX 77553-0779
cludanyi@galvestontx.gov |409-797-3594

To: **City Manager Brian Maxwell**
Deputy City Manager Dan Buckley
From: **Csilla Ludanyi, Finance Director and Chief Financial Officer**
Date: **October 23, 2025**

RE: **Consider an ordinance of the City of Galveston, Texas, amending the total operating budget for fiscal year ending September 30, 2026, by reducing the General Fund expenditure budget by five hundred sixty-one thousand, seven hundred twenty dollars (-$561,720), increasing the Rosenberg Library Fund expenditures by twenty-three thousand eight hundred ninety dollars ($23,890), reducing the Island Transit Fund expenditures by fifty-seven thousand seven hundred eighty (-$57,780), reducing Enterprise Fund expenditures by two hundred ninety thousand three hundred dollars (-$290,300), and reducing Internal Service Fund expenditures by one hundred and two thousand, nine hundred forty (-$102,940), for a combined total expenditure decrease of nine hundred eighty-eight thousand eight hundred fifty dollars (-$988,850) to properly record expenditure adjustments required for the adoption of a lower tax rate of $0.408687 per $100 property valuation decreasing General Fund revenue by two million two hundred nineteen thousand four hundred sixty (-$2,219,460) and increasing Rosenberg Library Fund revenue by twenty-three thousand eight hundred ninety ($23,890); making various findings and provisions related to the subject; and providing for an effective date. (C. Ludanyi)**

Prior Council Action:

1. On August 28, 2025, City Council approved the FY 2026 Annual Budget based on a tax rate of $0.4302 with Ordinance 25-037.
2. On October 3, 2025, City Council ratified the established adopted tax rate of $0.408687 per $100 valuation with Ordinance 25-049.

I. Background

A. The City Council adopted the Proposed Budget with several changes on August 28, 2025:
   1. A proposed tax rate of $0.4302/$100;
   2. 2% across the board civilian cost of living adjustment in addition to contractual adjustments for Police and Fire;

B. The City Council ratified the established adopted a tax rate of $0.408687/$100 valuation with Ordinance 25-049 on October 3, 2025 after adopting the Fiscal Year 2026 budget. This tax rate

City of Galveston

FINANCE DEPARTMENT
PO Box 779| Galveston, TX 77553-0779
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did not support the funding of all the adopted expenditures in Fiscal Year 2026 Adopted Budget.

C. The Budget Team worked with the City Manager's office to prepare an amendment to the FY 2026 Adopted Budget.
   1. Both Revenue and Expenditure items were adjusted in the General Fund, the Rosenberg Library Fund, Enterprise Funds, and Internal Service Fund to account for the decrease in Property Tax Revenue and the removal of the 2% civilian Cost of Living Adjustment.

II. Issues

The City Charter requires that "No budget shall be adopted or appropriation made unless the anticipated revenues for the fiscal year equal or exceed the authorized expenditures." The currently adopted FY 2026 Budget and tax rate do not work in coordination to uphold this Charter edict. Amending the Adopted Budget is necessary to operate within the legal confines of the Charter.

III. **Alternatives**

A. Approve the Ordinance as presented.
B. Amend specific budget appropriations potentially leaving the City out of compliance with budget law and practice.

IV. **Recommendation – Approve the amendment as proposed.**

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.

CITY OF GALVESTON, TEXAS

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