



ADOPTED

# ANNUAL BUDGET & PROGRAM OF SERVICES

FISCAL YEAR  
2022-2023



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**City of Sugar Land  
Fiscal Year 2022-2023  
Adopted Budget Cover Page  
September 20, 2022**

This budget will raise more revenue from property taxes than last year's budget by an amount of \$5,701,894, which is a 9.89 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 \$863,758.

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

<b>FOR:</b>	Joe R. Zimmerman	Jennifer Lane
	Carol McCutcheon	Suzanne Whatley
	Naushad Kermally	William Ferguson
	Stewart Jacobson	

**AGAINST:**

**PRESENT** and not voting:

**ABSENT:**

**Property Tax Rate Comparison**

	<b>2022-2023</b>	<b>2021-2022</b>
Property Tax Rate:	\$0.346500/100	\$0.346500/100
No-New-Revenue Tax Rate:	\$0.318287/100	\$0.339025/100
No-New-Revenue Maintenance & Operations Tax Rate:	\$0.192708/100	\$0.205401/100
Voter-Approval Tax Rate:	\$0.359778/100	\$0.355394/100
Debt Rate:	\$0.146439/100	\$0.137649/100

Total debt obligation for City of Sugar Land secured by property taxes: \$26,577,194



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**City of Sugar Land  
Texas**

For the Fiscal Year Beginning

**October 01, 2021**

*Christopher P. Morill*

Executive Director

# Annual Budget for October 1, 2022 – September 30, 2023



List in order: (L to R)

Stewart Jacobson.....Council Member, District Three  
Naushad Kermally.....Council Member, District Two  
Jennifer Lane.....Council Member, At Large Position Two  
Joe Zimmerman.....Mayor  
William Ferguson.....Council Member, At Large Position One  
Carol K. McCutcheon.....Council Member, District Four  
Suzanne Whatley.....Council Member, District One

Presented By:

Mike Goodrum.....City Manager



## CITY OF SUGAR LAND

### City Manager's Office

July 19, 2022

Honorable Mayor and Members of City Council:

In accordance with Texas statutes and the City of Sugar Land Charter, Section 6.03, the proposed budget for the fiscal year beginning Oct. 1, 2022, is hereby presented. The proposed budget for fiscal year 2023 complies with the City Council adopted Financial Management Policy Statements (FMPS) and acts as a policy document highlighting the financial responsibilities of the organization to City Council and residents.

Financial leadership that is conservative and resilient provides a foundation that balances economic uncertainties and new opportunities to provide residents with exceptional value, confidence and transparency. The focus of this year's budget is an investment in strategic priorities and services that provide high value to the Sugar Land community today and into the future.

To stay relevant and preserve the quality of life for current and future residents, we've identified a vision for future success.

- Sugar Land is a leader in financial management, providing our taxpayers with exceptional value, confidence, and transparency. Our focus is on resiliency and adaptability, innovation, efficiency and superior bond rating.
- Sugar Land is a safe community that enhances the quality of life for residents and visitors.
- Sugar Land is focused on re-invigorating entrepreneurial spirit to keep us moving forward. We recognize that the future starts now and are committed to engaging the community to re-imagine our city.
- Sugar Land delivers a broad range of destination venues, facilities, and businesses that offer entertainment and activities for residents and visitors.
- Sugar Land builds relationships within our community through engagement efforts.
- Sugar Land continues to maintain and develop comprehensive, sustainable, and resilient infrastructure that adapts to a dynamic environment.
- Sugar Land takes a multifaceted approach by innovating mobility to connect people, places and the future through sustained investment, regional partnerships, engagement and technology.
- Sugar Land is respected for having strong relationships with our community and at all levels of government because we are transparent and deliver on our public commitments.

Priorities for FY23 include investments in our championship workforce, public safety, infrastructure and continued implementation of voter-approved G.O. Bonds that address community priorities such as drainage, mobility and public safety to help us meet our community's needs now and into the future. We must seek to stay relevant and preserve the quality of life in Sugar Land for our residents. The proposed budget provides for future success and ensures continued financial strength and resiliency through a long-range financial plan that meets all fund balance and bond coverage requirements.

## **FY22 Accomplishments**

The FY22 budget focused on balancing financial and operational stability, including additional funding for the city's highest priorities while protecting continued economic uncertainties. Priorities for funding in the proposed budget included a base budget increase and limited restoration of department funding levels for public services. These focused on infrastructure rehabilitation and investments in the fleet and high-tech replacement funds. Funding was also included for community priorities such as supplemental sidewalk rehabilitation, mobility and traffic safety and special events; citizen engagement and customer service enhancements; public safety training, equipment, facilities and operations; and efforts to further turn the disruptions over the past two years into opportunities – including citywide “Better than Before” planning efforts and a heightened focus on innovation.

Additionally, staff had internally outlined priorities for a mid-year budget amendment should recovery occur more quickly than is anticipated in the budget – recognizing that the proposed budget as presented does not fully meet the Sugar Land Way because of a multi-year delay and reset of recurring revenues due to the economic impacts of the pandemic. This budget amendment was brought to Council in June to fund additional needs and services in FY22.

Fiscal year 2022 took a conservative approach to sales tax due to slow initial economic recovery from the pandemic. However, sales tax collections began to grow significantly at the end of FY21 and have continued in FY22 with actual collections being 21.8 percent above budget. The FY22 budgeted sales tax totaled \$52.4 million in recurring collections, of which \$39.2 million supports the general operating budget. Through July, collections total \$52.7 million which is 19.5 percent higher than FY21 actuals for the same period.

Fiscal Year 2022 also took a conservative approach for other revenues impacted by the economic closures and restrictions on gatherings – such as hotel occupancy taxes, mixed beverage taxes, fines and forfeitures, building permits and charges for services for some programs. To date, some revenues have exceeded expectations while others have fallen short of expectations due to a slower return to normal in some categories. Hotel Occupancy Taxes in particular have been strong with a projection of \$2.1 million vs the FY22 budgeted revenue of \$1.6 million.

The Texas Water Development Board approved another 30-year zero-interest loan for a drainage project in June. After it closes in September 2022, the loan will fund the \$27.5 million Oyster Creek Diversion Channel and Detention Facility Drainage Improvements project -- saving taxpayers \$15 million in interest costs over the life of the loan. This is the second interest-free loan the city has secured from TWDB; a third application is planned. These initiatives help foster a sustainable and resilient infrastructure, while also increasing debt capacity for capital projects.

Staff continues to do significant work on the Strategic Planning process. In the Fall of 2021, the executive team and City Council met to identify strategic priorities. Those discussions produced eight simple statements known as Council Strategic Outcomes, which were detailed above. These statements outline Council's vision for the City going forward.

There is tremendous alignment between what City Council identified as their highest priorities for the community and what staff had identified as areas the organization wanted to focus. These strategic outcomes provide the backbone for operational and financial planning for FY23 and beyond and prove that we continue to seek opportunities that break from the norm.

Staff has developed a two-year action plan consisting of 14 All-In Initiatives to accomplish the strategic outcomes. They are called all-in because staff is all-in on a “First Team Mindset” that focuses on all-in initiatives intended to deliver City Council’s vision. Each initiative has been designed to engage the entire organization at all levels and use the full resources of the city to accomplish amazing things. The following all-in initiatives are intended to address City Council’s vision.

- “Sustainable & Resilient Strategies for the Future” require an update to the Comprehensive Plan and the exploration of alternative funding strategies.
- “Being Champions for Our Championship Workforce” requires organizational culture change and updates to the Facilities Master Plan.
- “Public Safety Leader in a Changing World” requires investments in public safety equipment, staffing and more.
- “Thinking Differently with Data & Entrepreneurialism” will support a culture of innovation.
- “Re-Imagining Growth, Development & Redevelopment” includes commercial and residential redevelopment strategies, as well as the expansion of placemaking.
- We will “Get Smart by Harnessing Data & Technology” by capturing city operations through performance measures.
- “Continued Investments in Citizen Engagement & Participation” ensure citizens are welcomed and engaged.
- “Support & Enhance Regional and Community Partnerships” will position us for successful development.

With these all-in initiatives, Sugar Land continues to provide a pathway to re-imagine the city and provide for future success.

### ***Economic and Legislative Impacts***

During FY22, the city benefitted significantly from increased sales tax receipts. Through July, actual revenues are 21.5 percent above budget. Staff continues to evaluate the impact of inflation and other economic factors on sales tax revenues. For FY23, the proposed budget for revenue follows FMPS with a modification to discount the revenue by a small percentage in response to an uncertain economic outlook. Taking this approach is consistent with Sugar Land’s overall financial goals and hedges our risk should a recession become a reality.

Tax year 2022 is the third year for implementation of Senate Bill 2 from the 86<sup>th</sup> legislative session. This bill set limitations of 3.5 percent growth in operations and maintenance revenue from property taxes with mandatory elections if this rate is exceeded. The 87<sup>th</sup> legislature passed bills further restricting the city’s ability to implement the disaster provisions provided in Senate Bill 2 and these impacts are effective for tax year 2022. The 87<sup>th</sup> session also saw bills limiting the ability of cities to issue certificates of obligation for project financing.

In June 2021, the city was allocated \$11.1 million in Coronavirus State and Local Fiscal Recovery Funds from the American Rescue Plan Act passed by Congress in May 2021. The funds are available to assist local governments with revenue loss. The city has received these funds and allocated them within the FY23 budget. As discussed with Council, the funding was allocated to priority projects including public safety, sidewalks, facilities and drainage. Specific projects may evolve over time subject to eligibility guidance as updated by the U.S. Treasury.

### ***Financial Management Strategies***

With a focus on conservative, resilient and responsible stewardship efforts to balance both operational and financial stability, the proposed budget ensures continued financial strength and resiliency by meeting all fund balance requirements, including the structural balance of the General Fund. Additionally, due to ongoing economic uncertainty, we have applied a discount to FY23 sales tax projections to hedge against any downside recessionary pressure. Staff will continue to monitor the economy and should conditions warrant; budget amendments will be recommended to Council to fund additional programs and services.

In years with high economic volatility, the importance of resiliency initiatives becomes even more important as they allow the organization to withstand and maintain strength despite challenging economic conditions. These resiliency initiatives were affirmed and formalized in the June 2020 adoption of the Financial Management Policy Statements (FMPS) and were designed to strengthen the financial position of the city by lessening the impact of economic swings associated with sales tax – a major revenue stream for the city but one that is highly volatile and difficult to forecast. These initiatives were tested in fiscal year 2021, and the conservative approach proved to be successful. Updated FMPS including additional measures to strengthen the city’s finances were approved by Council in June 2022.

## **FY23 Employee Compensation & Benefits**

As a personnel-driven public safety and service provider, a main driver in the city’s budget is personnel costs – with approximately 71 percent of General Fund expenditures directly tied to employee compensation and benefits. A merit pool equal to 3 percent of budgeted salaries is included in the proposed budget. Compensation has been a big topic nationally as unemployment trends reached historic lows. Staff will continue to analyze the market and economic trends and return to Council with additional recommendations if warranted.

The budget includes a 7.1 percent increase for FY23 medical costs based on current claims experience. Premiums for the city will increase in January 2023. General and management salary structures are moving 3 percent based on CPI adjustments in accordance with the compensation philosophy.

Advancement of the final phase of the Public Safety Compensation Study recommendations is included in the adopted budget as well as maintenance of general and management salary structures consistent with our Compensation Philosophy. *Salary structure changes are not an across-the-board raise; however, only those employees who fall below the minimum of their range will be adjusted to the new minimum.*

The city participates in the Texas Municipal Retirement System (TMRS) for full-time employees but does not participate in Social Security. TMRS calculates the city’s required contributions based on an actuarial formula that looks at the city’s pension liabilities compared to its pension assets. The city’s mandatory contribution rate for 2023 is 14.60 percent, a slight increase from the 2022 contribution rate of 14.48 percent. Changes to the funding ratio and contribution rate are largely due to changes in the assumptions used by the actuaries in calculating the supplemental death benefit portion of the city’s plan. These rates were impacted by mortality rates associated with the global pandemic, but the change will only apply to 2023. The city’s contribution rates are established by TMRS to achieve 100 percent funding of the city’s pension liability over time. Plan funding currently stands at a healthy 90.8 percent of the city’s pension obligation, an increase from 90.1 percent in FY22, which is better than the industry benchmark of 80 percent and a 0.6 percent increase from last year. The city’s participation in the TMRS system provides a financially sound pension for employees.

## **Capital Projects**

The Five-Year CIP totals \$293.8 million, with \$99 million in projects funded in FY23. It is important to understand that only the first year of the CIP is included for funding in the annual budget, while the remaining years are included for planning purposes only and will change from one year to the next based on the best information available at the time.

### *General Capital Projects*

In November 2019, voters approved \$90.76 million in General Obligation bonds in four propositions:

- \$47.6 million for drainage
- \$26.3 million for public safety facilities

- \$10.26 million for street improvements and
- \$6.6 million for a new animal shelter

In FY22, Engineering reached an important milestone with all approved drainage projects having been started or completed. To date, \$21 million in projects are under contract or have been completed. The FY23 CIP includes funding to advance the remaining drainage and public safety projects, shifting approximately 1 cent of the tax rate from M&O to debt service to fund them on the 2022 tax rate. The remaining projects are distributed over FY24-25 with anticipated tax increases.

GO bond projects funded in FY23 include:

- Avalon/Brazos Landing/Commonwealth Drainage Improvements Phase II
- Covington Woods Drainage Improvements – Covington Woods & Imperial Woods
- University Boulevard Widening
- Emergency Operations Center/Public Safety Dispatch Building
- Public Safety & Public Services Building Rehabilitation
- Public Safety Training Facility – Phase II (design)
- Animal Shelter (Design)
- Major Street Rehabilitation

GO Bond projects include \$10.7 million in drainage, \$11.5 million in public safety and public facilities and \$4.5 million in streets. The CIP includes \$20.5 million in projects funded from Utility Revenue bonds, \$1 million funded from Sugar Land 4B Corporation and \$1 million from ARPA funds.

#### *Enterprise Funds Capital Projects*

Although the 60 percent groundwater reduction mandate has been delayed until 2027, projects identified in the Integrated Water Resource Plan adopted in 2017 are reflected in CIP, with planned infrastructure investment needed to meet these requirements and maintain the utility infrastructure. Utility projects total \$25.9 million in FY23, with \$10.8 million in water, \$9.5 million in wastewater and \$0.3 million in surface water projects. Airport capital projects total \$1.3 million for the City’s share of the runway reconstruction project.

## **Property Taxes and User Fees**

### *2022 Property Taxes*

The FY23 budget is funded by revenues based on an estimated 2022 tax roll of \$17.5 billion. The city’s tax rate continues to be one of the lowest in the state for cities over 60,000. The proposed 2022 tax rate would remain the same as 2021. Due to high assessed valuation figures, the city is proposing to stay within the 3.5 percent VAR by shifting approximately \$0.01 of the tax rate from maintenance and operations to debt service. This shift will advance the remaining drainage & public safety projects from the 2019 voter-approved bond to be completed earlier than planned. This proposal will be finalized once the certified tax roll is received. Another tool available to the city to help limit the residential tax burden in the homestead exemption. As a result of higher assessed valuations, the City increased the homestead exemption to 13 percent for the 2022 tax year.

### *Fee and Rate Changes*

A utility rate study was completed in FY21 with recommendations for rate increases that would financially sustain the water utility. The rate study recommended three years of \$10 monthly increases to water, wastewater and surface water rates – followed by smaller annual maintenance rate increases. As planned, the proposed rates for 2023 would include the last phase of \$10 monthly increases (based on 10,000-gallons usage). Based on analysis, including the recent

delay in the 2025 60 percent groundwater reduction mandate to 2027, the recommended rate increase is being reduced to approximately \$7 per month. This increase will ensure the financial sustainability of the fund, continue preparing for the groundwater reduction mandate, and funds strategies identified through the IWRP for long-term water supply needs for the community.

The current rate for residential solid waste services is \$20 per household per month and will increase 5 percent based on the cap on CPI increases under the contract. The new rate will be \$20.98 and will take effect Jan. 1, 2023. With a new contract scheduled to be in effect March 2023, this rate will be impacted by contract negotiations.

The proposed budget also includes a proposed Texas Commission on Environmental Quality (TCEQ) Storm Water Compliance Fee to offset the cost of compliance with unfunded storm water mandates to reduce the discharge of pollutants into waters of the United States. The city’s annual compliance efforts are a requirement of its Texas Pollutant Discharge Elimination System (TPDES) Permit. The fee is proposed to fund the city’s current service level and be implemented during FY23 after extensive community education and outreach as well as discussion with City Council. The fee amount has not been determined as there are a variety of factors that will influence the amount each user is charged.

The FMPS contains guidance on evaluating user fees for an annual CPI adjustment and for calculation of new fees. Based on this guidance, staff would evaluate fees based on the 12-month change in CPI 2022. With the high inflation during the fiscal year, the recommendation would be 7.8%. However, due to ongoing economic uncertainty staff is recommending capping the increase at 5%. Fee and rate adjustments are effective January 1, 2023.

**Financial Summary**

With a focus on the City Council’s Strategic Outcomes highest priority additions to the operating budget and advancing drainage and public safety projects in the GO bond program, the FY22 adopted budget totals \$389.1 million. This total budget includes the one-time appropriation of ARPA funds in the total budget. Of the total, \$282.8 million is for operating funds and issuance costs, and \$106.3 million is for capital projects, including the projects from the voter approved GO Bond Program.

<b>Fund</b>	<b>FY22 Adopted Budget</b>
General Fund	\$ 107,434,827
Debt Service Funds	32,785,464
Utility Enterprise Fund	53,488,743
Airport Enterprise Fund	29,490,604
Solid Waste Fund	8,766,877
Economic Development Corporations	15,908,372
Other Funds	34,957,533
<b>Total Operating Funds</b>	<b>\$ 282,832,420</b>
Capital Projects	106,285,645
<b>Total FY23 Budget</b>	<b>\$ 389,118,065</b>

I encourage you to read further into the information describing the FY23 budget. The executive summary that follows this transmittal letter provides an overview of revenues and expenditures included in each of the operating funds and a description of the adopted CIP and employee compensation plans. Further explanation and discussion of FY23 budgetary changes are included with each fund summary.

The Five-Year CIP is a separate document and contains worksheets for each project included for funding within the Five Year CIP or that will continue into FY23 with prior year funding – as the projects are funded on a project length basis that may not correspond with the City’s fiscal year.

Respectfully,

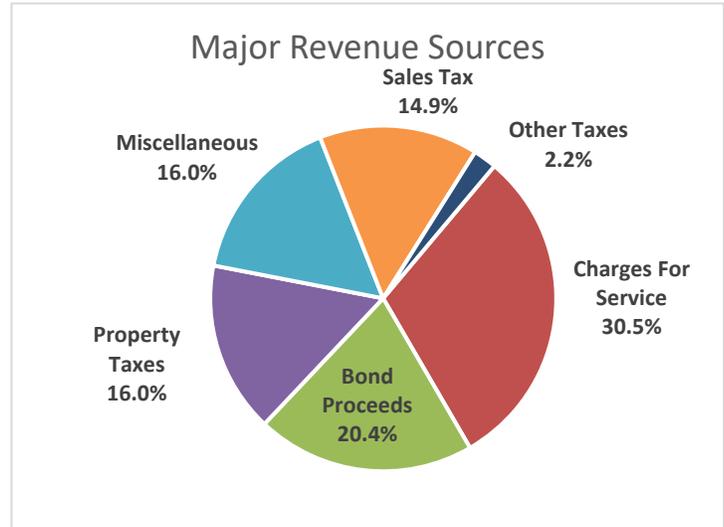
A handwritten signature in black ink, appearing to read 'M. Goodrum', with a long, sweeping horizontal stroke extending to the right.

Michael W. Goodrum  
City Manager

# Executive Summary

## Major Revenue Sources

Major revenue sources for the City total \$388 million (excluding inter-fund transfers). The five primary revenue categories comprised of property taxes, sales tax, other taxes (franchise taxes and hotel occupancy taxes), charges for services and bond proceeds, which represent 84% of total revenues for the City. Other revenues include licenses and permits, fines and forfeitures, interest income, intergovernmental, miscellaneous, and contributions, which make up the remaining 16%. The chart to the right illustrates the breakdown of the revenue sources.



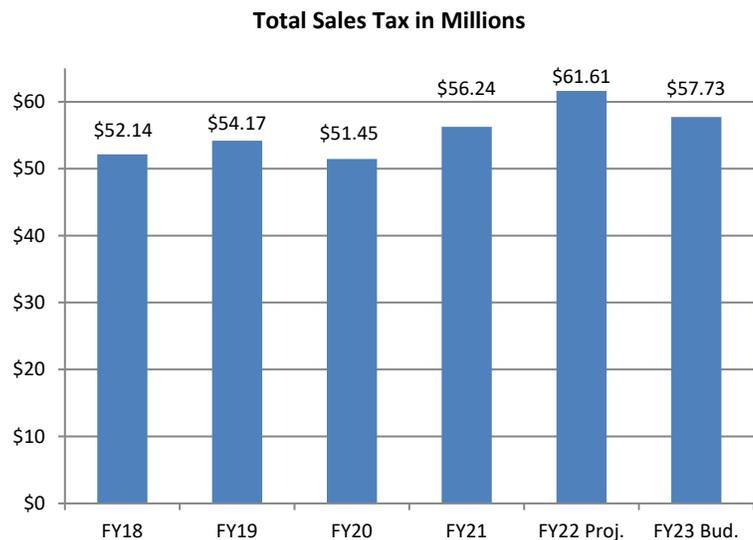
## Property Tax

Revenues from ad valorem or property taxes represent 16% of overall revenues at \$62.2 million. The total 2022 tax rate remains unchanged from the 2021 rate at 0.3465. Approximately \$0.01 will be shifted from the M&O rate to Debt Service to fund the next phase of the 2019 voter-approved bond projects – advancing the remaining drainage and public safety projects. The City increased the homestead exemption to 13% for the 2022 tax year. The 2022 tax rate is the third year of changes in the truth in taxation process as a result of changes from the 86th legislative session – limiting increases in the operating component of the tax rate to 3.5% compared to the prior year and requiring voter approval of a tax rate that exceeds the calculated voter approval tax rate.

## Sales Tax

Sales tax revenue, estimated at \$57.7 million, represents 14.9% of total revenues. The sales tax rate in Sugar Land is 8.25% for goods or services sold or delivered within the boundaries of the City. The tax is collected by businesses making the sale and is remitted to the State Comptroller of Public Accounts on a monthly, quarterly or annual basis. Of the 8.25% tax, the State retains 6.25% and distributes 2% to the City. Of the total 2% local share, 0.25% is allocated to the Sugar Land Development Corporation (SLDC) and 0.25% to the Sugar Land 4B Corporation (SL4B); the remaining 1.5% is deposited in the General Fund.

Sales tax revenue estimates are prepared based on the Financial Management Policy Statements and do not include any one-time revenues. FY22 projections are based on year-to-date actual revenues, including one-time revenues. Total budgeted sales tax for FY23 is \$57.73 million and is based on the FY22 recurring actuals, which follows FMPS direction. The chart illustrates the historical trend of sales tax collections in the City.



## **Other Taxes**

Other Taxes represent 2.2% of City revenues at \$8.5 million and are comprised of franchise and hotel occupancy taxes. Franchise revenues are derived from non-exclusive franchise agreements the City has with utilities and the solid waste providers that use the City's right-of-way to conduct business. Besides defining the responsibilities of the utilities maintaining their assets, the agreements contain a franchise fee clause that requires the utilities and solid waste companies to compensate the City for use of right-of-way and streets. Generally, the fees are based on a percentage of gross receipts or a per-unit of usage charge (generated by customers located within the City's corporate limits) that range from 2% to 5%. Hotel occupancy taxes are anticipated to total \$2.2 million. Both franchise taxes and hotel occupancy taxes are estimated using trend analysis. Historic performance is analyzed and growth from new development is factored into the estimates when developing the budget.

## **Charges for Services**

Charges for services represent 30.5% of total revenues at \$118.56 million and include fees for services in the General, Utilities, Airport, Solid Waste, and Stormwater Compliance Fee Funds.

### ***General Fund Charges for Services***

Charges for services in the General Fund total \$4.48 million and are primarily derived from fees for services for fire protection in the City's extraterritorial jurisdiction, emergency medical services, parks and recreation activities and rentals, and administrative fees.

Fire protection fees total \$1.26 million and represent 28% of charges for services revenues in the General Fund. Fire protection fees are paid by Municipal Utility Districts (MUDs) within the City's extraterritorial jurisdiction (ETJ) and by Fort Bend County for areas outside the City but served by the Sugar Land Fire Department. Fire fees are adjusted each January based on an updated cost of fire service calculation and set by ordinance each September.

EMS fees total \$2.50 million and represent 55.8% of charges for services in this fund. EMS fees are paid by patients transported by City ambulances to a medical facility for emergency treatment. The City contracts with a third-party billing company to bill for services.

Parks & Recreation fees total \$0.39 million and represent 8% of charges for services. These fees are generated by facility usage cards, facility rentals, leisure classes, senior programs and camp programs.

Other charges for services total \$0.33 million and represent the remaining 8.2% of charges for services. This includes false alarm charges, hazardous materials responses, and sale of property. With the exception of administrative fees, charges for services are budgeted based on historic collections, with growth factors included where appropriate.

### ***Utility System Charges for Services***

Utility charges for services are anticipated to generate \$68.1 million. The City charges fees for the provision of water and wastewater services to residents and businesses located within the City. Customers are charged a base rate for water and wastewater, depending on the size of the meter installed, and a volume fee based on metered consumption. Customers also pay a surface water fee based on the volume of water usage billed. Volumetric revenues are budgeted based on estimated water consumption of 7.67 billion gallons for water and surface water, and 4.06 billion gallons for wastewater. The City also charges non-city utility customers for participation in the Groundwater Reduction Plan (GRP). The FY23 Budget anticipates an increase of approximately \$7 to a residential customer's bill based on recommended rates beginning in January 2023 and 10,000-gallons usage.

### ***Airport Charges for Services***

Charges for services at the Airport are anticipated to total \$31.44 million. Budgeted fuel sales of \$28.79 million represent estimated fuel sales of 4,086,524 gallons. Aviation fuel is sold at cost plus markup. The remaining charges

for services are derived from hangar and land leases, catering services, customs fees, fuel additive sales, and rental car fees. Fuel estimates are based on historic monthly fuel sales, with some growth anticipated due to international marketing of the airport. Other fees are budgeted based on historic collections.

### **Solid Waste Charges for Services**

Charges for services in the Solid Waste Fund are anticipated to total \$9.6 million. The City contracts solid waste service and provides twice weekly automated trash collection and weekly automated recycling. Residents currently pay \$20.00 per month for this service. The January 2023 rate will decrease 0.75% to \$19.85 per month. The budget anticipates 35,140 households served during the fiscal year.

### **Stormwater Compliance Charges for Services**

The projected Stormwater Compliance Fees total is \$1.67 million. Stormwater fees are estimated to be paid by property owners to cover the costs of floodplain management, street sweeping, increased water quality, erosion control, and system maintenance.

### **Bond Proceeds**

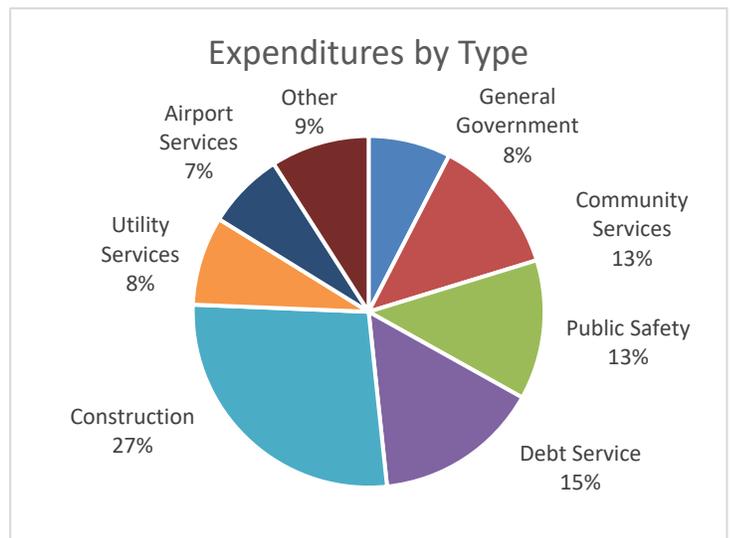
Bond proceeds of \$79.4 million represent 20.4% of total revenues. The proceeds will be used to fund FY23 capital projects and will be from voter authorized GO bonds, Certificates of Obligation funded by Airport revenue, and utility revenue bonds.

### **Other Revenues**

Other revenues represent the remaining 16% of total revenues at \$62.2 million. Miscellaneous revenues include licenses and permits, fines and forfeitures, reimbursements, interest income, miscellaneous, contributions, and intergovernmental revenues such as grants.

### **Expenditures by Type**

The FY23 budget totals \$389.1 million (excluding inter-fund transfers). The chart at the right illustrates expenditures by type.



**General Government** expenditures represent 8% of overall expenditures at \$29.5 million. General Government expenditures are for administrative functions, including City Management, Finance, City Secretary, City Attorney, Human Resources, Information Technology, Emergency Management, Public Affairs, Economic Development, and Tourism.

**Community Services** expenditures represent 13% of total expenditures at \$49.4 million. Community Services expenditures include Parks, Public Works, Environmental & Neighborhood Services, Engineering and Planning and Development Services. Services provided include: park and recreation activities and facilities, right-of-way maintenance, streetlights, streets, sidewalks, traffic signals, drainage maintenance, code enforcement, engineering, planning, permits & inspections, animal services, fleet, and facilities maintenance among others.

**Public Safety** expenditures represent 13% of total expenditures at \$50 million and include the Police and Fire-EMS departments and Public Safety Dispatch.

**Debt Service** represents 15% of total expenditures at \$59.2 million and includes principal and interest payments on debt issued through bonds, lease purchases, and other instruments. The City, through debt issued directly and debt

assumed from MUDs, has current issues including Property Tax-backed, debt pledged with hotel occupancy tax, Utility, Airport, Surface Water and Corporation debt. A portion of the tax rate is directed to the Debt Service Fund to meet debt backed by taxes. A transfer from the Tourism Fund to the Debt Service Fund covers its portion of debt pledged with hotel occupancy tax. Outstanding debt for Utilities and Airport is paid through user fees. Debt for the corporations is repaid with sales tax collections from the SLDC and SL4B. A separate fund accounts for Taxable Certificates of Obligation that are to be supported by lease revenues for the Smart Financial Centre at Sugar Land.

**Construction** represents 27% of total expenditures at \$106.3 million. Construction expenditures are related to capital improvement projects within the City. Capital projects are funded with sales tax from the City and economic development corporations, system revenues from Utilities and Airport Funds, grants, inter-local funding and debt. Project types include parks, streets, drainage, traffic, municipal, water, and wastewater.

**Utility Services** represent 8% of total expenditures at \$31.9 million. Utility Services expenditures are related to the operations, maintenance, and repair of water and wastewater infrastructure, as well as sanitation and recycling services. Utility services also include expenses related to mandated groundwater reduction.

**Airport Services** represent 7% of total expenditures at \$27.6 million. The fixed based operator at the airport is Global Select, which provides fuel and aviation customer services.

**Other** expenditures represent 9% of expenditures at \$35.3 million and include expenditures for issuance costs, insurance coverage, economic development incentives, capital replacement and property tax rebates to in-City MUDs.

## **Expenditures by Fund**

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

### **Debt Service Funds**

The budget in the Debt Service Funds, excluding inter-fund transfers, totals \$32.8 million. Expenditures include \$30.8 million in debt service payments and fiscal fees. The budget also includes \$1.9 million in property tax rebates to in-city MUDs. The ending fund balance of \$7.4 million is above the policy requirement of 10% of debt service requirements.

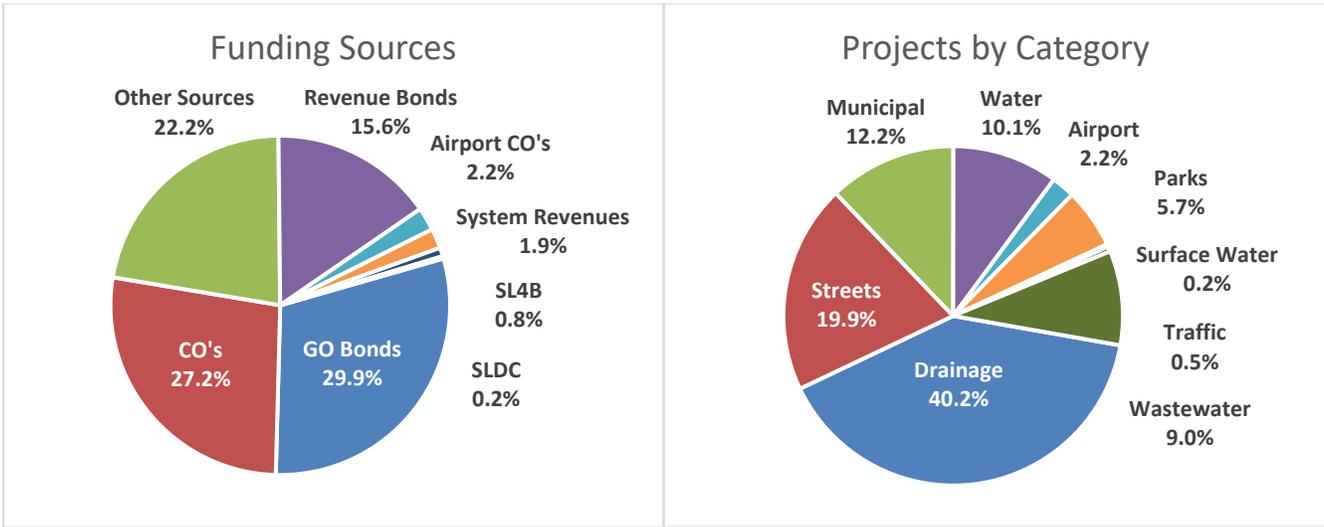
### **General Fund**

The General Fund budget, excluding inter-fund transfers, totals \$107.43 million. The budget includes funding for an average 3% merit increase for employees based on performance evaluations.

The General Fund budgeted fund balance has a planned one-time drawdown of \$5.7 million. The anticipated FY23 ending fund balance in the General Fund is \$31.2 million, which is higher than the policy requirement of three months of recurring operating expenditures.

### **Capital Improvement Program**

The 2023-2027 capital improvement program totals \$296.9 million. Of this total, \$106.04 million are funded in the FY23 budget. The following charts illustrate the distribution of budget allocations by both project category and the sources funding them.



**Utility System Fund**

The Water Utility Fund budget totals \$53.5 million, excluding CIP projects and inter-fund transfers. Recurring additions include funding for BRA capital repairs, meter replacements, merchant bank fees, additional water rights, and audit fees. An increase in cash equivalents of \$5 million is anticipated for the fiscal year. The FY23 budgeted ending cash equivalent totals \$19.6 million and exceeds the 25% cash operating reserve requirement.

**Airport Fund**

The Airport Fund budget totals \$29.5 million excluding CIP projects and inter-fund transfers. There are new recurring expenses for two new FBO Services FTEs. The fund anticipates an increase in cash equivalents of \$1.8 million. The FY23 budgeted ending balance of \$6.87 million is above the policy requirement of 25% of operating expenditures.

**Solid Waste Fund**

The Solid Waste Fund operating budget totals \$8.76 million that includes contracted residential solid waste collection, excluding inter-fund transfers. Through contracted services, the City provides twice weekly automated trash collection and once weekly automated recycling. The ending balance in the fund is anticipated to be \$592,464, which is above the minimum fund balance policy of 5% of total expenditures, which was established this year for this fund.

**Stormwater Compliance Fee Fund**

The Stormwater Compliance operating budget totals \$1.96 million and consists of the Stormwater Management and Drainage Maintenance programs, of which the majority of the expenditures have been shifted from the General Fund, intended to be a self-sustaining enterprise fund, funded by the compliance fee revenues.

**Sugar Land Development Corporation**

The FY23 budget for SLDC totals \$9.28 million, excluding inter-fund transfers. The budget includes operating expenditures for the Economic Development program, Economic Development incentives, and contractual services with the City for support services. Debt service payments are budgeted at \$3.95 million for outstanding debt issues. The FY23 budgeted available ending balance of \$11.56 million is over the policy requirement of 15% of budgeted sales tax collections.

**Sugar Land 4B Corporation**

The FY23 budget for SL4B totals \$6.63 million, excluding inter-fund transfers. The budget includes operating expenditures for the Economic Development program and staffing, contractual services with the City for support services, and capital projects management including obligations for the agreements with the Houston Astros. Debt service payments are budgeted at \$2.01 million for outstanding bonds. The FY23 budgeted available ending balance of \$10.88 million is over the policy requirement of 15% of budgeted sales tax collections.

## **Tourism Fund**

Expenditures in the Tourism Fund total \$738,000, excluding inter-fund transfers. The budget includes operating expenditures for the Tourism and Destination Services programs. The FY23 budgeted available ending balance of \$1.03 million is over the policy requirement of 10% of the hotel occupancy tax.

## **Employee Compensation**

The City offers a competitive benefit package to employees, including medical and dental coverage and contributions toward dependent coverage. The City participates in the Texas Municipal Retirement System (TMRS); employees contribute 7% of their gross pay and the City matches employee contributions 2 to 1, and employees are vested after five years of service. Because the City does not participate in Social Security, the City has chosen the highest level plan offered by TMRS. The contribution rate to TMRS for the City changes each year and is based on actuarial analysis of funding needs in the City's plan. The City's contribution rate to TMRS is increasing from 14.48% in 2022 to 14.60% in 2023 (effective January 1, 2023).

The budget includes funding for an average 3% merit increase for employees based on performance evaluations. The City does not provide cost of living increases, so the merit increases are the only time employees see an increase to their pay, except for promotions. Merit increases are a key factor in staying competitive in the market and retaining quality employees.

The compensation philosophy adopted by City Council addresses the benefits burden as it relates to total compensation. Based on the adopted policy, benefits should not exceed a percentage of total employee compensation comparable to private sector employees.

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

	<b>FY21 Actuals</b>	<b>FY22 Adjusted Budget</b>	<b>FY22 Projections</b>	<b>FY23 Adopted Budget</b>
<b>REVENUES:</b>				
Property Taxes	\$ 53,283,517	\$ 55,999,041	\$ 55,999,041	\$ 62,175,886
Sales Tax	56,239,013	61,612,104	61,612,104	57,730,827
Other Taxes	7,865,704	8,389,427	8,389,427	8,534,509
Licenses & Permits	3,380,955	3,374,035	3,374,035	3,373,980
Charges For Service	78,052,920	100,733,092	100,733,092	118,562,403
Fines & Forfeitures	1,159,738	1,204,401	1,204,401	1,305,020
Interest Income	118,729	301,688	301,688	470,000
Intergovernmental	16,097,218	9,427,996	9,427,996	23,035,017
Miscellaneous	10,741,816	8,515,943	8,515,943	20,085,284
Bond Proceeds	56,713,845	63,533,696	63,533,696	79,407,646
Contributions	12,454,219	13,083,881	13,083,881	13,924,418
<b>Total Revenues</b>	<b>296,107,674</b>	<b>326,175,304</b>	<b>326,175,304</b>	<b>388,604,990</b>
Transfers From Other Funds	33,314,042	47,270,502	47,793,937	39,839,282
<b>Total Available Resources</b>	<b>329,421,716</b>	<b>373,445,806</b>	<b>373,969,241</b>	<b>428,444,272</b>
<b>EXPENDITURES:</b>				
General Government	18,494,327	22,317,786	21,968,132	23,632,544
Finance	4,909,533	5,251,848	5,837,176	5,820,636
Public Works	11,720,030	14,106,659	14,109,792	16,063,106
Parks & Recreation	4,769,960	5,634,391	5,608,229	5,822,089
Community Development	5,326,861	6,159,278	6,323,056	6,535,153
Environmental & Neighborhood Services	15,296,472	17,076,327	16,941,769	20,947,628
Police Department	24,133,551	25,698,172	27,231,640	28,862,025
Fire Department	15,852,716	17,984,320	18,324,348	21,157,316
Debt Service	55,831,521	60,439,984	60,440,104	59,232,367
Other	33,179,963	24,318,405	22,836,034	24,933,926
Construction	19,866,235	117,048,944	117,048,944	106,285,646
Utility Services	24,873,623	28,045,641	28,190,174	31,865,094
Airport Services	11,845,831	22,387,668	22,490,033	27,594,130
Insurance Coverage	4,135,408	4,259,719	4,259,719	4,470,654
Equipment Replacement	2,278,014	4,250,203	4,250,203	3,965,140
Rebates & Assignments	1,676,038	1,814,726	1,814,726	1,930,611
<b>Total Expenditures</b>	<b>254,190,082</b>	<b>376,794,068</b>	<b>377,674,079</b>	<b>389,118,065</b>
Transfers To Other Funds	33,314,042	48,234,934	48,233,814	39,839,162
<b>Total Expenditures &amp; Transfers</b>	<b>\$ 287,504,124</b>	<b>\$ 425,029,002</b>	<b>\$ 425,907,892</b>	<b>\$ 428,957,227</b>

<b>General Fund</b>	<b>Budget Filing</b>	<b>Budget Adoption</b>	<b>Variance</b>
Beginning Fund Balance	\$ 44,821,641	\$ 44,733,057	\$ (88,584)
Revenues	104,269,557	103,810,389	(459,168)
Expenditures	110,936,463	109,586,461	(1,350,002)
Ending Fund Balance	\$ 30,378,182	\$ 31,180,432	\$ 802,250

<b>Debt Service Fund</b>	<b>Budget Filing</b>	<b>Budget Adoption</b>	<b>Variance</b>
Beginning Fund Balance	\$ 6,699,410	\$ 6,722,173	\$ 22,763
Revenues	31,092,901	31,990,062	897,161
Expenditures	30,624,041	31,331,669	707,628
Ending Fund Balance	\$ 7,168,270	\$ 7,380,566	\$ 212,296

<b>Federal Seizures Fund</b>	<b>Budget Filing</b>	<b>Budget Adoption</b>	<b>Variance</b>
Beginning Fund Balance	\$ 47,588	\$ 38,411	\$ (9,177)
Revenues	20	20	-
Expenditures	-	-	-
Ending Fund Balance	\$ 47,608	\$ 38,431	\$ (9,177)

<b>Law Enforcement Fund</b>	<b>Budget Filing</b>	<b>Budget Adoption</b>	<b>Variance</b>
Beginning Fund Balance	\$ 4,735	\$ 17,770	\$ 13,035
Revenues	10	10	-
Expenditures	-	-	-
Ending Fund Balance	\$ 4,745	\$ 17,780	\$ 13,035

<b>Animal Shelter Donations Fund</b>	<b>Budget Filing</b>	<b>Budget Adoption</b>	<b>Variance</b>
Beginning Fund Balance	\$ 84,130	\$ 135,555	\$ 51,425
Revenues	-	-	-
Expenditures	84,130	135,555	51,425
Ending Fund Balance	\$ -	\$ -	\$ -

<b>American Rescue Plan Act Fund</b>	<b>Budget Filing</b>	<b>Budget Adoption</b>	<b>Variance</b>
Beginning Fund Balance	\$ 11,116,641	\$ 10,766,641	\$ (350,000)
Revenues	750	750	-
Expenditures	11,117,391	10,767,391	(350,000)
Ending Fund Balance	\$ -	\$ -	\$ -

<b>Contract Policing Fund</b>	<b>Budget Filing</b>	<b>Budget Adoption</b>	<b>Variance</b>
Beginning Fund Balance	\$ -	\$ -	\$ -
Revenues	716,030	751,960	35,930
Expenditures	716,030	751,960	35,930
Ending Fund Balance	\$ -	\$ -	\$ -

<b>Capital Projects</b>	<b>Budget Filing</b>	<b>Budget Adoption</b>	<b>Variance</b>
Beginning Fund Balance	\$ 11,484,978	\$ 11,484,978	\$ -
Revenues	98,957,500	100,046,146	1,088,646
Expenditures	99,497,000	106,585,646	7,088,646
Ending Fund Balance	\$ 9,219,017	\$ 3,219,017	\$ (6,000,000)

<b>Utility Fund</b>	<b>Budget Filing</b>	<b>Budget Adoption</b>	<b>Variance</b>
Beginning Fund Balance	\$ 24,244,255	\$ 24,449,677	\$ 205,422
Revenues	88,442,394	86,419,816	(2,022,578)
Expenditures	81,427,253	81,360,383	(66,870)
Ending Fund Balance	\$ 23,182,775	\$ 19,623,867	\$ (3,558,908)

<b>Airport Fund</b>	<b>Budget Filing</b>	<b>Budget Adoption</b>	<b>Variance</b>
Beginning Fund Balance	\$ 7,479,029	\$ 7,056,639	\$ (422,390)
Revenues	33,845,450	34,928,796	1,083,346
Expenditures	32,155,476	33,134,412	978,936
Ending Fund Balance	\$ 7,287,308	\$ 6,871,498	\$ (415,810)

<b>Solid Waste Fund</b>	<b>Budget Filing</b>	<b>Budget Adoption</b>	<b>Variance</b>
Beginning Fund Balance	\$ 225,114	\$ 225,114	\$ -
Revenues	9,520,954	9,640,711	119,757
Expenditures	9,205,771	9,273,361	67,590
Ending Fund Balance	\$ 540,297	\$ 592,464	\$ 52,167

<b>Stormwater Compliance Fee Fund</b>	<b>Budget Filing</b>	<b>Budget Adoption</b>	<b>Variance</b>
Beginning Fund Balance	\$ -	\$ -	\$ -
Revenues	-	1,967,868	1,967,868
Expenditures	-	1,967,868	1,967,868
Ending Fund Balance	\$ -	\$ -	\$ -

<b>Employee Benefits Fund</b>	<b>Budget Filing</b>	<b>Budget Adoption</b>	<b>Variance</b>
Beginning Fund Balance	\$ 3,719,834	\$ 3,724,683	\$ 4,849
Revenues	15,075,324	15,915,861	840,537
Expenditures	16,094,388	15,815,018	(279,370)
Ending Fund Balance	\$ 66,434	\$ 1,191,190	\$ 1,124,756

<b>Sugar Land Development Corp Fund</b>	<b>Budget Filing</b>	<b>Budget Adoption</b>	<b>Variance</b>
Beginning Fund Balance	\$ 13,133,400	\$ 12,933,400	\$ (200,000)
Revenues	13,595,880	14,029,880	434,000
Expenditures	10,410,686	10,410,686	-
Ending Fund Balance	\$ 11,329,895	\$ 11,563,895	\$ 234,000

**CITY OF SUGAR LAND  
SUMMARY OF ALL FUNDS  
FISCAL YEAR 2023  
ADOPTED BUDGET**

**REVENUES**

Category Description	Governmental Funds		
	General Fund	Debt Service Fund	Capital Projects
Property Taxes	\$ 35,913,695	\$ 26,262,191	-
Sales Tax	43,298,121	-	-
Other Taxes	6,132,509	-	-
Licenses & Permits	3,373,980	-	-
Charges For Service	4,477,688	-	-
Fines & Forfeitures	1,279,520	-	-
Interest Income	150,000	50,750	5,000
Intergovernmental	317,009	-	20,523,000
Miscellaneous	630,700	2,000,748	1,000,000
Bond Proceeds	-	-	60,530,000
Contributions	-	-	-
<b>Total Revenue</b>	<b>95,573,222</b>	<b>28,313,689</b>	<b>82,058,000</b>
Transfers From Other Funds	8,237,167	5,677,871	1,125,000
<b>Total Available Resources</b>	<b>103,810,389</b>	<b>33,991,560</b>	<b>83,183,000</b>

**EXPENDITURES**

General Government	19,053,161	-	-
Finance	5,649,950	-	-
Public Works	12,063,106	-	-
Parks & Recreation	5,822,089	-	-
Community Development	6,535,153	-	-
Environmental & Neighborhood Services	7,397,328	-	-
Police Department	27,177,065	-	-
Fire Department	19,023,316	-	-
Debt Service	-	30,829,853	-
Other	4,713,658	25,000	300,000
Construction	-	-	83,178,000
Utility Services	-	-	-
Airport Services	-	-	-
Insurance Coverage	-	-	-
Equipment Replacement	-	-	-
Rebates & Assignments	-	1,930,611	-
<b>Total Expenditures</b>	<b>107,434,827</b>	<b>32,785,464</b>	<b>83,478,000</b>
Transfers To Other Funds	2,151,634	139,554	-
<b>Total Expenditures &amp; Transfers</b>	<b>109,586,461</b>	<b>32,925,018</b>	<b>83,478,000</b>
Revenue Over (Under) Expenditures	(5,776,072)	1,066,542	(295,000)
<b>BEGINNING BALANCE</b>	<b>\$ 44,733,057</b>	<b>\$ 8,012,226</b>	<b>\$ 2,594,054</b>
Reserved for Debt Service	-	-	-
Reserved for Self Insurance	-	-	-
Reserved for Capital Repairs	-	-	(1,726,461)
GAAP Accruals	(7,776,553)	-	-
<b>END BUDGET BALANCE</b>	<b>\$ 31,180,432</b>	<b>\$ 9,078,768</b>	<b>\$ 572,593</b>

**CITY OF SUGAR LAND  
SUMMARY OF ALL FUNDS  
FISCAL YEAR 2023  
ADOPTED BUDGET**

**REVENUES**

Category Description	Enterprise Funds			
	Utility System Fund & CIP	Airport Fund & CIP	Solid Waste	Stormwater Compliance Fee
Property Taxes	-	-	-	-
Sales Tax	-	-	-	-
Other Taxes	-	-	-	-
Licenses & Permits	-	-	-	-
Charges For Service	70,078,372	31,447,250	9,622,161	1,671,814
Fines & Forfeitures	-	-	-	-
Interest Income	191,294	15,500	50	-
Intergovernmental	-	50,000	-	-
Miscellaneous	741,950	719,900	18,500	-
Bond Proceeds	16,504,000	2,373,646	-	-
Contributions	-	-	-	-
<b>Total Revenue</b>	<b>87,515,616</b>	<b>34,606,296</b>	<b>9,640,711</b>	<b>1,671,814</b>
Transfers From Other Funds	19,413,200	2,676,646	-	296,054
<b>Total Available Resources</b>	<b>106,928,816</b>	<b>37,282,942</b>	<b>9,640,711</b>	<b>1,967,868</b>

**EXPENDITURES**

General Government	-	-	-	-
Finance	-	-	-	-
Public Works	-	-	-	-
Parks & Recreation	-	-	-	-
Community Development	-	-	-	-
Environmental & Neighborhood Services	-	-	8,696,877	1,967,868
Police Department	-	-	-	-
Fire Department	-	-	-	-
Debt Service	20,776,185	1,661,148	-	-
Other	1,097,464	235,326	70,000	-
Construction	20,504,000	2,353,646	-	-
Utility Services	31,865,094	-	-	-
Airport Services	-	27,594,130	-	-
Insurance Coverage	-	-	-	-
Equipment Replacement	-	-	-	-
Rebates & Assignments	-	-	-	-
<b>Total Expenditures</b>	<b>74,242,743</b>	<b>31,844,250</b>	<b>8,766,877</b>	<b>1,967,868</b>
Transfers To Other Funds	28,739,659	3,643,808	506,484	-
<b>Total Expenditures &amp; Transfers</b>	<b>102,982,402</b>	<b>35,488,058</b>	<b>9,273,361</b>	<b>1,967,868</b>

Revenue Over (Under) Expenditures	3,946,414	1,794,884	367,350	-
<b>BEGINNING BALANCE</b>	<b>\$ 57,209,084</b>	<b>\$ 7,056,639</b>	<b>\$ 225,114</b>	<b>\$ -</b>
Reserved for Debt Service	(9,885,244)	(1,979,526)	-	-
Reserved for Self Insurance	-	-	-	-
Reserved for Capital Repairs	-	-	-	-
GAAP Accruals	-	-	-	-
<b>END BUDGET BALANCE</b>	<b>\$ 51,270,255</b>	<b>\$ 6,871,998</b>	<b>\$ 592,464</b>	<b>\$ -</b>

**CITY OF SUGAR LAND  
SUMMARY OF ALL FUNDS  
FISCAL YEAR 2023  
ADOPTED BUDGET**

**REVENUES**

Category Description	Internal Service Funds		
	Employee Benefits	Fleet Replacement	Hi-Tech Replacement
Property Taxes	-	-	-
Sales Tax	-	-	-
Other Taxes	-	-	-
Licenses & Permits	-	-	-
Charges For Service	-	-	-
Fines & Forfeitures	-	-	-
Interest Income	2,671	5,500	5,000
Intergovernmental	-	-	-
Miscellaneous	1,988,772	155,000	2,170
Bond Proceeds	-	-	-
Contributions	13,924,418	-	-
<b>Total Revenue</b>	<b>15,915,861</b>	<b>160,500</b>	<b>7,170</b>
Transfers From Other Funds	-	1,157,068	926,846
<b>Total Available Resources</b>	<b>15,915,861</b>	<b>1,317,568</b>	<b>934,016</b>

**EXPENDITURES**

General Government	-	-	-
Finance	-	-	-
Public Works	-	-	-
Parks & Recreation	-	-	-
Community Development	-	-	-
Environmental & Neighborhood Services	-	-	-
Police Department	-	-	-
Fire Department	-	-	-
Debt Service	-	-	-
Other	11,344,364	-	-
Construction	-	-	-
Utility Services	-	-	-
Airport Services	-	-	-
Insurance Coverage	4,470,654	-	-
Equipment Replacement	-	2,205,805	1,759,335
Rebates & Assignments	-	-	-
<b>Total Expenditures</b>	<b>15,815,018</b>	<b>2,205,805</b>	<b>1,759,335</b>
Transfers To Other Funds	-	-	-
<b>Total Expenditures &amp; Transfers</b>	<b>15,815,018</b>	<b>2,205,805</b>	<b>1,759,335</b>

Revenue Over (Under) Expenditures	100,843	(888,237)	(825,319)
<b>BEGINNING BALANCE</b>	<b>\$ 3,724,683</b>	<b>\$ 2,636,641</b>	<b>\$ 1,323,081</b>
Reserved for Debt Service	-	-	-
Reserved for Self Insurance	(2,634,336)	-	-
Reserved for Capital Repairs	-	-	-
GAAP Accruals	-	-	-
<b>END BUDGET BALANCE</b>	<b>\$ 1,191,190</b>	<b>\$ 1,748,404</b>	<b>\$ 497,762</b>

**CITY OF SUGAR LAND  
SUMMARY OF ALL FUNDS  
FISCAL YEAR 2023  
ADOPTED BUDGET**

**REVENUES**

Category Description	Enclave at River Park PID	Special Events	Tourism	Public Education Grant	Animal Shelter Donations
	Property Taxes	-	-	-	-
Sales Tax	-	-	-	-	-
Other Taxes	-	-	2,232,000	170,000	-
Licenses & Permits	-	-	-	-	-
Charges For Service	58,189	20,000	-	-	-
Fines & Forfeitures	-	-	-	-	-
Interest Income	10	50	500	-	-
Intergovernmental	-	-	-	-	-
Miscellaneous	-	100,000	33,000	-	-
Bond Proceeds	-	-	-	-	-
Contributions	-	-	-	-	-
<b>Total Revenue</b>	<b>58,199</b>	<b>120,050</b>	<b>2,265,500</b>	<b>170,000</b>	<b>-</b>
Transfers From Other Funds	79,430	-	-	-	-
<b>Total Available Resources</b>	<b>137,629</b>	<b>120,050</b>	<b>2,265,500</b>	<b>170,000</b>	<b>-</b>

**EXPENDITURES**

General Government	-	61,256	638,000	170,000	-
Finance	-	-	-	-	-
Public Works	-	-	-	-	-
Parks & Recreation	-	-	-	-	-
Community Development	-	-	-	-	-
Environmental & Neighborhood Services	-	-	-	-	135,555
Police Department	-	-	-	-	-
Fire Department	-	-	-	-	-
Debt Service	-	-	-	-	-
Other	50	-	100,000	-	-
Construction	-	-	-	-	-
Utility Services	-	-	-	-	-
Airport Services	-	-	-	-	-
Insurance Coverage	-	-	-	-	-
Equipment Replacement	-	-	-	-	-
Rebates & Assignments	-	-	-	-	-
<b>Total Expenditures</b>	<b>50</b>	<b>61,256</b>	<b>738,000</b>	<b>170,000</b>	<b>135,555</b>
Transfers To Other Funds	146,969	-	1,344,628	-	-
<b>Total Expenditures &amp; Transfers</b>	<b>147,019</b>	<b>61,256</b>	<b>2,082,628</b>	<b>170,000</b>	<b>135,555</b>

Revenue Over (Under) Expenditures	(9,390)	58,794	182,872	-	(135,555)
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<b>BEGINNING BALANCE</b>	<b>\$ 55,924</b>	<b>\$ 226,688</b>	<b>\$ 1,362,417</b>	<b>\$ -</b>	<b>\$ 135,555</b>
Reserved for Debt Service	-	-	-	-	-
Reserved for Self Insurance	-	-	-	-	-
Reserved for Capital Repairs	-	-	-	-	-
GAAP Accruals	-	-	(514,958)	-	-
<b>END BUDGET BALANCE</b>	<b>\$ 46,534</b>	<b>\$ 285,481</b>	<b>\$ 1,030,331</b>	<b>\$ -</b>	<b>\$ -</b>

**CITY OF SUGAR LAND  
SUMMARY OF ALL FUNDS  
FISCAL YEAR 2023  
ADOPTED BUDGET**

**REVENUES**

Category Description	Special Revenue Funds			
	American Recovery Plan	Contract Policing	Public Art Trust Fund	Court Security
Property Taxes	-	-	-	-
Sales Tax	-	-	-	-
Other Taxes	-	-	-	-
Licenses & Permits	-	-	-	-
Charges For Service	-	751,960	-	35,140
Fines & Forfeitures	-	-	-	-
Interest Income	750	-	-	10
Intergovernmental	-	-	-	-
Miscellaneous	-	-	-	-
Bond Proceeds	-	-	-	-
Contributions	-	-	-	-
<b>Total Revenue</b>	<b>750</b>	<b>751,960</b>	<b>-</b>	<b>35,150</b>
Transfers From Other Funds	-	-	250,000	-
<b>Total Available Resources</b>	<b>750</b>	<b>751,960</b>	<b>250,000</b>	<b>35,150</b>

**EXPENDITURES**

General Government	815,000	-	-	-
Finance	135,391	-	-	-
Public Works	4,000,000	-	-	-
Parks & Recreation	-	-	-	-
Community Development	-	-	-	-
Environmental & Neighborhood Services	2,750,000	-	-	-
Police Department	933,000	751,960	-	-
Fire Department	2,134,000	-	-	-
Debt Service	-	-	-	-
Other	-	-	-	-
Construction	-	-	250,000	-
Utility Services	-	-	-	-
Airport Services	-	-	-	-
Insurance Coverage	-	-	-	-
Equipment Replacement	-	-	-	-
Rebates & Assignments	-	-	-	-
<b>Total Expenditures</b>	<b>10,767,391</b>	<b>751,960</b>	<b>250,000</b>	<b>-</b>
Transfers To Other Funds	-	-	-	-
<b>Total Expenditures &amp; Transfers</b>	<b>10,767,391</b>	<b>751,960</b>	<b>250,000</b>	<b>-</b>

Revenue Over (Under) Expenditures	(10,766,641)	-	-	35,150
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<b>BEGINNING BALANCE</b>	<b>\$ 10,766,641</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,653</b>
Reserved for Debt Service	-	-	-	-
Reserved for Self Insurance	-	-	-	-
Reserved for Capital Repairs	-	-	-	-
GAAP Accruals	-	-	-	-
<b>END BUDGET BALANCE</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 37,803</b>

**CITY OF SUGAR LAND  
SUMMARY OF ALL FUNDS  
FISCAL YEAR 2023  
ADOPTED BUDGET**

**REVENUES**

Category Description	Court Tech	Truancy Prevention	Juror Fund	Law Enforcement	SPA Debt Reduction
	Property Taxes	-	-	-	-
Sales Tax	-	-	-	-	-
Other Taxes	-	-	-	-	-
Licenses & Permits	-	-	-	-	-
Charges For Service	27,866	-	-	-	371,963
Fines & Forfeitures	-	25,000	500	-	-
Interest Income	20	15	-	130	2,750
Intergovernmental	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Bond Proceeds	-	-	-	-	-
Contributions	-	-	-	-	-
<b>Total Revenue</b>	<b>27,886</b>	<b>25,015</b>	<b>500</b>	<b>130</b>	<b>374,713</b>
Transfers From Other Funds	-	-	-	-	-
<b>Total Available Resources</b>	<b>27,886</b>	<b>25,015</b>	<b>500</b>	<b>130</b>	<b>374,713</b>

**EXPENDITURES**

General Government	-	-	-	-	-
Finance	35,295	-	-	-	-
Public Works	-	-	-	-	-
Parks & Recreation	-	-	-	-	-
Community Development	-	-	-	-	-
Environmental & Neighborhood Services	-	-	-	-	-
Police Department	-	-	-	-	-
Fire Department	-	-	-	-	-
Debt Service	-	-	-	-	-
Other	-	-	-	-	-
Construction	-	-	-	-	-
Utility Services	-	-	-	-	-
Airport Services	-	-	-	-	-
Insurance Coverage	-	-	-	-	-
Equipment Replacement	-	-	-	-	-
Rebates & Assignments	-	-	-	-	-
<b>Total Expenditures</b>	<b>35,295</b>				
Transfers To Other Funds	-	-	-	-	-
<b>Total Expenditures &amp; Transfers</b>	<b>35,295</b>				

Revenue Over (Under) Expenditures	(7,409)	25,015	500	130	374,713
<b>BEGINNING BALANCE</b>	<b>\$ 15,738</b>	<b>\$ 72,368</b>	<b>\$ 1,447</b>	<b>\$ 307,473</b>	<b>\$ 2,154,295</b>
Reserved for Debt Service	-	-	-	-	-
Reserved for Self Insurance	-	-	-	-	-
Reserved for Capital Repairs	-	-	-	-	-
GAAP Accruals	-	-	-	-	-
<b>END BUDGET BALANCE</b>	<b>\$ 8,329</b>	<b>\$ 97,383</b>	<b>\$ 1,947</b>	<b>\$ 307,603</b>	<b>\$ 2,529,008</b>

**CITY OF SUGAR LAND  
SUMMARY OF ALL FUNDS  
FISCAL YEAR 2023  
ADOPTED BUDGET**

**REVENUES**

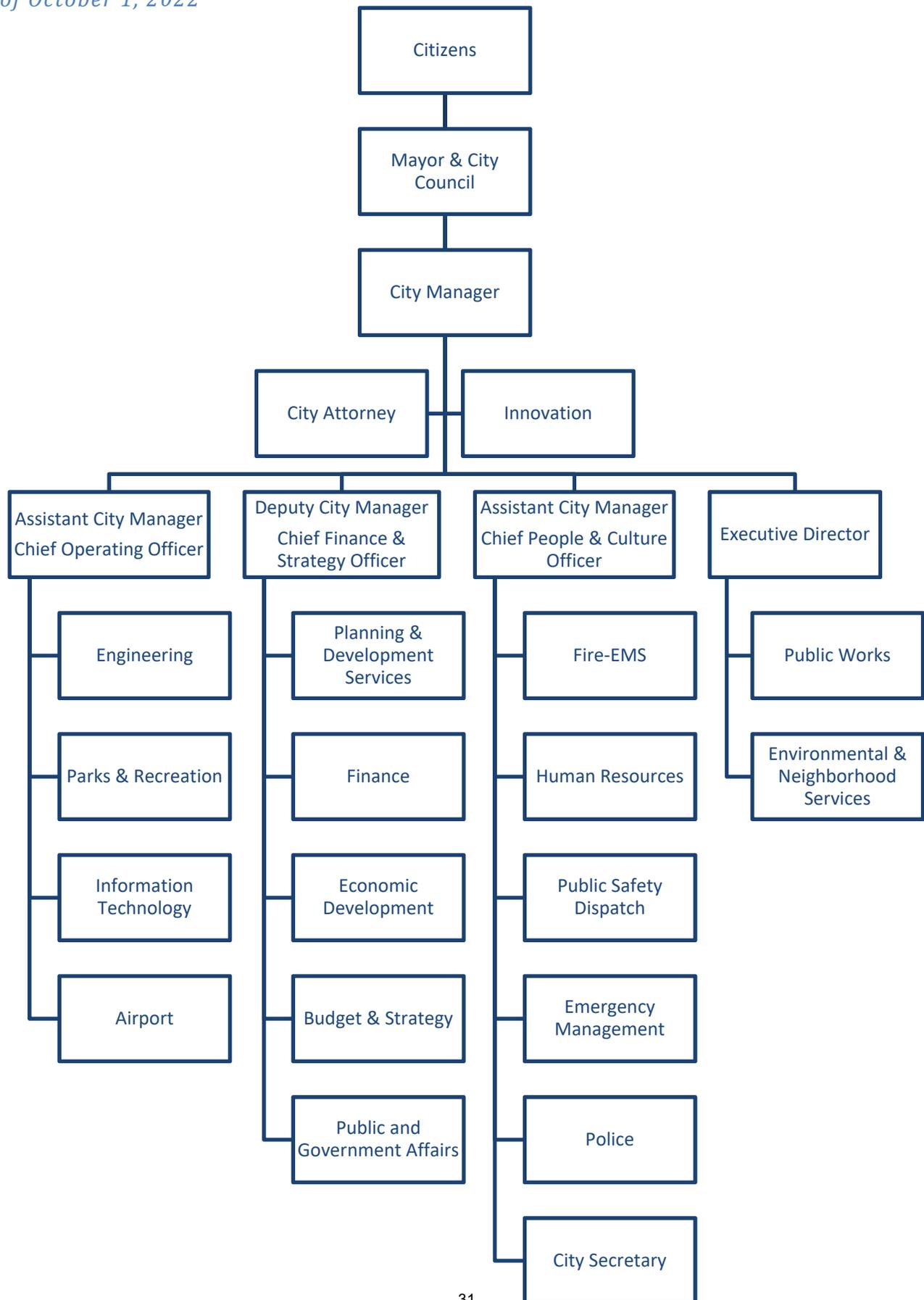
Category Description	Total City	Component Units		TOTAL
		SLDC	SL4B	
Property Taxes	\$ 62,175,886	-	-	\$ 62,175,886
Sales Tax	43,298,121	7,216,353	7,216,353	57,730,827
Other Taxes	8,534,509	-	-	8,534,509
Licenses & Permits	3,373,980	-	-	3,373,980
Charges For Service	118,562,403	-	-	118,562,403
Fines & Forfeitures	1,305,020	-	-	1,305,020
Interest Income	430,000	20,000	20,000	470,000
Intergovernmental	20,890,009	2,000,000	145,008	23,035,017
Miscellaneous	7,390,740	4,793,527	7,901,017	20,085,284
Bond Proceeds	79,407,646	-	-	79,407,646
Contributions	13,924,418	-	-	13,924,418
<b>Total Revenue</b>	<b>359,292,732</b>	<b>14,029,880</b>	<b>15,282,378</b>	<b>388,604,990</b>
Transfers From Other Funds	39,839,282	-	-	39,839,282
<b>Total Available Resources</b>	<b>399,132,014</b>	<b>14,029,880</b>	<b>15,282,378</b>	<b>428,444,272</b>

**EXPENDITURES**

General Government	20,737,417	2,325,257	569,870	23,632,544
Finance	5,820,636	-	-	5,820,636
Public Works	16,063,106	-	-	16,063,106
Parks & Recreation	5,822,089	-	-	5,822,089
Community Development	6,535,153	-	-	6,535,153
Environmental & Neighborhood Services	20,947,628	-	-	20,947,628
Police Department	28,862,025	-	-	28,862,025
Fire Department	21,157,316	-	-	21,157,316
Debt Service	53,267,186	3,949,031	2,016,150	59,232,367
Other	17,885,862	3,007,740	4,040,324	24,933,926
Construction	106,285,646	-	-	106,285,646
Utility Services	31,865,094	-	-	31,865,094
Airport Services	27,594,130	-	-	27,594,130
Insurance Coverage	4,470,654	-	-	4,470,654
Equipment Replacement	3,965,140	-	-	3,965,140
Rebates & Assignments	1,930,611	-	-	1,930,611
<b>Total Expenditures</b>	<b>373,209,693</b>	<b>9,282,028</b>	<b>6,626,344</b>	<b>389,118,065</b>
Transfers To Other Funds	36,672,736	1,128,658	2,037,768	39,839,162
<b>Total Expenditures &amp; Transfers</b>	<b>409,882,429</b>	<b>10,410,686</b>	<b>8,664,112</b>	<b>428,957,227</b>
Revenue Over (Under) Expenditures	(10,750,414)	3,619,194	6,618,266	(512,954)
<b>BEGINNING BALANCE</b>	<b>\$ 142,615,777</b>	<b>\$ 12,933,400</b>	<b>\$ 7,511,478</b>	<b>\$ 163,060,655</b>
Reserved for Debt Service	(11,864,769)	(3,759,758)	(2,015,925)	(17,640,452)
Reserved for Self Insurance	(2,634,336)	-	-	(2,634,336)
Reserved for Capital Repairs	(1,726,461)	-	-	(1,726,461)
GAAP Accruals	(8,291,511)	(1,228,941)	(1,228,941)	(10,749,393)
<b>END BUDGET BALANCE</b>	<b>\$ 107,348,285</b>	<b>\$ 11,563,895</b>	<b>\$ 10,884,878</b>	<b>\$ 129,797,058</b>

# City of Sugar Land Organizational Chart

As of October 1, 2022



# City Overview

## Location and Background

Located 20 miles southwest of downtown Houston, Sugar Land is a full-service municipality providing police and fire protection, water/wastewater utilities, solid waste collection, curbside recycling, a regional airport, parks and recreation, public works, planning/zoning and other services. Founded as a sugar plantation in the mid-1860s, Sugar Land was a busy commercial center for nearly 100 years. Formally incorporated in 1959, the City has grown more rapidly than anyone could imagine. Today, the City has a population of about 111,046 due to a recent annexation and is nationally recognized for its low crime and excellent opportunities afforded to residents.



## City Management

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

### ROLE OF CITY COUNCIL

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

### ROLE OF CITY MANAGER

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

## Local Economy

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

EMPLOYER	TYPE OF BUSINESS
Houston Methodist Sugar Land Hospital	Medical
Schlumberger	Energy
Memorial Hermann Sugar Land Hospital	Medical
Fluor Enterprises, Inc.*	Engineering
ChampionX*	R & D Headquarters
Accredo Packaging, Inc.	Packaging and Containers
ABM Industries*	Facilities Services
QuVa Pharma Inc	Pharmaceutical

St. Luke's Hospital Sugar Land	Medical
Applied Optoelectronics, Inc.	Telecommunications
HCSS	Technology
Healix	Medical
Tramontina	Manufacturing
Texas Instruments*	Technology
Industrial Information Resources	Marketing

\*2021 Fortune 500 Company

## Economic Development Activity

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

As a regional employment center with over 70,000 jobs in 2022, Sugar Land is home to high-profile regional and international corporations housed in more than 29.6 million square feet of commercial space, including several Fortune 500 companies with a significant presence.



The attraction of primary employers is an extremely important driver of Sugar Land's economy. New jobs in Sugar Land generate demand for new housing resulting in increased property tax revenues. The new housing generates demand for new retail and dining services creating new sales tax dollars. These revenues enable the City to provide quality of life amenities and services while keeping property taxes low for residents. Most importantly, this economic development impact cycle all begins with the attraction and expansion of jobs.

Sugar Land's economic development activities are supported by two quarter cent sales tax for the Sugar Land 4B Corporation and Sugar Land Development Corporation, respectively. These restricted revenues are reinvested into projects that attract jobs and increase the quality of life in Sugar Land, such as parks, higher education, cultural arts and entertainment. As a result, these projects make Sugar Land an attractive location for prospective businesses and their employees serving to attract more jobs and begin the economic development impact cycle again.

In March 2021, the City of Sugar Land' Office of Economic Development (OED) engaged Ernst & Young LLP (EY) to assist with creating a Workforce and Target Industry Analysis. This project is the first phase of a two-part process to update OED's Strategic Plan and for immediate use in recruitment efforts. The data and analysis process highlighted areas where the city is strong and competitive, as well as vulnerabilities and improvements that need to be made for sustained, long-term economic growth. Some highlights from the analysis include:

- 14% increase in jobs in the last 5 years
- Access to over 500,000 people with a bachelor's degree or higher within a 30-minute drive time of Sugar Land.

- New targeted industries: Advanced Manufacturing, Business & Professional Services, Life Sciences, Information Technology and Tourism

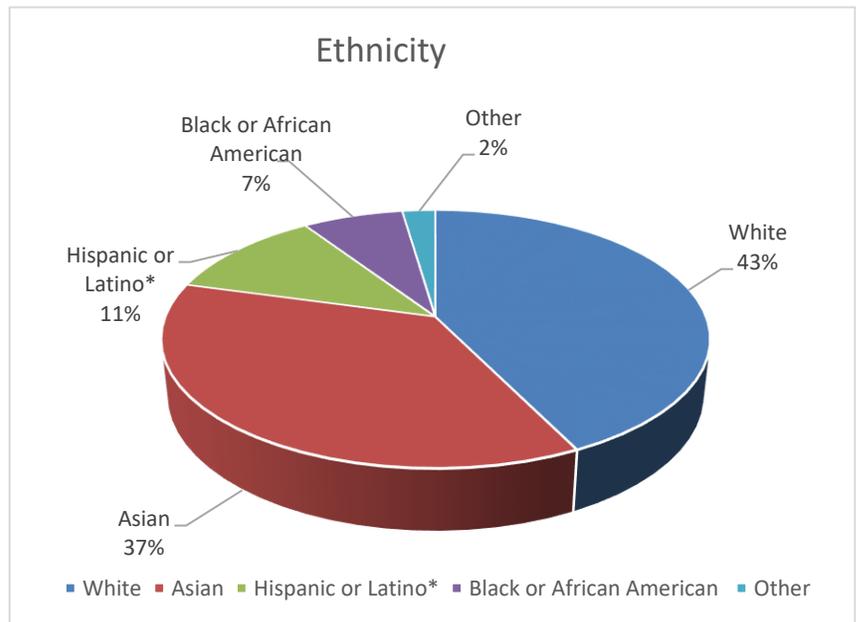
Evidence of Sugar Land’s thriving business community includes the development of new industrial space in Fiscal Year 2022. OED assisted with Bluebonnet Nutrition Corporation’s expansion into a new 128,000 square foot building in the Sugar Land Business Park. The new structure will be Bluebonnet Nutrition’s third location in Sugar Land and will expand its manufacturing and analytical testing operations. Next, OED assisted with Accredo Packaging’s fourth expansion in Sugar Land, bringing its total campus development to 578,000 square feet. Finally, OED assisted with PG Golf expansion into a new office and warehouse building built to house a state-of-the-art operation. These developments are examples of the continued demand for new industrial space in our market.

Sugar Land also continues to position itself as a destination city. The Smart Financial Centre at Sugar Land reopened in July 2021 and has hosted 72 events and welcomed more than 249,000 attendees in its first year after the pandemic – continuing to earn its recognition as a top theatre venue worldwide according to Pollstar magazine. Additionally, Constellation Field, home to the Sugar Land Space Cowboys (formerly known as the Sugar Land Skeeters) sold over 160,000 tickets during its second season as the Houston Astros Triple-A affiliate. The Houston Museum of Natural Science at Sugar Land is having its best summer on record since opening with new exhibits and exciting temporary exhibits for visitors, and other venues such as Sugar Land Town Square Plaza, the Crown Festival Park at Sugar Land, and the Fort Bend Children’s Discovery Center have all helped propel Sugar Land’s reputation as a tourist destination.

### Diversity

Sugar Land is a highly educated and globally diverse community. All cultures contribute to a unique Sugar Land community and culture, and the City was recognized as the nation’s first Community of Respect® by the Anti-Defamation League in 2007.

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



# City Profile

	FY20	FY21	FY22	FY23
Population (January 1st estimate)	118,498	118,498	118,498	111,026
Square Miles	43	43	43	43
Acres	27,402	27,402	27,402	27,402
Budgeted Full Time Employees	848.0	848.0	848.0	871.8
Total Operating Budget	\$ 272.11 M	\$ 253.72 M	\$ 299.60 M	\$ 389.12 M
<b>Fire Protection-Emergency Medical Services</b>				
Number of Stations	7	7	7	7
Certified Firefighters	124	124	124	124
Calls for Service	9,311	10,479	10,500	10,652
<b>Police Protection</b>				
Number of Stations	1	1	1	1
Certified Police Officers	174	174	174	174
Calls for Service	61,739	76,300	76,300	72,200
<b>Parks &amp; Recreation</b>				
Number of Parks	27	27	27	27
Park Acreage	2,248	2,454	2,454	2,455
Swimming Pools	1	1	1	1
Community Centers	5	5	5	5
Recreation Centers	2	2	2	2
Special Events Offered	14	29	20	28
<b>Public Works</b>				
Lane Miles of Streets	1,060	1,068	1,068	1,068
Linear Miles of Sidewalk	847	848	848	848
Miles of Storm Sewer/Open Ditch	496	458	458	458
Traffic Signals Maintained	92	92	92	92
City Facilities	73	73	73	73
<b>Utilities</b>				
Equivalent Single Family Connections	62,149	62,441	62,681	62,927
Water Produced (Million Gallons)	7,550	7,586	7,641	7,671
Wastewater Treated (Million Gallons)	4,001	4,020	4,050	4,065
<b>Airport</b>				
Gallons of Fuel Sold	2,889,624	3,025,431	3,269,707	4,015,219
Aircraft Served	11,624	12,800	13,440	15,056

# Budget Process & Calendar

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

## Operating Budget

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

In April, the budget process officially begins with the City Manager delivering the budget message and departments developing line-item operating budgets based on the message delivered by the City Manager. The expectation for departments is to formulate a base budget that will allow services to meet the Sugar Land Way. Supplemental operating budget requests are based on items identified through the Sugar Land Way, Council priorities, departmental business plans, and state or federal mandates. The operating budget and enhancement submissions are due to the Budget Office in early May and are reviewed for completeness and to ensure submissions are consistent with the City Manager's message.

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

## Capital Improvement Program

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

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

Staff also maintains a list of potential projects from citizen requests. A recommended project list is compiled, prioritized by year, and cost estimates assigned.

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

## FY23 Budget Calendar

<b>February</b>	<ul style="list-style-type: none"> <li>• Key issues identified and prioritized by City Management</li> <li>• Monitor State Legislature for potential impacts</li> </ul>
<b>March</b>	<ul style="list-style-type: none"> <li>• CIP Kick-Off</li> <li>• Budget Office prepares preliminary five-year forecast</li> <li>• City Manager develops budget message based on key issues</li> </ul>
<b>April</b>	<ul style="list-style-type: none"> <li>• Budget Office develops instructions and forms for budget preparation</li> <li>• Budget Office develops preliminary funding plan for five-year CIP</li> </ul>
<b>May</b>	<ul style="list-style-type: none"> <li>• Budget kick-off meeting: Directors and Managers <ul style="list-style-type: none"> <li>- Introduce and distribute budget instructions</li> <li>- Line item allocation of budgets by departments</li> <li>- Departments prepare requests for additional funds</li> </ul> </li> <li>• Budget Office develops preliminary funding plan for five-year CIP</li> </ul>
<b>June</b>	<ul style="list-style-type: none"> <li>• Budget Office reviews departmental budget submissions</li> <li>• Cost allocation plan updated</li> <li>• City Management reviews departmental budget submissions</li> </ul>
<b>July</b>	<ul style="list-style-type: none"> <li>• Review list of CIP projects with City Council</li> <li>• CIP project list finalized and fiscally constrained</li> <li>• Finalize five-year forecast</li> <li>• Review list of CIP projects with Planning &amp; Zoning</li> <li>• Prepare proposed budget document, transmittal letter and budget filing presentations</li> <li>• July 19<sup>th</sup>: Proposed budget filed with City Council</li> <li>• Certified tax roll due from Central Appraisal District</li> </ul>
<b>August</b>	<ul style="list-style-type: none"> <li>• Council budget workshops (Thursday and Friday mornings)</li> <li>• Publish voter approval tax rate and proposed tax rates</li> </ul>
<b>September</b>	<ul style="list-style-type: none"> <li>• Final FY23 Budget Amendment Ordinance</li> <li>• Public hearing on proposed tax rate and budget</li> <li>• City Council adoption of FY23: <ul style="list-style-type: none"> <li>○ Annual budget, five-year CIP, compensation plan</li> <li>○ City Council adopt 2023 tax rate</li> </ul> </li> <li>• Approve Fee ordinance and PID assessment ordinance</li> </ul>

# Legal Requirements & Basis of Budgeting

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## Legal Requirements for the Budget

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

The City Secretary posts a notice at City Hall and publishes the notice in the official newspaper stating the times and places where copies of the message and budget are available for public review. One public hearing must be held on the budget at least 15 days after it is filed and before the budget is adopted. The budget is adopted by ordinance with one reading prior to the 25<sup>th</sup> day of the last month of the fiscal year, as required by the City Charter. The adopted budget is filed with the County Clerk.

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

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

## Financial Management Policy Statements

The Financial Management Policy Statements are approved through City Council Resolution. These statements give general guidelines for the development of fiscal policies to ensure that financial resources are available to meet present and future needs of citizens and aid in fulfilling the goal of a responsible city government. These policy statements are reviewed semi-annually and recommended revisions are discussed with City Council. The statements were last updated and approved by City Council Resolution 20-16 in June 2020. A copy of the current policy statements can be found at the end of this document.

## Budget Basis of Presentation

### Governmental and Fiduciary Funds

Governmental fund budgets are prepared using the modified accrual basis. Revenues are budgeted when they are anticipated to be received and expenditures are budgeted in the period in which the liability is incurred, which is in

accordance with Generally Accepted Accounting Principles (GAAP). The fund balance approach of governmental funds or working capital approach can be identified as current assets less current liabilities. Governmental funds budget capital outlays as expenditures, but do not budget for non-cash expenditures such as accruals for sick and vacation liabilities and depreciation.

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

## **Proprietary and Internal Service Funds**

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

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

## **Basis of Accounting**

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

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

## **Financial Structure**

The accounts of the City are organized on the basis of funds and account groups, each of which operates separately and independently. The operations of each fund are accounted for with a separate set of self-balancing accounts comprised of assets, liabilities, fund equity, revenues, and expenditures or expenses. Following is a description of the

fund types and funds contained within each. A more detailed description of each fund can be found within the fund summary of the individual funds.

## Governmental Funds

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

**Special Revenue Funds** are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The City has fourteen active special revenue funds budgeted for FY22, such as: Court Security, Court Technology, Tourism, two SPA Debt Reduction Funds, and Police Seizures, Special Events, Enclave at River Park, and Trust Funds as required.

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

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

## Proprietary Funds

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

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

## Fiduciary Funds

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

# Strategic Framework & Outcomes

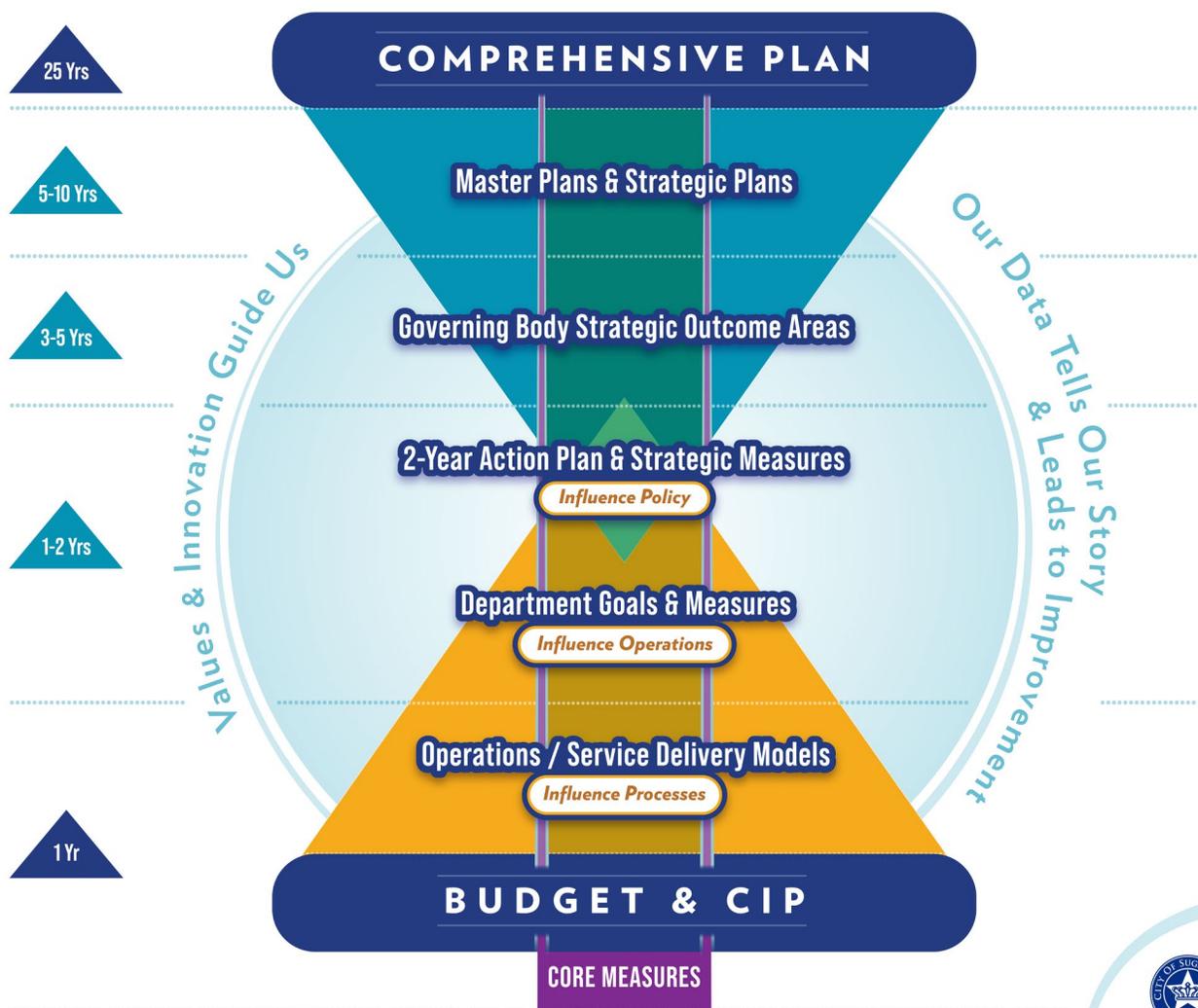
## The City of Sugar Land is setting out to do things differently.

We may be biased, but we believe that Sugar Land has always been the “Bell Cow” of Fort Bend County and the entire Houston region – and we are ready to dream bigger, empower more action and think outside-the-room-where-the-box-is in order to make sure we continue to be one of the most exciting, vibrant and successful cities in the nation.

Will we be perfect along the way? Definitely not – but we believe it’s a bigger risk to merely play it safe. As our community inevitably ages, new communities emerge within the region, and the world around us continues to disruptively change, we know the time for action is now – and across the organization at all levels, we couldn’t be more excited or committed.

The Two-Year Action Plan, which is adopted annually by the City Council, outlines key objectives and strategies that link the vision of the City Council to how we are “All-In” on dreaming big and differently – with a first-team mindset – on a daily basis.

## Strategic Framework



## Creating Alignment

A cross-departmental team across the organization - representing operational financial, strategic, innovative and values-based perspectives – purposefully designed this framework to enhance the alignment of all of our efforts throughout the entire organization. Overall, our goal is to ensure the decisions being made today are being driven by the intentional strategies we have outlined to set us up for success over the next 25+ years. Additionally, we know the complexities of the challenges and opportunities we are facing demand we approach our highest priorities as one team – and we firmly believe our outcomes will be exponentially more impactful by ensuring that, together, we are “All-In.”

*Two-Year Action Plan:* Linked to the Governing Body’s Strategic Outcome Areas, the Two-Year Action Plan (2YAP) includes the organization’s internal Focus Area Objectives & Guiding Statements – along with our annual work plan of “All-In” Initiatives and “Leadership-Championed” Projects.

*Strategic Outcome Areas:* The areas and success statements outlined by the Governing Body to set strategic direction for the next three to five years in order to achieve the community’s longer-term vision for the future.

*All-In Initiatives:* The top and most important priorities for the organization and the future of the community. These initiatives are dynamic, broad and significant in scale. The complexity of these initiatives often benefits from a balance of quick pilot projects with continued study and analysis – and requires active participation of all departments. To further emphasize how critical this work is to the long-term success of the City and how much better the outcomes will be with broad organizational support; the City’s leadership team is accountable as a whole for “All-In” initiatives.

## Strategic Outcome Areas

### *Finance: Strong & Viable*

Sugar Land is recognized as a leader in financial management, providing our taxpayers with exceptional value, confidence, and transparency. Our focus is:

- Resiliency and adaptability
- Innovation
- Efficiency
- Superior bond rating

### *All-In Initiatives:*

- Comprehensive Plan Update— The City desires to establish a community-based, complete vision for the future. The Comprehensive Plan update should incorporate signals and trends that the City should be mindful of for the future and drive participants to think boldly about the City’s future.
- Exploration of Alternative Funding & Revenue Strategies— Outline new revenue options and/or service level reduction ideas that will ensure the City has stable and diverse funding sources.

### *Infrastructure: Sustainable & Resilient*

Sugar Land continues to maintain and develop comprehensive, sustainable, and resilient infrastructure that adapts to a dynamic environment. This is accomplished through:

- Long-term planning efforts

- Consistent investment in infrastructure maintenance
- A collaborative approach to infrastructure financing
- Partnerships with private entities and local, state, and federal agencies to support shared assets
- Effective communication and community outreach to build understanding and support

*All-In Initiative:*

- Future Operations & Maintenance and Capital Funding Needs— Refine the City’s operational, maintenance, and capital expenditures for the next 10-years and identify possible funding solutions.
- South of the Brazos Planning— Collaborate with regional partners to develop possible opportunities for the area.

***Economy: Thriving & Vibrant***

Sugar Land is focused on re-invigorating this entrepreneurial spirit to keep us moving forward. We recognize that the future starts now and are committed to engaging the community to re-imagine our city, by:

- Attracting and incubating the growth of new innovators and entrepreneurs
- Assist businesses in creating partnerships that support growth and redevelopment
- Proactively partnering with stakeholders to foster a spirit of civic philanthropy and an ecosystem of learning, mentoring, and giving back.

*All-In Initiatives:*

- Commercial Redevelopment Strategy— Identify, strategize & actively pursue ways to support and initiate commercial redevelopment
- Residential Reinvestment Plan— Identify & actively pursue innovative, fun, outside-of-the-box ways to support residential reinvestment
- Build a Culture of Innovation— Build a culture of innovation that values agility, risk-taking and thinking differently to make improvements that saves time, money or make the City more effective.

***Culture: Dynamic & Fun***

Sugar Land delivers a broad range of destination venues, facilities, and businesses that offer entertainment and activities for residents and visitors, including:

- Performance venues
- Youth and adult sports and recreation
- Unique retail, restaurant, and hospitality environments
- Events and outdoor celebrations

*All-In Initiative:*

- Expansion of Placemaking & Events Program— Create new and unique spaces and places for the community to entertain, gather, play, and eat.

***Transportation: Connected & Convenient***

Sugar Land takes a multifaceted approach by innovating mobility to connect people, places, and the future through:

- Sustained investment in mobility infrastructure with multiple funding sources/ partners
- Strong regional partnerships and relationships

- Aggressive use of technology for traffic management and communications
- Planning for mobility in redevelopment to balance the impact
- Sustained community engagement to provide feedback on mobility and understand investment priorities

*All-In Initiative:*

- None

### ***Community: Safe & Secure***

Sugar Land is a safe community that enhances the quality of life for residents and visitors by:

- Being ranked as the safest city in the nation
- Leveraging the latest innovative technology to address criminal activity
- Ensuring proper training and equipment to effectively respond to emergency events
- Providing world-class fire and EMS response
- Securing municipal facilities and IT infrastructure

*All-In Initiative:*

- Public Safety Equipment, Staffing & Morale— Work creatively and collaboratively to enhance & support the public safety departments.

### ***Government: Respected & Influential***

Sugar Land is respected for having strong relationships with our community and at all levels of government because we:

- Have a bold vision and transparent governance
- Deliver on our commitment to the public
- Consistently focus on people over politics
- Demonstrate innovative leadership in local government best practices

*All-In Initiatives:*

- Organizational Culture Change— Create a family-oriented, welcoming work environment to better the City's culture internally for all employees and enhance the delivery of exemplary public service to our stakeholders.
- Update Facilities Master Plan & Workspace Redesign— Create a workspace redesign plan that supports the City's organizational culture and creates spaces for collaboration.
- Capturing City Operations Through Performance Measures—Developing effective ways to better understand what we do, why we do it, who our audience is and how effective we are will lead to improved efficiencies, customer experiences and refined services.

### ***People: Welcoming & Engaged***

Sugar Land builds relationships within our community through:

- Big, bold visions and engagement efforts that help us understand how we can better care for our neighbors
- Welcoming diverse opinions
- Creating opportunities for hard conversations by facilitating open dialogue

*All-In Initiatives:*

- Enhance the Community Engagement Program— Enhance the City’s Community engagement approach while gathering feedback from stakeholder groups to see what is working and what new innovative ideas can result in increased trust and participation from our community.
- Cemetery & Museum Enhancements—Support & Bring Awareness to the history of the Sugar Land area through enhancing the Old Imperial Farm Cemetery & the Sugar Land Heritage Museum

# Staffing Levels

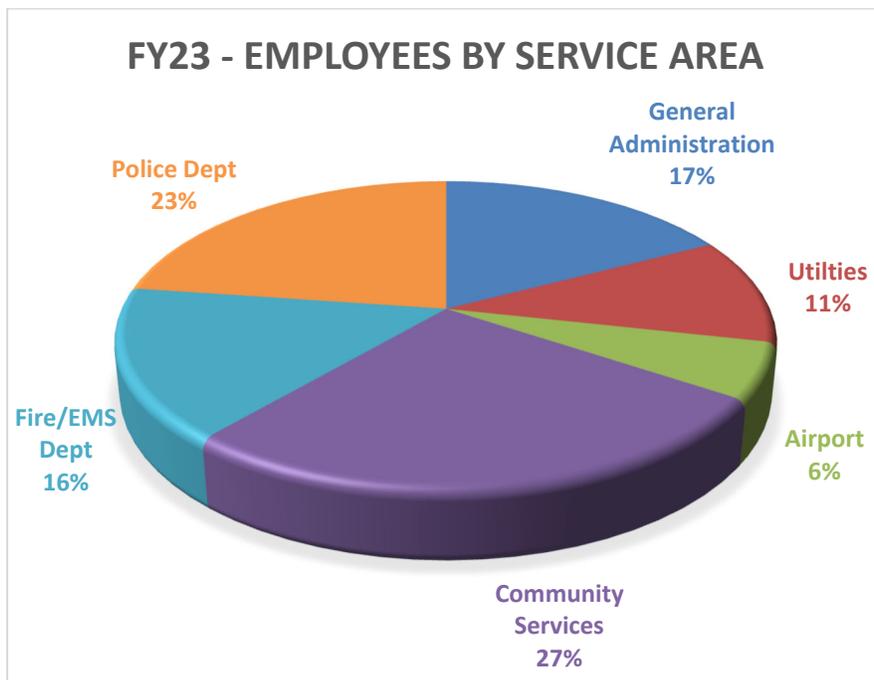
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## FY23 Budget

The number of budgeted Full Time Equivalent (FTE) positions in FY23 Budget totals 873.80.

## Employees by Service Areas

The chart below illustrates the 873.80 FTE count by Service Area. General Administration is comprised of General Government, Tourism and Finance. Community Services is comprised of Public Works, Environmental & Neighborhood Services, Parks & Recreation, Engineering, Public Safety Dispatch, and Planning & Development. Utilities include Solid Waste and Utility System. In FY23 23 new FTEs were added to the budget to support Fire/EMS, Utilities, Tourism, Fleet, Planning, Storm Water and Economic Development.



## Historical Detail of Authorized Full-Time Equivalents

Position Title	FY21 Budget	FY22 Base Budget	FY22 Adjustment	FY23 Base Budget	FY23 Adjustments	FY23 Budget
Administrative Manager	1.00	1.00	-	1.00	-	1.00
Assistant to the City Manager	1.00	1.00	-	1.00	-	1.00
City Manager	1.00	1.00	-	1.00	-	1.00
Executive Assistant	2.00	2.00	(2.00)	-	-	-
Director of Public & Government Affairs	1.00	1.00	(1.00)	-	-	-
<b>City Manager</b>	<b>6.00</b>	<b>6.00</b>	<b>(3.00)</b>	<b>3.00</b>	-	<b>3.00</b>
Assistant City Manager	3.00	2.00	-	2.00	-	2.00
Director of Special Projects	1.00	1.00	-	1.00	-	1.00
Deputy City Manager	-	1.00	-	1.00	-	1.00
Executive Assistant	2.00	2.00	-	2.00	-	2.00
<b>Assistant City Managers</b>	<b>6.00</b>	<b>6.00</b>	-	<b>6.00</b>	-	<b>6.00</b>
Strategic Planning & Philanthropy Manager	1.00	-	-	-	-	-
<b>Strategic Planning</b>	<b>1.00</b>	-	-	-	-	-
Administrator, Emergency Management	1.00	1.00	-	1.00	-	1.00
Emergency Mgmt Specialist	1.00	1.00	-	1.00	-	1.00
<b>Emergency Management</b>	<b>2.00</b>	<b>2.00</b>	-	<b>2.00</b>	-	<b>2.00</b>
Intergov'tl Relations Manager	1.00	1.00	-	1.00	-	1.00
<b>Intergovernmental Relations</b>	<b>1.00</b>	<b>1.00</b>	-	<b>1.00</b>	-	<b>1.00</b>
Administrative Assistant - PT	1.00	1.00	-	1.00	-	1.00
Agenda Coordinator	1.00	1.00	-	1.00	-	1.00
City Secretary	1.00	1.00	-	1.00	-	1.00
Government Information Analyst	1.00	1.00	-	1.00	-	1.00
Department Specialist	1.00	1.00	-	1.00	-	1.00
Deputy City Secretary	1.00	1.00	-	1.00	-	1.00
Information Process Technician	1.00	1.00	-	1.00	-	1.00
Records Analyst	1.00	1.00	-	1.00	-	1.00
Records Manager	1.00	1.00	-	1.00	-	1.00
<b>City Secretary</b>	<b>9.00</b>	<b>9.00</b>	-	<b>9.00</b>	-	<b>9.00</b>
Director of Public & Governmental Affairs	-	-	1.00	1.00	-	1.00
Public & Government Affairs Executive Assistant	-	-	1.00	1.00	-	1.00
<b>Public &amp; Government Affairs</b>	-	-	<b>2.00</b>	<b>2.00</b>	-	<b>2.00</b>
Community Engagement Coordinator	1.00	1.00	-	1.00	-	1.00
Community Engagement Manager	1.00	1.00	-	1.00	-	1.00
Public Affairs Strategist	-	-	1.00	1.00	-	1.00
<b>Public Affairs</b>	<b>2.00</b>	<b>2.00</b>	<b>1.00</b>	<b>3.00</b>	-	<b>3.00</b>
311 Contact Center Ambassadors	6.20	6.20	(0.70)	5.50	-	5.50
311 Contact Center Supervisor	1.00	1.00	-	1.00	-	1.00
311 Quality Assurance Coordinator	-	-	1.00	1.00	-	1.00
Customer Service Manager	1.00	1.00	-	1.00	-	1.00
<b>311 Contact Center</b>	<b>8.20</b>	<b>8.20</b>	<b>0.30</b>	<b>8.50</b>	-	<b>8.50</b>
Assistant Communications Director	1.00	1.00	-	1.00	-	1.00
Communications Director	1.00	1.00	-	1.00	-	1.00
Community Engagement Specialist	-	-	1.00	1.00	-	1.00
Content Strategist	1.00	1.00	-	1.00	-	1.00
Digital Communications Manager, Video Production	1.00	1.00	-	1.00	-	1.00
Digital Communications Manager	1.00	1.00	-	1.00	-	1.00
Digital Communications Manager, Web Branding	1.00	1.00	(1.00)	-	-	-
Digital Journalist	1.00	1.00	-	1.00	-	1.00
Media Producer	-	-	1.00	1.00	-	1.00
Media Producer - P	-	-	1.00	1.00	-	1.00
Executive Assistant	1.00	1.00	(1.00)	-	-	-
Graphic Designer/Branding Specialist	1.00	1.00	-	1.00	-	1.00
<b>Community Engagement</b>	<b>9.00</b>	<b>9.00</b>	<b>1.00</b>	<b>10.00</b>	-	<b>10.00</b>

Position Title	FY21	FY22	FY22	FY23	FY23	FY23
	Budget	Base Budget	Adjustment	Base Budget	Adjustments	Budget
Administrative Manager	1.00	1.00	1.00	2.00	-	2.00
Assistant Director of HR	1.00	1.00	-	1.00	-	1.00
Department Specialist	1.00	1.00	-	1.00	-	1.00
Director of Human Resources	1.00	1.00	-	1.00	-	1.00
Employee Engagement & Wellness Coordinator - P	1.00	1.00	-	1.00	-	1.00
Employee Engagement & Wellness Manager	-	1.00	-	1.00	-	1.00
HR Business Partner	3.00	3.00	-	3.00	-	3.00
Sr. HR Business Partner	-	-	1.00	1.00	-	1.00
Human Resources Manager	1.00	1.00	(1.00)	-	-	-
Risk Manager	1.00	1.00	-	1.00	-	1.00
Safety & Risk Coordinator	1.00	1.00	-	1.00	-	1.00
<b>Human Resources</b>	<b>11.00</b>	<b>12.00</b>	<b>1.00</b>	<b>13.00</b>	<b>-</b>	<b>13.00</b>
Administrative Manager	-	-	1.00	1.00	-	1.00
Assistant City Attorney - P	4.00	4.00	(1.00)	3.00	-	3.00
Assistant City Attorney	-	-	1.00	1.00	-	1.00
City Attorney	1.00	1.00	-	1.00	-	1.00
Executive Assistant	1.00	1.00	(1.00)	-	-	-
First Assistant City Attorney	-	-	1.00	1.00	-	1.00
Sr. Assistant City Attorney	1.00	1.00	(1.00)	-	-	-
<b>City Attorney</b>	<b>7.00</b>	<b>7.00</b>	<b>-</b>	<b>7.00</b>	<b>-</b>	<b>7.00</b>
Administrative Coordinator	1.00	1.00	-	1.00	-	1.00
Application Developer II	1.00	1.00	(1.00)	-	-	-
Application Developer III	2.00	2.00	1.00	3.00	-	3.00
Director of Information Technology, Data, and Security	1.00	1.00	-	1.00	-	1.00
IT Manager	1.00	1.00	-	1.00	-	1.00
End User Support Specialist	4.00	4.00	-	4.00	-	4.00
G.I.S. Analyst	1.00	1.00	-	1.00	-	1.00
G.I.S. Specialist	2.00	2.00	-	2.00	-	2.00
Sr. G.I.S. Specialist	1.00	1.00	-	1.00	-	1.00
IT Manager	1.00	1.00	-	1.00	-	1.00
IT Project Manager	1.00	1.00	(1.00)	-	-	-
IT Project Manager - ERP - P	1.00	1.00	-	1.00	-	1.00
IT Manager	1.00	1.00	-	1.00	-	1.00
Sr. Project Manager	1.00	1.00	(1.00)	-	-	-
Business Intelligence Lead	-	-	1.00	1.00	-	1.00
System Administrator	3.00	3.00	1.00	4.00	-	4.00
Business Systems Analyst	1.00	1.00	-	1.00	-	1.00
Telecommunications Specialist	1.00	1.00	-	1.00	-	1.00
User Services Supervisor	1.00	1.00	-	1.00	-	1.00
<b>Information Technology</b>	<b>25.00</b>	<b>25.00</b>	<b>-</b>	<b>25.00</b>	<b>-</b>	<b>25.00</b>
Business Intelligence Lead	1.00	1.00	(1.00)	-	-	-
Chief Innovation Officer	1.00	1.00	-	1.00	-	1.00
Innovation Administrative Assistant P/T	-	-	0.50	0.50	-	0.50
Innovation Manager	2.00	2.00	-	2.00	-	2.00
Innovation Strategist	-	1.00	-	1.00	-	1.00
Management Analyst I - P	4.00	3.00	-	3.00	-	3.00
Performance Analyst	1.00	1.00	-	1.00	-	1.00
<b>Department of Innovation</b>	<b>9.00</b>	<b>9.00</b>	<b>(0.50)</b>	<b>8.50</b>	<b>-</b>	<b>8.50</b>

Position Title	FY21 Budget	FY22 Base Budget	FY22 Adjustment	FY23 Base Budget	FY23 Adjustments	FY23 Budget
Assistant Dir. Of Economic Dev.	1.50	1.50	-	1.50	0.50	2.00
Business Development Manager	1.00	1.00	-	1.00	-	1.00
Business Development Associate	1.00	1.00	-	1.00	-	1.00
Cultural Arts Manager	0.50	0.50	-	0.50	0.50	1.00
Director of Economic Development	1.00	1.00	-	1.00	-	1.00
Economic Development Coordinator - P	1.00	1.00	-	1.00	-	1.00
Economic Development Coordinator	-	-	-	-	1.00	1.00
Executive Assistant	1.00	1.00	-	1.00	-	1.00
Economic Development Assistant - P	-	-	-	-	1.00	1.00
Community Development Coordinator	-	-	-	-	2.00	2.00
Cultural Arts Coordinator	-	-	-	-	1.00	1.00
Public/Private Partnership Manager	1.00	1.00	-	1.00	-	1.00
Tourism & Visitor Services Manager	-	-	-	-	0.50	0.50
Visitor Services Supervisor	-	-	-	-	0.50	0.50
Visitor Service Specialist (P/T)	-	-	-	-	0.25	0.25
<b>Economic Development</b>	<b>8.00</b>	<b>8.00</b>	<b>-</b>	<b>8.00</b>	<b>7.25</b>	<b>15.25</b>
Director of Budget & Strategy	-	1.00	-	1.00	-	1.00
Strategic Planning & Philanthropy Manager	-	1.00	(1.00)	-	-	-
Budget & Strategy Manager	1.00	-	2.00	2.00	-	2.00
Sr. Budget Analyst	1.00	1.00	(1.00)	-	-	-
Sr. Budget & Strategy Analyst	-	-	2.00	2.00	-	2.00
Financial Analyst	1.00	1.00	(1.00)	-	-	-
Budget Analyst	2.00	2.00	(2.00)	-	-	-
Budget Analyst - P	1.00	1.00	(1.00)	-	-	-
Budget & Strategy Analyst	-	-	2.00	2.00	-	2.00
<b>Budget &amp; Strategy</b>	<b>6.00</b>	<b>7.00</b>	<b>-</b>	<b>7.00</b>	<b>-</b>	<b>7.00</b>
<b>General Government Total</b>	<b>110.20</b>	<b>111.20</b>	<b>1.80</b>	<b>113.00</b>	<b>7.25</b>	<b>120.25</b>
Director of Finance	1.00	1.00	-	1.00	-	1.00
Deputy Director of Finance	-	1.00	-	1.00	-	1.00
Assistant Director of Finance	1.00	-	-	-	-	-
Finance Manager	-	1.00	-	1.00	-	1.00
Grants Officer	1.00	1.00	-	1.00	-	1.00
Sr. Administrative Assistant	1.00	1.00	-	1.00	-	1.00
<b>Finance Administration</b>	<b>4.00</b>	<b>5.00</b>	<b>-</b>	<b>5.00</b>	<b>-</b>	<b>5.00</b>
Accountant I & II	1.00	1.00	(1.00)	-	-	-
Accounting Supervisor	1.00	-	-	-	-	-
Accounts Payable Specialist	1.50	1.50	-	1.50	-	1.50
Sr. Accounts Payable Specialist	2.00	2.00	-	2.00	-	2.00
Accounts Payable Supervisor	1.00	1.00	-	1.00	-	1.00
Controller	1.00	1.00	-	1.00	-	1.00
Deputy Controller	1.00	2.00	-	2.00	-	2.00
Principal Accountant	1.00	2.00	1.00	3.00	-	3.00
Sr. Accountant	2.00	2.00	-	2.00	-	2.00
Sr. Administrative Assistant	1.00	1.00	-	1.00	-	1.00
<b>Accounting</b>	<b>12.50</b>	<b>13.50</b>	<b>-</b>	<b>13.50</b>	<b>-</b>	<b>13.50</b>
Contracts Coordinator	2.00	2.00	-	2.00	-	2.00
Contracts Manager	1.00	1.00	-	1.00	-	1.00
Department Specialist	3.00	3.00	-	3.00	-	3.00
Purchasing Manager	1.00	1.00	-	1.00	-	1.00
<b>Purchasing</b>	<b>7.00</b>	<b>7.00</b>	<b>-</b>	<b>7.00</b>	<b>-</b>	<b>7.00</b>

Position Title	FY21 Budget	FY22 Base Budget	FY22 Adjustment	FY23 Base Budget	FY23 Adjustments	FY23 Budget
Administrative Assistant	1.00	1.00	-	1.00	-	1.00
Compliance Collections Supervisor	1.00	1.00	-	1.00	-	1.00
Court Clerk	3.00	3.00	-	3.00	-	3.00
Court Docket Specialist	1.00	1.00	-	1.00	-	1.00
Court Services Supervisor	1.00	1.00	-	1.00	-	1.00
Compliance Collections Specialist	1.00	1.00	-	1.00	-	1.00
Deputy Court Administrator	1.00	1.00	-	1.00	-	1.00
Municipal Court Administrator	1.00	1.00	-	1.00	-	1.00
Municipal Court Judge	1.00	1.00	-	1.00	-	1.00
Sr. Court Clerk	1.00	1.00	-	1.00	-	1.00
Warrant Coordinator	1.00	1.00	-	1.00	-	1.00
<b>Municipal Court</b>	<b>13.00</b>	<b>13.00</b>	<b>-</b>	<b>13.00</b>	<b>-</b>	<b>13.00</b>
<b>Finance Department Total</b>	<b>36.50</b>	<b>38.50</b>	<b>-</b>	<b>38.50</b>	<b>-</b>	<b>38.50</b>
Administrative Manager	0.50	0.50	-	0.50	-	0.50
Assistant Director of Public Works	1.00	1.00	-	1.00	-	1.00
Director of Public Works	0.50	0.50	-	0.50	-	0.50
Executive Director	-	0.50	-	0.50	-	0.50
Executive Assistant	-	-	1.00	1.00	-	1.00
Sr. Administrative Assistant	1.00	1.00	(1.00)	-	-	-
<b>Public Works Administration</b>	<b>3.00</b>	<b>3.50</b>	<b>-</b>	<b>3.50</b>	<b>-</b>	<b>3.50</b>
Crew Chief	6.00	6.00	-	6.00	(1.00)	5.00
Operational Manager	1.00	1.00	-	1.00	(1.00)	-
Field Supervisor	3.00	3.00	-	3.00	-	3.00
General Maintenance Worker (I & II)	11.00	11.00	-	11.00	(2.00)	9.00
Project Manager	1.00	1.00	-	1.00	-	1.00
Street/Drainage Superintendent	1.00	1.00	-	1.00	-	1.00
<b>Street &amp; Drainage Maintenance</b>	<b>23.00</b>	<b>23.00</b>	<b>-</b>	<b>23.00</b>	<b>(4.00)</b>	<b>19.00</b>
ROW Service Manager	1.00	1.00	-	1.00	-	1.00
Crew Chief	4.00	4.00	-	4.00	-	4.00
Field Supervisor	1.00	1.00	-	1.00	-	1.00
Irrigation Technician	1.00	1.00	-	1.00	-	1.00
General Maintenance Worker (I & II)	12.00	12.00	-	12.00	-	12.00
Streetscape Manager	1.00	1.00	-	1.00	-	1.00
<b>ROW Maintenance</b>	<b>20.00</b>	<b>20.00</b>	<b>-</b>	<b>20.00</b>	<b>-</b>	<b>20.00</b>
Engineer (I)	1.00	1.00	-	1.00	-	1.00
Field Supervisor	2.00	2.00	-	2.00	-	2.00
City Traffic Engineer	1.00	1.00	-	1.00	-	1.00
ITS Operations Manager	1.00	1.00	-	1.00	-	1.00
Traffic Mgmt Center Analyst	1.00	1.00	-	1.00	-	1.00
Traffic Mgmt Center Operator	1.00	1.00	-	1.00	-	1.00
Traffic Operations Manager	1.00	1.00	-	1.00	-	1.00
Traffic Technician (I & II)	7.00	7.00	-	7.00	-	7.00
<b>Traffic Operations</b>	<b>15.00</b>	<b>15.00</b>	<b>-</b>	<b>15.00</b>	<b>-</b>	<b>15.00</b>
<b>Public Works Total</b>	<b>61.00</b>	<b>61.50</b>	<b>-</b>	<b>61.50</b>	<b>(4.00)</b>	<b>57.50</b>
Administrative Manager	1.00	1.00	-	1.00	-	1.00
Assistant Director of Parks & Recreation	2.00	2.00	-	2.00	-	2.00
Director of Parks & Recreation	1.00	1.00	-	1.00	-	1.00
Sr. Administrative Assistant	1.00	1.00	-	1.00	-	1.00
<b>Parks Administration</b>	<b>5.00</b>	<b>5.00</b>	<b>-</b>	<b>5.00</b>	<b>-</b>	<b>5.00</b>
Crew Chief	4.00	4.00	-	4.00	-	4.00
Field Supervisor	1.00	1.00	-	1.00	-	1.00
General Maintenance Worker (I & II)	8.00	8.00	-	8.00	-	8.00
Parks Superintendent	1.00	1.00	-	1.00	-	1.00
Parks Development Manager	1.00	1.00	-	1.00	-	1.00
Park Ambassador - PT	0.50	0.50	-	0.50	-	0.50
<b>Parks Development</b>	<b>15.50</b>	<b>15.50</b>	<b>-</b>	<b>15.50</b>	<b>-</b>	<b>15.50</b>
Event Coordinator	1.00	1.00	-	1.00	-	1.00
Event Coordinator - PT	1.00	1.00	(0.50)	0.50	-	0.50
Event Production Manager	1.00	1.00	-	1.00	-	1.00
<b>Special Events</b>	<b>3.00</b>	<b>3.00</b>	<b>(0.50)</b>	<b>2.50</b>	<b>-</b>	<b>2.50</b>

Position Title	FY21 Budget	FY22 Base Budget	FY22 Adjustment	FY23 Base Budget	FY23 Adjustments	FY23 Budget
Administrative Assistant	1.00	1.00	-	1.00	-	1.00
Administrative Coordinator	-	-	1.00	1.00	-	1.00
Administrative Supervisor	1.00	1.00	-	1.00	-	1.00
Day Camp Counselor (temp/seasonal)	1.75	1.75	-	1.75	-	1.75
Day Camp Lead Counselor (temp/seasonal)	0.50	0.50	-	0.50	-	0.50
Day Camp Supervisor (temp/seasonal)	0.25	0.25	-	0.25	-	0.25
Parks Ambassador - PT	1.80	1.80	(1.80)	-	-	-
Parks Facility Technician	1.00	1.00	-	1.00	-	1.00
Recreation Manager	1.00	1.00	(1.00)	-	-	-
Recreation Coordinator	4.00	4.00	(4.00)	-	-	-
Recreation Specialist - PT	3.00	3.00	(1.00)	2.00	-	2.00
<b>Recreation</b>	<b>15.30</b>	<b>15.30</b>	<b>(6.80)</b>	<b>8.50</b>	-	<b>8.50</b>
Recreation Specialist - PT	-	-	0.50	0.50	-	0.50
Recreation Coordinator	-	-	1.00	1.00	-	1.00
Recreation Supervisor	-	-	1.00	1.00	-	1.00
<b>Seniors Programs</b>	-	-	<b>2.50</b>	<b>2.50</b>	-	<b>2.50</b>
Recreation Coordinator	-	-	1.00	1.00	-	1.00
Recreation Supervisor	-	-	1.00	1.00	-	1.00
Recreation Manager	-	-	1.00	1.00	-	1.00
Park Ambassador - PT	-	-	1.80	1.80	-	1.80
<b>Imperial Park Recreation Center</b>	-	-	<b>4.80</b>	<b>4.80</b>	-	<b>4.80</b>
<b>Parks &amp; Recreation Total</b>	<b>38.80</b>	<b>38.80</b>	-	<b>38.80</b>	-	<b>38.80</b>
Director of Planning and Development Services	1.00	1.00	-	1.00	-	1.00
<b>Community Development Administration</b>	<b>1.00</b>	<b>1.00</b>	-	<b>1.00</b>	-	<b>1.00</b>
City Planner - Development	1.00	1.00	-	1.00	-	1.00
Development Review Coordinator	2.00	2.00	-	2.00	-	2.00
Planner I	1.00	1.00	-	1.00	-	1.00
Planner II	-	-	1.00	1.00	-	1.00
Principal Planner	1.00	1.00	-	1.00	-	1.00
Sr. Planner	1.00	1.00	(1.00)	-	-	-
<b>Planning &amp; Development</b>	<b>6.00</b>	<b>6.00</b>	-	<b>6.00</b>	-	<b>6.00</b>
City Planner - Long Range Plan	1.00	1.00	-	1.00	-	1.00
Administrative Coordinator	1.00	1.00	-	1.00	-	1.00
Long Range Planner	-	-	-	-	1.00	1.00
Planner II	-	-	1.00	1.00	-	1.00
Sr. Planner	2.00	2.00	(1.00)	1.00	-	1.00
<b>Transportation &amp; Long Range Planning</b>	<b>4.00</b>	<b>4.00</b>	-	<b>4.00</b>	<b>1.00</b>	<b>5.00</b>
Administrative Manager	1.00	1.00	-	1.00	-	1.00
Deputy Building Official	2.00	2.00	(1.00)	1.00	-	1.00
Permits Supervisor	1.00	1.00	-	1.00	-	1.00
Sr. Permit Technician	2.00	2.00	(2.00)	-	-	-
Permits Technician	3.00	3.00	2.00	5.00	-	5.00
Plans Examiner	1.00	1.00	-	1.00	-	1.00
Program Manager - P	-	-	1.00	1.00	-	1.00
Temporary Help	0.25	0.25	-	0.25	-	0.25
<b>Permits</b>	<b>10.25</b>	<b>10.25</b>	-	<b>10.25</b>	-	<b>10.25</b>
Deputy Building Official	-	-	1.00	1.00	-	1.00
Building Inspector	3.00	3.00	(1.00)	2.00	-	2.00
Sr. Building Inspector	3.00	3.00	1.00	4.00	-	4.00
<b>Inspections</b>	<b>6.00</b>	<b>6.00</b>	<b>1.00</b>	<b>7.00</b>	-	<b>7.00</b>
<b>Planning &amp; Development Services Total</b>	<b>27.25</b>	<b>27.25</b>	<b>1.00</b>	<b>28.25</b>	<b>1.00</b>	<b>29.25</b>

Position Title	FY21 Budget	FY22 Base Budget	FY22 Adjustment	FY23 Base Budget	FY23 Adjustments	FY23 Budget
Administrative Coordinator	1.00	1.00	-	1.00	-	1.00
Sr. Administrative Coordinator	1.00	1.00	-	1.00	-	1.00
Assistant City Engineer	2.00	2.00	-	2.00	-	2.00
City Engineer	1.00	1.00	-	1.00	-	1.00
Construction Inspector	4.00	3.00	-	3.00	-	3.00
Construction Manager	1.00	1.00	-	1.00	-	1.00
Engineer (I, II, III, IV)	3.00	3.00	-	3.00	-	3.00
Engineering Manager	1.00	1.00	-	1.00	-	1.00
Manager, Vertical Construction	1.00	1.00	-	1.00	-	1.00
Project Manager	1.00	1.00	-	1.00	-	1.00
Sr. Project Manager	2.00	2.00	-	2.00	-	2.00
Real Property Manager	1.00	1.00	-	1.00	-	1.00
Sr. Construction Inspector	1.00	2.00	-	2.00	-	2.00
Sr. Engineer Manager	2.00	2.00	-	2.00	-	2.00
Transportation & Mobility Innovations Manager	1.00	1.00	-	1.00	-	1.00
Transportation & Mobility Innovations Analyst	1.00	1.00	-	1.00	-	1.00
<b>Engineering</b>	<b>24.00</b>	<b>24.00</b>	<b>-</b>	<b>24.00</b>	<b>-</b>	<b>24.00</b>
Asset & Operations Manager	1.00	1.00	-	1.00	-	1.00
<b>Asset Management</b>	<b>1.00</b>	<b>1.00</b>	<b>-</b>	<b>1.00</b>	<b>-</b>	<b>1.00</b>
<b>Total Engineering</b>	<b>25.00</b>	<b>25.00</b>	<b>-</b>	<b>25.00</b>	<b>-</b>	<b>25.00</b>
Assistant Director of ENS	2.00	2.00	-	2.00	-	2.00
Director of Environmental & Neighborhood Services	1.00	1.00	-	1.00	-	1.00
<b>ENS Administration</b>	<b>3.00</b>	<b>3.00</b>	<b>-</b>	<b>3.00</b>	<b>-</b>	<b>3.00</b>
Administrative Assistant	1.00	1.00	-	1.00	-	1.00
Automotive Technician (I & II)	5.00	5.00	-	5.00	-	5.00
Fleet Services Clerk	1.00	1.00	-	1.00	-	1.00
Fleet Services Supervisor	1.00	1.00	-	1.00	-	1.00
Fleet Services Manager	1.00	1.00	-	1.00	-	1.00
<b>Fleet Services</b>	<b>9.00</b>	<b>9.00</b>	<b>-</b>	<b>9.00</b>	<b>-</b>	<b>9.00</b>
Administrative Coordinator	1.00	1.00	-	1.00	-	1.00
Mail Courier	1.00	1.00	-	1.00	-	1.00
Facilities Services Manager	1.00	1.00	-	1.00	-	1.00
Facilities Services Supervisor	1.00	1.00	-	1.00	-	1.00
Facility Services Technician	2.00	2.00	-	2.00	-	2.00
Sr. Facility Services Tech	4.00	4.00	-	4.00	-	4.00
Emergency Vehicle Tech	-	-	-	-	1.00	1.00
<b>Facilities Management</b>	<b>10.00</b>	<b>10.00</b>	<b>-</b>	<b>10.00</b>	<b>1.00</b>	<b>11.00</b>
Administrative Coordinator	1.00	1.00	-	1.00	-	1.00
Animal Services Manager	1.00	1.00	-	1.00	-	1.00
Animal Services Officer (I & II)	4.00	4.00	-	4.00	-	4.00
Animal Shelter Supervisor	1.00	1.00	-	1.00	-	1.00
Field Supervisor	1.00	1.00	-	1.00	-	1.00
Kennel Technician - P/T	1.50	1.50	-	1.50	-	1.50
Kennel Technician	1.00	1.00	-	1.00	-	1.00
Veterinary Technician	1.00	1.00	-	1.00	-	1.00
<b>Animal Services</b>	<b>11.50</b>	<b>11.50</b>	<b>-</b>	<b>11.50</b>	<b>-</b>	<b>11.50</b>
Stormwater Coordinator	1.00	1.00	-	1.00	(1.00)	-
Environmental Services Inspector	0.50	0.50	-	0.50	(0.50)	-
<b>Stormwater Management</b>	<b>1.50</b>	<b>1.50</b>	<b>-</b>	<b>1.50</b>	<b>(1.50)</b>	<b>-</b>
Food Inspection Coordinator	1.00	1.00	-	1.00	-	1.00
Food Inspection Manager	1.00	1.00	-	1.00	-	1.00
Sanitarian	2.00	2.00	-	2.00	-	2.00
<b>Food Inspection</b>	<b>4.00</b>	<b>4.00</b>	<b>-</b>	<b>4.00</b>	<b>-</b>	<b>4.00</b>
Code Compliance Manager	1.00	1.00	-	1.00	-	1.00
Code Enforcement Inspector	4.00	4.00	-	4.00	-	4.00
Department Specialist	1.00	1.00	-	1.00	-	1.00
<b>Code Enforcement</b>	<b>6.00</b>	<b>6.00</b>	<b>-</b>	<b>6.00</b>	<b>-</b>	<b>6.00</b>

Position Title	FY21 Budget	FY22 Base Budget	FY22 Adjustment	FY23 Base Budget	FY23 Adjustments	FY23 Budget
Code Compliance Coordinator	1.00	1.00	-	1.00	-	1.00
Code Enforcement Inspector	1.00	1.00	-	1.00	-	1.00
Residential Rental Inspector	1.00	1.00	-	1.00	-	1.00
<b>Rental Registration</b>	<b>3.00</b>	<b>3.00</b>	-	<b>3.00</b>	-	<b>3.00</b>
<b>Environmental and Neighborhood Services Total</b>	<b>48.00</b>	<b>48.00</b>	-	<b>48.00</b>	<b>(0.50)</b>	<b>47.50</b>
Administrative Manager	0.50	0.50	-	0.50	-	0.50
Assistant Police Chief	2.00	2.00	-	2.00	-	2.00
Crime Analyst	2.00	2.00	-	2.00	-	2.00
Police Chief	1.00	1.00	-	1.00	-	1.00
Executive Assistant	-	-	1.00	1.00	-	1.00
Sr. Administrative Assistant	2.00	2.00	(1.00)	1.00	-	1.00
<b>Police Administration</b>	<b>7.50</b>	<b>7.50</b>	-	<b>7.50</b>	-	<b>7.50</b>
Administrative Assistant	1.00	1.00	-	1.00	-	1.00
Administrative Manager	0.50	0.50	-	0.50	-	0.50
Police Captain	1.00	1.00	-	1.00	-	1.00
Police Lieutenant	1.00	1.00	1.00	2.00	-	2.00
Police Officer	13.60	13.60	-	13.60	0.40	14.00
Police Sergeant	2.00	2.00	1.00	3.00	-	3.00
<b>Support Services Bureau</b>	<b>19.10</b>	<b>19.10</b>	<b>2.00</b>	<b>21.10</b>	<b>0.40</b>	<b>21.50</b>
Administrative Assistant	1.00	1.00	-	1.00	-	1.00
Police Captain	1.00	1.00	-	1.00	-	1.00
Police Lieutenant	1.00	1.00	-	1.00	-	1.00
Police Sergeant	2.00	2.00	-	2.00	-	2.00
Records Clerk	5.00	5.00	-	5.00	-	5.00
Records Manager	1.00	1.00	-	1.00	-	1.00
<b>Professional Services</b>	<b>11.00</b>	<b>11.00</b>	-	<b>11.00</b>	-	<b>11.00</b>
Administrative Assistant	1.00	1.00	-	1.00	-	1.00
Police Captain	1.00	1.00	-	1.00	-	1.00
Police Lieutenant	7.00	7.00	(1.00)	6.00	-	6.00
Police Officer	92.00	92.00	1.00	93.00	1.00	94.00
Police Sergeant	20.00	20.00	(1.00)	19.00	-	19.00
<b>Patrol</b>	<b>121.00</b>	<b>121.00</b>	<b>(1.00)</b>	<b>120.00</b>	<b>1.00</b>	<b>121.00</b>
Administrative Assistant	1.00	1.00	-	1.00	-	1.00
Asst. Victim Services Liaison - P/T	0.50	0.50	(0.50)	-	-	-
Victim Services Coordinator	-	-	1.00	1.00	-	1.00
Crime Scene Technician	3.00	3.00	-	3.00	-	3.00
Police Captain	1.00	1.00	-	1.00	-	1.00
Police Lieutenant	1.00	1.00	-	1.00	-	1.00
Police Officer	22.00	22.00	(1.00)	21.00	-	21.00
Police Sergeant	4.00	4.00	-	4.00	-	4.00
Warrant Clerk	1.00	1.00	-	1.00	-	1.00
<b>Criminal Investigations</b>	<b>33.50</b>	<b>33.50</b>	<b>(0.50)</b>	<b>33.00</b>	-	<b>33.00</b>
Detention Officer	5.00	5.00	-	5.00	-	5.00
Police Sergeant	1.00	1.00	-	1.00	-	1.00
<b>Detention Center</b>	<b>6.00</b>	<b>6.00</b>	-	<b>6.00</b>	-	<b>6.00</b>
<b>Police Department Total</b>	<b>198.10</b>	<b>198.10</b>	<b>0.50</b>	<b>198.60</b>	<b>1.40</b>	<b>200.00</b>
PS Dispatch Shift Supervisor	6.00	6.00	-	6.00	-	6.00
Public Safety Dispatch Director	1.00	1.00	-	1.00	-	1.00
Public Safety Dispatch Manager	2.00	2.00	-	2.00	-	2.00
Public Safety Dispatch Recruit	6.50	6.50	-	6.50	-	6.50
Public Safety Dispatcher (I & II)	18.00	18.00	-	18.00	-	18.00
Quality Assurance Coordinator	-	-	1.00	1.00	-	1.00
Quality Assurance Supervisor	1.00	1.00	(1.00)	-	-	-
<b>Public Safety Dispatch Total</b>	<b>34.50</b>	<b>34.50</b>	-	<b>34.50</b>	-	<b>34.50</b>

Position Title	FY21 Budget	FY22 Base Budget	FY22 Adjustment	FY23 Base Budget	FY23 Adjustments	FY23 Budget
Administrative Coordinator	1.00	1.00	-	1.00	-	1.00
Administrative Manager	1.00	1.00	-	1.00	-	1.00
Administrative Assistant	3.00	3.00	(1.00)	2.00	-	2.00
Assistant Director	-	-	1.00	1.00	-	1.00
Department Analyst	1.00	1.00	-	1.00	-	1.00
Fire Chief	1.00	1.00	-	1.00	-	1.00
Sr. Administrative Assistant	-	-	1.00	1.00	-	1.00
<b>Fire Administration</b>	<b>7.00</b>	<b>7.00</b>	<b>1.00</b>	<b>8.00</b>	-	<b>8.00</b>
Assistant Fire Chief	2.00	2.00	(1.00)	1.00	-	1.00
Battalion Chief	6.00	6.00	-	6.00	-	6.00
Fire Captain	3.00	3.00	1.00	4.00	-	4.00
Fire Driver	21.00	21.00	-	21.00	-	21.00
Fire Lieutenant	23.00	23.00	-	23.00	-	23.00
Firefighter	60.00	60.00	-	60.00	9.00	69.00
<b>Emergency Services</b>	<b>115.00</b>	<b>115.00</b>	-	<b>115.00</b>	<b>9.00</b>	<b>124.00</b>
Asst. Fire Chief	1.00	1.00	-	1.00	-	1.00
Asst. Fire Marshal	1.00	1.00	-	1.00	-	1.00
Fire Captain	1.00	1.00	(1.00)	-	-	-
Fire Lieutenant	6.00	6.00	-	6.00	-	6.00
<b>Prevention</b>	<b>9.00</b>	<b>9.00</b>	<b>(1.00)</b>	<b>8.00</b>	-	<b>8.00</b>
<b>Fire/EMS Department Total</b>	<b>131.00</b>	<b>131.00</b>	-	<b>131.00</b>	<b>9.00</b>	<b>140.00</b>
<b>GENERAL FUND</b>	<b>710.35</b>	<b>713.85</b>	<b>3.30</b>	<b>717.15</b>	<b>14.15</b>	<b>731.30</b>
<b>LESS PROGRAM EMPLOYEES</b>	<b>(7.00)</b>	<b>(10.00)</b>	<b>(1.00)</b>	<b>(12.00)</b>	<b>(1.00)</b>	<b>(12.00)</b>
<b>LESS TEMPORARY POSITIONS</b>	<b>(1.25)</b>	<b>(1.25)</b>	-	<b>(1.25)</b>	-	<b>(1.25)</b>
<b>GENERAL FUND NET FTE</b>	<b>702.10</b>	<b>702.60</b>	<b>2.30</b>	<b>703.90</b>	<b>13.15</b>	<b>718.05</b>
Police Officer	0.40	0.40	-	0.40	(0.40)	-
<b>Court Security</b>	<b>0.40</b>	<b>0.40</b>	-	<b>0.40</b>	<b>(0.40)</b>	-
<b>COURT SECURITY FUND</b>	<b>0.40</b>	<b>0.40</b>	-	<b>0.40</b>	<b>(0.40)</b>	-
Grants Officer - P	-	-	-	-	1.00	1.00
<b>Finance Administration</b>	-	-	-	-	<b>1.00</b>	<b>1.00</b>
<b>ARPA Fund</b>	-	-	-	-	<b>1.00</b>	<b>1.00</b>
Destination Event Manager	1.00	1.00	(1.00)	-	-	-
Destination Event Coordinator (P/T)	-	-	-	-	0.50	0.50
<b>SPECIAL EVENTS</b>	<b>1.00</b>	<b>1.00</b>	<b>(1.00)</b>	-	<b>0.50</b>	<b>0.50</b>
Visitor Service Specialist (P/T)	1.00	1.00	-	1.00	(0.25)	0.75
Visitor Services Supervisor	1.00	1.00	-	1.00	(0.50)	0.50
Destination Event Coordinator (P/T)	0.50	0.50	-	0.50	(0.50)	-
Cultural Arts Manager	0.50	0.50	-	0.50	(0.50)	-
<b>Convention &amp; Visitors Bureau</b>	<b>3.00</b>	<b>3.00</b>	-	<b>3.00</b>	<b>(1.75)</b>	<b>1.25</b>
Assistant Director of Economic Development	0.50	0.50	-	0.50	(0.50)	-
Sales & Event Manager	-	-	-	-	1.00	1.00
Tourism & Visitor Services Manager	1.00	1.00	-	1.00	(0.50)	0.50
<b>Tourism Program</b>	<b>1.50</b>	<b>1.50</b>	-	<b>1.50</b>	-	<b>1.50</b>
<b>TOURISM FUND</b>	<b>4.50</b>	<b>4.50</b>	-	<b>4.50</b>	<b>(1.75)</b>	<b>2.75</b>
<b>SPECIAL REVENUE FUNDS</b>	<b>5.90</b>	<b>5.90</b>	<b>(1.00)</b>	<b>4.90</b>	<b>(0.65)</b>	<b>4.25</b>
Administrative Manager	0.50	0.50	-	0.50	-	0.50
Assistant Director of Public Works	1.00	1.00	-	1.00	-	1.00
Contract Services Coordinator	1.00	1.00	-	1.00	-	1.00
Director of Public Works	0.50	0.50	-	0.50	-	0.50
Engineer I	1.00	-	-	-	-	-
Executive Director	-	0.50	-	0.50	-	0.50
Sr. Administrative Assistant	1.00	1.00	-	1.00	-	1.00
<b>Utility Administration</b>	<b>5.00</b>	<b>4.50</b>	-	<b>4.50</b>	-	<b>4.50</b>
Crew Chief	5.00	5.00	-	5.00	-	5.00
Facility Operations Manager	0.50	0.50	-	0.50	-	0.50
Field Operations Manager	1.00	1.00	-	1.00	-	1.00
Engineer I	-	-	-	-	1.00	1.00
Field Supervisor	1.00	1.00	-	1.00	-	1.00
General Maintenance Worker (I & II)	6.00	6.00	-	6.00	-	6.00
<b>Water Distribution</b>	<b>13.50</b>	<b>13.50</b>	-	<b>13.50</b>	<b>1.00</b>	<b>14.50</b>

Position Title	FY21 Budget	FY22 Base Budget	FY22 Adjustment	FY23 Base Budget	FY23 Adjustments	FY23 Budget
Field Supervisor	1.50	1.50	-	1.50	-	1.50
I & C Technician	0.50	0.50	-	0.50	-	0.50
Lead Utilities Operator	2.00	2.00	-	2.00	-	2.00
Utilities Operator	3.50	3.50	-	3.50	-	3.50
<b>Water Production</b>	<b>7.50</b>	<b>7.50</b>	<b>-</b>	<b>7.50</b>	<b>-</b>	<b>7.50</b>
Crew Chief	3.00	3.00	-	3.00	-	3.00
Electrician	0.50	0.50	-	0.50	-	0.50
Field Supervisor	1.00	1.00	-	1.00	-	1.00
General Maintenance Worker (I & II)	6.00	6.00	-	6.00	-	6.00
<b>Wastewater Collection</b>	<b>10.50</b>	<b>10.50</b>	<b>-</b>	<b>10.50</b>	<b>-</b>	<b>10.50</b>
Crew Chief	1.00	1.00	-	1.00	-	1.00
Facility Support Specialist	1.00	1.00	-	1.00	-	1.00
Field Supervisor	0.50	0.50	-	0.50	-	0.50
P&M Technician I	3.00	3.00	-	3.00	-	3.00
P&M Technician II	1.00	1.00	-	1.00	-	1.00
Utilities Operator	0.50	0.50	-	0.50	-	0.50
<b>Wastewater Treatment</b>	<b>7.00</b>	<b>7.00</b>	<b>-</b>	<b>7.00</b>	<b>-</b>	<b>7.00</b>
Crew Chief	2.00	2.00	-	2.00	-	2.00
Field Supervisor	1.00	1.00	-	1.00	-	1.00
General Maintenance Worker II	9.00	9.00	-	9.00	-	9.00
<b>Customer Service</b>	<b>12.00</b>	<b>12.00</b>	<b>-</b>	<b>12.00</b>	<b>-</b>	<b>12.00</b>
Lab Manager	1.00	1.00	(1.00)	-	-	-
Lab Technician	0.50	0.50	-	0.50	-	0.50
Field Supervisor	-	-	-	0	1.00	1.00
Pretreatment Coordinator	1.00	1.00	-	1.00	-	1.00
Water Quality Manager	-	-	1.00	1.00	-	1.00
Water Quality Technician	3.00	3.00	1.00	4.00	-	4.00
<b>Water Quality</b>	<b>5.50</b>	<b>5.50</b>	<b>1.00</b>	<b>6.50</b>	<b>1.00</b>	<b>7.50</b>
Water Conservation Manager	1.00	1.00	-	1.00	-	1.00
<b>Water Conservation</b>	<b>1.00</b>	<b>1.00</b>	<b>-</b>	<b>1.00</b>	<b>-</b>	<b>1.00</b>
AMI Operations Manager	-	-	-	-	1.00	1.00
AMI Field Operations Manager	-	-	-	-	1.00	1.00
Electrician	0.50	0.50	-	0.50	-	0.50
I & C Technician	0.50	0.50	-	0.50	-	0.50
Lab Technician	0.50	0.50	-	0.50	-	0.50
Facility Operations Manager	0.50	0.50	-	0.50	-	0.50
General Maintenance Worker II	1.00	1.00	-	1.00	-	1.00
Lead Utilities Operator	2.00	2.00	-	2.00	-	2.00
Mechanic	1.00	1.00	-	1.00	-	1.00
Utilities Operator	3.00	3.00	-	3.00	-	3.00
Utilities Operator Trainee (P)	2.00	2.00	-	2.00	-	2.00
Surface Water Chief Operator	1.00	1.00	(1.00)	-	-	-
Surface Water Plant Manager	1.00	1.00	-	1.00	-	1.00
Water Quality Technician	1.00	1.00	(1.00)	-	-	-
Surface Water Field Supervisor	-	-	2.00	2.00	-	2.00
Water Resources Manager	1.00	1.00	-	1.00	-	1.00
<b>Surface Water</b>	<b>15.00</b>	<b>15.00</b>	<b>-</b>	<b>15.00</b>	<b>2.00</b>	<b>17.00</b>
Billing/Collection Spec. (I & II)	4.00	4.00	-	4.00	-	4.00
Billing Supervisor	1.00	1.00	-	1.00	-	1.00
Customer Service Rep (I & II)	4.00	4.00	1.00	5.00	-	5.00
Collections & Customer SVC Supervisor	1.00	1.00	-	1.00	-	1.00
Department Specialist	1.00	1.00	(1.00)	-	-	-
Treasury Department Analyst	-	-	1.00	1.00	-	1.00
Treasury Manager	1.00	1.00	-	1.00	-	1.00
<b>Treasury</b>	<b>12.00</b>	<b>12.00</b>	<b>1.00</b>	<b>13.00</b>	<b>-</b>	<b>13.00</b>
<b>Utility System Fund Total</b>	<b>89.00</b>	<b>88.50</b>	<b>2.00</b>	<b>90.50</b>	<b>4.00</b>	<b>94.50</b>

Position Title	FY21 Budget	FY22 Base Budget	FY22 Adjustment	FY23 Base Budget	FY23 Adjustments	FY23 Budget
Administrative Assistant	1.00	1.00	-	1.00	-	1.00
Administrative Coordinator	-	-	1.00	1.00	-	1.00
Administrative Manager	1.00	1.00	(1.00)	-	-	-
Airport Business Manager	1.00	1.00	-	1.00	-	1.00
Airport Development Manager	1.00	1.00	(1.00)	-	-	-
Airport Leasing Coordinator	1.00	1.00	-	1.00	-	1.00
Assistant Director of Aviation	1.00	1.00	-	1.00	-	1.00
Deputy Director of Aviation	-	-	1.00	1.00	-	1.00
Director of Aviation	1.00	1.00	-	1.00	-	1.00
<b>Airport Administration</b>	<b>7.00</b>	<b>7.00</b>	<b>-</b>	<b>7.00</b>	<b>-</b>	<b>7.00</b>
Airport Operations Agent	2.00	2.00	-	2.00	-	2.00
Airport Operations Supervisor	1.00	1.00	-	1.00	-	1.00
<b>Airfield Operations</b>	<b>3.00</b>	<b>3.00</b>	<b>-</b>	<b>3.00</b>	<b>-</b>	<b>3.00</b>
Airport Services Rep - P/T	1.50	1.50	(1.50)	-	-	-
Airport Services Rep I	3.00	3.00	1.00	4.00	-	4.00
Airport Services Rep II	3.00	3.00	-	3.00	-	3.00
ASR Supervisor	1.00	1.00	-	1.00	-	1.00
Customer Experience Manager	-	-	1.00	1.00	-	1.00
Line Services Superintendent	1.00	1.00	-	1.00	-	1.00
Line Crew I	9.00	9.00	-	9.00	1.00	10.00
Line Crew II	4.00	4.00	-	4.00	-	4.00
Line Crew III	2.00	2.00	-	2.00	-	2.00
Line Crew Trainer	-	-	-	-	1.00	1.00
Line Supervisor	2.00	2.00	-	2.00	-	2.00
<b>FBO Services</b>	<b>26.50</b>	<b>26.50</b>	<b>0.50</b>	<b>27.00</b>	<b>2.00</b>	<b>29.00</b>
Café Attendant I	2.00	2.00	-	2.00	-	2.00
Café Supervisor	1.00	1.00	-	1.00	-	1.00
<b>Café Select</b>	<b>3.00</b>	<b>3.00</b>	<b>-</b>	<b>3.00</b>	<b>-</b>	<b>3.00</b>
Airfield & Facilities Manager	1.00	1.00	-	1.00	-	1.00
Airport Field Supervisor	-	-	1.00	1.00	-	1.00
Airport Material Specialist	1.00	1.00	(1.00)	-	-	-
Crew Chief	1.00	1.00	(1.00)	-	-	-
Custodian	1.00	1.00	-	1.00	-	1.00
Custodian - PT	0.50	0.50	-	0.50	-	0.50
General Maintenance Worker (I & II)	6.00	6.00	-	6.00	-	6.00
<b>Maintenance &amp; Operations</b>	<b>10.50</b>	<b>10.50</b>	<b>(1.00)</b>	<b>9.50</b>	<b>-</b>	<b>9.50</b>
<b>AIRPORT FUND</b>	<b>50.00</b>	<b>50.00</b>	<b>(0.50)</b>	<b>49.50</b>	<b>2.00</b>	<b>51.50</b>
Environmental Manager	1.00	1.00	-	1.00	-	1.00
Environmental Coordinator	1.00	1.00	-	1.00	-	1.00
Environmental Services Inspector	1.50	1.50	-	1.50	(0.50)	1.00
<b>Solid Waste</b>	<b>3.50</b>	<b>3.50</b>	<b>-</b>	<b>3.50</b>	<b>(0.50)</b>	<b>3.00</b>
<b>SOLID WASTE FUND</b>	<b>3.50</b>	<b>3.50</b>	<b>-</b>	<b>3.50</b>	<b>(0.50)</b>	<b>3.00</b>
Environmental Services Inspector	-	-	-	-	1.00	1.00
Operations Manager	-	-	-	-	1.00	1.00
General Maintenance Worker II	-	-	-	-	2.00	2.00
Storm Water Coordinator	-	-	-	-	1.00	1.00
Crew Chief	-	-	-	-	1.00	1.00
<b>Storm Water</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6.00</b>	<b>6.00</b>
<b>STORM WATER FUND</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6.00</b>	<b>6.00</b>
<b>TOTAL ENTERPRISE FUNDS</b>	<b>142.50</b>	<b>142.00</b>	<b>1.50</b>	<b>143.50</b>	<b>5.50</b>	<b>155.00</b>
<b>TOTAL ALL FUNDS</b>	<b>850.50</b>	<b>850.50</b>	<b>2.80</b>	<b>852.30</b>	<b>18.00</b>	<b>877.30</b>
Less Program Employees	-	-	-	-	(1.00)	(1.00)
Less Seasonal	(2.50)	(2.50)	-	(2.50)	-	(2.50)
<b>TOTAL FULL TIME EQUIVALENT</b>	<b>848.00</b>	<b>848.00</b>	<b>2.80</b>	<b>849.80</b>	<b>17.00</b>	<b>873.80</b>

# Property Taxes

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

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

In 1998, TIRZ#1 was formed, which includes Sugar Land Town Square. Taxes assessed and collected by the participating entities (City, County, and LID #2) over and above the base value of the property upon creation of the TIRZ #1 (\$5.5 million) are deposited to the benefit of the TIRZ to support improvements within the TIRZ #1. For FY23 the City expects to contribute \$921,361 in property tax for TIRZ#1 at 100% participation.

TIRZ #3 – Imperial was formed in 2007. The purpose of TIRZ #3 is to facilitate a program of public improvements to allow the development and redevelopment of property as a master-planned and mixed-use community. Taxes assessed and collected by the participating entities (City and County) over and above the base value of the property upon creation of the TIRZ #3 (\$5.6 million) are deposited to the benefit of the TIRZ. Included in the development is the preservation and/or reuse of certain historic structures at the Imperial Sugar site and the location of a museum to house Imperial Sugar artifacts. For FY23 the City expects to contribute \$724,348 in property tax for TIRZ#3 at 50% participation.

TIRZ #4 – located at US59 and University Boulevard was formed in 2009. Taxes assessed and collected by the participating entities (City, County, Fort Bend MUD138, and Fort Bend MUD139) over and above the base value of the property upon creation of the TIRZ #4 (\$21.5 million) are deposited to the benefit of the TIRZ. The purpose of the zone is to support development of employment, commercial, cultural arts, and an entertainment district within an urban-density mixed-use center. For FY23 the City expects to

contribute \$507,089 in property tax for TIRZ#4 at 50% participation.

## Fiscal Year 2022

The total property tax collections for FY22 are projected to be \$57,271,817 or 98.5% of the adjusted levy, including all three TIRZs. Revenues are distributed between operations and maintenance (\$33,509,468), debt service (\$22,085,337), TIRZ # 1 (\$677,444), TIRZ #3 (\$607,374), and TIRZ #4 (\$392,195).

## Fiscal Year 2023

The certified net assessed valuation of \$18,792,337,951 for tax year 2022 is \$2,180,616,337 or 13.13% greater than the 2021 adjusted tax roll, including values inside the TIRZs. Of the \$18.8 billion in taxable value, \$269.9 million is incremental value in TIRZ #1, \$212.2 million in TIRZ #3, and \$148.6 million in TIRZ #4. Taxes collected on the incremental value from each TIRZ will be allocated from the City. Net assessed residential value increased 8.54%, and net assessed commercial value increased by 13.35% over the 2021 adjusted tax roll, including new value. Based on the certified tax roll and the 2022 tax rate of \$0.34650 per \$100 of assessed value, the anticipated tax collections for FY23 are \$64,138,719 at a 98.5% collection rate or \$6,866,902 greater than FY22 projections including the three TIRZs. Based on the 98.5% collection rate, \$61,985,921 will remain with the City and \$2,152,798 will be conveyed to the three TIRZs.

The homestead exemption for tax year 2022 was increased from 12% to 13%. The optional exemption for over-65 and disabled persons remains at \$70,000.

The overall adopted tax rate for tax year 2022 is \$0.34650. The allocation for tax year 2021 and 2022 tax rate is as follows:

	2021	%	2022	%
M&O	\$ 0.208851	60.27%	\$ 0.200061	57.74%
Debt Service	0.137649	39.73%	0.146439	42.26%
<b>Total</b>	<b>\$ 0.346500</b>	<b>100.00%</b>	<b>\$ 0.346500</b>	<b>100.00%</b>

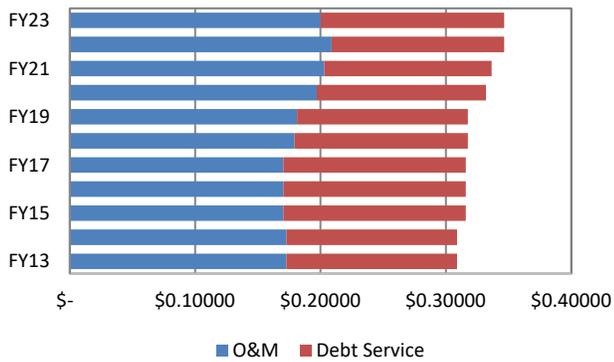
The required rates have been calculated and submitted to the governing body:

No New Revenue Tax Rate: \$0.318287  
 Voter Approval Tax Rate: \$0.359778

Based on the average residential value of \$421,980 with a 13% homestead exemption at the adopted 2022 tax rate of \$0.34650, the average tax bill is \$1,272.

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

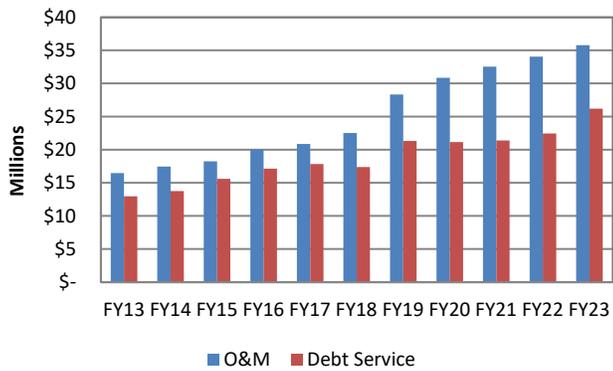
**Tax Rate by Fiscal Year**



In FY23 property taxes per capita, excluding TIRZ valuation, is approximately \$558\*. Taxes per capita increased in FY23 due to increase in net assessed values taxable to the City.

\* Excludes TIRZ Valuation

**Historical Tax Levy**



**CITY OF SUGAR LAND  
TAX COLLECTIONS**

	FY21 Adjusted Levy	FY22 Budget Certified Levy	FY22 Projections Adjusted Levy	FY23 Base Budget Certified Levy	FY23 Changes	FY23 Budget Certified Levy
<b>REVENUES:</b>						
City Levy	\$53,350,045	\$56,766,143	\$55,874,176	\$62,929,870	-	\$62,929,870
TIRZ #1	670,411	748,762	680,848	935,392	-	935,392
TIRZ #3	532,322	622,162	610,426	727,988	-	735,379
TIRZ #4	373,958	413,177	394,165	514,811	-	514,811
<b>Total Tax Levy @ 100%</b>	<b>54,926,736</b>	<b>58,550,244</b>	<b>57,559,615</b>	<b>65,108,061</b>	<b>-</b>	<b>65,115,451</b>
Collection Rate 98.5%	54,652,103	58,257,493	57,271,817	64,131,440	-	64,138,720
<b>ALLOCATION:</b>						
Maintenance	32,031,391	34,044,408	33,509,468	37,361,679	(1,572,457)	35,789,222
Debt	21,051,904	22,437,904	22,085,337	24,624,243	1,572,457	26,196,699
<b>Total City Revenues</b>	<b>53,083,295</b>	<b>56,482,312</b>	<b>55,594,805</b>	<b>61,985,922</b>	<b>-</b>	<b>61,985,921</b>
TIRZ #1	667,059	745,018	677,444	921,361	-	921,361
TIRZ #3	529,660	619,051	607,374	724,348	-	724,348
TIRZ #4	372,088	411,111	392,195	507,089	-	507,089
<b>TOTAL TAX REVENUE</b>	<b>\$54,652,103</b>	<b>\$58,257,493</b>	<b>\$57,271,817</b>	<b>\$64,138,720</b>	<b>-</b>	<b>\$64,138,719</b>

<u>Tax Year</u>	<u>2020 Suppl #12</u>	<u>2021 Certified</u>	<u>2021 Suppl #12</u>	<u>2022 Certified</u>	<u>2022</u>	<u>2022 Certified</u>
Net Assessed Value	\$16,322,952,874	\$16,897,617,320	16,611,721,614	\$18,792,337,951		\$18,792,337,951
TIRZ #1 Value @ 100%	(199,230,668)	(216,092,949)	(196,492,938)	(269,954,289)		(269,954,289)
TIRZ #3 Value @ 50%	(158,193,700)	(179,556,160)	(176,169,104)	(212,230,493)		(212,230,493)
TIRZ #4 Value @ 50%	(111,131,734)	(119,243,000)	(113,756,232)	(148,574,636)		(148,574,636)
<b>Taxable to City</b>	<b>15,854,396,773</b>	<b>16,382,725,212</b>	<b>16,125,303,341</b>	<b>18,161,578,533</b>	<b>-</b>	<b>18,161,578,533</b>
<b>Tax Rate Per \$100</b>						
Maintenance	\$ 0.20305	\$ 0.208851	\$ 0.208851	\$ 0.208851	\$ (0.008790)	\$ 0.200061
Debt	0.13345	0.137649	0.137649	0.137649	0.008790	0.146439
<b>Total Tax Rate</b>	<b>\$ 0.33650</b>	<b>\$ 0.346500</b>	<b>\$ 0.346500</b>	<b>\$ 0.346500</b>	<b>\$ 0.000000</b>	<b>\$ 0.346500</b>
<b>Tax Rate Split:</b>						
Maintenance	60.34%	60.27%	60.27%	60.27%	-2.54%	57.74%
Debt	39.66%	39.73%	39.73%	39.73%	2.54%	42.26%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>0.00%</b>	<b>100.00%</b>
<b>Certified Levy - 100%</b>	<b>\$53,350,045</b>	<b>\$56,766,143</b>	<b>\$55,874,176</b>	<b>\$62,929,870</b>		<b>\$62,929,870</b>

CITY OF SUGAR LAND  
FISCAL YEAR 2023 BUDGET  
ANALYSIS OF CERTIFIED TAX ROLL

Tax Year	Suppl #12 2021 FY22	Certified 2022 FY23	% Change
<b>No. of Items</b>	51,393	51,328	-0.13%
<b>Residential Property:</b>			
Land	\$ 2,679,764,140	\$ 2,713,699,056	1.27%
Improvements	10,733,451,830	13,282,004,510	23.74%
<b>Total Residential Property</b>	<b>13,413,215,970</b>	<b>15,995,703,566</b>	<b>19.25%</b>
<b>Commercial Property:</b>			
Land	1,299,761,455	1,514,386,342	16.51%
Improvements	4,167,070,331	4,790,792,782	14.97%
Personal Property	1,456,150,417	1,643,142,830	12.84%
<b>Total Commercial Property</b>	<b>6,922,982,203</b>	<b>7,948,321,953</b>	<b>14.81%</b>
Agricultural Property	10,987,300	10,987,300	0.00%
Automobiles	153,202,140	116,827,839	-23.74%
<b>Total Market Value</b>	<b>20,500,387,613</b>	<b>24,071,840,658</b>	<b>17.42%</b>
Productivity Loss	(10,774,850)	(10,842,450)	0.63%
Homestead CAP Adjustment	(36,310,960)	(1,068,622,507)	2842.98%
Exempt Properties	(1,493,657,775)	(1,616,877,225)	8.25%
<b>Total Assessed Value</b>	<b>18,959,644,028</b>	<b>21,375,498,475</b>	<b>12.74%</b>
Less:			
Homestead Exemptions	(1,324,619,534)	(1,641,686,886)	23.94%
Over 65 Exemptions	(691,454,705)	(667,184,524)	-3.51%
Disabled Persons Exemptions	(19,681,669)	(19,045,369)	-3.23%
Disabled Veterans Exemptions	(2,628,000)	(2,572,835)	-2.10%
Disabled Veterans 100%	(41,062,027)	(49,478,022)	20.50%
Disabled Veterans 100% Surviving Spouse	(2,881,320)	(2,958,852)	2.69%
First Responder Surviving Spouse	(180,620)	(198,680)	10.00%
Abatements	(130,300,035)	(96,772,670)	-25.73%
Pollution	(4,273,340)	(4,495,710)	5.20%
Personal Leased Vehicles	(124,589,200)	(97,212,914)	-21.97%
Prorated Exempt Property	(3,091,893)	-	-100.00%
Solar	(1,174,862)	(942,745)	-19.76%
Disaster Exemption	(1,974,509)	-	-
House Bill 366 Exemptions	(10,700)	(611,319)	5613.26%
<b>Total Exemptions</b>	<b>(2,347,922,414)</b>	<b>(2,583,160,525)</b>	<b>10.02%</b>
<b>Net Assessed Valuation (NAV)</b>	<b>16,611,721,614</b>	<b>18,792,337,951</b>	<b>13.13%</b>
Less: TIRZ #1 Value @ 100%	(196,492,938)	(269,954,289)	37.39%
Less: TIRZ #3 Value @ 50%	(176,169,104)	(212,230,493)	20.47%
Less: TIRZ #4 Value @ 50%	(113,756,232)	(148,574,636)	30.61%
<b>Taxable Valuation to City</b>	<b>\$ 16,125,303,341</b>	<b>\$ 18,161,578,533</b>	<b>12.63%</b>

**CITY OF SUGAR LAND  
PRINCIPAL TAXPAYERS  
2022 TOP TEN TAXPAYERS**

2022 Rank	Taxpayer	Type of Business	2022 Taxable Assessed Valuation	Percentage of Total Net Assessed Valuation
1	LCFRE Sugar Land Town Square LLC	Mixed-Use Development	\$ 199,175,961	1.06%
2	Lakepointe Assets	Real Estate/Engineering	143,181,118	0.76%
3	First Colony Mall LLC	Shopping Center	118,384,454	0.63%
4	AmerisourceBergen Drug co	Pharmacy/Medical	102,896,110	0.55%
5	Market Town Center Owner LLC	Shopping Center	97,297,454	0.52%
6	API Realty LLC	Real Estate	85,845,990	0.46%
7	Houston Sugar Creek LLC	Real Estate	85,801,009	0.46%
8	Tramontina USA	Manufacturing	76,891,217	0.41%
9	Sugar Creek/EPG LLC & Sugar Creek TIC Investors LLC	Real Estate	74,723,120	0.40%
10	Telfair Lofts Cedros LLC et al	Real Estate	64,104,340	0.34%
	Other		17,744,037,178	94.42%
<b>Total Net Assessed Valuation</b>			<b>\$ 18,792,337,951</b>	<b>100.00%</b>

# Debt Service Funds

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

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

The City's tax - backed bonds are rated "AAA" by Fitch Ratings and Standard and Poor's.

The City's Financial Management Policy Statements designate that property taxes generated from the Airport are to be transferred to the Airport in support of development and operations. The City also has a policy to rebate 50% of City property taxes collected from properties within in-City MUDs back to the districts. Districts are to use the rebates to reduce their tax rates. The Debt Service Fund includes the debt service tax rate component of these agreements.

## Debt Service Fund

### Fiscal Year 2022

Revenues total \$27,952,383, which includes \$22,193,875 in current and delinquent property taxes. Other funding sources include transfers from other funds, interest income, and miscellaneous of \$5,758,508. Transfers from other funds include transfers from the Utility Fund and Tourism Fund to support debt service related to activities supported by those funds and transfers from Enclave at River Park PID represent the funds needed for debt service associated with the bonds issued to fund developer reimbursements.

Expenditures are projected at \$27,342,008, which includes \$25,343,587 in debt service payments, \$42,500 for fiscal fees, \$1,814,726 for rebates to in-City MUDs and \$141,195 in transfers to other funds, which includes the Airport and Enclave at River Park PID funds for property taxes collected in those areas.

The fund balance at 9/30/22 is projected to be \$6,722,173, which is \$4,187,814 over the fund balance policy requirement of 10% of annual debt service.

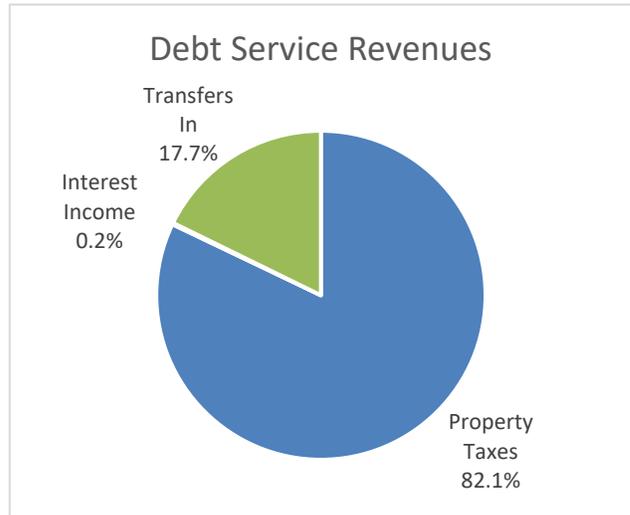
### Fiscal Year 2023

Total revenues are budgeted for \$31,990,062. Funding from property taxes includes \$26,196,699 in current property taxes and \$65,492 in delinquent property taxes. Total property taxes of \$26,262,191 represents 82.1% of funding sources. Property tax revenues include the estimated impact of an approximately one-cent tax rate shift from the M&O component to the Debt Service component to implement the second phase of the voter authorized GO bonds and a 1% increase to the residential Homestead Exemption from 12% to 13%. Due to increasing interest rates, interest earnings are estimated at \$50,000 for the year.

Other funding sources include transfers from the Utility Fund, Tourism Fund, and Enclave at River Park PID for debt issued to support those functions.

The budget includes 100% recovery on water/wastewater debt assumed from MUDs through an inter-fund transfer. The FY23 transfer from the Utility Fund totals \$4,228,005.

The City has several bonds issued to support tourism and destination projects, including the Conference Center at the Sugar Land Marriott Town Square, the Smart Financial Centre at Sugar Land and the adjacent plaza. In FY23 the Tourism fund will transfer \$1,344,078 to support these issues from hotel occupancy tax revenues.



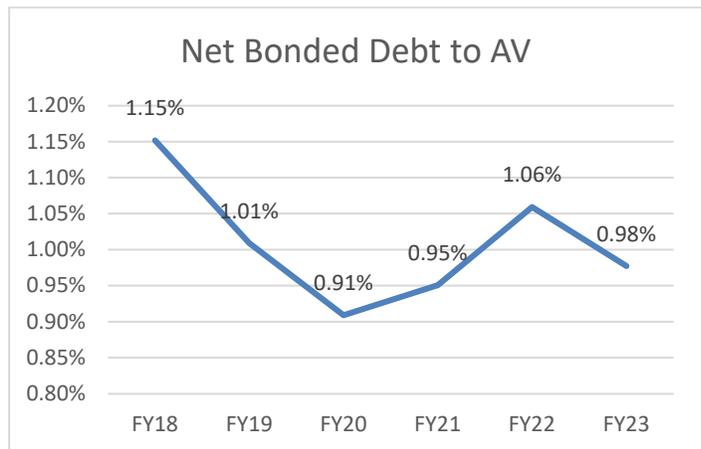
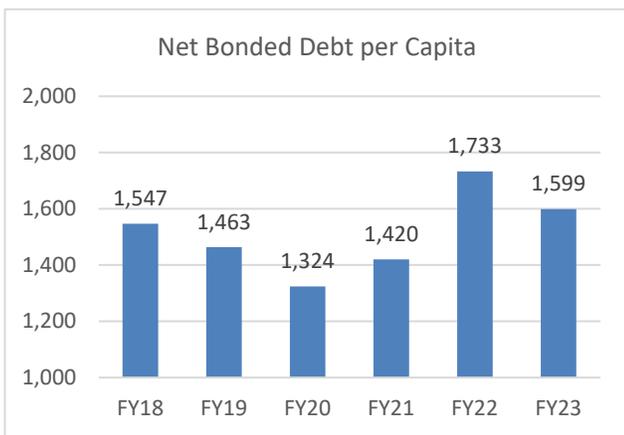
There is also a transfer in from the Enclave at River Park PID for \$105,788 to support debt issued for infrastructure in the development.

The debt service requirement on the current outstanding debt is \$26,787,741 and for the issuance of \$27 million in GO bonds, the budget includes \$2,431,263 for anticipated debt service payments, for a total of \$29,219,004. Fiscal fees are budgeted at \$42,500.

Rebates to in-City MUDs and inter-fund transfers total \$2,070,165 based on the anticipated 2022 tax rate allocation and estimated values in the MUDs.

The budgeted ending fund balance at 9/30/23 is \$7,380,566, which is \$4,458,666 above the policy requirement of 10% of annual debt service requirements.

For FY23 the ratio of net bonded debt to taxable value is expected to decrease slightly from 1.06% to 0.98%, which is a very healthy ratio. The ratio is utilized by bond rating agencies, along with other factors, to evaluate the City's ability to repay debt. Net bonded debt per capita decreases from \$1,733 to \$1,599.



## **Debt Service Fund – Taxable Debt**

One of the sources of funding for the Smart Financial Centre at Sugar Land is taxable Certificates of Obligation for \$27 million issued in 2014. The taxable CO issue carries the City’s AAA bond rating from Standard and Poor’s and Fitch, and will not be repaid by property taxes. Lease payments from ACE Sugar Land, LLC are structured to support the annual debt service payments and will eventually build a debt service reserve equal to the last four years’ debt payments. Payments will be made monthly according to the terms of the thirty-year lease.

### **Fiscal Year 2022**

Total revenues are projected at \$2,005,623. Lease revenue from ACE Sugar Land, LLC for the Smart Financial Centre at Sugar Land is projected at \$2,005,123 and interest income of \$500.

Total debt service payments due in fiscal year 2022 are \$1,591,099. Fiscal fees are budgeted at \$750.

The projected ending fund balance at 9/30/22 is \$1,290,053.

### **Fiscal Year 2023**

Total revenues are budgeted at \$2,001,498. Lease revenue from ACE Sugar Land, LLC for the Smart Financial Centre at Sugar Land is budgeted at \$2,000,748 and interest income of \$750.

Total debt service payments due in fiscal year 2023 are \$1,592,599. Payments are due in December and June. Fiscal fees are budgeted at \$750.

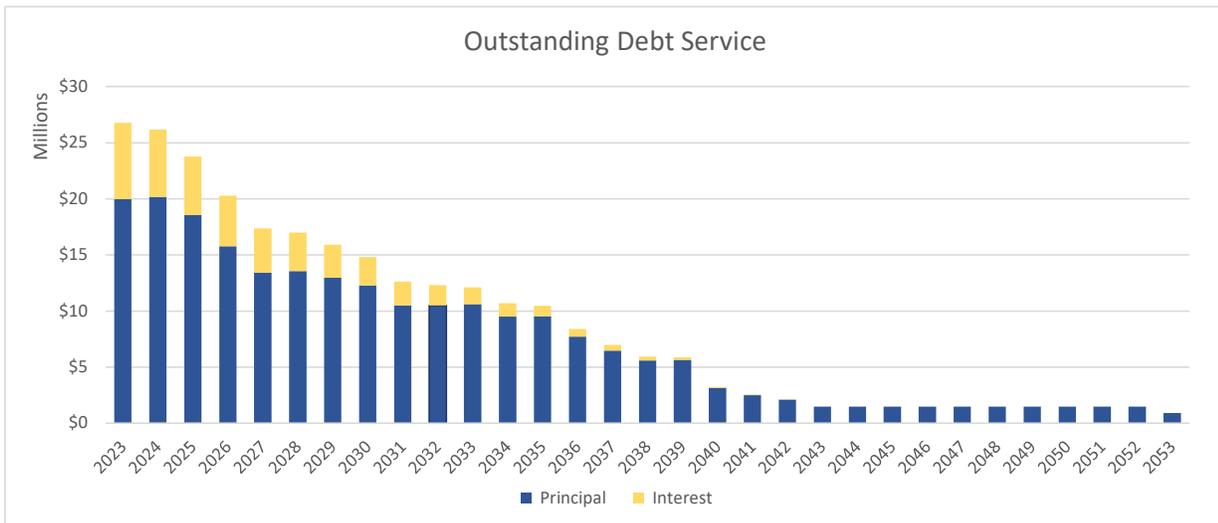
The budgeted fund balance at 9/30/23 is \$1,698,202.

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

	FY21 Actuals	FY22 Current Budget	FY22 Projections	FY23 Base Budget	FY23 Changes	FY23 Budget
<b>REVENUES</b>						
Current Property Tax	\$ 20,908,612	\$ 22,133,792	\$ 22,133,792	\$ 26,196,699	\$ -	\$ 26,196,699
Delinquent Property Taxes	113,439	60,083	60,083	65,492	-	65,492
Interest on Investments	3,905	21,464	21,464	50,000	-	50,000
Bond Proceeds	1,382,156	-	-	-	-	-
Miscellaneous	52	30	30	-	-	-
<b>Total Operating Revenues</b>	<b>22,408,164</b>	<b>22,215,369</b>	<b>22,215,369</b>	<b>26,312,191</b>	<b>-</b>	<b>26,312,191</b>
<b>Total Transfers In</b>	<b>7,319,344</b>	<b>5,737,014</b>	<b>5,737,014</b>	<b>5,677,871</b>	<b>-</b>	<b>5,677,871</b>
<b>Total Revenues</b>	<b>29,727,508</b>	<b>27,952,383</b>	<b>27,952,383</b>	<b>31,990,062</b>	<b>-</b>	<b>31,990,062</b>
<b>EXPENDITURES</b>						
Current Outstanding & New Debt	27,601,499	25,343,587	25,343,587	29,219,004	-	29,219,004
Issuance Costs/Fiscal Fees/Other	41,168	42,500	42,500	42,500	-	42,500
Refunding Payment to Escrow	1,395,771	-	-	-	-	-
<b>Total Debt Service</b>	<b>29,038,438</b>	<b>25,386,087</b>	<b>25,386,087</b>			<b>29,261,504</b>
Rebates & Assignments	1,676,038	1,814,726	1,814,726	1,930,611	-	1,930,611
Transfers to Other Funds	92,094	141,195	141,195	139,554	-	139,554
<b>Total Non-Operating Expenditures</b>	<b>1,768,132</b>	<b>1,955,921</b>	<b>1,955,921</b>	<b>2,070,165</b>	<b>-</b>	<b>2,070,165</b>
<b>Total Expenditures</b>	<b>30,806,570</b>	<b>27,342,008</b>	<b>27,342,008</b>	<b>31,331,669</b>	<b>-</b>	<b>31,331,669</b>
<b>CHANGE IN FUND BALANCE</b>	<b>(1,079,062)</b>	<b>610,375</b>	<b>610,375</b>	<b>658,393</b>	<b>-</b>	<b>658,393</b>
<b>FUND BALANCE - BEGINNING</b>	<b>7,190,860</b>	<b>6,111,798</b>	<b>6,111,798</b>	<b>6,722,173</b>		<b>6,722,173</b>
<b>FUND BALANCE - ENDING</b>	<b>\$ 6,111,798</b>	<b>\$ 6,722,173</b>	<b>\$ 6,722,173</b>	<b>\$ 7,380,566</b>	<b>\$ -</b>	<b>\$ 7,380,566</b>
Policy Requirement	\$ 2,760,150	\$ 2,534,359	\$ 2,534,359			\$ 2,921,900
Over/(Under) Policy	3,351,648	4,187,814	4,187,814			4,458,666
Policy Requirement	10%	10%	10%			10%

**Bond Debt Service**  
**City of Sugar Land, Texas**  
**All Outstanding Tax Supported Debt**

<b>FY Ended 9/30</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2023	19,978,194	6,809,547	26,787,741
2024	20,177,806	6,004,251	26,182,057
2025	18,558,243	5,219,169	23,777,412
2026	15,785,000	4,502,256	20,287,256
2027	13,425,000	3,936,565	17,361,565
2028	13,565,000	3,433,481	16,998,481
2029	12,970,000	2,957,178	15,927,178
2030	12,295,000	2,517,401	14,812,401
2031	10,495,000	2,139,932	12,634,932
2032	10,500,000	1,808,662	12,308,662
2033	10,615,000	1,489,447	12,104,447
2034	9,505,000	1,198,350	10,703,350
2035	9,535,000	928,916	10,463,916
2036	7,720,000	690,188	8,410,188
2037	6,465,000	501,825	6,966,825
2038	5,580,000	347,888	5,927,888
2039	5,655,000	207,816	5,862,816
2040	3,140,000	104,175	3,244,175
2041	2,500,000	51,625	2,551,625
2042	2,100,000	15,875	2,115,875
2043	1,465,000	-	1,465,000
2044	1,470,000	-	1,470,000
2045	1,470,000	-	1,470,000
2046	1,470,000	-	1,470,000
2047	1,470,000	-	1,470,000
2048	1,470,000	-	1,470,000
2049	1,470,000	-	1,470,000
2050	1,470,000	-	1,470,000
2051	1,470,000	-	1,470,000
2052	1,470,000	-	1,470,000
2053	920,000	-	920,000
<b>Total All Issues</b>	<b>226,179,243</b>	<b>44,864,546</b>	<b>271,043,789</b>



**CITY OF SUGAR LAND  
DEBT SERVICE REQUIREMENTS FOR FY23  
OUTSTANDING BOND ISSUES**

<b>Year</b>	<b>Issue Description</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2013	Combination Tax & Revenue Certificates of Obligation, Series 2013	\$ 1,475,000	\$ 453,631	\$ 1,928,631
2014	Combination Tax & Revenue Certificates of Obligation, Series 2014	310,000	357,838	667,838
2015	Combination Tax & Revenue Certificates of Obligation, Series 2015	670,000	373,281	1,043,281
2016	Combination Tax and Revenue Certificates of Obligation, Series 2016	960,000	402,900	1,362,900
2017	Combination Tax & Revenue Certificates of Obligation, Series 2017	955,000	540,650	1,495,650
2019	Combination Tax & Revenue Certificates of Obligation, Series 2019	1,105,000	682,556	1,787,556
2019	Combination Tax & Revenue Certificates of Obligation, Series 2019A	600,000	451,369	1,051,369
2014	General Obligation Refunding Bonds, Series 2014	1,660,000	167,200	1,827,200
2015	General Obligation Bonds Series 2015	590,000	301,619	891,619
2015	General Obligation Refunding Bonds, Series 2015	1,455,000	257,225	1,712,225
2016	General Obligation Bonds, Series 2016	2,650,000	620,800	3,270,800
2016	General Obligation Refunding Bonds, Series 2016	380,000	151,250	531,250
2019	General Obligation Refunding Bonds, Series 2019	1,295,000	364,225	1,659,225
2019	General Obligation Refunding & Improvement Bonds, Series 2019A	2,050,000	512,950	2,562,950
2021	General Obligation & Improvement Bonds Series 2021	898,194	376,226	1,274,420
2021	General Obligation Bonds Series 2021A (TWDB)	550,000	-	550,000
2022	General Obligation Bonds Series 2022	1,000,000	603,427	1,603,427
2015	Unlimited Tax Refunding Bonds Series 2015 (MUD 109)	395,000	101,800	496,800
2016	Unlimited Tax Refunding Bonds Series 2016 (MUD 117)	980,000	90,600	1,070,600
<b>Total Debt Service- Outstanding Bonds</b>		<b>\$ 19,978,194</b>	<b>\$ 6,809,547</b>	<b>\$ 26,787,741</b>

**CITY OF SUGAR LAND  
DEBT SERVICE REQUIREMENTS TO MATURITY  
OUTSTANDING BOND ISSUES**

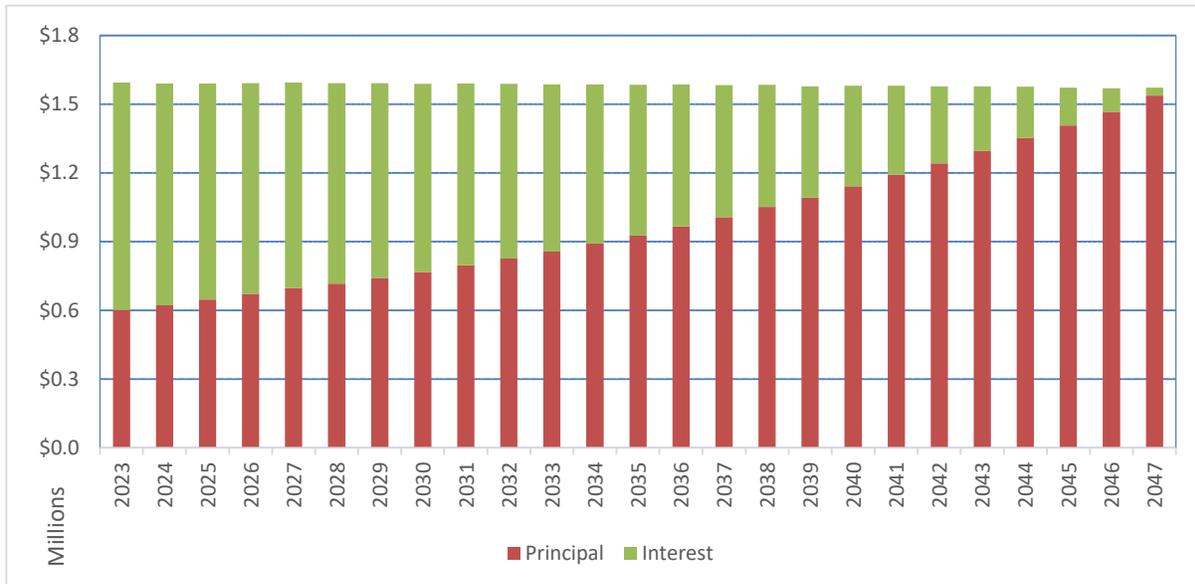
<b>Year</b>	<b>Issue Description</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2013	Combination Tax & Revenue Certificates of Obligation, Series 2013	\$ 13,725,000	\$ 2,739,022	\$ 16,464,022
2014	Combination Tax & Revenue Certificates of Obligation, Series 2014	8,070,000	3,481,938	11,551,938
2015	Combination Tax & Revenue Certificates of Obligation, Series 2015	11,000,000	2,544,759	13,544,759
2016	Combination Tax and Revenue Certificates of Obligation, Series 2016	13,430,000	2,799,300	16,229,300
2017	Combination Tax & Revenue Certificates of Obligation, Series 2017	14,285,000	3,748,525	18,033,525
2019	Combination Tax & Revenue Certificates of Obligation, Series 2019	16,620,000	5,168,134	21,788,134
2019	Combination Tax & Revenue Certificates of Obligation, Series 2019A	13,895,000	3,971,535	17,866,535
2022	Taxable Certificates of Obligation, Series 2022A (TWDB)	27,500,000	-	27,500,000
2014	General Obligation Refunding Bonds, Series 2014	4,270,000	308,950	4,578,950
2015	General Obligation Bonds Series 2015	9,490,000	2,081,953	11,571,953
2015	General Obligation Refunding Bonds, Series 2015	5,965,000	749,725	6,714,725
2016	General Obligation Bonds, Series 2016	5,295,000	1,108,575	6,403,575
2016	General Obligation Refunding Bonds, Series 2016	14,680,000	1,911,575	16,591,575
2019	General Obligation Refunding Bonds, Series 2019	9,085,000	1,699,400	10,784,400
2019	General Obligation Refunding & Improvement Bonds, Series 2019A	14,115,000	3,194,800	17,309,800
2021	General Obligation & Improvement Bonds Series 2021	9,574,243	2,595,177	12,169,420
2021	General Obligation Bonds Series 2021A (TWDB)	16,500,000	-	16,500,000
2022	General Obligation Bonds Series 2022	13,115,000	6,346,527	19,461,527
2015	Unlimited Tax Refunding Bonds Series 2015 (MUD 109)	2,545,000	231,800	2,776,800
2016	Unlimited Tax Refunding Bonds Series 2016 (MUD 117)	3,020,000	182,850	3,202,850
<b>Total Debt Service- Outstanding Bonds</b>		<b>\$ 226,179,243</b>	<b>\$ 44,864,546</b>	<b>\$ 271,043,789</b>

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

	FY21 Actuals	FY22 Current Budget	FY22 Projections	FY23 Base Budget	FY23 Changes	FY23 Budget
<b>REVENUES</b>						
Rent	\$ 1,770,903	\$ 2,005,123	\$ 2,005,123	\$ 2,000,748	\$ -	\$ 2,000,748
Interest Income	133	500	500	750	-	750
Total Revenues	1,771,036	2,005,623	2,005,623	2,001,498	-	2,001,498
<b>EXPENDITURES</b>						
Current Outstanding & New Debt	1,593,699	1,591,099	1,591,099	1,592,599	-	1,592,599
Fiscal Fees/Other	750	750	750	750	-	750
Total Expenditures	1,594,449	1,591,849	1,591,849	1,593,349	-	1,593,349
Change in Fund Balance	176,587	413,774	413,774	408,149	-	408,149
Fund Balance - Beginning	699,692	876,279	876,279	1,290,053	-	1,290,053
Fund Balance - Ending	\$ 876,279	\$ 1,290,053	\$ 1,290,053	\$ 1,698,202	\$ -	\$ 1,698,202

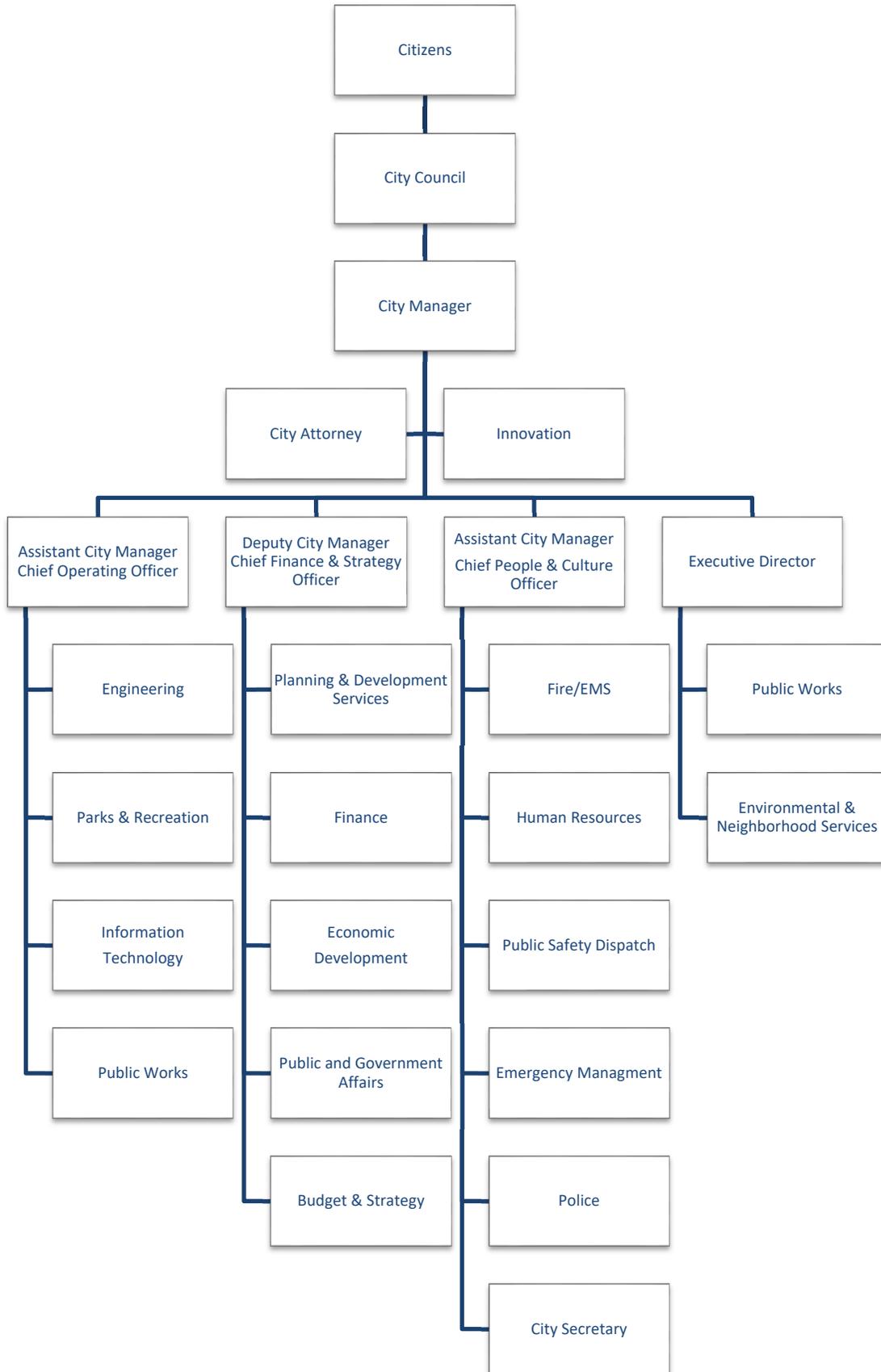
**CITY OF SUGAR LAND  
DEBT SERVICE REQUIREMENTS TO MATURITY  
TOTAL OF ALL DEBT OUTSTANDING - TAXABLE CO'S**

FY Ending September 30	Principal	Interest	Total
2023	600,000	992,599	1,592,599
2024	620,000	968,199	1,588,199
2025	645,000	942,899	1,587,899
2026	670,000	919,530	1,589,530
2027	695,000	897,768	1,592,768
2028	715,000	874,319	1,589,319
2029	740,000	849,029	1,589,029
2030	765,000	821,933	1,586,933
2031	795,000	793,065	1,588,065
2032	825,000	762,174	1,587,174
2033	855,000	729,090	1,584,090
2034	890,000	694,190	1,584,190
2035	925,000	657,890	1,582,890
2036	965,000	618,643	1,583,643
2037	1,005,000	576,288	1,581,288
2038	1,050,000	532,105	1,582,105
2039	1,090,000	486,095	1,576,095
2040	1,140,000	438,150	1,578,150
2041	1,190,000	388,055	1,578,055
2042	1,240,000	335,810	1,575,810
2043	1,295,000	281,308	1,576,308
2044	1,350,000	224,440	1,574,440
2045	1,405,000	165,208	1,570,208
2046	1,465,000	102,038	1,567,038
2047	1,535,000	34,538	1,569,538
<b>TOTAL</b>	<b>\$ 24,470,000</b>	<b>\$ 15,085,363</b>	<b>\$ 39,555,363</b>



# General Fund Organizational Chart

*As of October 1, 2022*



# General Fund

The General Fund is used to account for all transactions discretionary in nature which can be allocated based on the needs and priorities of the City. The principal sources of revenue include property taxes, sales and franchise taxes, licenses and permits, fines and forfeitures, and charges for services. Expenditures include general administration, finance, public works, parks and recreation, community development, environmental and neighborhood services, and public safety. Budgetary fund balance reflects audited fund balance with adjustments for accrued sales and franchise taxes to properly reflect funds available for appropriation during the year.

## Fiscal Year 2022

### Projected Revenues

Total revenues are projected to be \$105,893,732. The City has seen sustainably higher performance in Sales Tax collections when compared to budget. However, other revenue streams such as Other Taxes, Licenses & Permits and Fines & Forfeitures continue to be impacted. Sales Tax revenues are projected to be \$46,209,078 which is \$6,935,655 higher than originally budgeted. Property Taxes are projected to come in lower than budget as a result of refunds and lawsuits. Fines & Forfeiture revenues has continued to be impacted by the number of citations issued being down. Licenses & Permits revenues have seen declines in electrical and HVAC permitting.

### Projected Expenditures

Total expenditures are projected to be \$110,150,242. General Fund departmental expenditures are expected to end the year approximately at budget with expected savings in electricity costs. A total of \$3,200,000 was added to the budget in July through an amendment approved by City Council, which aimed to address one-time items with the flexibility provided by sales tax revenue performance. The amendment included an investment in funding to four Strategic Outcome Areas, namely a Dynamic & Fun Culture, a Safe & Secure Community, a Respected & Influential Government and Sustainable & Resilient Infrastructure.

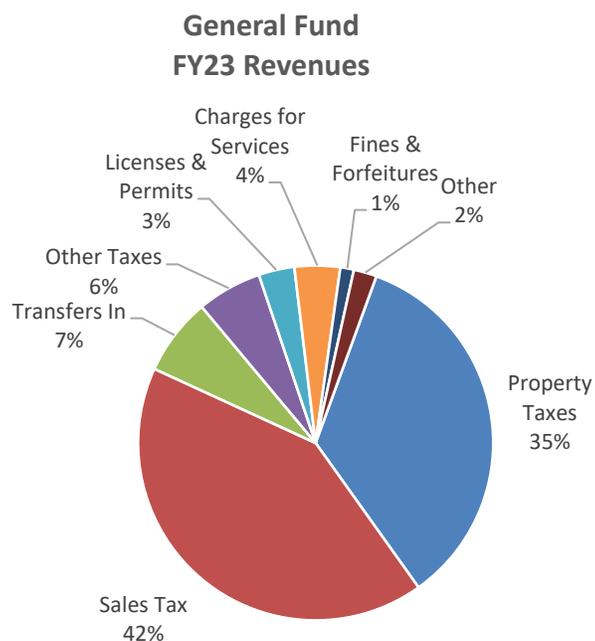
### Projected Fund Balance

The fund balance is projected to be \$36,956,504 as of September 30, 2022. This fund balance is \$13,503,588 over the policy requirement of 25% of recurring expenditures.

## Fiscal Year 2023

### Budgeted Revenues

FY23 budgeted revenues total \$103,810,389. The chart on the right shows a breakdown of General Fund revenues by type. Sales tax revenue of \$43,298,121 represents the largest portion of General Fund operating revenues at 42%. Sales tax revenue is one of the most volatile revenue streams within the City's budget and has become increasingly difficult to forecast post-pandemic and during a record high inflationary period. In an effort to balance conservatism and funding flexibility, Sales Tax revenues have been forecasted using the methodology outlined in the Financial Management Policy Statements, which only projects recurring revenue from the prior year. Property tax revenue from the operations and maintenance tax rate is budgeted at



\$35,913,695, which includes a shift in capacity to the operations and maintenance component within the voter approval tax rate to offset anticipated revenue needs from the impact of the COVID-19 pandemic on the City’s revenue streams.

A total of \$7,324,399 are transfers into to the General Fund. This includes transfers from the Utility System Fund, Solid Waste, and Airport Funds as reimbursements for overhead costs as determined by a cost allocation model. A transfer from the Sugar Land Development and Sugar Land 4B Corporations is also made to reimburse costs for Economic Development staff and activities, which includes management fees for capital projects funded by the Corporations.

Other taxes, totaling \$6,132,509, includes mixed beverage taxes and franchise payments the City receives for use of the City’s right-of-way by utility providers. Licenses and Permits revenue is estimated at \$3,373,980. Charges for services is budgeted at \$4,314,688 and include facility rentals, animal adoptions, EMS billing, ETJ fire fees and other user fees. Remaining revenue totals \$3,452,997, which includes fines and forfeitures, intergovernmental, interest income, and other miscellaneous revenues.

**Budgeted Expenditures**

General Fund FY23 budgeted expenditures total \$109,586,461. Of this amount, \$102,721,169 is for departmental operating expenditures and \$6,865,292 is for non-departmental expenditures including transfers, rebates & assignments, and miscellaneous items.

The base budget of \$97,083,591 funds current personnel costs, including an estimated 3% merit pool for FY23. FY21 expenditure strategies included a 15% reduction to overall rehabilitation funding, which was planned to be rebuilt over two years. The FY23 budget includes the second year of rehabilitation funds. The base budget also includes \$1,595,064 in base adjustments for increases in contractual obligations, maintenance agreements and increases in software licensing, fuel, vehicle repair and maintenance, and an increase in the cost the employer share of health benefits.

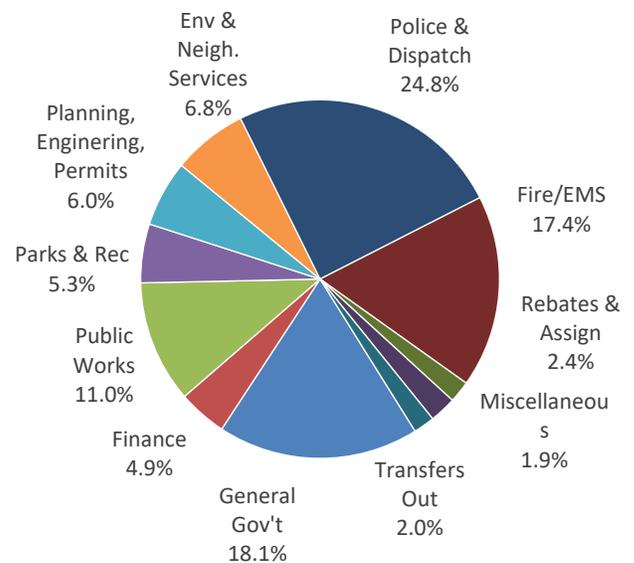
Changes to departmental expenditures total \$5,637,578 and consist of recurring additions of \$1,877,027 and one-time funding of \$3,760,551.

Priorities for funding in the adopted budget include base budget increases to keep up with rising inflation and one-time funding for community priorities such as supplemental sidewalk rehabilitation, mobility and traffic safety, and special events; resident engagement and customer service enhancements; public safety training, equipment, facilities and operations; and efforts to further turn the disruptions over the past two years into opportunities – including citywide “better than before” planning efforts and increased innovation.

**Budgeted Fund Balance**

The ending fund balance of \$31,180,432 is \$7,429,783 greater than the fund balance policy requirement of 25% of recurring budgeted expenditures. The FY23 budget is anticipated to have \$5,776,072 in revenues under expenditures, drawing down fund balance over policy from FY22 to balance the FY23 budget for one-time expenditures. The long-term goal for the fund is to maintain a fund balance over policy requirements throughout the forecast.

**General Fund FY23 Expenditures**



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

	FY21	FY22	FY22	FY23	FY23	FY23
	Actuals	Current Budget	Projections	Base Budget	Changes	Budget
<b>REVENUES</b>						
Property Taxes	\$ 32,261,466	\$ 33,805,166	\$ 33,805,166	\$ 35,913,695	\$ -	\$ 35,913,695
Sales Tax	42,179,260	46,209,078	46,209,078	43,298,121	-	43,298,121
Other Taxes	6,161,287	6,144,476	6,144,476	6,132,509	-	6,132,509
Licenses & Permits	3,380,955	3,374,035	3,374,035	3,373,980	-	3,373,980
Charges for Services	3,488,280	4,314,688	4,314,688	4,314,688	-	4,314,688
Fines & Forfeitures	1,133,610	1,178,901	1,178,901	1,279,520	-	1,279,520
Other	741,662	829,730	829,730	786,000	-	786,000
Intergovernmental	7,508,685	2,933,205	2,933,205	1,237,477	-	1,237,477
Interest Income	(1,347)	91,591	91,591	150,000	-	150,000
Operating Revenues	96,853,859	98,880,870	98,880,870	96,485,990	-	96,485,990
Transfers In	6,117,282	7,012,862	7,012,862	7,324,399	-	7,324,399
Non-operating Revenues	6,117,282	7,012,862	7,012,862	7,324,399	-	7,324,399
Total Revenues	102,971,142	105,893,732	105,893,732	103,810,389	-	103,810,389
<b>EXPENDITURES</b>						
General Government	16,556,038	19,521,369	19,430,799	17,491,351	2,380,828	19,872,179
Finance	3,967,013	4,596,564	4,590,809	4,744,232	86,700	4,830,932
Public Works	11,720,030	14,106,659	14,109,792	12,021,606	41,500	12,063,106
Parks & Recreation	4,769,960	5,634,391	5,608,229	5,487,089	335,000	5,822,089
Community Development	5,326,861	6,143,240	6,323,056	6,046,153	489,000	6,535,153
Environmental & Neighborhood SVC	5,964,718	8,441,496	8,306,938	6,817,078	580,250	7,397,328
Police Department	21,555,280	22,707,360	23,484,475	23,322,568	516,000	23,838,568
Public Safety Dispatch	2,578,271	2,966,815	3,007,139	3,321,297	17,200	3,338,497
Fire Department	15,852,716	17,984,320	18,324,348	17,832,216	1,191,100	19,023,316
Departmental Expenditures	88,290,887	102,102,214	103,185,584	97,083,591	5,637,578	102,721,169
Transfers to other Funds	1,249,676	2,243,268	2,243,268	2,151,634	-	2,151,634
Miscellaneous	952,130	3,031,265	1,947,895	1,041,593	1,042,000	2,083,593
Rebates & Assignments	2,564,341	2,773,495	2,773,495	2,630,065	-	2,630,065
Non-departmental Expenditures	4,766,147	8,048,028	6,964,658	5,823,292	1,042,000	6,865,292
Total Expenditures	93,057,034	110,150,242	110,150,242	102,906,883	6,679,578	109,586,461
Revenues Over/(Under) Expenditures	9,914,108	(4,256,510)	(4,256,510)	903,507	(6,679,578)	(5,776,072)
Fund Balance - Beginning	39,539,612	48,989,567	48,989,567	44,733,057	-	44,733,057
Accrued Sales/Franchise Taxes	(7,776,553)	(7,776,553)	(7,776,553)	(7,776,553)	-	(7,776,553)
Fund Balance - Ending	\$ 41,677,166	\$ 36,956,504	\$ 36,956,504	\$ 37,860,011	\$ (6,679,578)	\$ 31,180,432
Ending Fund Balance - % of Oper Exp		39%	39%	41%		33%
Fund Balance - Requirement		\$ 23,761,028	\$ 23,452,916	\$ 23,133,392		\$ 23,750,649
Over / (Under) Policy		13,195,476	13,503,588	14,726,618		7,429,783

The following information is included to comply with Local Government Code Section 140.004:

	FY21 Actual	FY22 Budget	FY22 Projection	FY23 Budget	FY23 Budget
Legal Notice Publication Expenditures	10,580	25,000	25,000	25,000	- 25,000
Legislative Consultant Expenditures	59,100	104,600	104,600	238,200	238,200

**GENERAL FUND  
SCHEDULE OF REVENUES**

Description	FY22		FY23		FY23 Changes	FY23 Budget
	FY21 Actuals	Current Budget	FY22 Projections	Base Budget		
Property Tax Current	\$ 31,870,017	\$ 33,461,013	\$ 33,461,013	\$ 35,789,222	\$ -	\$ 35,789,222
Property Tax Delinquent	157,907	85,000	85,000	89,473	-	89,473
Property Tax Penalty and Int	219,481	236,046	236,046	25,000	-	25,000
Property Tax Spec Inventory	14,062	23,107	23,107	10,000	-	10,000
<b>Property Taxes</b>	<b>32,261,466</b>	<b>33,805,166</b>	<b>33,805,166</b>	<b>35,913,695</b>	<b>-</b>	<b>35,913,695</b>
Sales Tax	42,179,260	46,209,078	46,209,078	43,298,121	-	43,298,121
<b>Sales Tax</b>	<b>42,179,260</b>	<b>46,209,078</b>	<b>46,209,078</b>	<b>43,298,121</b>	<b>-</b>	<b>43,298,121</b>
Other Tax Mixed Drink	583,666	660,413	660,413	700,000	-	700,000
Other Tax-Franchise Electric	4,262,377	4,108,308	4,108,308	4,056,754	-	4,056,754
Other Tax-Franchise Gas	399,797	405,250	405,250	405,250	-	405,250
Other Tax-Franchise Telecomm	139,858	138,055	138,055	138,055	-	138,055
Other Tax-Franchise Cable TV	724,498	771,709	771,709	771,709	-	771,709
Other Tax-Right of Way	51,091	60,741	60,741	60,741	-	60,741
<b>Other Taxes</b>	<b>6,161,287</b>	<b>6,144,476</b>	<b>6,144,476</b>	<b>6,132,509</b>	<b>-</b>	<b>6,132,509</b>
LP Building	1,547,869	1,765,451	1,765,451	1,765,451	-	1,765,451
LP Infrastructure Review	18,223	3,580	3,580	3,580	-	3,580
LP Electrical	296,030	145,411	145,411	145,411	-	145,411
LP Irrigation	20,538	15,620	15,620	15,620	-	15,620
LP Health	375,148	402,354	402,354	402,354	-	402,354
LP HVAC	213,056	179,649	179,649	179,649	-	179,649
LP Late Fees	6,575	11,783	11,783	11,783	-	11,783
LP Liquor	19,565	8,495	8,495	8,495	-	8,495
LP Mowing Liens	437	-	-	-	-	-
LP Plat Fees	12,431	4,706	4,706	4,706	-	4,706
LP Plumbing	194,539	179,320	179,320	179,320	-	179,320
LP Reinspection Fees	15,319	14,640	14,640	14,640	-	14,640
LP Signs	20,364	17,792	17,792	17,792	-	17,792
LP Contractor Registration	38,207	31,046	31,046	31,046	-	31,046
LP Right of Way	400	3,787	3,787	3,787	-	3,787
LP Fire Alarm	33,166	32,622	32,622	32,622	-	32,622
LP Other Fire Code	123,800	118,682	118,682	118,682	-	118,682
LP Solicitor	9,309	10,632	10,632	10,632	-	10,632
LP Land Disturbance Fee	959	1,528	1,528	1,528	-	1,528
LP Site Plan Fees	8,502	13,732	13,732	13,732	-	13,732
LP Zoning and Conditional Use	30,683	21,936	21,936	21,936	-	21,936
Penalties	31,199	37,388	37,388	37,388	-	37,388
LP Rental Inspection Fees	364,636	353,826	353,826	353,826	-	353,826
LP Rental Reinspection Fees	-	55	55	-	-	-
<b>Licenses &amp; Permits</b>	<b>3,380,955</b>	<b>3,374,035</b>	<b>3,374,035</b>	<b>3,373,980</b>	<b>-</b>	<b>3,373,980</b>
Svs Chg Reproduction Copies	7,844	9,081	9,081	9,081	-	9,081
Svs Chg Street Light Charges	-	1,000	1,000	1,000	-	1,000
Svs Chg Swim Pool Admission	15,662	15,702	15,702	15,702	-	15,702
Svs Chg Facility Usage Cards	24,615	43,300	43,300	43,300	-	43,300
Svs Chg Swim Pool Rent	1,488	1,488	1,488	1,488	-	1,488
Svs Chg Building Rent	18,048	84,176	84,176	84,176	-	84,176
Svs Chg Community Event Recreat	570	2,105	2,105	2,105	-	2,105
Svs Chg Athletic Leagues	16,974	17,997	17,997	17,997	-	17,997
Svs Chg Pavilion Rent	34,883	59,728	59,728	59,728	-	59,728
Svs Chg Camp Programs	-	112,440	112,440	112,440	-	112,440
Svs Chg Light Fees	13,576	20,958	20,958	20,958	-	20,958
Svs Chg Leisure Classes	25,749	64,445	64,445	64,445	-	64,445
Svs Chg Athletic Field Rent	7,100	7,735	7,735	7,735	-	7,735
Svs Chg Senior Programs	-	8,745	8,745	8,745	-	8,745
Svs Chg Dangerous Dog License	-	110	110	110	-	110
Svs Chg Animal Adoption	705	19,870	19,870	19,870	-	19,870
Svs Chg Animal Impound	1,176	1,076	1,076	1,076	-	1,076
Svs Chg False Alarm Fees	57,150	83,800	83,800	83,800	-	83,800
Svs Chg Accident Reports	2,686	3,050	3,050	3,050	-	3,050
Svs Chg Finger Printing	980	2,760	2,760	2,760	-	2,760
Svs Chg Fire Protection Fees	1,186,104	1,255,055	1,255,055	1,255,055	-	1,255,055
Svs Chg EMS	2,072,972	2,500,067	2,500,067	2,500,067	-	2,500,067
<b>Charges for Services</b>	<b>3,488,280</b>	<b>4,314,688</b>	<b>4,314,688</b>	<b>4,314,688</b>	<b>-</b>	<b>4,314,688</b>

**GENERAL FUND  
SCHEDULE OF REVENUES**

Description	FY21	FY22	FY22	FY23	FY23	FY23
	Actuals	Current Budget	Projections	Base Budget	Changes	Budget
Fines Admin Court Fees	47,129	53,026	53,026	53,026	-	53,026
Fines City Portion DPS Fee	7,765	6,272	6,272	6,272	-	6,272
Fines Child Safety	119,704	142,754	142,754	142,754	-	142,754
Fines Commercial Vehicles	13,223	14,845	14,845	14,845	-	14,845
Fines Municipal Court	811,211	839,873	839,873	940,492	-	940,492
Fines Judicial Efficiency	2,863	2,167	2,167	2,167	-	2,167
Fines Warrants	122,065	109,284	109,284	109,284	-	109,284
Fines Online Convenience Fee	9,650	10,680	10,680	10,680	-	10,680
<b>Fines &amp; Forfeitures</b>	<b>1,133,610</b>	<b>1,178,901</b>	<b>1,178,901</b>	<b>1,279,520</b>	<b>-</b>	<b>1,279,520</b>
Operating Contribution Nongov	32,617	117,618	117,618	81,000	-	81,000
Capital Contribution Nongov	100,000	10,761	10,761	-	-	-
Misc. Operating Revenue	50,846	32,816	32,816	22,000	-	22,000
Other Rev-Unclaimed Property	1,286	-	-	-	-	-
Other Rev-Insurance Recovery	222,432	492,362	492,362	507,000	-	507,000
OFS Sale of Cap Assets	71,282	-	-	-	-	-
OFS Sale of NonCap Assets	25,539	13,000	13,000	13,000	-	13,000
Reimbursements	237,645	163,173	163,173	163,000	-	163,000
Customer Over/Short	15	-	-	-	-	-
<b>Other</b>	<b>741,662</b>	<b>829,730</b>	<b>829,730</b>	<b>786,000</b>	<b>-</b>	<b>786,000</b>
Operating Contribution Federal	6,666,152	2,133,647	2,133,647	213,960	-	213,960
Operating Contribution O. Gov	26,752	7,700	7,700	7,700	-	7,700
Intergov TIRZ 1	81,150	72,594	72,594	80,139	-	80,139
Intergov TIRZ 3	2,285	6,472	6,472	11,236	-	11,236
Intergov TIRZ 4	4,328	12,441	12,441	11,674	-	11,674
Intergov SL4B	728,018	700,351	700,351	912,768	-	912,768
<b>Intergovernmental</b>	<b>7,508,685</b>	<b>2,933,205</b>	<b>2,933,205</b>	<b>1,237,477</b>	<b>-</b>	<b>1,237,477</b>
Interest Earnings	91,591	91,591	91,591	150,000	-	150,000
Unrealized Gain/Loss Invest	(92,937)	-	-	-	-	-
<b>Interest Income</b>	<b>(1,347)</b>	<b>91,591</b>	<b>91,591</b>	<b>150,000</b>	<b>-</b>	<b>150,000</b>
Trf from 104 for Admin. Svcs	-	682,467	682,467	828,658	-	828,658
Svs Chg Fr Utility Fund	5,578,062	4,639,559	4,639,559	4,795,724	-	4,795,724
Trf from 601 for Admin. Svcs	239,220	-	-	-	-	-
Svs Chg Fr Airport	-	1,196,627	1,196,627	1,202,581	-	1,202,581
Svs Chg Fr Solid Waste	-	194,209	194,209	197,436	-	197,436
Trf in Solid Waste	300,000	300,000	300,000	300,000	-	300,000
<b>Transfers In</b>	<b>6,117,282</b>	<b>7,012,862</b>	<b>7,012,862</b>	<b>7,324,399</b>	<b>-</b>	<b>7,324,399</b>
<b>GRAND TOTAL</b>	<b>\$ 102,971,142</b>	<b>\$ 105,893,732</b>	<b>\$ 105,893,732</b>	<b>\$ 103,810,389</b>	<b>\$ -</b>	<b>\$ 103,810,389</b>

**GENERAL FUND  
SUMMARY OF EXPENDITURES**

Description	FY21 Actuals	FY22 Current Budget	FY22 Projections	FY23 Base Budget	FY23 Changes	FY23 Budget
Mayor & City Council	\$ 219,671	\$ 211,284	\$ 201,984	\$ 251,183	\$ 17,400	\$ 268,583
City Manager	1,005,235	749,244	765,744	662,295	7,000	669,295
Assistant City Managers	1,217,215	1,398,323	1,384,223	1,265,459	115,000	1,380,459
Emergency Management	400,082	404,232	414,818	359,965	-	359,965
Office of Intergovernmental Relations	213,421	328,437	328,437	249,385	122,500	371,885
Strategic Planning & Philanthropy	183,790	27,650	27,650	3,050	-	3,050
Budget & Strategy	487,316	571,221	812,304	791,018	28,000	819,018
City Secretary	909,730	1,085,965	1,084,565	1,082,458	-	1,082,458
Public Affairs	-	612,163	612,163	682,882	309,600	992,482
311 Contact Center	496,495	602,253	602,253	654,479	-	654,479
Community Engagement	1,188,844	1,112,328	1,031,085	1,155,467	-	1,155,467
Human Resources	1,603,146	1,685,234	1,536,155	1,558,400	-	1,558,400
Risk Management	196,714	207,265	206,965	208,318	11,000	219,318
City Attorney	995,746	1,167,169	1,167,169	1,116,874	50,000	1,166,874
Information Technology	4,932,712	5,733,940	5,719,097	5,417,498	1,247,301	6,664,799
Department of Innovation	795,354	1,019,107	1,017,249	836,643	125,000	961,643
Economic Development	1,710,568	2,605,555	2,518,937	1,195,978	348,027	1,544,005
<b>General Government</b>	<b>16,556,038</b>	<b>19,521,369</b>	<b>19,430,799</b>	<b>17,491,351</b>	<b>2,380,828</b>	<b>19,872,179</b>
Finance Administration	1,045,900	1,402,588	1,249,034	1,422,706	81,700	1,504,406
Accounting	1,190,741	1,257,965	1,385,331	1,469,380	-	1,469,380
Purchasing	583,827	547,171	649,990	665,507	-	665,507
Municipal Court	1,146,547	1,388,839	1,306,454	1,186,638	5,000	1,191,638
<b>Finance</b>	<b>3,967,013</b>	<b>4,596,564</b>	<b>4,590,809</b>	<b>4,744,232</b>	<b>86,700</b>	<b>4,830,932</b>
Public Works Administration	542,885	800,582	691,287	572,693	11,500	584,193
Street & Drainage Maintenance	4,808,965	6,221,431	6,196,163	3,820,769	-	3,820,769
ROW Maintenance	2,245,287	2,507,919	2,645,616	2,689,428	30,000	2,719,428
Traffic Operations	4,122,893	4,576,726	4,576,726	4,938,716	-	4,938,716
<b>Public Works</b>	<b>11,720,030</b>	<b>14,106,659</b>	<b>14,109,792</b>	<b>12,021,606</b>	<b>41,500</b>	<b>12,063,106</b>
Parks Administration	640,136	656,037	663,580	721,139	-	721,139
Development & Maintenance	2,918,618	3,148,319	3,091,307	3,118,397	65,000	3,183,397
Special Events	346,591	670,175	665,482	397,678	270,000	667,678
Recreation & Athletics	374,498	424,922	444,702	546,488	-	546,488
Senior Programs	214,728	352,318	361,438	299,793	-	299,793
Imperial Park	275,389	382,620	381,720	403,595	-	403,595
<b>Parks &amp; Recreation</b>	<b>4,769,960</b>	<b>5,634,391</b>	<b>5,608,229</b>	<b>5,487,089</b>	<b>335,000</b>	<b>5,822,089</b>
Planning Administration	210,025	212,549	214,481	223,639	-	223,639
Planning & Development	491,158	585,597	585,647	601,261	-	601,261
Long Range Planning	543,823	727,461	727,461	402,409	369,000	771,409
Permits	726,291	697,231	794,409	810,028	100,000	910,028
Inspections	516,017	596,905	596,905	692,461	-	692,461
City Engineer	2,781,519	3,222,267	3,301,775	3,225,430	20,000	3,245,430
Asset Management	58,029	101,230	102,378	90,925	-	90,925
<b>Community Development</b>	<b>5,326,861</b>	<b>6,143,240</b>	<b>6,323,056</b>	<b>6,046,153</b>	<b>489,000</b>	<b>6,535,153</b>
ENS Administration	420,108	571,402	495,491	541,591	11,500	553,091
Fleet Services	821,397	875,779	875,779	907,816	176,750	1,084,566
Facilities Management	2,483,245	4,422,436	4,422,436	3,028,967	350,000	3,378,967
Animal Services	1,020,783	1,192,585	1,134,047	1,196,676	40,000	1,236,676
Stormwater Management	175,020	289,303	289,303	4,915	-	4,915
Food Inspection	320,243	331,204	331,204	343,755	-	343,755
Code Enforcement	460,183	482,090	481,981	508,611	2,000	510,611
Rental Registration	263,738	276,697	276,697	284,747	-	284,747
<b>Environmental &amp; Neighborhood SVC</b>	<b>5,964,718</b>	<b>8,441,496</b>	<b>8,306,938</b>	<b>6,817,078</b>	<b>580,250</b>	<b>7,397,328</b>

**GENERAL FUND  
SUMMARY OF EXPENDITURES**

Description	FY21 Actuals	FY22 Current Budget	FY22 Projections	FY23 Base Budget	FY23 Changes	FY23 Budget
Police Administration	1,052,681	1,199,598	1,205,075	1,065,614	-	1,065,614
Staff Services	2,310,508	2,445,462	2,515,133	2,700,986	-	2,700,986
Professional Services	1,486,331	1,806,281	1,726,128	1,897,792	70,000	1,967,792
Patrol	12,555,690	13,022,853	13,321,248	13,350,490	346,000	13,696,490
Criminal Investigations	3,710,818	3,684,092	4,000,326	3,800,366	100,000	3,900,366
Detention Center	424,292	479,799	643,079	474,029	-	474,029
TCLEOSE Training	-	50,385	50,385	10,189	-	10,189
SWAT	14,960	18,891	23,102	23,102	-	23,102
<b>Police Department</b>	<b>21,555,280</b>	<b>22,707,360</b>	<b>23,484,475</b>	<b>23,322,568</b>	<b>516,000</b>	<b>23,838,568</b>
PS Dispatch	2,578,271	2,966,815	3,007,139	3,321,297	17,200	3,338,497
<b>Public Safety Dispatch</b>	<b>2,578,271</b>	<b>2,966,815</b>	<b>3,007,139</b>	<b>3,321,297</b>	<b>17,200</b>	<b>3,338,497</b>
Fire Administration	642,800	747,757	832,929	846,559	-	846,559
Emergency Services	14,303,948	16,253,353	16,508,210	15,880,549	1,191,100	17,071,649
Prevention & Investigation	905,968	983,209	983,209	1,105,108	-	1,105,108
<b>Fire Department</b>	<b>15,852,716</b>	<b>17,984,320</b>	<b>18,324,348</b>	<b>17,832,216</b>	<b>1,191,100</b>	<b>19,023,316</b>
<b>Total Operating Expenditures</b>	<b>88,290,887</b>	<b>102,102,214</b>	<b>103,185,584</b>	<b>97,083,591</b>	<b>5,637,578</b>	<b>102,721,169</b>
Transfers to Other Funds	1,249,676	2,243,268	2,243,268	2,151,634	-	2,151,634
Miscellaneous	952,130	3,031,265	1,947,895	1,041,593	1,042,000	2,083,593
Rebates & Assignments	2,564,341	2,773,495	2,773,495	2,630,065	-	2,630,065
<b>Total Non-Operating</b>	<b>4,766,147</b>	<b>8,048,028</b>	<b>6,964,658</b>	<b>5,823,292</b>	<b>1,042,000</b>	<b>6,865,292</b>
<b>Total Expenditures</b>	<b>93,057,034</b>	<b>110,150,242</b>	<b>110,150,242</b>	<b>102,906,883</b>	<b>6,679,578</b>	<b>109,586,461</b>

# Mayor and City Council

## Services Provided

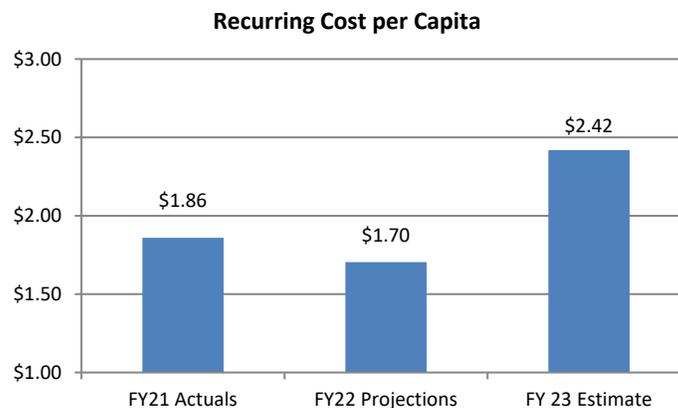
The **Mayor and City Council** provide direction to the City Manager and staff to achieve service level objectives. The long-range vision of the City is established by adopting goals, objectives, and strategies. Two regular City Council meetings are held each month on the first and third Tuesday, as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

## FY23 Changes

There are \$17,400 in one-time changes, which includes \$9,900 for Digital Health Department Software and \$7,500 for the U.S. Conference of Mayors.

## Performance Measures: Responsible City Government

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



Summary by Category	FY21 Actuals	FY22 Current Budget	FY22 Projections	FY23 Base Budget	FY23 Changes	FY23 Budget
Salary & Benefits	\$ 178,967	\$ 162,179	\$ 162,179	\$ 183,578	\$ -	\$ 183,578
Supplies	14,328	3,274	3,274	3,274	-	3,274
Professional Services	2,306	3,170	3,170	29,800	-	29,800
Repairs & Maintenance	-	-	-	-	-	-
Purchased Services	24,070	42,661	33,361	34,531	17,400	51,931
Capital/Other	-	-	-	-	-	-
<b>Category Totals</b>	<b>\$ 219,671</b>	<b>\$ 211,284</b>	<b>\$ 201,984</b>	<b>\$ 251,183</b>	<b>\$ 17,400</b>	<b>\$ 268,583</b>

# City Manager

## Services Provided

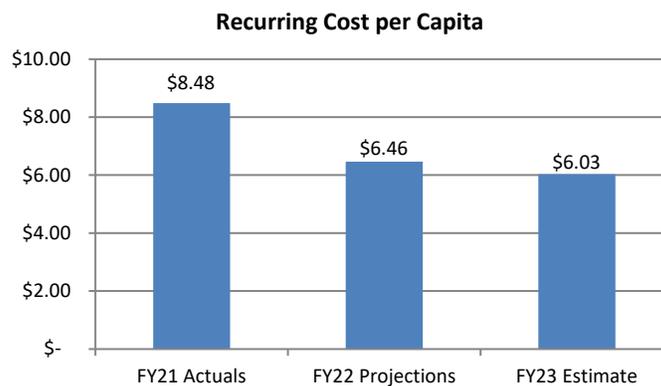
The **City Manager** is appointed by City Council and serves as Chief Executive Officer of the City. The City Manager is responsible for making recommendations to City Council, filing the annual budget, five-year CIP, strategic project work plan and five-year financial forecast, and providing leadership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

## FY23 Changes

A \$7,000 recurring addition is included for the reestablishment of funding for professional services.

## Performance Measures: Responsible City Government

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



Summary by Category	FY21 Actuals	FY22 Current Budget	FY22 Projections	FY23 Base Budget	FY23 Changes	FY23 Budget
Salary & Benefits	\$ 931,350	\$ 629,417	\$ 629,417	\$ 620,468	\$ -	\$ 620,468
Supplies	14,236	16,043	17,843	18,193	-	18,193
Professional Services	9,273	2,210	18,710	2,210	7,000	9,210
Repairs & Maintenance	-	-	-	-	-	-
Purchased Services	50,376	101,574	99,774	21,424	-	21,424
Capital/Other	-	-	-	-	-	-
<b>Category Totals</b>	<b>\$ 1,005,235</b>	<b>\$ 749,244</b>	<b>\$ 765,744</b>	<b>\$ 662,295</b>	<b>\$ 7,000</b>	<b>\$ 669,295</b>

FTE Count	FY21 Budget	FY22 Current Budget	FY22 Adjustments	FY23 Base Budget	FY23 Adjustment	FY23 Budget
City Manager	6.00	6.00	(3.00)	3.00	-	3.00
<b>Category Totals</b>	<b>6.00</b>	<b>6.00</b>	<b>(3.00)</b>	<b>3.00</b>	<b>-</b>	<b>3.00</b>

# Assistant City Managers

## Services Provided

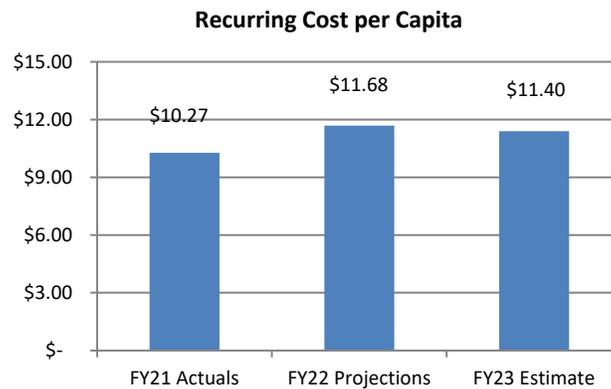
The **Assistant City Managers** provide executive oversight, guidance, and support to respective departments to ensure the priorities of the City are understood and achieved. The Assistant City Managers serve on behalf of the City Manager in managing projects, assignments, and representing the organization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

## FY23 Changes

A total of \$115,000 in changes include one-time additions of \$25,000 for strategy events, engagement, incentives, futurist planning exercises, \$25,000 for cultures and values events, items, trips, and speakers to boost worker engagement, \$30,000 for Qualtrics survey platform, and \$40,000 for the Hometown Fellowship Program.

## Performance Measures:

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



Summary by Category	FY21 Actuals	FY22 Current Budget	FY22 Projections	FY23 Base Budget	FY23 Changes	FY23 Budget
Salary & Benefits	\$ 1,120,176	\$ 1,134,867	\$ 1,134,867	\$ 1,188,518	\$ -	\$ 1,188,518
Supplies	12,533	9,150	11,150	8,600	-	8,600
Professional Services	58,615	191,065	172,065	4,450	90,000	94,450
Repairs & Maintenance	-	-	-	-	-	-
Purchased Services	25,891	63,241	66,141	63,891	25,000	88,891
Capital/Other	-	-	-	-	-	-
<b>Category Totals</b>	<b>\$ 1,217,215</b>	<b>\$ 1,398,323</b>	<b>\$ 1,384,223</b>	<b>\$ 1,265,459</b>	<b>\$ 115,000</b>	<b>\$ 1,380,459</b>

FTE Count	FY21 Budget	FY22 Current Budget	FY22 Adjustments	FY23 Base Budget	FY23 Adjustment	FY23 Budget
Assistant City Managers	6.00	6.00	-	6.00	-	6.00
<b>Category Totals</b>	<b>6.00</b>	<b>6.00</b>	<b>-</b>	<b>6.00</b>	<b>-</b>	<b>6.00</b>

# Emergency Management

## Mission Statement

The mission of the Sugar Land Office of Emergency Management is to facilitate community preparedness, coordination, communication, and resource allocation in order to enable the city to respond to and recovery from emergencies or disasters.

The vision of the City of Sugar Land Office of Emergency Management is to be a unifying force for both city departments and local stakeholders in preparedness, response, recovery and mitigation of emergencies or disasters. By developing and maintaining strategic community partnerships, promoting awareness, developing efficiencies in low density high value resources, facilitated coordination, and ensuring fiscal sustainability for the emergency preparedness program, the City's emergency response and recovery functions will be ready.

## Services Provided

The Office of Emergency Management provides all hazards emergency management services focused on: planning, operational coordination, educational outreach, and training / exercises. The emergency planning service line ensures relevant, accessible, and digestible plans for use by emergency management stakeholders. Operational coordination focuses on timely and relevant resource allocation and information provision for key stakeholders during times of need. Educational outreach promotes an informed and prepared community in the pursuit of a whole community approach to emergency management activities. Lastly, training and exercises address capability gaps by building institutional knowledge and broadening the perspectives of emergency management partners.

## FY23 Changes

There were no additions to the FY23 budget for Emergency Management.

Summary by Category	FY21 Actuals	FY22 Current Budget	FY22 Projections	FY23 Base Budget	FY23 Changes	FY23 Budget
Salary & Benefits	\$ 247,907	\$ 290,170	\$ 300,756	\$ 277,501	\$ -	\$ 277,501
Supplies	40,501	6,716	6,716	10,512	-	10,512
Professional Services	91,800	25,900	25,900	25,900	-	25,900
Repairs & Maintenance	4,504	37,592	37,592	3,000	-	3,000
Purchased Services	15,371	43,854	43,854	43,052	-	43,052
Capital/Other	-	-	-	-	-	-
<b>Category Totals</b>	<b>\$ 400,082</b>	<b>\$ 404,232</b>	<b>\$ 414,818</b>	<b>\$ 359,965</b>	<b>\$ -</b>	<b>\$ 359,965</b>

FTE Count	FY21 Budget	FY22 Current Budget	FY22 Adjustments	FY23 Base Budget	FY23 Adjustment	FY23 Budget
Emergency Management	2.00	2.00	-	2.00	-	2.00
<b>Category Totals</b>	<b>2.00</b>	<b>2.00</b>	<b>-</b>	<b>2.00</b>	<b>-</b>	<b>2.00</b>

# Community Engagement

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## Mission Statement

Community Engagement provides timely and dependable information, equitable public engagement, strategy, and advocacy services to the people of Sugar Land, their City Council, and other City departments, so they can prosper, build trusting relationships, and influence the future of their community.

## Services Provided

The **Community Engagement** team is responsible for connecting, educating, engaging and empowering the residents of the City of Sugar Land. They manage the 'Serve Sugar Land' volunteer program in addition to numerous citizen engagement opportunities; as well as, provide resources for residents to register concerns and receive information, serving as a portal for resident contact.

## FY23 Changes

There were no additions to the FY23 budget for Community Engagement.

## Performance Measures: Responsible City Government

### Volunteer Hours

The number of volunteer hours is one factor in gauging how engaged our community is with the City and the services we provide. Volunteer hours are important because if we can recruit and retain a group of committed people who are willing to voluntarily contribute to moving the city forward, then we have achieved a goal of fostering true engagement between the city and the community. Additionally, when people volunteer to complete city tasks, it ultimately saves taxpayer dollars.

### Town Hall Meetings

Town Hall meetings are hosted once a year as a way to bridge the community and the council members who serve them. Town Hall meetings are important because they are an opportunity for city leadership to hear from residents and vice versa. This is important for open feedback about decision-making, addressing concerns and plans for the future.

### Mayor's Youth Advisory Council

The Mayor's Youth Advisory Council empowers youth to become active members in their community by providing variety of opportunities to have an everlasting effect on the future of their city through local government and public service. This program is important because it engages a demographic on a regular basis that would typically not be reached by local government, and prepares them to continue to be civically engaged in the future.

### Sugar Land 101

Sugar Land 101 allows residents to familiarize themselves with the structure, function, and purpose of city government. This program is important because it serves an opportunity for the city to be transparent in decision-making and empower residents to be part of city solutions.

# Community Engagement

Performance Measure	2019 Actual	2020 Actual	2021 Actual	2022 Actual	2023 Target
Volunteer hours (engaging residents)	n/a	n/a	11,031	16,572	17,000
Town Hall meetings (connecting residents)	n/a	0	2	4	2
Mayor's Youth Advisory Council (engaging residents)	n/a	1	1	1	1
Sugar Land 101 (engaging residents)	n/a	1	1	1	1

Summary by Category	FY21 Actuals	FY22 Current Budget	FY22 Projections	FY23 Base Budget	FY23 Changes	FY23 Budget
Salary & Benefits	\$ 1,092,905	\$ 881,866	\$ 800,623	\$ 1,001,856	\$ -	\$ 1,001,856
Supplies	28,865	14,315	14,315	18,264	-	18,264
Professional Services	44,896	132,800	132,800	51,000	-	51,000
Repairs & Maintenance	-	450	450	450	-	450
Purchased Services	22,177	82,897	82,897	83,897	-	83,897
Capital/Other	-	-	-	-	-	-
<b>Category Totals</b>	<b>\$ 1,188,844</b>	<b>\$ 1,112,328</b>	<b>\$ 1,031,085</b>	<b>\$ 1,155,467</b>	<b>\$ -</b>	<b>\$ 1,155,467</b>

FTE Count	FY21 Budget	FY22 Current Budget	FY22 Adjustments	FY23 Base Budget	FY23 Adjustment	FY23 Budget
Community Engagement	9.00	9.00	1.00	10.00	-	10.00
<b>Category Totals</b>	<b>9.00</b>	<b>9.00</b>	<b>1.00</b>	<b>10.00</b>	<b>-</b>	<b>10.00</b>

# Intergovernmental Relations

## Services Provided

The Office of Intergovernmental Relations is responsible for regional, local, state and federal intergovernmental relations, including the development of legislative agendas, coordination of information and monitoring of relationships through the ambassador program. The Office is also responsible for maintaining relationships with private utility providers within the City. The entire vision as adopted by the City Council guides the City’s intergovernmental relations program specifically guided by the following statement under Goal K – Community Pride in Sugar Land: “City working in partnership with residents, community organizations, businesses and other government entities.”

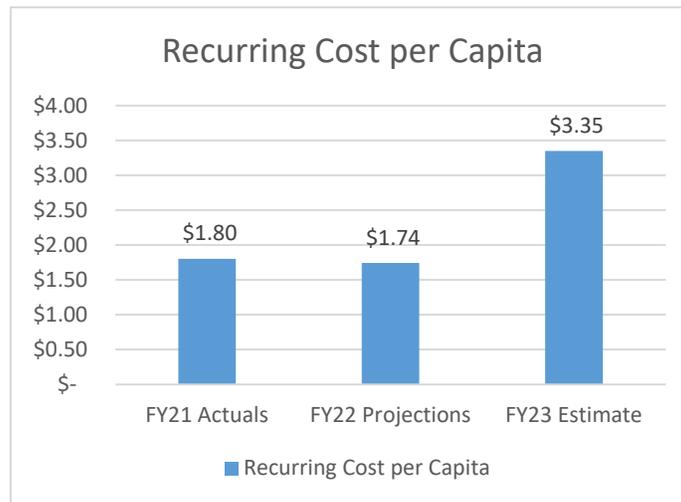
## FY23 Changes

Changes totaling \$122,500 include \$120,000 in one-time additions for Federal Advocacy and \$2,500 in purchased services.

## Performance Measures: Responsible City Government

### Recurring Cost per Capita

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



Summary by Category	FY21 Actuals	FY22 Current Budget	FY22 Projections	FY23 Base Budget	FY23 Changes	FY23 Budget
Salary & Benefits	\$ 140,547	\$ 142,195	\$ 142,195	\$ 148,143	\$ -	\$ 148,143
Supplies	476	8,800	8,800	8,800	-	8,800
Professional Services	60,031	150,200	150,200	65,200	120,000	185,200
Repairs & Maintenance	-	-	-	-	-	-
Purchased Services	12,367	27,242	27,242	27,242	2,500	29,742
Capital/Other	-	-	-	-	-	-
<b>Category Totals</b>	<b>\$ 213,421</b>	<b>\$ 328,437</b>	<b>\$ 328,437</b>	<b>\$ 249,385</b>	<b>\$ 122,500</b>	<b>\$ 371,885</b>

FTE Count	FY21 Budget	FY22 Current Budget	FY22 Adjustments	FY23 Base Budget	FY23 Adjustment	FY23 Budget
Intergovernmental Relations	1.00	1.00	-	1.00	-	1.00
<b>Category Totals</b>	<b>1.00</b>	<b>1.00</b>	<b>-</b>	<b>1.00</b>	<b>-</b>	<b>1.00</b>

# Budget & Strategy

## Mission Statement

To prepare a balanced annual budget that delivers community and organizational needs while supporting the strategic priorities of the city and to increase efficiencies of city services through research, policy analysis, and long-range planning strategies.

## Services Provided

**Budget** oversees the budget process and provides assistance to departments regarding budgeting and financial analysis.

**Strategic Planning** is responsible for the development of the citywide strategic plan and the management of its execution and modification.

## FY23 Changes

Changes total \$28,000 in one-time funding for strategic planning retreats.

## Performance Measures

### Percent Variance Between Forecasted and Actual Revenue Received

Percent Variance between Forecast and Actual Revenue received is measured by comparing the actual revenue collected to the original revenue forecast used to develop the budget. Strong financial management practices are essential when planning for the short- and long-term service delivery needs of the community. Consistency and accuracy lead to effective utilization of resources to deliver service.

### Community Outreach and Engagement Events

Community Outreach and Engagement Events is measured as the number of engagement initiatives held. Expanding community engagement in the budget process helps to ensure that all members of the community have opportunity to share their voice.

Performance Measure	2019 Actual	2020 Actual	2021 Actual	2022 Actual	2023 Target
<b>Percent Variance Between Forecasted and Actual Revenue Received</b>	New	New	New	New	≤ 3%
<b>Community Outreach and Engagement Events</b>	New	New	New	New	6

Summary by Category	FY21 Actuals	FY22 Current Budget	FY22 Projections	FY23 Base Budget	FY23 Changes	FY23 Budget
Salary & Benefits	\$ 413,774	\$ 516,936	\$ 758,019	\$ 736,863	\$ -	\$ 736,863
Supplies	5,400	6,575	3,075	3,333	-	3,333
Professional Services	41,873	32,235	32,235	17,105	28,000	45,105
Repairs & Maintenance	-	-	-	-	-	-
Purchased Services	26,268	15,475	18,975	33,717	-	33,717
Capital/Other	-	-	-	-	-	-
<b>Category Totals</b>	<b>\$ 487,316</b>	<b>\$ 571,221</b>	<b>\$ 812,304</b>	<b>\$ 791,018</b>	<b>\$ 28,000</b>	<b>\$ 819,018</b>

FTE Count	FY21 Budget	FY22 Current Budget	FY22 Adjustments	FY23 Base Budget	FY23 Adjustment	FY23 Budget
Budget & Strategy	6.00	7.00	-	7.00	-	7.00
<b>Category Totals</b>	<b>6.00</b>	<b>7.00</b>	<b>-</b>	<b>7.00</b>	<b>-</b>	<b>7.00</b>

# City Secretary

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## Mission Statement

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

## Services Provided

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

## FY23 Changes

There were no additions to the FY23 budget for the Office of the City Secretary.

## Performance Measures:

### Open Records Requests

The Texas Public Information Act insures people the right of access to government information. As the stewards of open government for the City, the performance measure is to reassure the public the City Secretary is administering requests for records in accordance to the local and state statutes.

### Records Management

With the migration of records management software from one system to another, the Office of the City Secretary will track the file integration. The goal of the extraction from the retired software system to the new is to have 100% of permanent records converted successfully.

Performance Measure	2019 Actual	2020 Actual	2021 Target	2022 Target	2023 Target
Open Record Requests	2,492	2,341	2,514	2,514	2,514
Records Management (new measure related to records inventory software conversion)	N/A	N/A	9,768	9,768	9,768

# City Secretary

Summary by Category	FY21 Actuals	FY22 Current Budget	FY22 Projections	FY23 Base Budget	FY23 Changes	FY23 Budget
Salary & Benefits	\$ 694,602	\$ 779,405	\$ 779,405	\$ 806,950	\$ -	\$ 806,950
Supplies	134,609	110,056	110,456	109,608	-	109,608
Professional Services	8,695	15,500	15,500	15,500	-	15,500
Repairs & Maintenance	919	3,553	2,153	753	-	753
Purchased Services	70,906	177,451	177,051	149,647	-	149,647
Capital/Other	-	-	-	-	-	-
<b>Category Totals</b>	<b>\$ 909,730</b>	<b>\$ 1,085,965</b>	<b>\$ 1,084,565</b>	<b>\$ 1,082,458</b>	<b>\$ -</b>	<b>\$ 1,082,458</b>

FTE Count	FY21 Budget	FY22 Current Budget	FY22 Adjustments	FY23 Base Budget	FY23 Adjustment	FY23 Budget
City Secretary	9.00	9.00	-	9.00	-	9.00
<b>Category Totals</b>	<b>9.00</b>	<b>9.00</b>	<b>-</b>	<b>9.00</b>	<b>-</b>	<b>9.00</b>

# 311 Contact Center

## Services Provided

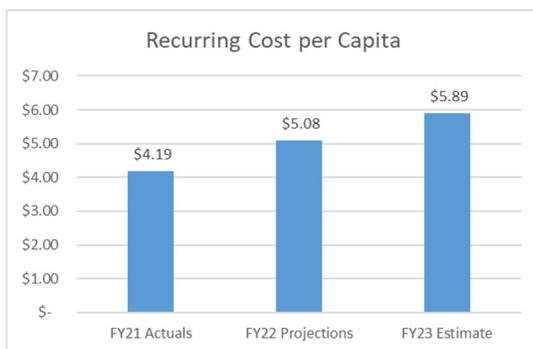
The 311 Contact Center provides superior customer service to the residents and visitors of the City of Sugar Land by answering general inquiry questions and processing requests for city services swiftly and accurately. Utilizing automated call distribution software, inquiries are routed to 311 Ambassadors to respond and document in the city’s citizen relationship management (CRM) software. The Contact Center creates a single point of contact for residents and visitors, provides enhanced reporting and analytics, and enables departments to focus on their core mission.

## FY23 Changes

There were no additions to the FY23 budget for the 311 Contact Center.

## Performance Measures: Responsible City Government

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



Performance Measure	Goal	2021 Actual	2022 Actual	2023 Projections
Calls Offered	N/A	80,800	66,814	70,000
Calls Answered	N/A	48,983	49,029	55,000
Avg Seconds to Answer	1:20	2:38	1:41	1:20
% Abandoned	10%	21%	16%	10%
Service Level Goal	90%	38%	51%	75%

Summary by Category	FY21 Actuals	FY22 Current Budget	FY22 Projections	FY23 Base Budget	FY23 Changes	FY23 Budget
Salary & Benefits	\$ 424,031	\$ 489,549	\$ 489,549	\$ 554,315	\$ -	\$ 554,315
Supplies	2,035	15,565	14,126	4,126	-	4,126
Professional Services	17,605	23,228	19,900	26,400	-	26,400
Repairs & Maintenance	-	-	-	-	-	-
Purchased Services	52,825	73,910	78,678	69,638	-	69,638
Capital/Other	-	-	-	-	-	-
<b>Category Totals</b>	<b>\$ 496,495</b>	<b>\$ 602,253</b>	<b>\$ 602,253</b>	<b>\$ 654,479</b>	<b>\$ -</b>	<b>\$ 654,479</b>

FTE Count	FY21 Budget	FY22 Current Budget	FY22 Adjustments	FY23 Base Budget	FY23 Adjustment	FY23 Budget
311 Contact Center	8.20	8.20	0.30	8.50	-	8.50
<b>Category Totals</b>	<b>8.20</b>	<b>8.20</b>	<b>0.30</b>	<b>8.50</b>	<b>-</b>	<b>8.50</b>

# Human Resources

## Mission Statement

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

## Services Provided

**Human Resources** is responsible for recruitment, total compensation, organization development, health and wellness, leave administration, employee policies and procedures, and employee recognition for all City departments.

**Risk Management** oversees the City’s insurance program for workers’ compensation, property, auto, crime, and all lines of liabilities, as well as the review of contractual insurance requirements, claims management, and the safety and loss prevention program.

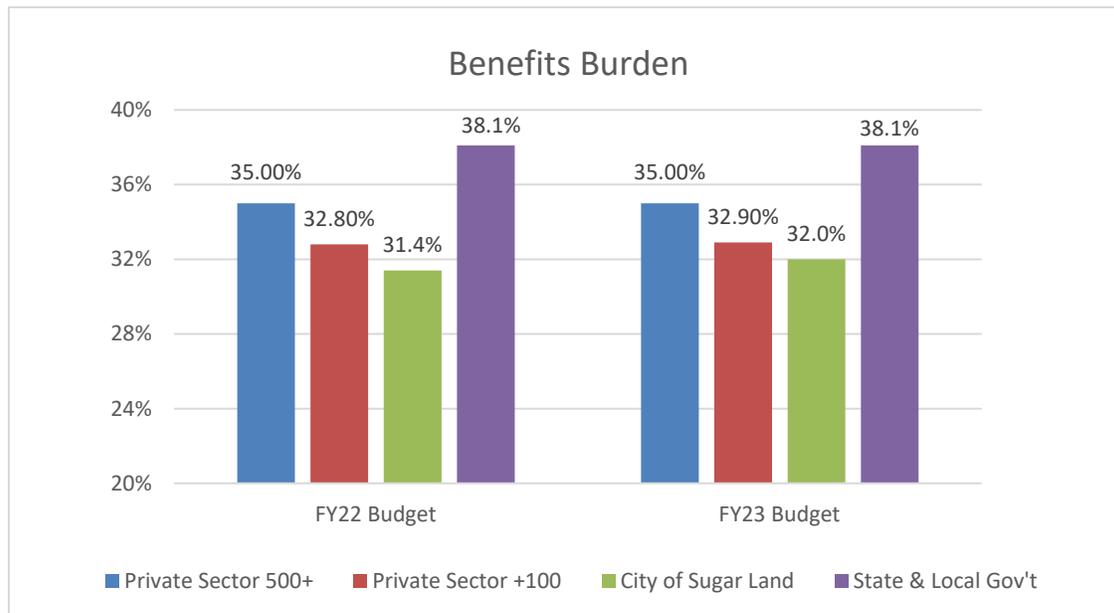
## FY23 Changes

Changes totaling \$11,000 in one-time additions are for the Safety data sheet database, which is an online tracking information system that provides a variety of solutions to better meet local, state, federal, and international regulatory compliance requirements.

## Performance Measures:

### Benefits Burden

The “Benefits Burden” is the ratio of the cost of defined benefits to total compensation, and by City policy, the Burden will be no greater than the private sector.



## Human Resources

Summary by Category	FY21 Actuals	FY22 Current Budget	FY22 Projections	FY23 Base Budget	FY23 Changes	FY23 Budget
Salary & Benefits	\$ 1,146,400	\$ 1,174,931	\$ 1,109,852	\$ 1,221,782	\$ -	\$ 1,221,782
Supplies	85,918	151,173	151,173	94,714	-	94,714
Professional Services	241,731	187,160	103,160	57,933	-	57,933
Repairs & Maintenance	8	600	600	1,200	-	1,200
Purchased Services	129,089	171,370	171,370	182,771	-	182,771
Capital/Other	-	-	-	-	-	-
<b>Category Totals</b>	<b>\$ 1,603,146</b>	<b>\$ 1,685,234</b>	<b>\$ 1,536,155</b>	<b>\$ 1,558,400</b>	<b>\$ -</b>	<b>\$ 1,558,400</b>

FTE Count	FY21 Budget	FY22 Current Budget	FY22 Adjustments	FY23 Base Budget	FY23 Adjustment	FY23 Budget
Human Resources	9.00	10.00	1.00	11.00	-	11.00
<b>Category Totals</b>	<b>9.00</b>	<b>10.00</b>	<b>1.00</b>	<b>11.00</b>	<b>-</b>	<b>11.00</b>

## Risk Management

Summary by Category	FY21 Actuals	FY22 Current Budget	FY22 Projections	FY23 Base Budget	FY23 Changes	FY23 Budget
Salary & Benefits	\$ 183,471	\$ 184,726	\$ 184,726	\$ 172,229	\$ -	\$ 172,229
Supplies	3,898	6,529	2,929	3,029	-	3,029
Professional Services	7,067	8,700	12,000	25,750	-	25,750
Repairs & Maintenance	-	100	100	100	-	100
Purchased Services	2,279	7,210	7,210	7,210	11,000	18,210
Capital/Other	-	-	-	-	-	-
<b>Category Totals</b>	<b>\$ 196,714</b>	<b>\$ 207,265</b>	<b>\$ 206,965</b>	<b>\$ 208,318</b>	<b>\$ 11,000</b>	<b>\$ 219,318</b>

FTE Count	FY21 Budget	FY22 Current Budget	FY22 Adjustments	FY23 Base Budget	FY23 Adjustment	FY23 Budget
Risk Management	2.00	2.00	-	2.00	-	2.00
<b>Category Totals</b>	<b>2.00</b>	<b>2.00</b>	<b>-</b>	<b>2.00</b>	<b>-</b>	<b>2.00</b>

# City Attorney

## Mission Statement

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

## Services Provided

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

## FY23 Changes

Changes totaling \$50,000 in one-time additions include council redistricting.

## Performance Measures:

### % of legal opinions completed within 14 calendar days

The City aims to turn around 100% of legal opinions within 14 calendar days. Historically, this is a target that City Attorney has met. Knowing the percent of legal opinions completed within 14 calendar days ensures the department’s service delivery is consistently timely.

### % of legal requests receiving initial review within 2 business days

The City aims to turn around 100% of legal requests receiving initial review with two business days. Knowing the percent of legal requests receiving initial review within 2 business days ensures the department’s service delivery is consistently timely.

### % of time that customer receives document within mutually accepted time frames

Measuring the percent of time a customer receives a document within a mutually accepted time frame conveys the department’s good customer service in meeting deadlines.

### # of legal requests received (Open Records, Resolutions, Ordinances, Opinions, Contracts)

This measure tracks overall department workload by reporting the number of legal requests received per month.

Performance Measure	2019 Actual	2020 Actual	2021 Actual	2022 Target	2023 Target
% of legal opinions completed within 14 calendar days	100%	100%	100%	100%	100%
% of legal requests receiving initial review within 2 business days	100%	100%	100%	100%	100%
% of time that customer receives document within mutually accepted time frames	100%	100%	100%	100%	100%
# of legal requests received (Open Records, Resolutions, Ordinances, Opinions, Contracts)	1,508	1,374	1,367	1,500	1,500

<b>Summary by Category</b>	<b>FY21 Actuals</b>	<b>FY22 Current Budget</b>	<b>FY22 Projections</b>	<b>FY23 Base Budget</b>	<b>FY23 Changes</b>	<b>FY23 Budget</b>
Salary & Benefits	\$ 926,377	\$ 925,399	\$ 925,399	\$ 992,316	\$ -	\$ 992,316
Supplies	16,080	5,579	5,679	3,989	-	3,989
Professional Services	31,252	209,278	209,278	92,066	50,000	142,066
Repairs & Maintenance	-	-	-	-	-	-
Purchased Services	22,037	26,913	26,813	28,503	-	28,503
Capital/Other	-	-	-	-	-	-
<b>Category Totals</b>	<b>\$ 995,746</b>	<b>\$ 1,167,169</b>	<b>\$ 1,167,169</b>	<b>\$ 1,116,874</b>	<b>\$ 50,000</b>	<b>\$ 1,166,874</b>

<b>FTE Count</b>	<b>FY21 Budget</b>	<b>FY22 Current Budget</b>	<b>FY22 Adjustments</b>	<b>FY23 Base Budget</b>	<b>FY23 Adjustment</b>	<b>FY23 Budget</b>
City Attorney	7.00	7.00	-	7.00	-	7.00
<b>Category Totals</b>	<b>7.00</b>	<b>7.00</b>	<b>-</b>	<b>7.00</b>	<b>-</b>	<b>7.00</b>

# Information Technology

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## Mission Statement

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

## Services Provided

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

## FY23 Changes

Changes totaling \$1,247,301 include one-time additions of \$1,194,801 for computer automated dispatch software (CAD RMS), \$30,000 for dual-authentication software, DUO, licensing and maintenance, and \$22,500 for EnerGov and IGS licenses.

## Performance Measures:

### Network Performance

Network performance is an important measure to the city as it enables communications 365 days a year. This allows the ability for the city to communicate efficiently and quickly during emergencies and day to day business.

### HelpDesk Priority

Help Desk measures ensure that the employees of the city are receiving proper service and maintenance for their computer needs. Measuring the number of tickets we close within SLA, provides important feedback to the ability of the user to receive help.

Performance Measure	2019 Actual	2020 Actual	2021 Actual	2022 Actual	2023 Target
<b>Network Performance (Datacenter)</b>	97	99	99	99	99
<b>Helpdesk Priority 3 Tickets</b>	82	80	86	89	90

<b>Summary by Category</b>	<b>FY21 Actuals</b>	<b>FY22 Current Budget</b>	<b>FY22 Projections</b>	<b>FY23 Base Budget</b>	<b>FY23 Changes</b>	<b>FY23 Budget</b>
Salary & Benefits	\$ 2,550,104	\$ 2,606,875	\$ 2,628,055	\$ 2,737,835	\$ -	\$ 2,737,835
Supplies	49,703	173,780	134,048	26,217	30,000	56,217
Professional Services	2,241,528	2,729,964	2,718,045	2,504,066	-	2,504,066
Repairs & Maintenance	541	1,600	1,600	1,500	-	1,500
Purchased Services	90,836	221,721	237,350	147,880	22,500	170,380
Capital/Other	-	-	-	-	1,194,801	1,194,801
<b>Category Totals</b>	<b>\$ 4,932,712</b>	<b>\$ 5,733,940</b>	<b>\$ 5,719,097</b>	<b>\$ 5,417,498</b>	<b>\$ 1,247,301</b>	<b>\$ 6,664,799</b>

<b>FTE Count</b>	<b>FY21 Budget</b>	<b>FY22 Current Budget</b>	<b>FY22 Adjustments</b>	<b>FY23 Base Budget</b>	<b>FY23 Adjustment</b>	<b>FY23 Budget</b>
Information Technology	25.00	25.00	-	25.00	-	25.00
<b>Category Totals</b>	<b>25.00</b>	<b>25.00</b>	<b>-</b>	<b>25.00</b>	<b>-</b>	<b>25.00</b>

# Department of Innovation

## Mission Statement

To refine Sugar Land, one idea at a time.

## Services Provided

The Department of Innovation is a team of forward-thinking Sugar Land employees who love to ask, WHY?

Our goal is to disrupt the status quo in ways that encourage new ideas and opportunities for collaboration that benefit the entire organization, and ultimately our residents. Our vision is to support champions of new ideas and take risks to promote a better functioning organization, engaged community, and innovative culture for the people of Sugar Land. The Department programs include *Sweet Ideas*, for internal employee idea submissions and *Ideas Driven by Employee Action (I.D.E.A) Academy* which is an internal process improvement training program for employees. The Department is also responsible for the Management Analyst program. This is a two-year program designed to bring fresh perspectives to the City of Sugar Land while promising professionals interested in local government a pathway to public service.

## FY23 Changes

Changes totaling \$125,000 include one-time additions for \$100,000 to increase funding for the innovation program and \$25,000 for the Department of Innovation internship program.

## Performance Measures

### Ideas submitted by employees

Sweet ideas is the City's new internal submission program developed to encourage any employee to offer their ideas or submit problems, challenges to improve City processes and services. The program began in the 2<sup>nd</sup> quarter of FY21. The performance measure will help track the number of problems or ideas submitted so that the Department of Innovation can identify employee engagement in the program and identify where improvements are needed.

### I.D.E.A Academy Training Classes

The I.D.E.A. Academy, which stands for "Innovation Driven by Employee Action," is an innovation training program open to all City employees. We believe that every employee has the capability to bring about positive change in the community and organization. The goal of the I.D.E.A. Academy is to equip City employees with tools that will allow them to better understand and analyze challenges they face so that they can be empowered to implement lasting solutions. The I.D.E.A. Academy began in the 1<sup>st</sup> quarter of FY22. The performance measure will help track the number of attendees so that the Department of Innovation can identify employee engagement in the program and determine where improvements are needed.

Performance Measure	2019 Actual	2020 Actual	2021 Actual	2022 Actual	2023 Target
<b>Number of ideas submitted by employees*</b>	n/a	n/a	25	88	50
<b>Number of I.D.E.A. Academy training classes**</b>	n/a	n/a	n/a	6	4

\*The Department of Innovation, formerly the Office of Performance and Accountability was reorganized in July 2020 (FY20). The Sweet Ideas program initiative began in January 2021 (FY21).

\*\* The I.D.E.A. Academy began in October 2021 (FY22).

<b>Summary by Category</b>	<b>FY21 Actuals</b>	<b>FY22 Current Budget</b>	<b>FY22 Projections</b>	<b>FY23 Base Budget</b>	<b>FY23 Changes</b>	<b>FY23 Budget</b>
Salary & Benefits	\$ 710,651	\$ 852,462	\$ 852,462	\$ 784,078	\$ 25,000	\$ 809,078
Supplies	27,611	30,160	20,153	3,348	-	3,348
Professional Services	19,717	81,591	96,297	33,568	100,000	133,568
Repairs & Maintenance	-	-	-	-	-	-
Purchased Services	22,526	28,894	22,337	15,649	-	15,649
Capital/Other	14,849	26,000	26,000	-	-	-
<b>Category Totals</b>	<b>\$ 795,354</b>	<b>\$ 1,019,107</b>	<b>\$ 1,017,249</b>	<b>\$ 836,643</b>	<b>\$ 125,000</b>	<b>\$ 961,643</b>

<b>FTE Count</b>	<b>FY21 Budget</b>	<b>FY22 Current Budget</b>	<b>FY22 Adjustments</b>	<b>FY23 Base Budget</b>	<b>FY23 Adjustment</b>	<b>FY23 Budget</b>
Department of Innovation	9.00	9.00	(0.50)	8.50	-	8.50
<b>Category Totals</b>	<b>9.00</b>	<b>9.00</b>	<b>(0.50)</b>	<b>8.50</b>	<b>-</b>	<b>8.50</b>

# Economic Development

## Mission Statement

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

## Services Provided

The **Business Development** program is responsible for several services including targeted business recruitment, retention, expansion, and development; business incentives, and revenue enhancement and diversification. Administration of funds, agreements, and compliance are also fulfilled under the leadership of City Council, City administration, and associated boards and committees. In tandem, the **Visit Sugar Land** program is responsible for additional services including branding and marketing the City to an external business audience, generating support for Hotel Occupancy Tax revenue, overseeing the Special Event Permit in partnership with the Event Review Committee, managing and operating the Sugar Land Heritage Museum and Visitor Center, and the Cultural Art Program.

## FY23 Changes

Changes totaling \$348,027 in recurring funds are for salaries and benefits for new positions in the Department of Economic Development including an Economic Development Coordinator, Economic Development Assistant, Senior Marketing Manager, Executive Assistant and Strategy Manager, and an Economic Development Budget Analyst.

## Performance Measures:

### Investment Created

Investment created is an important measure to the City, as it shows the amount of economic growth and business development that results from economic development activities.

### Jobs Created

Jobs created is an important measure to the City, as it shows the amount of economic growth created through new human capital resulting from business recruitment and expansion.

### Hotel Occupancy

The Hotel Occupancy rate indicates the health of Sugar Land’s hospitality industry and is used as a forecasting variable for budgeting purposes.

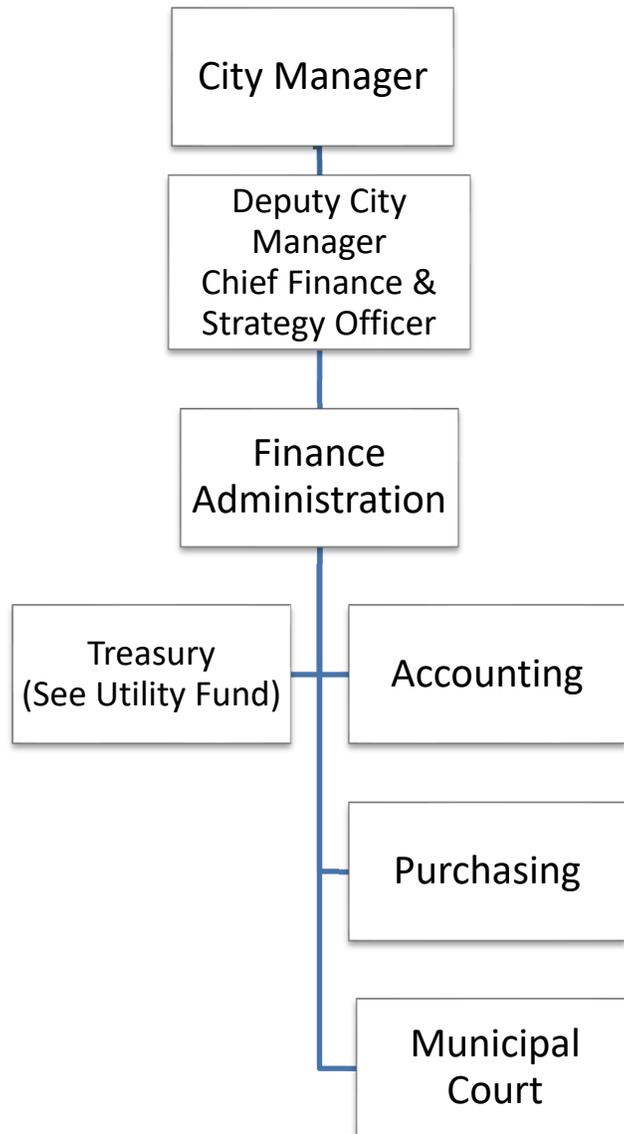
Summary by Category	FY21 Actuals	FY22 Current Budget	FY22 Projections	FY23 Base Budget	FY23 Changes	FY23 Budget
Salary & Benefits	\$ 1,035,071	\$ 1,102,833	\$ 1,016,215	\$ 1,160,978	\$ 348,027	\$ 1,509,005
Supplies	-	-	-	-	-	-
Professional Services	675,278	1,502,722	1,502,722	35,000	-	35,000
Repairs & Maintenance	-	-	-	-	-	-
Purchased Services	220	-	-	-	-	-
Capital/Other	-	-	-	-	-	-
<b>Category Totals</b>	<b>\$ 1,710,568</b>	<b>\$ 2,605,555</b>	<b>\$ 2,518,937</b>	<b>\$ 1,195,978</b>	<b>\$ 348,027</b>	<b>\$ 1,544,005</b>

FTE Count	FY21 Budget	FY22 Current Budget	FY22 Adjustments	FY23 Base Budget	FY23 Adjustment	FY23 Budget
Economic Development	8.00	8.00	-	8.00	7.25	15.25
<b>Category Totals</b>	<b>8.00</b>	<b>8.00</b>	<b>98</b>	<b>8.00</b>	<b>7.25</b>	<b>15.25</b>

# Finance

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*As of October 1, 2022*



# Finance

## Mission Statement

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

## Services Provided

The Finance Department is made up of Finance Administration, Budget, Accounting, Purchasing, and Municipal Court. **Finance Administration** is responsible for reviewing and implementing financial policies and managing the City's debt issuance and investment of public funds.

**Accounting** provides payroll, accounts payable, capital assets, grant management, general ledger, internal controls and administrative services.

**Purchasing** oversees competitive purchasing, verifies insurance for contracts, City auction management, purchasing training, and emergency management/resource management.

**Municipal Court** is responsible for providing arraignments and trials, warrant servicing, accurate reporting and customer service.

## FY23 Changes

Changes totaling in recurring additions \$86,700 include \$60,000 Fort Bend CAD contract increases, 15,000 for Debt Book software subscription, \$6,700 in operation and maintenance funding for the Deputy Director of Finance, and \$5,000 for the online juror portal.

## Performance Measures:

### Trial Date Certainty:

Trial Date Certainty is measured as the number of times cases disposed by trial are scheduled for trial. This measure provides a tool to evaluate the effectiveness of calendaring and continuance practices. For this measure, "trials" includes jury trials and bench trial. The court's goal is to have 90% of its cases disposed by trial no later than the second scheduled trial setting.

### Clearance Rate:

Clearance Rate is measured as the number of outgoing cases as a percentage of the number of incoming cases. Clearance rate measures whether the court is keeping up with its incoming caseload. The court's goal is to clear (dispose of) at least as many cases as have been filed, reopened, and reactivated in a period by having a clearance rate of 100% or higher.

Performance Measure	2019 Actual	2020 Actual	2021 Actual	2022 Actual	2023 Target
<b>Trial Date Certainty:</b>	Bench: 83.33%	Bench: 62.50%	Bench: 100%	Bench: 100%	Bench: 100%
	Jury: 90.32%	Jury: 92.31%	Jury: 44.44%	Jury: 81.82%	Jury: 81.82%
<b>Clearance Rate:</b>	111.62%	108.47%	101.39%	93.75%	93.75%

# Finance

Summary by Category	FY21 Actuals	FY22 Current Budget	FY22 Projections	FY23 Base Budget	FY23 Changes	FY23 Budget
Salary & Benefits	\$ 3,071,716	\$ 3,319,166	\$ 3,385,146	\$ 3,674,304	\$ -	\$ 3,674,304
Supplies	20,270	68,053	59,582	33,195	-	33,195
Professional Services	748,803	994,017	927,282	836,450	60,000	896,450
Repairs & Maintenance	1,446	1,550	1,550	1,550	-	1,550
Purchased Services	112,580	213,778	217,249	198,733	26,700	225,433
Capital/Other	12,199	-	-	-	-	-
<b>Category Totals</b>	<b>\$ 3,967,013</b>	<b>\$ 4,596,564</b>	<b>\$ 4,590,809</b>	<b>\$ 4,744,232</b>	<b>\$ 86,700</b>	<b>\$ 4,830,932</b>

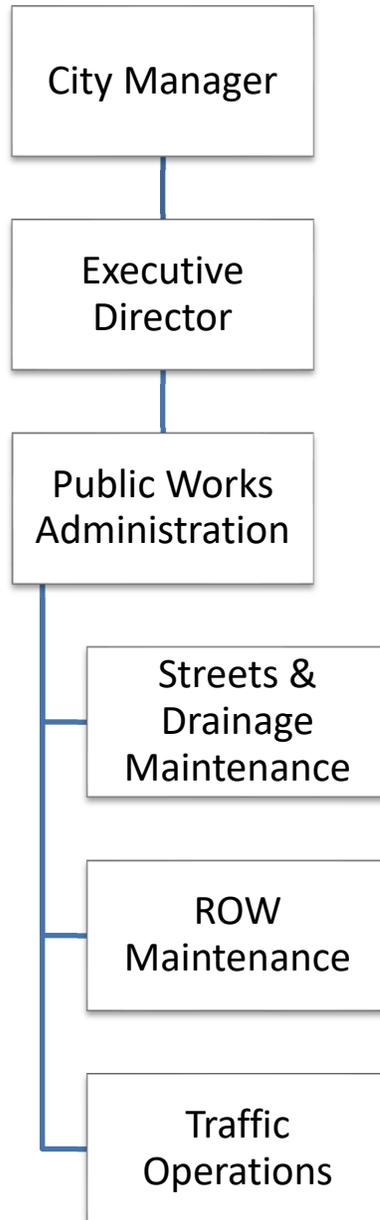
Summary by Division	FY21 Actuals	FY22 Current Budget	FY22 Projections	FY23 Base Budget	FY23 Changes	FY23 Budget
Finance Administration	\$ 1,045,900	\$ 1,402,588	\$ 1,249,034	\$ 1,422,706	\$ 81,700	\$ 1,504,406
Accounting	1,190,741	1,257,965	1,385,331	1,469,380	-	1,469,380
Purchasing	583,827	547,171	649,990	665,507	-	665,507
Municipal Court	1,146,547	1,388,839	1,306,454	1,186,638	5,000	1,191,638
<b>Category Totals</b>	<b>\$ 3,967,013</b>	<b>\$ 4,596,564</b>	<b>\$ 4,590,809</b>	<b>\$ 4,744,232</b>	<b>\$ 86,700</b>	<b>\$ 4,830,932</b>

FTE Count	FY21 Budget	FY22 Current Budget	FY22 Adjustments	FY23 Base Budget	FY23 Adjustment	FY23 Budget
Finance Administration	4.00	5.00	-	5.00	-	5.00
Accounting	12.50	13.50	-	13.50	-	13.50
Purchasing	7.00	7.00	-	7.00	-	7.00
Municipal Court	13.00	13.00	-	13.00	-	13.00
<b>Category Totals</b>	<b>36.50</b>	<b>38.50</b>	<b>-</b>	<b>38.50</b>	<b>-</b>	<b>38.50</b>

# Public Works

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*As of October 1, 2022*



# Public Works

## Mission Statement

The Public Works Department will strive to enhance the quality of life for all residents by providing safe, reliable and effective services consistent with the stated goals of the City. The Public Works Department is responsible for the repair, and operations and maintenance of the City’s public streets, traffic control devices, sidewalks, bridges, and drainage system.

## Programs of Service

The **Administration** program manages components common to all divisions such as customer service, emergency management, the safety program, public education, personnel management, infrastructure data capture, asset management and event assistance.

The **Street & Drainage** Maintenance program is responsible for the administration and operation of public streets, sidewalks, and bridges along with maintenance of sewer lines and open ditches.

**Right of Way** maintenance manages the turf, landscape and irrigation in the City’s Right of Way, along with the City’s Bike and Pedestrian Master Plan and enforcement of the City’s Tree Ordinance.

The **Traffic Program** is responsible for the engineering, maintenance, and operation of all traffic control and traffic calming devices within the City limits, and includes maintenance and monitoring of traffic signals, school zones, regulatory signs, street name signs and public information signs located on all City streets, and the railroad wayside horn system.

## FY23 Changes

Changes totaling \$41,500 include one-time additions. One-time additions include \$30,000 for seasonal help for May 2023 to September 2023 and \$11,500 for CDL Funding for employees to gain their licenses through a certified training school.

## Performance Measures: Traffic Corridor Performance

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

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

### State Highway 6 Performance

AM	Noon	PM
B	C	C

Q4-22

### US Highway 90 Performance

AM	Noon	PM
B	B	C

Q4-22

# Public Works

Summary by Category	FY21 Actuals	FY22 Current Budget	FY22 Projections	FY23 Base Budget	FY23 Changes	FY23 Budget
Salary & Benefits	\$ 4,176,858	\$ 4,669,090	\$ 4,681,048	\$ 4,607,571	\$ 30,000	\$ 4,637,571
Supplies	3,627,748	4,234,690	4,278,436	3,512,534	-	3,512,534
Professional Services	3,273,331	4,179,256	4,160,960	3,081,200	-	3,081,200
Repairs & Maintenance	551,777	826,238	829,513	682,337	-	682,337
Purchased Services	82,211	151,890	138,311	116,440	11,500	127,940
Capital/Other	8,105	45,494	21,524	21,524	-	21,524
<b>Category Totals</b>	<b>\$ 11,720,030</b>	<b>\$ 14,106,659</b>	<b>\$ 14,109,792</b>	<b>\$ 12,021,606</b>	<b>\$ 41,500</b>	<b>\$ 12,063,106</b>

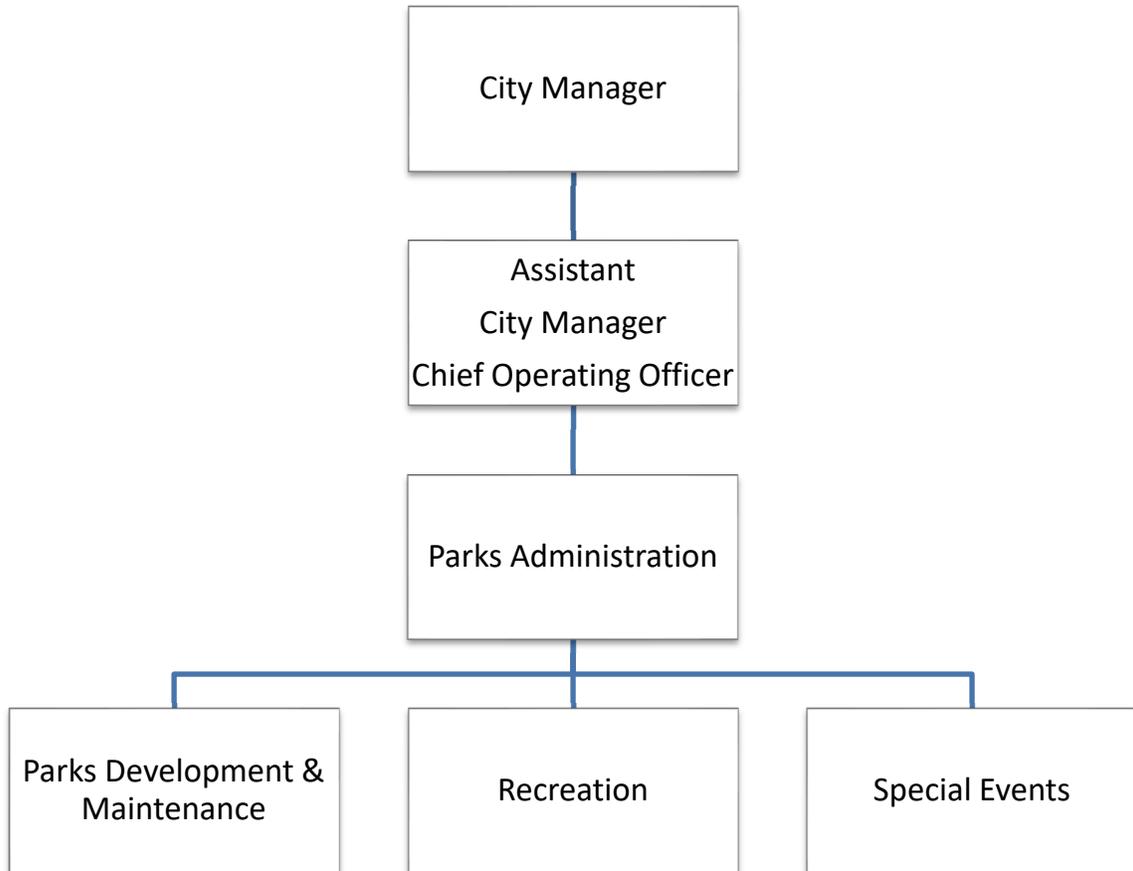
Summary by Division	FY21 Actuals	FY22 Current Budget	FY22 Projections	FY23 Base Budget	FY23 Changes	FY23 Budget
Public Works Administration	\$ 542,885	\$ 800,582	\$ 691,287	\$ 572,693	\$ 11,500	\$ 584,193
Street & Drainage Maintenance	4,808,965	6,221,431	6,196,163	3,820,769	-	3,820,769
ROW Maintenance	2,245,287	2,507,919	2,645,616	2,689,428	30,000	2,719,428
Traffic Operations	4,122,893	4,576,726	4,576,726	4,938,716	-	4,938,716
<b>Category Totals</b>	<b>\$ 11,720,030</b>	<b>\$ 14,106,659</b>	<b>\$ 14,109,792</b>	<b>\$ 12,021,606</b>	<b>\$ 41,500</b>	<b>\$ 12,063,106</b>

FTE Count	FY21 Budget	FY22 Current Budget	FY22 Adjustments	FY23 Base Budget	FY23 Adjustment	FY23 Budget
Public Works Administration	3.00	3.50	-	3.50	-	3.50
Street & Drainage Maintenance	23.00	23.00	-	23.00	(4.00)	19.00
ROW Maintenance	20.00	20.00	-	20.00	-	20.00
Traffic Operations	15.00	15.00	-	15.00	-	15.00
<b>Category Totals</b>	<b>61.00</b>	<b>61.50</b>	<b>-</b>	<b>61.50</b>	<b>(4.00)</b>	<b>57.50</b>

# Parks & Recreation

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*As of October 1, 2022*



# Parks & Recreation

## Mission Statement

The mission of the Parks & Recreation Department is to create and maintain unparalleled recreational opportunities through unique, high quality parks and public spaces that enhance the community. The Parks & Recreation Department is responsible for planning, developing, implementing and managing parks, recreation and leisure services.

## Programs of Service

**Administration** is responsible for implementing the programs, policies and services established under the leadership of City Council, City administration, and associated advisory boards of the City.

**Development & Maintenance** is responsible for the planning, design, construction of park facilities, park area landscape, pest control, custodial services and repairs.

**Imperial Park Recreation Center** includes classes, open play, sports camps, events, meeting room use, and tournaments

**Recreation** oversees leisure classes, youth sports associations, contractual operation of the municipal pool including swim lessons, life guards, swim team usage, and facilities rentals.

**Senior Center** creates, manages, and delivers seniors program and activities and T.E. Harman Center rentals.

**Special Events** creates, manages and delivers City-hosted events and cultural activities

## FY23 Changes

Changes totaling \$335,000 include \$200,000 one-time for Fourth of July event, \$70,000 one-time for International Art and Kite Festival event, and \$65,000 in recurring for BRP Phase three and Go-Ape maintenance, park-wide tree trimming and removal, and material O&M increases.

## Performance Measures: Well Planned Community & Great Place to Live

The Parks & Recreation Department is in the business of planning, developing, implementing and professionally managing the parks, programs, policies, facilities, cultural arts, special events and leisure services established under the leadership of the City Council, City Administration and the associated advisory boards of the City of Sugar Land.

Performance Measure	2019 Actual	2020 Actual	2021 Actual	2022 Actual	2023 Target
Maintenance/Development – Number of Developed Acres	967	967	13,349	13,349	13,349
Maintenance/Development – Volunteer Hours	1,513	1,178	847	1,900	1,500
Maintenance/Development – Number of Parks	27	27	27	27	27
Administration – Followers on Social Media (FB/Insta/Twitter)	30,800	32,090	34,677	36,273	37,250
Administration - Total Engagement	N/A	74,500	94,479	127,881	157,000
Recreation – Number of Program Offerings	332	77	183	200	215
IPRC – Annual Attendance	32,358	12,347	17,054	22,228	25,000
T.E. Harman Ctr – Number of Members	1,392	282	1,056	1,323	1,500
Special Events Division – Number of Events	26	14	27	28	15

# Parks & Recreation

Summary by Category	FY21 Actuals	FY22 Current Budget	FY22 Projections	FY23 Base Budget	FY23 Changes	FY23 Budget
Salary & Benefits	\$ 2,536,521	\$ 2,706,507	\$ 2,680,345	\$ 2,909,738	\$ -	\$ 2,909,738
Supplies	405,957	498,681	528,794	423,803	23,000	446,803
Professional Services	550,436	523,249	524,099	522,335	-	522,335
Repairs & Maintenance	1,093,415	1,165,087	1,158,087	39,116	-	39,116
Purchased Services	183,631	740,867	716,904	1,592,097	312,000	1,904,097
Capital/Other	-	-	-	-	-	-
<b>Category Totals</b>	<b>\$ 4,769,960</b>	<b>\$ 5,634,391</b>	<b>\$ 5,608,229</b>	<b>\$ 5,487,089</b>	<b>\$ 335,000</b>	<b>\$ 5,822,089</b>

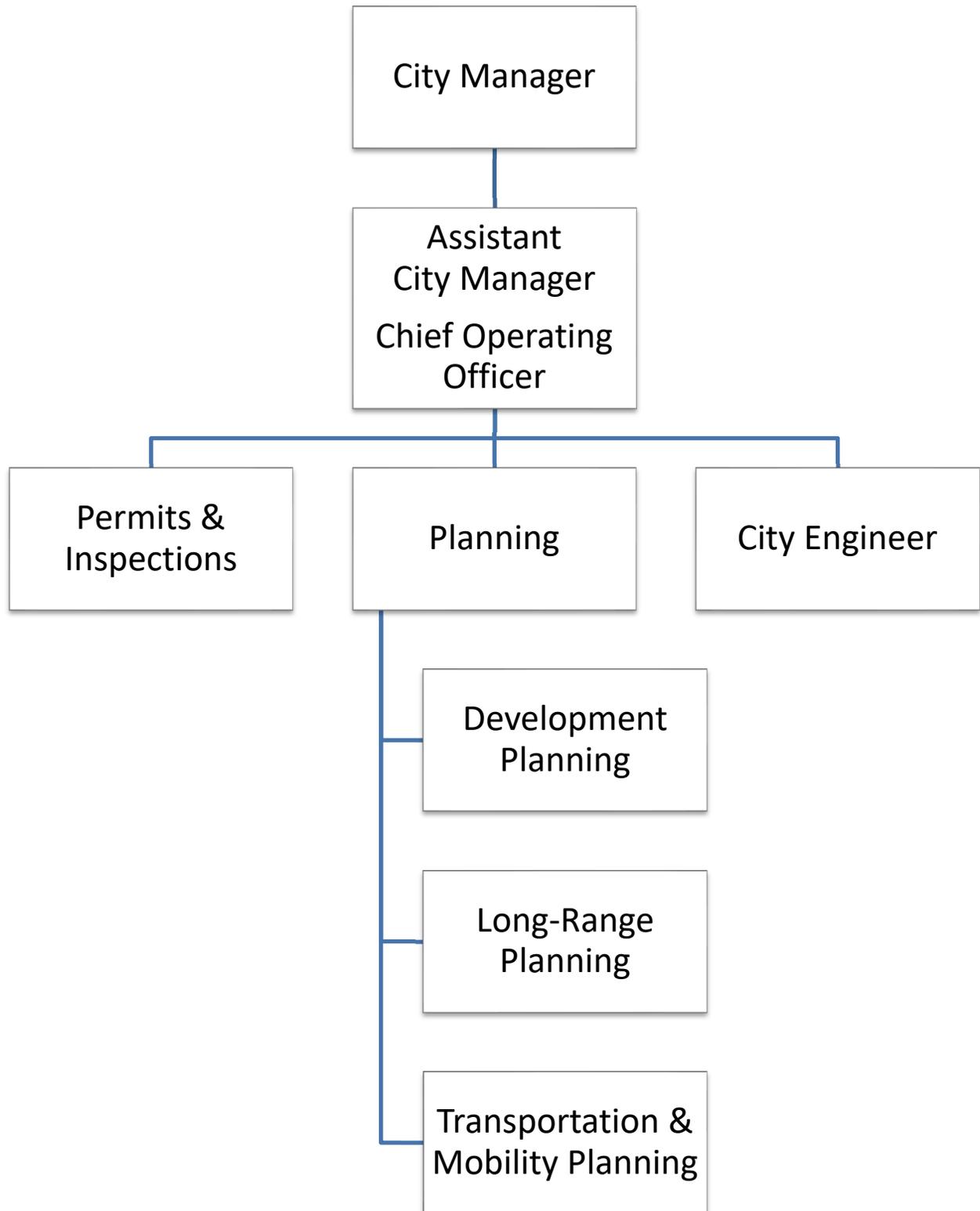
Summary by Division	FY21 Actuals	FY22 Current Budget	FY22 Projections	FY23 Base Budget	FY23 Changes	FY23 Budget
Parks Administration	\$ 640,136	\$ 656,037	\$ 663,580	\$ 721,139	\$ -	\$ 721,139
Development & Maintenance	2,918,618	3,148,319	3,091,307	3,118,397	65,000	3,183,397
Special Events	346,591	670,175	665,482	397,678	270,000	667,678
Recreation & Athletics	374,498	424,922	444,702	546,488	-	546,488
Senior Programs	214,728	352,318	361,438	299,793	-	299,793
Imperial Park	275,389	382,620	381,720	403,595	-	403,595
<b>Category Totals</b>	<b>\$ 4,769,960</b>	<b>\$ 5,634,391</b>	<b>\$ 5,608,229</b>	<b>\$ 5,487,089</b>	<b>\$ 335,000</b>	<b>\$ 5,822,089</b>

FTE Count	FY21 Budget	FY22 Current Budget	FY22 Adjustments	FY23 Base Budget	FY23 Adjustment	FY23 Budget
Parks Administration	5.00	5.00	-	5.00	-	5.00
Parks Development	15.50	15.50	-	15.50	-	15.50
Special Events	3.00	3.00	(0.50)	2.50	-	2.50
Recreation	15.30	15.30	0.50	15.80	-	15.80
<b>Category Totals</b>	<b>38.80</b>	<b>38.80</b>	<b>-</b>	<b>38.80</b>	<b>-</b>	<b>38.80</b>

# Community Development

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*As of October 1, 2022*



# Planning & Development Services

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## Mission Statement

The **Planning & Development Services Department** ensures a well-planned City that is safe, beautiful and livable. We do this by facilitating the development and implementation of long-range plans and policies such as the City's Comprehensive Plan and master plans, shaping the city's physical environment through diligent enforcement of codes and standards and ensuring development quality and safety through building review and inspections to ensure code compliance for the City and the public's safety.

The **Planning & Development Services Department**

## Programs of Service

**Development Planning** is responsible for administering development review for applications such as subdivision plats, site plans, general land plans, rezoning and conditional use permit cases, variances, special exceptions, and appeals. The primary guide for the Program is the City of Sugar Land Development Code.

**Long Range Planning** leads the City's efforts to plan for the long range needs of the City including development and maintenance of the City's comprehensive plan and master plans, annexation planning and implementation, and land use planning.

**Permits** assists customers in the processing of applications and permits for residential and commercial construction and enforces building code compliance through plan review.

**Inspections** ensures construction complies with all building codes through the inspection of residential and commercial construction.

## FY23 Changes

Changes totaling \$469,000 include \$410,000 one-time additions and \$59,000 in recurring additions. One-time additions include \$300,000 for updating the Comprehensive Plan for the department, \$100,000 in reconfiguration of the permit office space along with purchasing laptops for the CSS Kiosk, and \$10,000 for a Long Range Planner position. Recurring costs include \$59,000 for the Long Range Planner position.

## Performance Measures: Well Planned Community & Livable Neighborhoods

### Commercial Permits

The Commercial Permits and Commercial Reinvestment measures track the dollar value (\$) of permits issued by the City for the new commercial construction and addition/alteration of commercial properties. Permit values are representative of real property investment which furthers the development and redevelopment of commercial real estate in the City. These measures provide a general demonstration of the extent of new development in the City and reinvested into the community to maintain or improve commercial property.

### Residential Permits

The Residential Permits measure tracks the amount of permits issued by the City for the addition/alteration of residential properties within the city limits of Sugar Land. Residential addition/alteration permits do not include new home construction. The number of permits issued for additions/alterations represents the activity level of real property investments going into the maintenance and redevelopment of residential real estate within the city limits of Sugar Land

# Planning & Development Services

Performance Measure	2019 Actual	2020 Actual	2021 Actual	2022 Actual	2023 Target
<b>Commercial Permits</b>	\$87,387,700	\$128,540,261	\$51,250,15	\$200,548,56	\$129,454,995
<b>Commercial Reinvestment</b>	\$79,084,260	\$80,724,002	\$66,846,24	\$78,396,929	\$95,385,736
<b>Residential Permits</b>	475	362	741	767	431

Summary by Category	FY21 Actuals	FY22 Current Budget	FY22 Projections	FY23 Base Budget	FY23 Changes	FY23 Budget
Salary & Benefits	\$ 2,229,203	\$ 2,345,784	\$ 2,445,266	\$ 2,564,144	\$ 69,000	\$ 2,633,144
Supplies	12,789	35,565	39,674	38,611	100,000	138,611
Professional Services	176,800	339,076	338,996	27,795	300,000	327,795
Repairs & Maintenance	495	4,864	4,864	4,864	-	4,864
Purchased Services	68,027	94,454	90,103	94,384	-	94,384
Capital/Other	-	-	-	-	-	-
<b>Category Totals</b>	<b>\$ 2,487,313</b>	<b>\$ 2,819,743</b>	<b>\$ 2,918,903</b>	<b>\$ 2,729,798</b>	<b>\$ 469,000</b>	<b>\$ 3,198,798</b>

Summary by Division	FY21 Actuals	FY22 Current Budget	FY22 Projections	FY23 Base Budget	FY23 Changes	FY23 Budget
Planning Administration	\$ 210,025	\$ 212,549	\$ 214,481	\$ 223,639	\$ -	\$ 223,639
Planning & Development	491,158	585,597	585,647	601,261	-	601,261
Long Range Planning	543,823	727,461	727,461	402,409	369,000	771,409
Permits	726,291	697,231	794,409	810,028	100,000	910,028
Inspections	516,017	596,905	596,905	692,461	-	692,461
<b>Category Totals</b>	<b>\$ 2,487,313</b>	<b>\$ 2,819,743</b>	<b>\$ 2,918,903</b>	<b>\$ 2,729,798</b>	<b>\$ 469,000</b>	<b>\$ 3,198,798</b>

FTE Count	FY21 Budget	FY22 Current Budget	FY22 Adjustments	FY23 Base Budget	FY23 Adjustment	FY23 Budget
Planning Administration	1.00	1.00	-	1.00	-	1.00
Planning & Development	6.00	6.00	-	6.00	-	6.00
Long Range Planning	4.00	4.00	-	4.00	1.00	5.00
Permits	10.25	10.25	-	10.25	-	10.25
Inspections	6.00	6.00	1.00	7.00	-	7.00
<b>Category Totals</b>	<b>27.25</b>	<b>27.25</b>	<b>1.00</b>	<b>28.25</b>	<b>1.00</b>	<b>29.25</b>

# Engineering

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## Mission Statement

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

## Services Provided

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

## FY23 Changes

Changes include \$20,000 in one-time additions for Livable Centers Study Matching Funds.

## Performance Measures: Well Planned Community

### CIP Projects Completed on Time

This measure shows the number of CIP projects completed by the assigned deadline. This is important because the public expects CIP projects (aging City-owned infrastructure) to be design and constructed in a timely manner to minimize disruption to residents as well upgrade/maintain projects to an acceptable level or standard that meets City of Sugar Land design criteria.

### DRC Review Completed on Time

This measure shows the number of Development submittals reviewed on time per the set deadline. This measure is important because it is a demonstration of the City's commitment to customer service to developers, residents and businesses in the City. City staff consistently meets or exceeds the review schedule which builds a level of trust between external customers and City staff to maintain the growth and development with the City.

### Public Infrastructure Inspections

This measure shows the number of City-owned public infrastructure project to be assigned by the deadline. This is important because as public infrastructure is built or rehabilitated, it is important that these be constructed to meet City design standards which can only be verified through inspections. City inspectors are engaged on a daily basis observing and inspecting construction projects from beginning of construction phase to final acceptance.

# Engineering

Performance Measure	2019 Actual	2020 Actual	2021 Target	2022 Target	2023 Target
CIP Projects Completed On Time	100%	95%	95%	95%	95%
DRC Review Completed On Time	100%	100%	100%	100%	100%
Public Infrastructure Inspections	100%	100%	100%	100%	100%

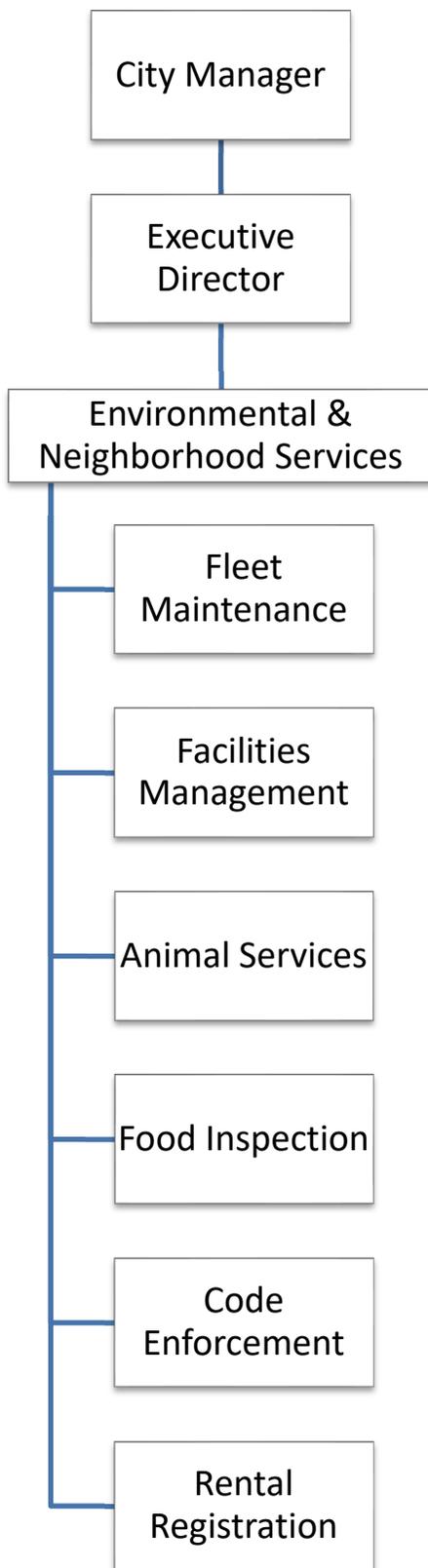
Summary by Category	FY21 Actuals	FY22 Current Budget	FY22 Projections	FY23 Base Budget	FY23 Changes	FY23 Budget
Salary & Benefits	\$ 2,644,722	\$ 2,770,975	\$ 2,851,630	\$ 2,977,874	\$ -	\$ 2,977,874
Supplies	20,749	37,934	35,097	58,347	-	58,347
Professional Services	158,217	481,527	450,434	198,270	20,000	218,270
Repairs & Maintenance	4,056	4,466	7,450	8,450	-	8,450
Purchased Services	11,804	28,596	59,542	73,415	-	73,415
Capital/Other	-	-	-	-	-	-
<b>Category Totals</b>	<b>\$ 2,839,548</b>	<b>\$ 3,323,497</b>	<b>\$ 3,404,153</b>	<b>\$ 3,316,356</b>	<b>\$ 20,000</b>	<b>\$ 3,336,356</b>

FTE Count	FY21 Budget	FY22 Current Budget	FY22 Adjustments	FY23 Base Budget	FY23 Adjustment	FY23 Budget
City Engineer	24.00	24.00	-	24.00	-	24.00
Asset Management	1.00	1.00	-	1.00	-	1.00
<b>Category Totals</b>	<b>25.00</b>	<b>25.00</b>	<b>-</b>	<b>25.00</b>	<b>-</b>	<b>25.00</b>

# Environmental & Neighborhood Services

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*As of October 1, 2022*



# Environmental & Neighborhood Services

## Mission Statement

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

## Services Provided

**Fleet Maintenance** maintains over 400 vehicles, fire apparatus, EMS vehicles and small pieces of machinery. **Facilities Management** manages a maintenance and improvement program, retires assets, provides immediate repairs, and engages in special projects and new vertical construction projects. **Animal Services** operates the City’s animal shelter and enforces animal-related City ordinances. **Stormwater Management** is responsible for developing and implementing the City’s Stormwater Management Program and providing water quality guidelines for storm water discharge as required by federal and state agencies. The **Food Inspection** program is responsible for the permitting and inspection of temporary, mobile and permanent food establishments in order to ensure they are safe, sanitary and in compliance with applicable codes and regulations. **Code Enforcement** works to protect the health, safety and welfare of residents through enforcement of the City’s Codes and Ordinances. The **Rental Registration** ensures approximately 3,784 active rental properties are conforming to property maintenance standards and are safe for occupancy.

## FY23 Changes

Changes totaling \$580,250 include \$200,000 for mold remediation testing package, \$100,000 for building envelope assessment, \$92,000 for an emergency vehicle technician, \$50,000 for roof assessment package, \$40,000 for animal enclosure replacement, \$11,500 for CDL funding, and \$2,000 for the purchase of 2021 code books.

Summary by Category	FY21 Actuals	FY22 Current Budget	FY22 Projections	FY23 Base Budget	FY23 Changes	FY23 Budget
Salary & Benefits	\$ 3,466,543	\$ 3,895,670	\$ 3,761,221	\$ 3,971,623	\$ 92,000	\$ 4,063,623
Supplies	375,377	591,017	648,864	751,809	392,000	1,143,809
Professional Services	1,683,792	3,501,914	3,415,601	945,460	84,750	1,030,210
Repairs & Maintenance	241,066	23,905	24,125	36,045	-	36,045
Purchased Services	180,530	411,905	440,042	1,112,141	11,500	1,123,641
Capital/Other	17,410	17,085	17,085	-	-	-
<b>Category Totals</b>	<b>\$ 5,964,718</b>	<b>\$ 8,441,496</b>	<b>\$ 8,306,938</b>	<b>\$ 6,817,078</b>	<b>\$ 580,250</b>	<b>\$ 7,397,328</b>

Summary by Category	FY21 Actuals	FY22 Current Budget	FY22 Projections	FY23 Base Budget	FY23 Changes	FY23 Budget
ENS Administration	420,108	571,402	495,491	541,591	11,500	553,091
Facilities Management	2,483,245	4,422,436	4,422,436	3,028,967	350,000	3,378,967
Fleet Services	821,397	875,779	875,779	907,816	176,750	1,084,566
Stormwater Management	175,020	289,303	289,303	4,915	-	4,915
Food Inspection	320,243	331,204	331,204	343,755	-	343,755
Code Enforcement	460,183	482,090	481,981	508,611	2,000	510,611
Rental Registration	263,738	276,697	276,697	284,747	-	284,747
Animal Services	1,020,783	1,192,585	1,134,047	1,196,676	40,000	1,236,676
<b>Category Totals</b>	<b>\$ 5,964,718</b>	<b>\$ 8,441,496</b>	<b>\$ 8,306,938</b>	<b>\$ 6,817,078</b>	<b>\$ 580,250</b>	<b>\$ 7,397,328</b>

# Environmental & Neighborhood Services

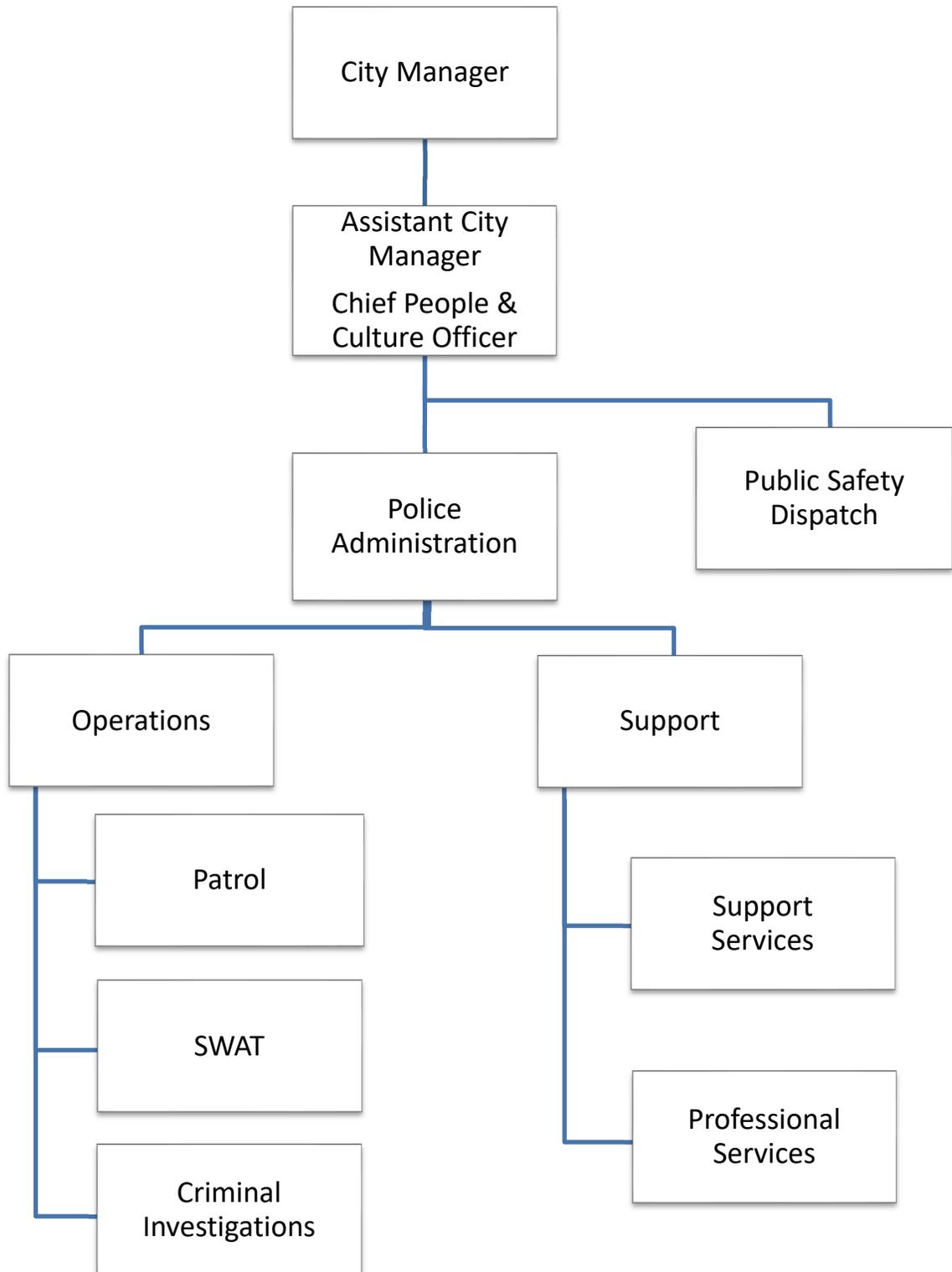
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<b>FTE Count</b>	<b>FY21 Budget</b>	<b>FY22 Current Budget</b>	<b>FY22 Adjustments</b>	<b>FY23 Base Budget</b>	<b>FY23 Adjustment</b>	<b>FY23 Budget</b>
ENS Administration	3.00	3.00	-	3.00	-	3.00
Facilities Management	10.00	10.00	-	10.00	1.00	11.00
Fleet Services	9.00	9.00	-	9.00	-	9.00
Stormwater Management	1.50	1.50	-	1.50	(1.50)	-
Food Inspection	4.00	4.00	-	4.00	-	4.00
Code Enforcement	6.00	6.00	-	6.00	-	6.00
Rental Registration	3.00	3.00	-	3.00	-	3.00
Animal Services	11.50	11.50	-	11.50	-	11.50
<b>Category Totals</b>	<b>48.00</b>	<b>48.00</b>	<b>-</b>	<b>48.00</b>	<b>(0.50)</b>	<b>47.50</b>

# Police Department & Public Safety Dispatch

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*As of October 1, 2022*



# Police Department

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## Mission Statement

The **Sugar Land Police Department** places an emphasis on quality law enforcement, crime prevention, and community policing. The overall goal of the organization is to develop partnerships and joint problem-solving techniques with the community that will increase the safety and quality of life for residents and visitors. The **Sugar Land Police Department** provides quality police services in an active and efficient manner to the citizens of Sugar Land, daily business population, pass-through commuters, shoppers, and visitors. The Police Department operates under the Beat Accountability System, which keeps officers close to one area. The City is divided into six beats, with officers assigned to each area partnering with residents to increase safety in the community.

## Programs of Service

The **Administration** program is responsible for community relations, beat accountability, financial management, accreditation, policy establishment and compliance, internal affairs, and overall administration of the department.

The **Patrol** Division is composed of five Units. *Patrol*, through Beat Management, provides response to calls for service, preventative patrol, general traffic enforcement, directed assignments, traffic and DWI investigations, new personnel training, court testimony, bicycle patrol, lobby officer, honor guard, and security at public meetings. *Traffic Unit*, motorcycles, and specially marked vehicles, focuses on traffic safety, enforcement, and accident prevention and investigation. *Impact Team*, using marked and unmarked vehicles, focuses on specific crime trends as identified through crime analysis. *Parks Unit* primary responsibility is the patrol of the City's parks, focusing on safety and serving as liaison with the Parks Department. *Special Response Team (SRT)* is a part-time unit which plans, trains and is equipped for responding to situations of civil unrest. *Special Weapons and Tactics (S.W.A.T.)* is part of a multi-jurisdictional taskforce that serves felony warrants, responses to hostage/barricaded situations, surveillance, and other tactical callouts beyond normal patrol functions.

The **Criminal Investigations** Division includes detectives and investigators who provide follow-up investigative techniques including conducting interviews, video analysis, digital forensics and corroborates evidence to solve cases. The Division also has several specialized units. The Crime Scene Unit is comprised of personnel who conduct crime scene investigation, laboratory analyses, property/evidence management, and ANSI National Accreditation Board (ANAB) crime lab accreditation management. The Special Crimes Unit conducts gang, vice, and other special investigations. Personnel are assigned to the Fort Bend County Narcotics Task Force, the FBI's Joint Terrorism Task Force, and the Houston Metro Internet Crimes Against Children's Task Force. Personnel also serve in the department's Crime Victim's Assistance program and case coordination.

The **Support Services Division** is composed of three Units. The *Training Unit* is responsible for in-service training, recruiting, and the firearms range. The *Crime Prevention Unit* includes community outreach programs, the volunteer CAST Team, and various problem-solving initiatives. The *Detention and Warrants Unit* is responsible for the booking and housing of detainees, service of warrants, and court security.

The **Professional Services** Division has several units: *Records*, which is responsible for processing, maintaining, and securing the official records of the Police Department. *Fleet & Equipment Services*, which is responsible for maintaining the department's fleet vehicles as well as all police related uniforms and equipment. CALEA accreditation management, social media, Sugar Land Citizens Police Academy Alumni Association liaison, and crime analysis are part of the division's responsibilities.

# Police Department

## FY23 Changes

Changes totaling \$516,000 include \$357,000 in one-time changes and \$159,000 in recurring changes. One-time changes include \$187,000 for a K-9 unit consisting of one trained officer, two vehicles, two K-9s, and funding to transfer an existing officer into the K-9 unit; \$100,000 for police mobile camera trailers; and \$70,000 for a vacuum metal deposition chamber. Recurring changes include \$159,000 for a K-9 unit.

## Performance Measures: Safest City in America

### Police Response Time

The City Council measure for “Rapid, Effective, and Coordinated Response to an Emergency for Police” is response time to a Priority I emergency. The target is 80% of responses within a target of 7 minutes. Response times can be affected by several factors such as roadway blocked by a train, incident is occurring in a vehicle which is still moving away from officers, difficulty locating the caller due to vague geographical information, or calls originally dispatched as routine response that were upgraded to higher priority response due to changing circumstances.

### Crime Rate

The City Council measure for “Maintain a Low Crime Rate in Sugar Land” is the Uniform Crime Reporting (UCR) for Part 1 Crimes. The target is to maintain a crime rate below the state and national average. The crime rate signifies the number of crimes per 1,000 residents. 2020 was an incredibly unusual year as COVID quarantines and restrictions greatly limited people’s movements, which in turn kept crime artificially low. The Sugar Land Police Department continues to develop action plans for any new crime trends that arise. Once identified, public education campaigns are initiated, and specialized units and patrol officers are assigned to the area to address the crime trend.

Performance Measure	2019 Actual	2020 Actual	2021 Actual	2022 Actual	2023 Target
<b>Police Response Time</b>	88.75%	85.33%	85%	90%	80%
<b>Crime Rate</b>	14.88	11.04	20.71	26.24	N/A

Summary by Category	FY21 Actuals	FY22 Current Budget	FY22 Projections	FY23 Base Budget	FY23 Changes	FY23 Budget
Salary & Benefits	\$ 20,280,487	\$ 20,530,794	\$ 21,324,719	\$ 21,753,023	\$ 120,647	\$ 21,873,670
Supplies	565,544	1,088,881	1,136,513	747,009	64,013	811,022
Professional Services	114,758	221,799	223,316	98,118	540	98,658
Repairs & Maintenance	273,634	278,850	300,887	311,747	5,100	316,847
Purchased Services	320,857	413,977	454,040	412,671	31,300	443,971
Capital/Other	-	173,060	45,000	-	294,400	294,400
<b>Category Totals</b>	<b>\$ 21,555,280</b>	<b>\$ 22,707,360</b>	<b>\$ 23,484,475</b>	<b>\$ 23,322,568</b>	<b>\$ 516,000</b>	<b>\$ 23,838,568</b>

# Police Department

Summary by Category	FY21 Actuals	FY22 Current Budget	FY22 Projections	FY23 Base Budget	FY23 Changes	FY23 Budget
Police Administration	1,052,681	1,199,598	1,205,075	1,065,614	-	1,065,614
Staff Services	2,310,508	2,445,462	2,515,133	2,700,986	-	2,700,986
Professional Services	1,486,331	1,806,281	1,726,128	1,897,792	70,000	1,967,792
Patrol	12,555,690	13,022,853	13,321,248	13,350,490	346,000	13,696,490
Criminal Investigations	3,710,818	3,684,092	4,000,326	3,800,366	100,000	3,900,366
Detention Center	424,292	479,799	643,079	474,029	-	474,029
TCLEOSE Training	-	50,385	50,385	10,189	-	10,189
SWAT	14,960	18,891	23,102	23,102	-	23,102
<b>Category Totals</b>	<b>\$ 21,555,280</b>	<b>\$ 22,707,360</b>	<b>\$ 23,484,475</b>	<b>\$ 23,322,568</b>	<b>\$ 516,000</b>	<b>\$ 23,838,568</b>

FTE Count	FY21 Budget	FY22 Current Budget	FY22 Adjustments	FY23 Base Budget	FY23 Adjustment	FY23 Budget
Police Administration	7.50	7.50	-	7.50	-	7.50
Staff Services	19.10	19.10	2.00	21.10	0.40	21.50
Professional Services	11.00	11.00	-	11.00	-	11.00
Patrol	121.00	121.00	(1.00)	120.00	1.00	121.00
Criminal Investigations	33.50	33.50	0.50	33.00	-	33.00
Detention Center	6.00	6.00	-	6.00	-	6.00
<b>Category Totals</b>	<b>198.10</b>	<b>198.10</b>	<b>1.50</b>	<b>198.60</b>	<b>1.40</b>	<b>200.00</b>

# Public Safety Dispatch

## Mission Statement

The mission of Sugar Land Public Safety Dispatch is to support the city’s public safety operations by responding to requests for assistance and providing quick and accurate information. Our collective goal is to provide superior service to the citizens and visitors of the city, as well as to our internal customers, assisting in the protection of lives and property.

## Programs of Service

The Sugar Land **Public Safety Dispatch** Center is the public safety answering point for the City of Sugar Land. The center answers 911 and other emergency and non-emergency calls and requests for assistance and ensures that each one is processed accurately and timely. After gathering information from the caller, the nature of the call is determined and the appropriate field responders are dispatched via radios and computers. All Dispatchers/Call Takers are trained in Emergency Medical Dispatch protocols and Fire Service Dispatch protocols and licensed as Law Enforcement Telecommunicators by the State of Texas.

## FY23 Changes

A \$17,200 recurring addition for EMD/FSD software is included in the budget for FY23.

## Performance Measures: Safest City in America

Measuring how quickly we answer 9-1-1 calls helps us ensure that we are answering calls for help as quickly as possible. We obtain this data through reports from our 9-1-1 system. Measuring how quickly we dispatch field units to calls for service helps us to ensure that we are sending units to calls for service as quickly as possible to aid in preservation of life and property. We obtain this data through our computer-aided dispatch system.

Performance Measure	2019	2020	2021	2022	2023
	Actual	Actual	Actual	Actual	Target
<b>Answer 95% of 9-1-1 calls within 10 seconds of ring into Dispatch</b>	100	100	99	99.6	99
<b>Average dispatch time for emergency Police calls within 60 seconds</b>	54	50	42	41	<60
<b>Average dispatch time for emergency Fire and EMS calls within 60 seconds</b>	52	44	42	41	<60

# Public Safety Dispatch

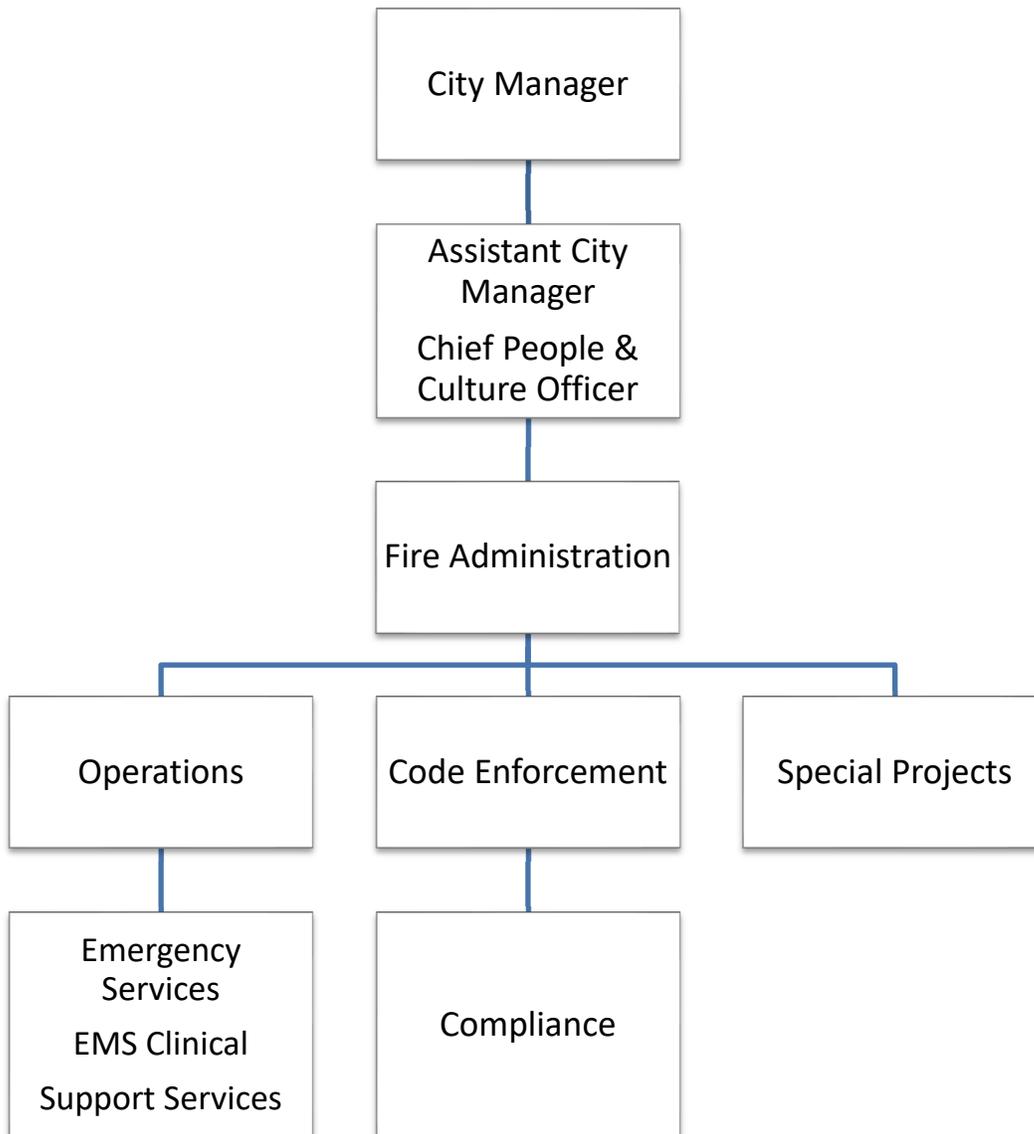
Summary by Category	FY21 Actuals	FY22 Current Budget	FY22 Projections	FY23 Base Budget	FY23 Changes	FY23 Budget
Salary & Benefits	\$ 2,484,885	\$ 2,797,807	\$ 2,838,131	\$ 3,195,289	\$ -	\$ 3,195,289
Supplies	8,129	10,168	9,479	10,843	17,200	28,043
Professional Services	34,828	51,330	50,530	46,915	-	46,915
Repairs & Maintenance	24,513	74,785	75,985	39,500	-	39,500
Purchased Services	25,916	32,725	33,014	28,750	-	28,750
Capital/Other	-	-	-	-	-	-
<b>Category Totals</b>	<b>\$ 2,578,271</b>	<b>\$ 2,966,815</b>	<b>\$ 3,007,139</b>	<b>\$ 3,321,297</b>	<b>\$ 17,200</b>	<b>\$ 3,338,497</b>

FTE Count	FY21 Budget	FY22 Current Budget	FY22 Adjustments	FY23 Base Budget	FY23 Adjustment	FY23 Budget
Public Safety Dispatch	34.50	34.50	-	34.50	-	34.50
<b>Category Totals</b>	<b>34.50</b>	<b>34.50</b>	<b>-</b>	<b>34.50</b>	<b>-</b>	<b>34.50</b>

# Fire-EMS

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*As of October 1, 2022*



# Fire-EMS

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## Mission Statement

The mission of the Fire-EMS Department is to offer excellent service by collaborating, acting with integrity and exhibiting trust, creating a safe place to live, work, and play. Fire-EMS provides core emergency services, including fire and emergency medical services to the citizens of Sugar Land, daily business population, commuters, shoppers, and visitors. Fire-EMS operates seven fire stations of which four of them have ambulances to serve residents and businesses and utilizes mutual aid agreements as needed.

## Programs of Service

**Administration** is responsible for strategic planning, intergovernmental relations, human resources management, and overall administration of the department.

**Operations** includes Emergency Services that provides fire suppression, technical rescue, aircraft rescue, firefighting, hazardous materials response, and aquatic rescues; emergency medical treatment and ambulance transport to those in need of urgent medical care within the city limits or through mutual aid agreements. Also included is EMS Clinical which provides training, quality assurance, quality control and EMS assistance to Operations. Support Services provides equipment, supplies, training, community engagement to a variety of public outreach programs including home safety surveys, smoke alarm programs, and a citizens' fire academy to promote fire safety awareness in homes and businesses in Sugar Land.

**Code Enforcement** includes Prevention/Investigation, which provides fire protection engineering, fire code enforcement, and fire investigations to determine the cause and origin of fires. Code Compliance ensures the department and City operates under all required laws, mandates and ensures licenses, fees, certifications are maintained for a myriad of agencies the department operates under.

**Special Projects** is responsible for forming committees, establishing scopes, researching, developing, disseminating, proposing and if necessary, implementing, and budgeting final results.

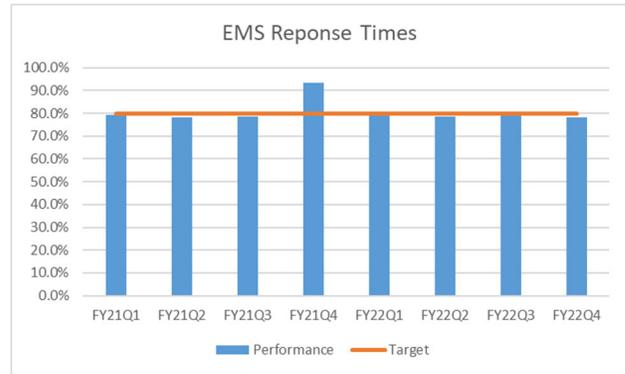
## FY23 Changes

Changes totaling \$1,191,100 include \$996,000 in recurring additions and \$195,100 in one-time additions. Recurring additions include \$980,000 for cross staffing 9 FTEs in Fire Station 7 EMS Crew, \$11,000 for Lucas devices, and \$5,000 for 7 respiratory ventilators. One-time additions include \$47,000 for new PPE and uniforms for the nine new hires, \$38,000 for PPE for new hires, \$22,000 for station FFE, \$21,500 for price increases and warranty expirations, \$17,000 for anticipated price increases of supplies at five percent, \$15,000 for Zetron, \$14,500 for One Test (firefighter cancer testing), \$9,000 for Zetron Stage 1 Upgrade (Captain), \$5,000 for saline flush price increases, \$3,600 for contract maintenance, and \$2,500 to add additional licenses to OPIQ for stations.

## Performance Measures: Safest City in America

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

# Fire-EMS



Summary by Category	FY21 Actuals	FY22 Current Budget	FY22 Projections	FY23 Base Budget	FY23 Changes	FY23 Budget
Salary & Benefits	\$ 14,620,815	\$ 15,794,408	\$ 16,134,437	\$ 16,369,126	\$ 980,000	\$ 17,349,126
Supplies	490,928	1,192,331	1,184,804	619,261	150,500	769,761
Professional Services	155,579	203,504	208,004	220,777	14,500	235,277
Repairs & Maintenance	434,956	439,689	441,789	468,548	19,600	488,148
Purchased Services	62,648	196,626	197,553	154,504	2,500	157,004
Capital/Other	87,791	157,761	157,761	-	24,000	24,000
<b>Category Totals</b>	<b>\$ 15,852,716</b>	<b>\$ 17,984,320</b>	<b>\$ 18,324,348</b>	<b>\$ 17,832,216</b>	<b>\$ 1,191,100</b>	<b>\$ 19,023,316</b>

Summary by Category	FY21 Actuals	FY22 Current Budget	FY22 Projections	FY23 Base Budget	FY23 Changes	FY23 Budget
Fire Administration	642,800	747,757	832,929	846,559	-	846,559
Emergency Services	14,303,948	16,253,353	16,508,210	15,880,549	1,191,100	17,071,649
Prevention & Investigation	905,968	983,209	983,209	1,105,108	-	1,105,108
<b>Category Totals</b>	<b>\$ 15,852,716</b>	<b>\$ 17,984,320</b>	<b>\$ 18,324,348</b>	<b>\$ 17,832,216</b>	<b>\$ 1,191,100</b>	<b>\$ 19,023,316</b>

FTE Count	FY21 Budget	FY22 Current Budget	FY22 Adjustments	FY23 Base Budget	FY23 Adjustment	FY23 Budget
Fire Administration	7.00	7.00	1.00	8.00	-	8.00
Emergency Services	115.00	115.00	-	115.00	9.00	124.00
Prevention & Investigation	9.00	9.00	(1.00)	8.00	-	8.00
<b>Category Totals</b>	<b>131.00</b>	<b>131.00</b>	<b>-</b>	<b>131.00</b>	<b>9.00</b>	<b>140.00</b>

# Non-Departmental

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## Services Provided

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

## Transfers

Inter-fund transfers are budgeted in non-departmental. Transfers are made to the Fleet and High Tech replacement funds for the replacement of vehicles and technology equipment, and the Airport fund for property taxes paid on airport property as per policy. Fleet and High Tech Replacement contributions were reduced by 75% and 50%, respectively, as part of FY21 strategies to offset potential revenue shortfalls resulting from the COVID-19 pandemic and were planned to be rebuilt over five years. The FY23 Budget for these transfers reflects the second year of this plan.

## Rebates and Assignments

The City has seven in-City MUDs eligible for a rebate of a percentage of the City taxes collected from property within the district. Rebates total \$2,630,065 based on anticipated MUD values for Tax Year 2022.

## Miscellaneous

Miscellaneous includes payments for property insurance premiums and deductibles, salary savings, contingency funds, and other miscellaneous expenditures. Miscellaneous expenditures increases of \$1,042,000 includes a recurring increase of \$592,000 to account for salary structure movements and \$450,000 in one-time increases that include \$100,000 in additional training funds, \$150,000 for additional O&M needs, yet to be determined, and \$200,000 in All-In Initiatives Seed Funding.

Summary by Category	FY21 Actuals	FY22 Current Budget	FY22 Projections	FY23 Base Budget	FY23 Changes	FY23 Budget
Transfers to Other Funds	\$ 1,249,676	\$ 2,243,268	\$ 2,243,268	\$ 2,151,634	\$ -	\$ 2,151,634
Miscellaneous	952,130	3,031,265	1,947,895	1,041,593	1,042,000	2,083,593
Rebates & Assignments	2,564,341	2,773,495	2,773,495	2,630,065	-	2,630,065
<b>Category Totals</b>	<b>\$ 4,766,147</b>	<b>\$ 8,048,028</b>	<b>\$ 6,964,658</b>	<b>\$ 5,823,292</b>	<b>\$ 1,042,000</b>	<b>\$ 6,865,292</b>

# Special Revenue Funds

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Special Revenue Funds are used to account for the proceeds of specific revenues that are legally restricted to expenditures for specified purposes. The City has seventeen Special Revenue Funds budgeted for Fiscal Year 2023.

## Court Security Fund

The City collects a \$4.90 fee from each defendant found guilty of a misdemeanor. Since 1/1/20, the fee is distributed as a percentage of the \$14 consolidated fee and \$4.90 per guilty finding is allocated to the fund. Pursuant to Article 102.017 of the Texas Code of Criminal Procedure, revenues generated in the fund may only be used only to fund court security and includes such items as metal detectors, surveillance equipment, security personnel, security hardware, security training, or other security measures.

### Fiscal Year 2022

Revenues are projected to be \$34,532, which includes security fees of \$34,527 and interest income of \$5. Operating expenditures total \$32,733, which represents 40% of personnel costs for the Court Bailiff salary and benefits. Fund balance at 9/30/22 is projected to be \$2,653.

### Fiscal Year 2023

Revenues budgeted total \$35,150, which includes security fees of \$35,140 and \$10 in interest income. There are no Operating expenditures budgeted for the fiscal year. The entirety of the Court Bailiff's position is funded in the General Fund due to insufficient revenues versus prior years. Ending fund balance at 9/30/23 is estimated to be \$37,803.

## Court Technology Fund

The City collects a \$4 fee from each defendant found guilty of a misdemeanor. Since 1/1/20, the fee is distributed as a percentage of the \$14 consolidated fee and \$4 per guilty finding is allocated to the fund. Pursuant to Article 102.0172 of the Texas Code of Criminal Procedure, revenues generated in the fund may only be used to fund court technology such as computer equipment, imaging systems, electronic kiosks, docket management systems, or electronic ticket writers.

### Fiscal Year 2022

Revenues are projected to be \$28,417, which includes technology fees of \$28,407 and \$10 for interest income. Operating expenditures total \$35,295 and includes funds for annual maintenance contracts for the court software. Fund balance at 9/30/22 is projected to be \$15,738.

### Fiscal Year 2023

Revenues budgeted total \$27,886 which includes \$27,866 for technology fees, and \$20 in interest income. Budgeted expenditures total \$35,295, which is for the annual maintenance contracts for court software. Fund balance at 9/30/23 is estimated to be \$8,329.

## Court Truancy Fund

The City collects a \$5 fee from each defendant found guilty of a misdemeanor. Since 1/1/20, the fee is distributed as a percentage of the \$14 consolidated fee and \$5 per guilty finding is allocated to the fund. Pursuant to Section 133.125 of the Local Government Code, revenues generated in the fund may only be used to finance the salary, benefits, training, travel expenses, office supplies, and other necessary expenses relating to the position of juvenile case manager.

### **Fiscal Year 2022**

Revenues projected total \$25,010, which includes \$25,000 in fines and \$10 in interest income. There are no budgeted expenditures through the year end. Fund balance at 9/30/22 is projected to be \$72,368.

### **Fiscal Year 2023**

Revenues budgeted total \$25,015, which includes \$25,000 in fines and 15\$ in interest income. There are no budgeted expenditures through the fiscal year. Fund balance at 9/30/23 is estimated to be \$97,383.

### **Court Juror Fund**

The City collects a \$0.10 fee from each defendant found guilty of a misdemeanor. Since 1/1/20, the fee is distributed as a percentage of the \$14 consolidated fee and \$0.10 per guilty finding is allocated to the fund. Pursuant to Section 134.154 of the Local Government Code, revenues generated in the fund may only be used by the municipality to fund juror reimbursements and otherwise finance jury services.

### **Fiscal Year 2022**

Revenues projected total \$500 with the entirety made up of fines. There are no budgeted expenditures through the year end. Fund balance at 9/30/22 is projected to be \$1,447.

### **Fiscal Year 2023**

Revenues budgeted total \$500 with the entirety made up of fines. There are no budgeted expenditures through the fiscal year. Fund balance at 9/30/23 is estimated to be \$1,947.

### **Tourism Fund**

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

Sugar Land is home to ten hotels, with a total of 1,517 rooms. Hotel taxes from the Sugar Land Marriott are used to pay the debt service on the Certificates of Obligation that were issued by the City to finance the Sugar Land Conference Center, which is leased and operated by the Sugar Land Town Square Marriott. The fund also supports the Certificates of Obligation issued in 2014 for the Smart Financial Centre at Sugar Land, and TIRZ #4 Plaza. Revenue assumptions are more conservative in this fund than in others due to the highly elastic nature of the revenue stream.

### **Fiscal Year 2022**

Projected revenues total \$2,107,801 with \$2,074,951 in occupancy tax, \$32,600 in miscellaneous revenue and \$250 in interest income. Projected expenditures total \$2,016,758, which includes \$352,871 for the Tourism Program and \$280,994 for the Visitor Center. The transfers out for \$1,342,343 include the transfer to the Debt Service Fund to cover the debt for the Marriott conference center and the Smart Financial Centre at Sugar Land. Fund balance at 9/30/22 is projected to be \$847,459.

### **Fiscal Year 2023**

Budgeted revenues are \$2,265,500 with \$2,232,000 in hotel occupancy tax, \$33,000 in miscellaneous revenue and \$500 in interest income. The occupancy taxes in FY23 are projected to increase by 48% from FY21 actuals. Expenditures total \$2,082,628 and includes \$373,179 for the Tourism Program and \$264,821 for the operation of the visitor center. Non-operating expenditures total \$1,444,628. This includes \$100,000 reserved for opportunities and

the transfers out for \$1,344,078 include transfers to the Debt Service Fund to cover debt for the Marriott conference center, the Smart Financial Centre at Sugar Land and TIRZ #4 Plaza. Miscellaneous expenditures total \$550 for technology replacement.

Fund balance at 9/30/23 is estimated to be \$1,030,331 which is \$807,131 over the policy requirement, which is 10% of the budgeted hotel occupancy tax.

### **State Seizures Fund**

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

#### **Fiscal Year 2022**

Projected revenues total \$200,050 made up from \$200,000 in other income from seizures and \$50 for interest income. Budgeted expenditures total \$40,031, which includes \$16,035 for facility repairs and \$23,996 for purchase of handheld ticket writers. Fund balance at 9/30/22 is projected to be \$289,703.

#### **Fiscal Year 2023**

Budgeted revenues are \$100 for interest income. Revenue from the Narcotics Task Force is irregular and generally not budgeted. There are no expenditures budgeted for FY23. Fund balance at 9/30/23 is estimated to be \$289,803.

### **Federal Seizures Fund**

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

#### **Fiscal Year 2022**

Projected revenues are \$25, which includes \$25 for interest income. There are no expenditures budgeted for FY22. Fund balance at 9/30/22 is projected to be \$38,411.

#### **Fiscal Year 2023**

Budgeted revenues are \$20 for interest income. There are no expenditures budgeted for FY23. Fund balance at 9/30/23 is estimated to be \$38,431.

### **Law Enforcement Fund**

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

### **Fiscal Year 2022**

Budgeted revenues are projected to be \$5 for interest income and \$13,035 for other income. There are no projected expenditures. Fund balance at 9/30/22 is projected to be \$17,770.

### **Fiscal Year 2023**

Budgeted revenues of \$10 for interest income. There are no expenditures budgeted for FY23. Fund balance at 9/30/23 is estimated to be \$17,780.

### **Tara Plantation Debt Reduction Fund**

Tara Plantation is a participant in the Groundwater Reduction Plan (GRP). The GRP participation agreement imposed a 20% out-of-city service fee for services received from the City. In anticipation of future approval of a SPA, these fees are being deposited into the Tara Plantation Debt Reduction Fund. These fees will be reserved for use in accordance with a future SPA, which will determine mutually agreed upon uses.

### **Fiscal Year 2022**

Operating revenues are projected at \$55,263, which includes \$54,756 in out-of-city service fees and \$506 in interest income. There are no budgeted expenditures. Fund balance at 9/30/22 is projected to be \$542,334.

### **Fiscal Year 2023**

Revenues budgeted total \$56,054 and include \$55,304 for out-of-city service fees and \$750 for interest income. There are no budgeted expenditures. Fund balance at 9/30/23 is estimated to be \$598,388.

### **Riverstone Debt Reduction Fund**

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

### **Fiscal Year 2022**

Revenues projected total \$314,523 and include \$313,523 for out-of-city service fees and \$1,000 for interest income. There are no budgeted expenditures for FY22. Projected ending fund balance at 9/30/22 is \$1,611,961.

### **Fiscal Year 2023**

Revenues budgeted total \$318,659 and include \$316,659 for out-of-city service fees and \$2,000 for interest income. There are no budgeted expenditures for FY23. Budgeted ending fund balance at 9/30/23 is \$1,930,620.

### **Enclave at River Park PID**

Authorized under the Public Improvement District Assessment Act (Chapter 372 of LGC). Enclave at River Park PID allows the City to levy and collect an assessment on property within the PID for reimbursement of expenses associated with improvement projects which include: water, wastewater, or drainage facility construction/improvements; street and sidewalk construction/improvements; park and recreation establishment/improvements; acquisition of property; and administration/operational expenses. The 2021 assessment was \$440 and the 2022 assessment will be \$430. Debt to finance developer reimbursement will be paid over a 15-year schedule. The City contributes 50% of property taxes collected from properties within the PID in the prior year. PID assessments are set annually by the City Council after a public notice and public hearing process.

### **Fiscal Year 2022**

Revenues projected total \$147,029 and include \$59,049 for PID assessment, \$10 for interest income, and \$87,970 for transfers in from the General Fund and Debt Service Fund for prior year property tax revenues. Expenditures total \$156,544, which includes transfer to other funds for \$156,494. Projected ending fund balance at 9/30/22 is \$55,924.

### **Fiscal Year 2023**

Revenues budgeted total \$137,629 and include \$58,189 for PID assessment, \$10 for interest income, and \$79,430 for transfers in from the General Fund and Debt Service Fund. Expenditures total \$147,019, which includes transfer to the Debt Service and Utility Funds for \$146,969 to support debt service associated with bonds issued to fund the developer reimbursement. Budgeted ending fund balance at 9/30/23 is \$46,534.

### **Special Events Fund**

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

### **Fiscal Year 2022**

Revenues projected total \$295,516 and includes \$25 in interest income, \$176,954 in miscellaneous parking revenue, and \$98,537 for transfers in from the Tourism Fund. Total Expenditures include \$138,537 for personnel costs for the Destination Event Manager and operations and maintenance for events hosted by the City. Projected ending fund balance at 9/30/22 is \$226,688.

### **Fiscal Year 2023**

Revenues budgeted total \$120,050 and includes \$20,000 in rental fees, \$50 in interest income, and \$100,000 for miscellaneous parking revenues. Expenditures total \$61,256 which includes \$21,256 for personnel and \$40,000 for special events. Budgeted ending fund balance at 9/30/23 is \$285,481.

### **Public, Education, & Government Fund**

Public, Education & Government (PEG) Fund: The State legislature approved a legislative bill (S.B. 1087) during the 2011 82nd legislative session that allows for municipalities to receive 1% of gross revenues, labeled "State Franchise Fee," on customer bills to fund capital expenditures associated with public, education and government programming for the City's PEG channel, SLTV16. These funds are restricted in their use and can only be used to purchase capital goods that support broadcast operations for the city. Since the FY21 Budget, these funds have been moved out of the General Fund and established in their own fund to improve accountability.

### **Fiscal Year 2022**

Revenues projected total \$373,638 and includes \$170,000 established through the Comcast Franchise Agreement, and \$203,638 in transfers in from the General Fund. Expenditures total \$491,859 for Municipal Television Programming Equipment. Projected ending fund balance at 9/30/22 is \$0.

### **Fiscal Year 2023**

Revenues projected total \$170,000, established through the Comcast Franchise Agreement. Expenditures total \$170,000 for Municipal Television Programming Equipment. Projected ending fund balance at 9/30/23 is \$0.

### **Animal Services Donations**

The Animal Services division receives donations from residents, non-residents, and businesses throughout the year. These donations are used for shelter operations and maintenance. This fund was moved from the General Fund and established as a separate fund in the FY21 Budget to improve the tracking of donations.

### **Fiscal Year 2022**

Revenues projected total \$12,440 from donations, \$41 in interest income, and \$84,114 from transfers in. Expenditures total \$23,620 for maintenance and operations. Projected ending fund balance at 9/30/22 is \$135,555.

### **Fiscal Year 2023**

There are no revenues budgeted due to the uncertain nature of donations throughout the year. The estimated fund balance of \$135,555 is appropriated for expenditures in FY23. The remaining budgeted ending fund balance at 9/30/23 is \$0.

### **American Rescue Plan Act**

In response to COVID-19 and its negative economic impacts, the federal government passed the American Rescue Plan Act, an economic stimulus bill. The City has been allocated a set amount that will be used to offset revenue loss, offer premium pay to essential workers, and make necessary water, sewer, and broadband infrastructure improvements. The funds must be spent in accordance with treasury guidance and City Council will have a discussion this fall to determine how best to allocate the funding.

### **Fiscal Year 2022**

Revenues projected total \$5,557,979 from federal funds from the receipt of the second tranche of funding. There are no appropriations of the funds for expenditures budgeted for FY22. Fund balance at 9/30/22 is estimated to be \$10,766,641.

### **Fiscal Year 2023**

Revenues projected total \$750 from interest income. Total budgeted expenditures of \$10,767,391 appropriates the projected fund balance and revenues in FY23 for eligible projects of the funding. The ending fund balance at 9/30/23 is projected to be \$0.

### **Contract Policing Fund**

The Contract Policing Fund was established as a means of tracking the revenue and expenditures associated with the agreements between the Great Community Association, the New Territory Residential Community Association and the City for supplement policing services provided within their boundaries.

### **Fiscal Year 2022**

Revenues projected total \$716,030 from contracted services. Total expenditures are also \$716,030, which represents the personnel costs for the contracted services provided to Greatwood and New Territory. The fund balance at 9/30/22 is estimated to be \$0.

### **Fiscal Year 2023**

Revenues budgeted total \$751,960 from contracted services. Total expenditures budgeted are also \$751,960 representing the personnel costs for the contracted services provided to Greatwood and New Territory. The estimated fund balance at 9/30/23 is estimated to be \$0.

### **Public Arts Fund**

The Public Arts Fund is identified each year through development of the Annual Public Art Work Plan (APAWP). Each year, the APAWP is developed to establish public art projects that achieve the goals of the Public Art Plan that was adopted in 2016. The Public Arts Fund is utilized toward implementation of the APAWP and further establishing the city's current public art collection. The Sugar Land 4B Corporation annually contributes funding for public art projects which were previously housed in the General CIP. The Public Arts Fund was created in FY23 to separate public art projects from other capital projects.

### **Fiscal Year 2023**

Revenues budgeted total \$250,000 from transfers in from the SL4B Corporation. The resulting fund balance of \$250,000 is appropriated for expenditures of public arts projects throughout the year. The estimated fund balance at 9/30/23 is estimated to be \$0.

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

	FY21 Actuals	FY22 Current Budget	FY22 Projections	FY23 Base Budget	FY23 Changes	FY23 Budget
<b>REVENUES</b>						
Rental Fees	\$ 10,985	\$ 20,000	\$ 20,000	\$ 20,000	\$ -	\$ 20,000
Interest Income	6	25	25	50	-	50
Miscellaneous	40,819	176,954	176,954	100,000	-	100,000
Transfers In	91,443	98,537	98,537	-	-	-
<b>Total Revenues</b>	<b>143,253</b>	<b>295,516</b>	<b>295,516</b>	<b>120,050</b>	<b>-</b>	<b>120,050</b>
<b>EXPENDITURES</b>						
Personnel Costs	91,209	98,537	98,537	21,256	-	21,256
Operations & Maintenance	107,142	40,000	40,000	40,000	-	40,000
<b>Total Expenditures</b>	<b>198,351</b>	<b>138,537</b>	<b>138,537</b>	<b>61,256</b>	<b>-</b>	<b>61,256</b>
Revenues Over/(Under) Expenditures	(55,098)	156,979	156,979	58,794	-	58,794
Fund Balance - Beginning	127,021	69,709	69,709	226,688	-	226,688
<b>Fund Balance - Ending</b>	<b>\$ 71,923</b>	<b>\$ 226,688</b>	<b>\$ 226,688</b>	<b>\$ 285,481</b>	<b>\$ -</b>	<b>\$ 285,481</b>

**CITY OF SUGAR LAND  
ANIMAL SHELTER DONATIONS  
INCOME STATEMENT**

	FY21 Actuals	FY22 Current Budget	FY22 Projections	FY23 Base Budget	FY23 Changes	FY23 Budget
<b>REVENUES</b>						
Donations	\$ 37,875	\$ 12,440	\$ 12,440	\$ -	\$ -	\$ -
Interest Income	3	41	41	-	-	-
Transfers In	25,880	84,114	84,114	-	-	-
<b>Total Revenues</b>	<b>63,757</b>	<b>96,595</b>	<b>96,595</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>EXPENDITURES</b>						
Maintenance and Operations	1,177	23,620	23,620	135,555	-	135,555
<b>Total Expenditures</b>	<b>1,177</b>	<b>23,620</b>	<b>23,620</b>	<b>135,555</b>	<b>-</b>	<b>135,555</b>
Revenues Over/(Under) Expenditures	62,580	72,975	72,975	(135,555)	-	(135,555)
Fund Balance - Beginning	-	62,580	62,580	135,555	-	135,555
<b>Fund Balance - Ending</b>	<b>\$ 62,580</b>	<b>\$ 135,555</b>	<b>\$ 135,555</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

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

	FY21 Actuals	FY22 Current Budget	FY22 Projections	FY23 Base Budget	FY23 Changes	FY23 Budget
<b>REVENUES</b>						
Security Fees	\$ 29,467	\$ 34,527	\$ 34,527	\$ 35,140	\$ -	\$ 35,140
Interest Income	1	5	5	10	-	10
Total Revenues	29,468	34,532	34,532	35,150	-	35,150
<b>EXPENDITURES</b>						
Personnel	43,421	32,733	32,733	-	-	-
Total Expenditures	43,421	32,733	32,733	-	-	-
Revenues Over/(Under) Expenditures	(13,953)	1,799	1,799	35,150	-	35,150
Fund Balance - Beginning	14,807	854	854	2,653	-	2,653
Fund Balance - Ending	\$ 854	\$ 2,653	\$ 2,653	\$ 37,803	\$ -	\$ 37,803

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

	FY21 Actuals	FY22 Current Budget	FY22 Projections	FY23 Base Budget	FY23 Changes	FY23 Budget
<b>REVENUES</b>						
Technology Fees	\$ 26,310	\$ 28,407	\$ 28,407	\$ 27,866	\$ -	\$ 27,866
Interest Income	7	10	10	20	-	20
<b>Total Revenues</b>	<b>26,317</b>	<b>28,417</b>	<b>28,417</b>	<b>27,886</b>	<b>-</b>	<b>27,886</b>
<b>EXPENDITURES</b>						
Operations & Maintenance	17,818	35,295	35,295	35,295	-	35,295
<b>Total Expenditures</b>	<b>17,818</b>	<b>35,295</b>	<b>35,295</b>	<b>35,295</b>	<b>-</b>	<b>35,295</b>
Revenues Over/(Under) Expenditures	8,499	(6,878)	(6,878)	(7,409)	-	(7,409)
Fund Balance - Beginning	14,117	22,616	22,616	15,738	-	15,738
<b>Fund Balance - Ending</b>	<b>\$ 22,616</b>	<b>\$ 15,738</b>	<b>\$ 15,738</b>	<b>\$ 8,329</b>	<b>\$ -</b>	<b>\$ 8,329</b>

**CITY OF SUGAR LAND  
SPECIAL REVENUE FUND - TRUANCY PREVENTION  
INCOME STATEMENT**

	FY21 Actuals	FY22 Current Budget	FY22 Projections	FY23 Base Budget	FY23 Changes	FY23 Budget
<b>REVENUES</b>						
Fines	\$ 25,616	\$ 25,000	\$ 25,000	\$ 25,000	\$ -	\$ 25,000
Interest Income	3	10	10	15	-	15
<b>Total Revenues</b>	<b>25,619</b>	<b>25,010</b>	<b>25,010</b>	<b>25,015</b>	<b>-</b>	<b>25,015</b>
<b>EXPENDITURES</b>						
Operations & Maintenance	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Revenues Over/(Under) Expenditures	25,619	25,010	25,010	25,015	-	25,015
Fund Balance - Beginning	21,738	47,358	47,358	72,368	-	72,368
<b>Fund Balance - Ending</b>	<b>\$ 47,358</b>	<b>\$ 72,368</b>	<b>\$ 72,368</b>	<b>\$ 97,383</b>	<b>\$ -</b>	<b>\$ 97,383</b>

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

	FY21 Actuals	FY22 Current Budget	FY22 Projections	FY23 Base Budget	FY23 Changes	FY23 Budget
<b>REVENUES</b>						
Fines	\$ 512	\$ 500	\$ 500	\$ 500	\$ -	\$ 500
Interest Income	0	-	-	-	-	-
<b>Total Revenues</b>	<b>512</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>-</b>	<b>500</b>
<b>EXPENDITURES</b>						
Operations & Maintenance	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Revenues Over/(Under) Expenditures	512	500	500	500	-	500
Fund Balance - Beginning	435	947	947	1,447	-	1,447
<b>Fund Balance - Ending</b>	<b>\$ 947</b>	<b>\$ 1,447</b>	<b>\$ 1,447</b>	<b>\$ 1,947</b>	<b>\$ -</b>	<b>\$ 1,947</b>

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

	FY21 Actuals	FY22 Current Budget	FY22 Projections	FY23 Base Budget	FY23 Changes	FY23 Budget
<b>REVENUES</b>						
Hotel/Motel Occupancy Tax	\$ 1,503,815	\$ 2,074,951	\$ 2,074,951	\$ 2,232,000	\$ -	\$ 2,232,000
Interest Income	100	250	250	500	-	500
Miscellaneous	24,727	32,600	32,600	33,000	-	33,000
<b>Total Revenues</b>	<b>1,528,642</b>	<b>2,107,801</b>	<b>2,107,801</b>	<b>2,265,500</b>	<b>-</b>	<b>2,265,500</b>
<b>EXPENDITURES</b>						
Tourism Program	260,231	370,871	352,871	373,179	-	373,179
Visitor Center	173,742	280,994	280,994	264,821	-	264,821
Cultural/Public Arts	2,390	-	-	-	-	-
<b>Total Operating Expenditures</b>	<b>436,363</b>	<b>651,865</b>	<b>633,865</b>	<b>638,000</b>	<b>-</b>	<b>638,000</b>
Transfer Out - Debt Service Fund	1,341,100	1,342,343	1,342,343	1,344,078	-	1,344,078
Transfer Out - Others	550	550	550	550	-	550
Reserve for Opportunities	-	22,000	40,000	100,000	-	100,000
<b>Total Non-Operating Expenditures</b>	<b>1,341,650</b>	<b>1,364,893</b>	<b>1,382,893</b>	<b>1,444,628</b>	<b>-</b>	<b>1,444,628</b>
<b>Total Expenditures</b>	<b>1,778,013</b>	<b>2,016,758</b>	<b>2,016,758</b>	<b>2,082,628</b>	<b>-</b>	<b>2,082,628</b>
Revenues Over/(Under) Expenditures	(249,371)	91,043	91,043	182,872	-	182,872
Fund Balance - Beginning	1,522,234	1,271,374	1,271,374	1,362,417	-	1,362,417
GAAP Adjustments	(329,758)	(514,958)	(514,958)	(514,958)	-	(514,958)
<b>Fund Balance - Ending</b>	<b>\$ 943,106</b>	<b>\$ 847,459</b>	<b>\$ 847,459</b>	<b>\$ 1,030,331</b>	<b>\$ -</b>	<b>\$ 1,030,331</b>
Fund Balance Policy (10% of Budgeted HOT)	\$ 150,381	\$ 207,495	\$ 207,495	\$ 223,200	\$ -	\$ 223,200
Over/Under Policy	792,724	639,964	639,964	807,131	-	807,131

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

	FY21 Actuals	FY22 Current Budget	FY22 Projections	FY23 Base Budget	FY23 Changes	FY23 Budget
<b>REVENUES</b>						
PID Assessment Fees	\$ 76,955	\$ 61,589	\$ 59,049	\$ 58,189	\$ -	\$ 58,189
Interest Income	9	10	10	10	-	10
Transfers In	80,494	85,430	87,970	79,430	-	79,430
<b>Total Revenues</b>	<b>157,458</b>	<b>147,029</b>	<b>147,029</b>	<b>137,629</b>	<b>-</b>	<b>137,629</b>
<b>EXPENDITURES</b>						
Miscellaneous	49	50	50	50	-	50
Transfers to Other Funds	161,144	156,494	156,494	146,969	-	146,969
<b>Total Expenditures</b>	<b>161,193</b>	<b>156,544</b>	<b>156,544</b>	<b>147,019</b>	<b>-</b>	<b>147,019</b>
Revenues Over/(Under) Expenditures	(3,735)	(9,515)	(9,515)	(9,390)	-	(9,390)
Fund Balance - Beginning	69,174	65,439	65,439	55,924	-	55,924
<b>Fund Balance - Ending</b>	<b>\$ 65,439</b>	<b>\$ 55,924</b>	<b>\$ 55,924</b>	<b>\$ 46,534</b>	<b>\$ -</b>	<b>\$ 46,534</b>

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

	FY21 Actuals	FY22 Current Budget	FY22 Projections	FY23 Base Budget	FY23 Changes	FY23 Budget
<b>REVENUES</b>						
Out of City Service Fees	\$ 277,290	\$ 313,523	\$ 313,523	\$ 316,659	\$ -	\$ 316,659
Interest Income	(560)	1,000	1,000	2,000	-	2,000
<b>Total Revenues</b>	<b>276,731</b>	<b>314,523</b>	<b>314,523</b>	<b>318,659</b>	<b>-</b>	<b>318,659</b>
<b>EXPENDITURES</b>						
Operations & Maintenance	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Revenues Over/(Under) Expenditures	276,731	314,523	314,523	318,659	-	318,659
Fund Balance - Beginning	1,020,707	1,297,438	1,297,438	1,611,961	-	1,611,961
<b>Fund Balance - Ending</b>	<b>\$ 1,297,438</b>	<b>\$ 1,611,961</b>	<b>\$ 1,611,961</b>	<b>\$ 1,930,620</b>	<b>\$ -</b>	<b>\$ 1,930,620</b>

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

	FY21 Actuals	FY22 Current Budget	FY22 Projections	FY23 Base Budget	FY23 Changes	FY23 Budget
<b>REVENUES</b>						
Out of City Service Fees	\$ 49,746	\$ 54,756	\$ 54,756	\$ 55,304	\$ -	\$ 55,304
Interest Income	389	506	506	750	-	750
<b>Total Revenues</b>	<b>50,135</b>	<b>55,263</b>	<b>55,263</b>	<b>56,054</b>	<b>-</b>	<b>56,054</b>
<b>EXPENDITURES</b>						
Operations & Maintenance	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Revenues Over/(Under) Expenditures	50,135	55,263	55,263	56,054	-	56,054
Fund Balance - Beginning	436,936	487,072	487,072	542,334	-	542,334
Fund Balance - Ending	\$ 487,072	\$ 542,334	\$ 542,334	\$ 598,388	\$ -	\$ 598,388

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

	FY21 Actuals	FY22 Current Budget	FY22 Projections	FY23 Base Budget	FY23 Changes	FY23 Budget
<b>REVENUES</b>						
Other Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest Income	3	25	25	20	-	20
Transfers In	-	-	-	-	-	-
<b>Total Revenues</b>	<b>3</b>	<b>25</b>	<b>25</b>	<b>20</b>	<b>-</b>	<b>20</b>
<b>EXPENDITURES</b>						
Maintenance and Operations	-	-	-	-	-	-
Transfers to other funds	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Revenues Over/(Under) Expenditures	3	25	25	20	-	20
Fund Balance - Beginning	38,383	38,386	38,386	38,411	-	38,411
Fund Balance - Ending	\$ 38,386	\$ 38,411	\$ 38,411	\$ 38,431	\$ -	\$ 38,431

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

	FY21 Actuals	FY22 Current Budget	FY22 Projections	FY23 Base Budget	FY23 Changes	FY23 Budget
<b>REVENUES</b>						
Other Income	\$ 19,203	\$ 200,000	\$ 200,000	\$ -	\$ -	\$ -
Interest Income	50	50	50	100	-	100
Transfers In	-	-	-	-	-	-
<b>Total Revenues</b>	<b>19,253</b>	<b>200,050</b>	<b>200,050</b>	<b>100</b>	<b>-</b>	<b>100</b>
<b>EXPENDITURES</b>						
Maintenance and Operations	-	23,996	23,996	-	-	-
Capital	393,965	16,035	16,035	-	-	-
Transfers to other funds	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>393,965</b>	<b>40,031</b>	<b>40,031</b>	<b>-</b>	<b>-</b>	<b>-</b>
Revenues Over/(Under) Expenditures	(374,711)	160,019	160,019	100	-	100
Fund Balance - Beginning	504,396	129,684	129,684	289,703	-	289,703
<b>Fund Balance - Ending</b>	<b>\$ 129,684</b>	<b>\$ 289,703</b>	<b>\$ 289,703</b>	<b>\$ 289,803</b>	<b>\$ -</b>	<b>\$ 289,803</b>

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

	FY21 Actuals	FY22 Current Budget	FY22 Projections	FY23 Base Budget	FY23 Changes	FY23 Budget
<b>REVENUES</b>						
Other Income	\$ -	\$ 13,035	\$ 13,035	\$ -	\$ -	\$ -
Interest Income	0	5	5	10	-	10
Transfers In	-	-	-	-	-	-
<b>Total Revenues</b>	<b>0</b>	<b>13,040</b>	<b>13,040</b>	<b>10</b>	<b>-</b>	<b>10</b>
<b>EXPENDITURES</b>						
Maintenance and Operations	-	-	-	-	-	-
Transfers to other funds	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Revenues Over/(Under) Expenditures	0	13,040	13,040	10	-	10
Fund Balance - Beginning	4,730	4,730	4,730	17,770	-	17,770
Fund Balance - Ending	\$ 4,730	\$ 17,770	\$ 17,770	\$ 17,780	\$ -	\$ 17,780

**CITY OF SUGAR LAND  
PUBLIC EDUCATION GRANT  
INCOME STATEMENT**

	FY21 Actuals	FY22 Current Budget	FY22 Projections	FY23 Base Budget	FY23 Changes	FY23 Budget
<b>REVENUES</b>						
PEG Funds	\$ 200,602	\$ 170,000	\$ 170,000	\$ 170,000	\$ -	\$ 170,000
Interest Income	3	-	-	-	-	-
Transfers In	8,087	203,638	203,638	-	-	-
<b>Total Revenues</b>	<b>208,692</b>	<b>373,638</b>	<b>373,638</b>	<b>170,000</b>	<b>-</b>	<b>170,000</b>
<b>EXPENDITURES</b>						
Maintenance and Operations	90,470	291,859	291,859	170,000	-	170,000
Capital	-	200,000	200,000	-	-	-
<b>Total Expenditures</b>	<b>90,470</b>	<b>491,859</b>	<b>491,859</b>	<b>170,000</b>	<b>-</b>	<b>170,000</b>
Revenues Over/(Under) Expenditures	118,222	(118,222)	(118,222)	-	-	-
Fund Balance - Beginning	-	118,222	118,222	-	-	-
Fund Balance - Ending	\$ 118,222	\$ -	\$ -	\$ -	\$ -	\$ -

**CITY OF SUGAR LAND  
SPECIAL REVENUE FUND- AMERICAN RESCUE PLAN ACT (ARPA) FUND  
INCOME STATEMENT**

	FY21 Actuals	FY22 Current Budget	FY22 Projections	FY23 Base Budget	FY23 Changes	FY23 Budget
<b>REVENUES</b>						
Federal Funds	\$ 5,557,979	\$ 5,557,979	\$ 5,557,979	\$ -	\$ -	\$ -
Interest Income	183	500	500	750	-	750
<b>Total Revenues</b>	<b>5,558,162</b>	<b>5,558,479</b>	<b>5,558,479</b>	<b>750</b>	<b>-</b>	<b>750</b>
<b>EXPENDITURES</b>						
General Government	-	-	-	-	815,000	815,000
Finance	-	350,000	350,000	-	135,391	135,391
Public Works	-	-	-	-	4,000,000	4,000,000
Environmental & Neighborhood SVC	-	-	-	-	2,750,000	2,750,000
Police Department	-	-	-	-	763,000	763,000
Public Safety Dispatch	-	-	-	-	170,000	170,000
Fire Department	-	-	-	-	2,134,000	2,134,000
<b>Total Expenditures</b>	<b>-</b>	<b>350,000</b>	<b>350,000</b>	<b>-</b>	<b>10,767,391</b>	<b>10,767,391</b>
Revenues Over/(Under) Expenditures	5,558,162	5,208,479	5,208,479	750	(10,767,391)	(10,766,641)
Fund Balance - Beginning	-	5,558,162	5,558,162	10,766,641	-	10,766,641
<b>Fund Balance - Ending</b>	<b>\$ 5,558,162</b>	<b>\$ 10,766,641</b>	<b>\$ 10,766,641</b>	<b>\$ 10,767,391</b>	<b>\$ (10,767,391)</b>	<b>\$ -</b>

**CITY OF SUGAR LAND  
SPECIAL REVENUE FUND - CONTRACT POLICING FUND  
INCOME STATEMENT**

	FY21 Actuals	FY22 Current Budget	FY22 Projections	FY23 Base Budget	FY23 Changes	FY23 Budget
<b>REVENUES</b>						
Contracted Services	\$ -	\$ 716,030	\$ 716,030	\$ 751,960	\$ -	\$ 751,960
Interest Income	-	-	-	-	-	-
<b>Total Revenues</b>	-	<b>716,030</b>	<b>716,030</b>	<b>751,960</b>	-	<b>751,960</b>
<b>EXPENDITURES</b>						
Personnel Costs	-	716,030	716,030	751,960	-	751,960
Operations & Maintenance	-	-	-	-	-	-
<b>Total Expenditures</b>	-	<b>716,030</b>	<b>716,030</b>	<b>751,960</b>	-	<b>751,960</b>
Revenues Over/(Under) Expenditures	-	-	-	-	-	-
Fund Balance - Beginning	-	-	-	-	-	-
Fund Balance - Ending	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**CITY OF SUGAR LAND  
SPECIAL REVENUE FUND - PUBLIC ARTS  
INCOME STATEMENT**

	FY21 Actuals	FY22 Current Budget	FY22 Projections	FY23 Base Budget	FY23 Changes	FY23 Budget
<b>REVENUES</b>						
Transfers In	\$ -	\$ -	\$ -	\$ 250,000	\$ -	\$ 250,000
Interest Income	-	-	-	-	-	-
<b>Total Revenues</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>250,000</b>	<b>-</b>	<b>250,000</b>
<b>EXPENDITURES</b>						
Capital Costs	-	-	-	250,000	-	250,000
<b>Total Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>250,000</b>	<b>-</b>	<b>250,000</b>
Revenues Over/(Under) Expenditures	-	-	-	-	-	-
Fund Balance - Beginning	-	-	-	-	-	-
<b>Fund Balance - Ending</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

# Capital Projects Fund

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

## Capital Improvement Process

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

The five-year Capital Improvement Program (CIP) for FY23-FY27 totals \$296.96 million including \$49.02 million of FY23-FY27 GO Bond program projects approved by voters in November 2019. Cost estimates for years two through five of the five-year CIP are for planning purposes only and are used in conjunction with the long-range financial plan of the City to determine potential project funding sources or to adjust project timing based on affordability. Estimates are based on the best information available, and ultimate project budgets may vary from estimates.

Funding sources and levels are identified and developed through the Budget Office. The first draft of the five-year CIP is prepared without fiscal constraints. The CIP is reviewed by the departments, Planning and Zoning Commission, the Sugar Land Development Corporation (SLDC), Sugar Land 4B Corporation (SL4B), and the City Manager. The City Council reviews the list of proposed projects without respect to dollar amounts or timing. A final draft of the fiscally constrained five-year CIP is then prepared and filed with the annual budget for Council consideration and approval. Upon City Council adoption, the five-year CIP document is reproduced and distributed for implementation of the program.

## Fiscal Year 2022

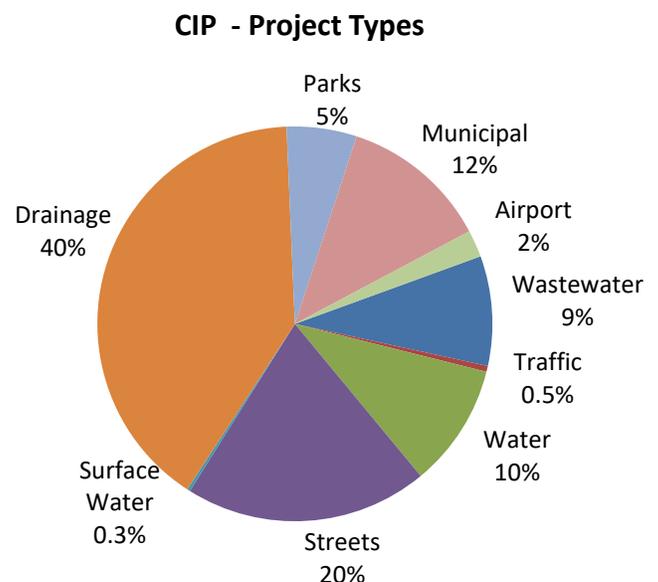
The FY22 capital project budget totaled \$59,099,965. Many projects included in FY22 are still in progress as most capital projects are multi-year projects.

## Fiscal Year 2023

FY23 capital projects total \$106,035,646. The chart to the right illustrates what portion each project type makes up of the total approved budget for the FY23 CIP. Drainage and Street projects make up the majority.

**Drainage** projects total \$42,580,000 and include: Avalon/Brazos Landing/ Commonwealth Drainage Improvements Phase II, Covington Woods Drainage Improvements, Oyster Creek Diversion Channel and Sugar Creek Drainage Improvements at Montclair Drive.

**Streets** projects total \$21,120,000 and include: Owens Road, Major Street Rehabilitation, widening of University Blvd and Country Club Boulevard Improvements from Sugar Creek to Chesterfield.



**Municipal** projects total \$12,900,000 and include: Animal Shelter, Public Safety & Public Services Building Rehabilitation, Public Safety Training Facility- Phase II, Emergency Operations Center/Public Safety Dispatch Building, City Hall Underground Storage Tank Improvements, Public Works Campus above Ground Diesel Tank Improvements, and Economic Development Suite Renovation.

**Water** projects total \$10,719,000 and include: Ground Storage Tank Rehabilitation, Distribution System Water Main Rehabilitation, SCADA Improvements, Regional W Facility Siting and Conveyance Study, Well Rehabilitation, Ground Water Plant Rehabilitation, Greatwood and RiverPark Water System Capacity Improvements Evaluation and Advanced Metering Infrastructure (AMI).

**Wastewater** projects total \$9,525,000 and include: Collection System Rehabilitation, Lift Stations Analysis and Rehabilitation, Wastewater Treatment Plant Improvements (North Plant), Evaluation of Greatwood WWTP Rehabilitation Alternatives, Tract 2 Wastewater Improvements, and South WWTP Odor Control System Design and Construction.

**Surface Water** projects total \$260,000 and include: Telfair Raw Water Pump Station Rehab.

**Parks** projects total \$6,078,000 and include: First Colony Trail, Ditch H Trail, Joint Participation in CIP, Cullinan Park Improvements - PH III, and Relocate Skate Park to Crown Festival / Pickle ball Courts at City Park.

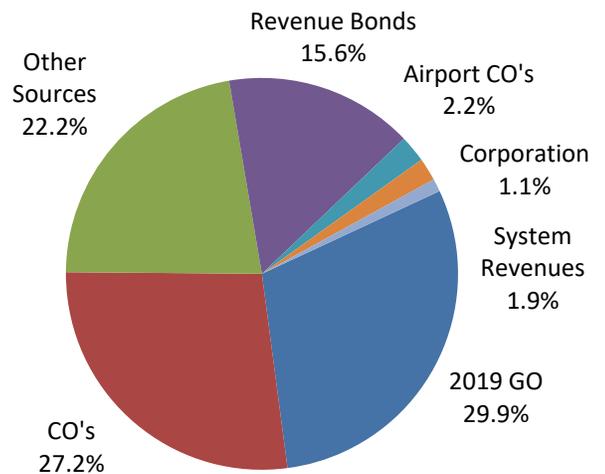
**Airport** project totals \$2,353,646 for Runway Reconstruction Project and the Parallel Taxiway Relocation & Hangars ALD #4 and #11.

**Traffic** projects total \$500,000 and include: Landscape Replacement for Major Roadways and Enhancement projects and SH6/Settler's Way Intersection Improvements

Total Funding for the FY23 CIP is \$106,035,646.

This includes Certificates of Obligations of \$28,860,000 and Airport CO's of \$2,353,646; 2019 GO Bonds for \$31,670,000. In addition, \$16,504,000 is funded from Revenue Bonds; \$2,000,000 is from Systems Revenues; and \$1,125,000 between Sugar Land 4B Corporation and Sugar Land Development Corporation and \$23,523,000 from Other Sources. Interest income is budgeted at \$10,500. If a project has an operation and maintenance cost (O&M), the O&M impact has been identified and the annual cost calculated. The amounts are included in the five-year forecast to measure the impact on the long-range financial capacity of each operating fund.

**CIP Funding Sources**



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

	General CIP	Development Corporations	Utility CIP	Airport CIP	Total Capital Projects
<b>Revenues</b>					
Bond Proceeds	\$ 60,530,000	\$ -	\$ 16,504,000	\$ 2,353,646	\$ 79,387,646
Transfers In	1,950,000	1,125,000	4,000,000	-	7,075,000
Mobility Bonds	14,920,000	-	-	-	14,920,000
Fort Bend County	4,653,000	-	-	-	4,653,000
Interest Income	5,000	-	5,000	500	10,500
<b>Total Revenues</b>	<b>82,058,000</b>	<b>1,125,000</b>	<b>20,509,000</b>	<b>2,354,146</b>	<b>106,046,146</b>
<b>Expenditures</b>					
Airport	-	-	-	2,353,646	2,353,646
Drainage	42,580,000	-	-	-	42,580,000
Municipal	12,400,000	500,000	-	-	12,900,000
Parks	5,653,000	425,000	-	-	6,078,000
Streets	21,120,000	-	-	-	21,120,000
Traffic	300,000	200,000	-	-	500,000
Surface Water	-	-	260,000	-	260,000
Water	-	-	10,719,000	-	10,719,000
Wastewater	-	-	9,525,000	-	9,525,000
Total CIP Expenditures	82,053,000	1,125,000	20,504,000	2,353,646	106,035,646
Issuance Costs	300,000	-	250,000	-	550,000
Transfers Out	-	-	-	-	-
Non-operating Expenditures	300,000	-	250,000	-	550,000
<b>Total Expenditures</b>	<b>82,353,000</b>	<b>1,125,000</b>	<b>20,754,000</b>	<b>2,353,646</b>	<b>106,585,646</b>
Revenues Over/(Under) Expenditures	(295,000)	-	(245,000)	500	(539,500)
Fund Balance - Beginning	2,594,054	-	8,890,924	-	11,484,978
Reserved Funds	(1,726,461)	-	-	-	(1,726,461)
<b>Fund Balance - Ending</b>	<b>\$ 572,593</b>	<b>\$ -</b>	<b>\$ 8,645,924</b>	<b>\$ 500</b>	<b>\$ 9,219,017</b>

CITY OF SUGAR LAND  
SUMMARY OF CAPITAL PROJECTS  
FISCAL YEAR 2023

Project #	Project Name	Project Description
<b>Airport Projects</b>		
CAP2301	Runway Reconstruction Project	Rubblization of existing Runway concrete and recycle material in place. Install 9" of asphalt on top of rubblized surface course, 5" base course, and 4" surface course. Install new pavement markings associated with threshold locations, airfield signage, and lighting. Groove Runway pavement to improve drainage and aircraft braking.
<b>Airport Total</b>		
<b>Drainage Projects</b>		
CDR2102	Sugar Creek Drainage Improvements - Montclair Drive	Upsizing of existing storm sewer pipes, outfall and inlets along with pavement replacement along the entire stretch of Montclair Drive from the outfall at the CenterPoint easement up to Country Club Boulevard.
CDR2107	Avalon/Brazos Landing/ Commonwealth Drainage Impr Phase II - Elkins Rd	Reconstruction of the existing drainage system to reduce street ponding depths and durations during major storm events. The project includes full replacement of pavement.
CDR2201	Covington Woods Drainage Improvements-Covington W. & Imperial Woods	Upsizing of the existing storm sewer pipes and replacement of the inlets. The project will also replace the existing storm sewer outfall which ties into Ditch A-22.
CDR2301	Oyster Creek Diversion Channel	The project includes a wet detention pond, diversion channel from Oyster Creek to Bullhead Bayou, drainage channel, weir structure, channel improvements on the Bullhead Bayou, modifications to existing drop structure, and a blockage for the ditch on the northwest side of the airport runway.
<b>Drainage Total</b>		
<b>Municipal Projects</b>		
CMU1908	Animal Shelter	Construction of an approximately 17,000 square-foot facility which includes animal housing, intake/veterinary space, staffing area, public spaces and space for animal outdoor fitness.
CMU2202	Public Safety & Public Services Building Rehabilitation	Facility rehabilitation will be completed to address building envelope repairs and/or roof replacements at locations such as City Hall, the Fire Admin/City Hall Annex building, the Police Dept, Fire Stations and Public Works. Interior renovations will be conducted at various Fire Stations, the Fire Admin/City Hall Annex building and Public Works.
CMU2204	Public Safety Training Facility- Phase II	Design and construction of a multi-purpose training facility, outdoor classrooms and restroom, drive fire track, live fire shoot house and associated paving and site work improvements for Fire and Police.
CMU2301	Emergency Operations Center/Public Safety Dispatch Building	Construction of an approximately 17,000 square-foot building space which will include dispatch, Emergency Operations Center (including a phone bank center), I.T. workroom, 311 contact center, parking, fencing and related site work.
CMU2302	City Hall Underground Storage Tank Improvements	Replacement of the existing piping containment sumps covers, associated concrete and sensors due to water intrusion. Install a new leak detection system to match the Austin Parkway and Gillingham storage tanks for consistency.
CMU2303	Public Works Campus Above Ground Diesel Tank Improvements	Design and construction for the installation of one 10,000 gallon diesel, above ground storage tank, including the necessary piping, dispensers, monitoring sensors, canopy and concrete pad.
CMU2304	Economic Development Suite Renovation	The project will consist of either a renovation to the existing Economic Development Suite or a possible swap of suites/offices between Economic Development and the City Secretary's Office. The design will consist of a new work space, including finishes, ceilings, flooring, wall locations, lighting and possible furnishings.
<b>Municipal Total</b>		
<b>Parks Projects</b>		
CPK1506	First Colony Trail	Design and construction of a 10-foot wide trail connection from Lexington Blvd and Austin Parkway to the Woodstream Trail, installing a below-grade crossing on Sweetwater Blvd, and building pedestrian bridges connecting from Mesquite Trail to Mesquite Park and a bridge to First Colony Middle School.
CPK1702	Ditch H Trail	This project will provide a north/south connection between the Imperial Connector Trail and First Colony Trail network, with a 10-foot wide trail with pedestrian bridges and trailheads.
CPK2301	Joint Participation in CIP	Provide funds for joint participation in CIP projects between the City and citizen-based organizations that benefit the general public. Project takes advantage of partnering opportunities to enhance and preserve the quality of life for City residents.
CPK2302	Cullinan Park Improvements - PH III	Design and construct a nature discovery area currently named Learn, Explore and Play (L.E.A.P.) to add nature-oriented features which will allow for educational opportunities as well as enhancing the park as a regional destination.
CPK2304	Relocate Skate Park to Crown Festival / Pickleball Courts @ City Park	At the Crown Festival Site - Adding a 5-6" thick structural 80' x 100' concrete skate park pad, a 20' x 20' shade canopy with concrete floor, relocating the existing skate park ramps, and then at City Park converting the old skate park pavilion to three new pickleball courts.
<b>Parks Total</b>		

General Fund	Transfers from Operating Funds			Bond Proceeds		Miscellaneous	Total FY23 CIP Budget
	Water Utilities	Airport Revenues	SLDC Corp SL4B Corp	GO / CO	Revenue	Grants / FB Other Sources	
				\$ 2,353,646			\$ 2,353,646
	-	-	-	<b>2,353,646</b>	-	-	<b>2,353,646</b>
				4,300,000			4,300,000
				6,780,000			6,780,000
				4,000,000			4,000,000
				27,500,000			27,500,000
	-	-	-	<b>42,580,000</b>	-	-	<b>42,580,000</b>
				250,000			250,000
				1,000,000			1,000,000
				9,000,000			9,000,000
				1,500,000			1,500,000
						250,000	250,000
						400,000	400,000
			500,000				500,000
	-	-	-	<b>500,000</b>	<b>11,750,000</b>	-	<b>650,000</b>
						1,485,000	1,485,000
						3,168,000	3,168,000
			200,000				200,000
						1,000,000	1,000,000
			225,000			-	225,000
	-	-	-	<b>425,000</b>	-	-	<b>5,653,000</b>
							<b>6,078,000</b>

CITY OF SUGAR LAND  
SUMMARY OF CAPITAL PROJECTS  
FISCAL YEAR 2023

Project #	Project Name	Project Description
<b>Streets Projects</b>		
CST2003	Owens Road - Mobility Bond Project	Design and construction of a 4-lane, boulevard section with curb and gutter, and storm sewer. Also, included are improvements to the intersection and traffic signal at US90A, upgrade the railroad crossing, and construct and outfall/overflow channel.
CST2102	University Blvd Widening- Mobility Bond Project	Design and construction of one additional lane in each direction of the existing concrete boulevard roadway from Wentworth to New Territory Blvd. Project includes intersection improvements at New Territory Blvd, Telfair Ave. Lexington Blvd, and Wentworth Ave.
CST2201	Major Street Rehabilitation	Reconstruction of roadways identified as part of the Pavement Management and Maintenance Program (PMMP): including Park One Drive, portion of West Airport Blvd and local streets such as Audubon Ct. among others.
CST2203	University Blvd Widening - Mobility Bond (Intersection Improvements)	Design and construction of intersection improvements at Wescott Avenue and Branford Place along University Boulevard. Improvements to include but not limited to dual left turn lanes, bays and other necessary enhancements.
CST2401	Country Club Blvd Improvements from Sugar Creek to Chesterfield	Reconstruction of Country Club Boulevard from Sugar Creek Boulevard to Chesterfield Lane. The project is coordinated with drainage improvements for Montclair Drive in Sugar Creek, in conjunction with CIP CDR2102 Phase II.
<b>Streets Total</b>		
<b>Surface Water Projects</b>		
CSW2301	Telfair Raw Water Pump Station Rehab	The pump station provides raw surface water from Oyster Creek to FBC LID17 (Telfair) to fill amenity lakes and provide irrigation supplies. The scope will include rehab of the intake structure, address bank erosion and evaluate pump condition.
<b>Surface Water Total</b>		
<b>Traffic Projects</b>		
CTR2301	Landscape Replacement for Major Roadway and Enhancement Projects	Reconstruction of landscape beds along major routes through Sugar Land to improve the streetscape treatments of areas directly adjacent to interstate and state highways. Routes will include US 59/I-69, US 90A, and SH6, which are classified as Imperial and Highway 6 routes according to the Beautification Policy.
CTR2302	SH6/Settler's Way Intersection Improvements	Construct northbound Settlers Way improvements per TR1902 design plans. A hooded left in median will be constructed to disallow vehicles from adjacent development to turn left onto Settlers Way Blvd. Access will still allow northbound Settlers Way vehicles to turn into the development. Construct an additional left turn lane to improve operations. The SH 6 median nose will need to be slightly modified to allow dual left movement.
<b>Traffic Total</b>		
<b>Wastewater Projects</b>		
CWW2301	Lift Station 48 (MUD 136 Reg. LS#1)	Construct a new second wet well, replace existing pumps with three new pumps, including electrical improvements, and install new gravity influent lines to accommodate firm capacity to serve future growth.
CWW2302	Lift Station Rehabilitation	Annual rehabilitation of the city's lift stations that have been identified by staff through routine inspections and annual assessments due to aging infrastructure and reliability concerns.
CWW2303	Wastewater Treatment Plant Improvements	Replacement of equipment and improvements to Wastewater Treatment Plants for key components identified through operations of the plants.
CWW2304	Collection System Rehabilitation Program	Continue detailed evaluation and design for system deficiencies identified in the 2009 Citywide Inflow & Infiltration Study and 2011 Pre-Design Report of areas that experience sanitary sewer overflows (SSOs) during heavy storm events.
CWW2305	North WWTP Improvements	Improvements to the North Wastewater Treatment Plant (NWWTP) identified through the Integrated Water Resource Plan (IWRP).
CWW2306	Regional WW Siting and Distribution Plan	Analyze regional service alternatives for serving the area south of the Brazos River and to identify CIP projects and planning level costs.
CWW2307	Flow Monitoring and WW Modeling Study	Install field sensors inside the wastewater pipes to measure flows. Information will be utilized to update the wastewater model and detect excess rainwater that has infiltrated into the sewer pipes. Information will be utilized to identify improvements to mitigate existing issues and plan for future wastewater flows
CWW2308	Evaluation of Greatwood WWTP Rehabilitation Alternatives	Study to determine capacity available with the existing treatment units based on the influent loadings, hydraulics and design criteria specified in Texas Commission on Environmental Quality (TCEQ) to identify the process bottlenecks that can cause non-compliance issues.
CWW2309	Tract 2 Wastewater Improvements	There are currently treatment bottlenecks that need to be addressed to accommodate additional wastewater flows from the development of Tract 2 to the West WWTP. In addition, the project will include an upsized forcemain from the Tract 2 development to connect the wastewater collection system in New Territory to further convey wastewater to the West WWTP.
CWW2310	Lift Station Bypass Pump Assessment	Conduct an assessment to identify the current condition of each of the city's lift station bypass pumps and build an annual program that will assist in the rehabilitation and/or replacement of the bypass pumps.
CWW2311	Lift Station Odor Control Study and PER	Conduct an Engineering PER to replace aging and defected odor control systems for the city's lift stations, including LS 116 (Mesquite), LS 112 (Sweetwater), LS 53 (Harmon) and LS 103 (Lexington).
CWW2312	South WWTP Odor Control System Design and Construction	Based on CIP CWW2101's recommendation to design and construct a full scale odor control system at the city's South Wastewater Treatment Plant (SWWTP). The project includes replacing the existing cover plate system over the headworks process and drawing odorous air through a bio-scrubber with an activated carbon polisher.
<b>Wastewater Total</b>		

General Fund	Transfers from Operating Funds			Bond Proceeds		Miscellaneous	Total FY23 CIP Budget
	Water Utilities	Airport Revenues	SLDC Corp SL4B Corp	GO / CO	Revenue	Grants / FB Other Sources	
						13,310,000	13,310,000
				1,500,000		1,450,000	2,950,000
				3,000,000			3,000,000
						160,000	160,000
				1,700,000			1,700,000
-	-	-	-	<b>6,200,000</b>	-	<b>14,920,000</b>	<b>21,120,000</b>
						260,000	260,000
-	-	-	-	-	-	<b>260,000</b>	<b>260,000</b>
				200,000			200,000
						300,000	300,000
-	-	-	<b>200,000</b>	-	-	<b>300,000</b>	<b>500,000</b>
						650,000	650,000
	1,000,000				1,050,000		2,050,000
					1,500,000		1,500,000
					300,000		300,000
					800,000		800,000
					225,000		225,000
					600,000		600,000
					100,000		100,000
						2,000,000	2,000,000
					250,000		250,000
					150,000		150,000
					900,000		900,000
-	<b>1,000,000</b>	-	-	-	<b>6,525,000</b>	<b>2,000,000</b>	<b>9,525,000</b>

CITY OF SUGAR LAND  
SUMMARY OF CAPITAL PROJECTS  
FISCAL YEAR 2023

Project #	Project Name	Project Description
<b>Water Projects</b>		
CWA2210	Advanced Meter Infrastructure (AMI)	Design and implementation of the City wide Advanced Meter Infrastructure (AMI) system to remotely monitor water consumption throughout the City.
CWA2301	Distribution System Water Main Rehabilitation Program	A waterline replacement analysis was conducted based on maintenance records to prioritize the water line rehabilitation. The biennial project include design and construction of distribution system water lines to replace aged and high maintenance existing waterlines. Design in one year and construction in the next year.
CWA2302	Ground Storage Tank Rehabilitation	Annual funding for refurbishment of existing ground storage water tanks at a site to be determined and prioritized by scheduled evaluation and assessment. Work includes structural repairs and modifications as needed, blasting and proper removal of old coatings and repainting.
CWA2303	SCADA Improvements	Annual program to maintain the Supervisory Control and Data Acquisition (SCADA) system for the city's utilities. Allows for the continuation of necessary repairs to failed parts of the system.
CWA2304	Ground Water Plant Rehabilitation	Annual investment in the ground water plants. Work includes: improvements to booster pumps, on site facilities, hydro-pneumatic tanks, yard piping, site grading and drainage. Improvements were identified through the conditions assessment completed prior to annexation.
CWA2305	Well Rehabilitation	Design and construction of scheduled maintenance of water wells for one of the 23 City water wells. Maintenance of water wells includes pulling of pumps from wells and cleaning well screens. Repairs required for the wells and pumps are determined when the wells are pulled.
CWA2306	Regional W Facility Siting and Conveyance Study	Study to analyze the regional distribution infrastructure needs to serve the area South of the Brazos River and identify capital improvement plan (CIP) projects and planning level costs.
CWA2307	Greatwood and RiverPark Water System Capacity Improvements Evaluation	Develop the planning level hydraulic models into operational models to analyze the existing constraints in the water systems for Greatwood and RiverPark. Determine any capacity constraints and available improvements and alternatives for the groundwater plants and distribution system. Recommend CIP projects to improve system performance in the two systems and develop costs.
<b>Water Total</b>		
<b>Grand Total</b>		

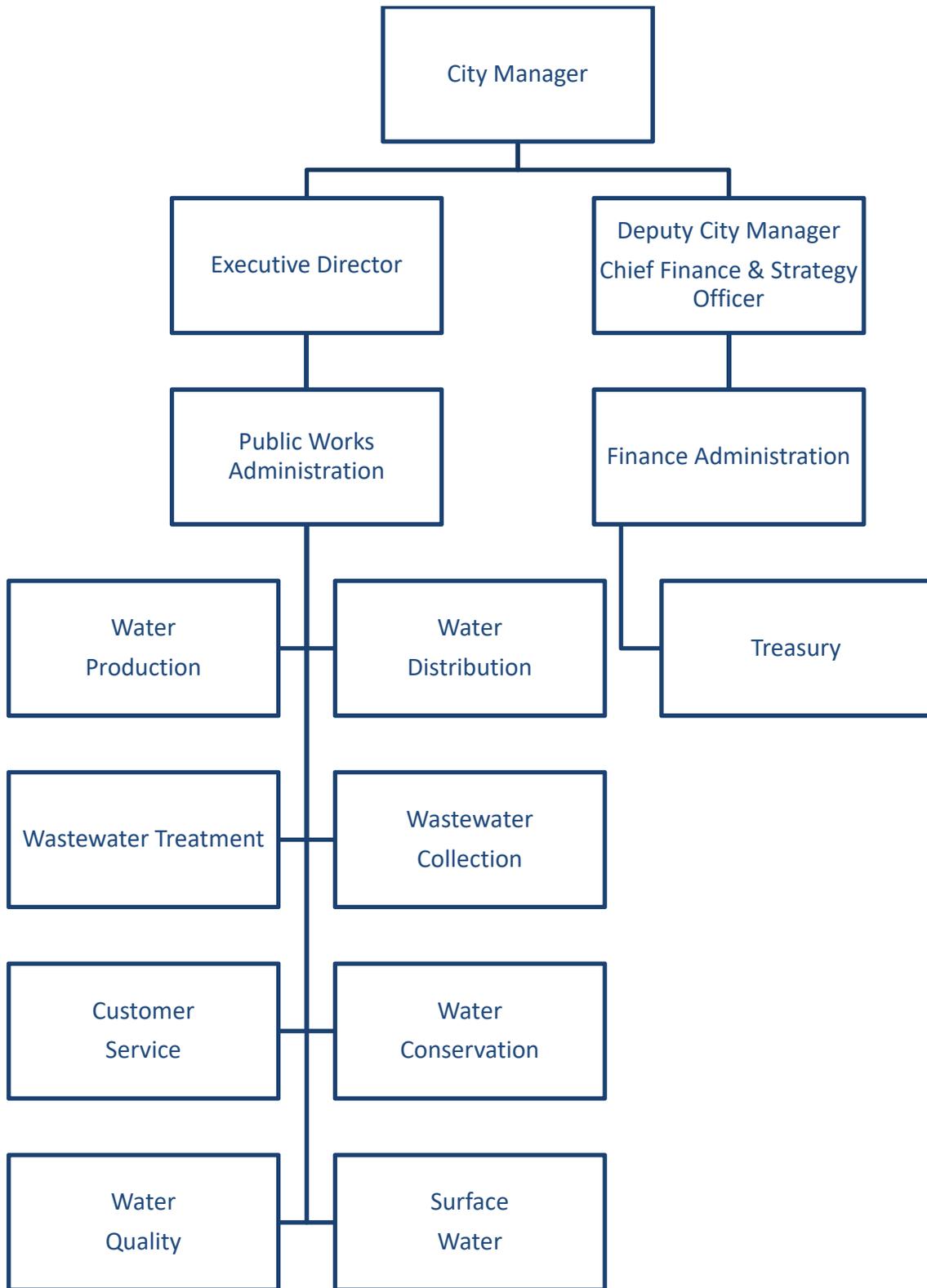
General Fund	Transfers from Operating Funds			Bond Proceeds		Miscellaneous	Total FY23 CIP Budget
	Water Utilities	Airport Revenues	SLDC Corp SL4B Corp	GO / CO	Revenue	Grants / FB Other Sources	
					2,000,000		2,000,000
					2,800,000		2,800,000
					1,200,000		1,200,000
					304,000		304,000
					2,160,000		2,160,000
	1,000,000				870,000		1,870,000
					185,000		185,000
					200,000		200,000
-	1,000,000	-	-	-	9,719,000	-	10,719,000
\$ -	\$ 2,000,000	\$ -	\$ 1,125,000	\$ 62,883,646	\$ 16,504,000	\$ 23,523,000	\$ 106,035,646

CITY OF SUGAR LAND  
 CAPITAL PROJECTS FUNDS  
 SUMMARY OF CAPITAL PROJECTS O & M IMPACT

<b>Departments</b>	<b>FY24</b>	<b>FY25</b>	<b>FY26</b>	<b>FY27</b>
Parks - Cullinan Park	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000
Street Projects	110,341	110,341	110,341	110,341
Utility Fund - Automated Meter Integration	682,037	644,465	602,173	617,227
<b>TOTAL</b>	<b>\$ 800,378</b>	<b>\$ 762,806</b>	<b>\$ 720,514</b>	<b>\$ 735,568</b>

# Utility System Fund Organizational Chart

*As of October 1, 2022*



## Utility System Fund

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

Surface Water accounts for all operating activities related to the City's Groundwater Reduction Plan, and required conversion to surface water, which is funded through a GRP fee per 1,000 gallons of water produced. The City has already met the mandated 30% reduction in groundwater usage and is preparing to meet the next mandate, which is 60% reduction by 2025. Customers outside the City limits pay a 20% out-of-City service charge over the monthly fees; service charges from Tara Plantation are credited to the debt reduction fund based on Strategic Partnership Agreements (SPA).

### Fiscal Year 2022

FY22 total revenues are estimated to be \$87,151,785. Charges for services are projected at \$39,106,859. Surface Water fees are estimated at \$20,954,054. Interest income is projected at \$135,000. Miscellaneous revenue totals \$2,108,292 and includes the sale of water rights.

Non-operating revenues consist of 2022 bond proceeds of \$23,899,400, transfers of \$868,019 from connection fees, and \$42,081 in PID reimbursements.

Total expenditures are projected at \$84,263,102. Operating expenditures are projected at \$28,190,174.

Non-operating expenditures total \$56,072,928 and include debt service payments of \$19,403,354, transfers out of \$9,263,725, miscellaneous expenditures of \$489,586, contingency of \$538,875, and CIP transfers of \$25,899,400, which includes \$2 million pay as you go funding for capital projects.

Ending cash equivalent balance at 9/30/22 is projected to be \$16,981,535 after the debt service reserve of \$7,462,777. The fund is projected to have a 60% operating reserve, which is above the 25% established by policy, and a bond coverage ratio of 1.76.

### Fiscal Year 2023

FY23 total revenues are estimated to be \$86,419,816. Total revenues for charges for services are budgeted at \$44,019,249, surface water fees are budgeted at \$23,952,503, interest income at \$186,294, tap fees at \$106,620, and miscellaneous of \$741,950 made up of penalties, collection charges, delinquency fees, lease agreements, reimbursements, and other miscellaneous charges. Bond proceeds are budgeted at \$16,504,000 for FY23 CIP projects. Transfers in include \$868,019 from connection fees to cover FY23 debt service requirements for connection fee projects and \$41,181 in reimbursements from the Enclave @ River Park PID for debt service on the developer reimbursement.

Operating expenditures total \$31,865,094.

Non-operating expenditures total \$49,495,289. Debt service payments are budgeted at \$20,528,625 for existing debt and new debt service for a planned issue of \$16.5 million in FY23. Issuance costs for the bond is estimated at \$247,560. Transfer to CIP fund is budgeted at \$18,504,000, including \$2 million for pay as you go funding and transfer of bond proceeds for capital projects. Transfers out to other funds total \$9,367,640, and include transfers to the Fleet and High-Tech Replacement, General Fund for overhead costs, and Debt Service Fund for annexed & dissolved MUD debt service. Contingency is budgeted at \$538,875 and miscellaneous at \$308,589, which includes insurance premiums and deductibles and compensation plan adjustments.

The Utility System has a total debt service reserve of \$9,885,244 for FY23. The cash equivalent balance on 9/30/23 is estimated to be \$19,618,502, which is a 62% operating reserve and a bond coverage of 1.81.

## Financial Analysis

Financial ratios are used to analyze the financial position and operating results of the funds. A comparison based on FY22 projections and the FY23 budget is shown below:

	FY22 Projection	FY23 Budget
Cash Reserve Ratio	60%	62%
Direct Bond Coverage	1.76	1.81

The targeted minimum cash reserve ratio is 25% of operating expenses. The direct bond coverage minimum is 1.25 times the average annual debt service requirements. The FY23 cash reserve ratio is budgeted at 62%. Rates will be adjusted annually as necessary to ensure cash reserves and bond coverage requirements are maintained.

Rating agencies monitor the All-In Bond coverage, which includes non-revenue debt. Fitch and Standard & Poor's have both assigned their AA rating to the outstanding revenue bonds.

# Water Utilities Department

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## Mission Statement

The **Water Utilities Department** takes pride in maintaining a tradition of producing ample superior quality water, recognized as the best tasting water in the US by the American Water Works Association in 2019, vigilantly maintaining water and wastewater infrastructure, and providing responsive and efficient customer-oriented service in a cost-effective and innovative manner emphasizing responsible environmental stewardship and compliance with all regulatory requirements.

## Programs of Service

**Utilities Administration** sets departmental goals and strategies, provides organizational direction and control to accomplish those goals and manages long range planning to ensure there is adequate system capacity for growth.

The **Water Distribution** program is responsible for ensuring that water produced is delivered to meet customer expectations including maintaining and repairing water lines, meters and fire hydrants.

**Water Production** is responsible for producing, treating and supplying quality water that complies with all federal and state water quality standards and with sufficient water pressure to meet customer needs and fire flow requirements in an emergency.

**Wastewater Collection** operates, maintains, and repairs sanitary sewer collection lines and manholes to meet or exceed all state and federal guidelines.

The **Wastewater Treatment** program is responsible for transporting and treating wastewater to a quality that meets federal and state water quality standards, and operating, maintaining and repairing sanitary sewer lift stations and wastewater treatment plants.

The **Customer Service** program responds to all requests for service 24 hours a day 7 days a week and reads all water meters monthly.

The **Water Quality** program monitors the safety and quality of drinking water through water testing and compliance monitoring and handles backflow prevention, grease trap inspections, and the mandated wastewater industrial pretreatment programs.

The **Water Conservation** program is responsible for water education, conservation and communication and is managed through the Public Works Department Environmental Services Division.

The **Treasury** program, managed through the Finance Department, provides centralized collection of City funds for utility and other billings, as well as daily receipts from other operating departments and receipts from outside payments including property tax payments received from Fort Bend County. Treasury also bills for utilities, alarms, airport rentals, and other miscellaneous receivables for all city departments.

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

# Water Utilities Department

## FY23 Changes

FY23 additions total \$3,195,293 and address needs for sustainable and resilient infrastructure. Major additions include items such as \$600,000 for an interconnect meter to MUD 128, \$508,813 for AMI operations, \$150,000 for building of the lead and copper inventory, and \$347,087 for new FTEs including a AMI Operations Manager, Engineer I, Water Quality Field Supervisor, and an AMI Field Operations Manager.

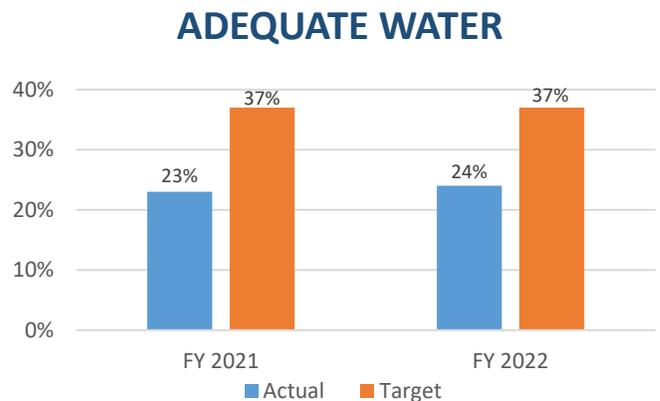
## Performance Measures: Well Planned Community

The City Council Goal Measures for the Utility System are Water Quality, Adequate Water and Water Accountability.

Water Quality is reported as a percentage of time the City meets all health related drinking water standards. The City measures its compliance relative to primary maximum contaminate levels and treatment techniques. The indicator is calculated on a rolling annual basis.

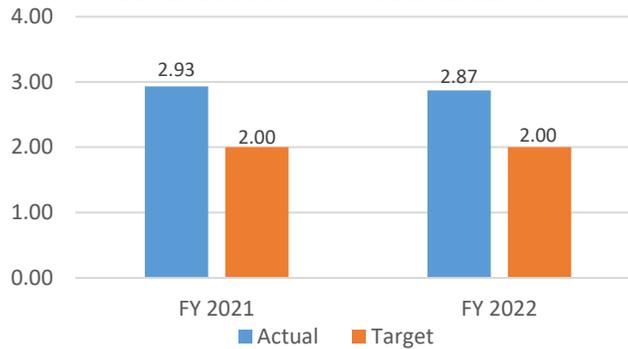
Adequate Water is expressed as a percentage and demonstrates an assessment of current water demand compared to available water supplies. The goal of this measurement is to be below the prescribed target level.

Water Accountability addresses the systems water loss. Even the most well maintain and managed systems experience some unavoidable leakage. To measure this occurrence, the International Water Association supports the use of an Infrastructure Leakage Index (ILI). This index is the ratio of water loss to water leaks as compared to unavoidable water loss. It is accepted within the industry that a score of 1.00-2.00 is exceptional, whereas the majority of utilities operate between a 2.00 and a 4.00. Utilities above a 4.00 need to consider more immediate updates to their water distribution system.



# Water Utilities Department

## WATER ACCOUNTABILITY



Summary by Category	FY21 Actuals	FY22 Current Budget	FY22 Projections	FY23 Base Budget	FY23 Changes	FY23 Budget
Salary & Benefits	\$ 6,648,662	\$ 6,678,756	\$ 7,151,163	\$ 7,569,941	\$ 359,647	\$ 7,929,588
Supplies	12,852,366	7,433,572	7,409,111	12,097,815	1,939,768	14,037,583
Professional Services	4,276,747	11,816,147	11,637,527	7,673,669	550,284	8,223,953
Repairs & Maintenance	258,981	1,024,134	1,160,683	95,808	84,800	180,608
Purchased Services	642,759	831,494	831,690	918,308	125,595	1,043,903
Capital/Other	-	261,537	-	314,258	135,200	449,458
<b>Category Totals</b>	<b>\$ 24,679,515</b>	<b>\$ 28,045,641</b>	<b>\$ 28,190,174</b>	<b>\$ 28,669,800</b>	<b>\$ 3,195,293</b>	<b>\$ 31,865,094</b>

Summary by Type	FY21 Actuals	FY22 Current Budget	FY22 Projections	FY23 Base Budget	FY23 Changes	FY23 Budget
Utility Administration	\$ 947,732	\$ 987,292	\$ 1,085,674	\$ 827,248	\$ 384,437	\$ 1,211,685
Water Distribution	2,471,133	2,753,887	2,860,602	2,648,497	972,617	3,621,114
Water Production	2,367,071	3,296,414	3,493,505	3,605,709	70,000	3,675,709
Wastewater Collection	1,423,673	1,407,964	1,505,098	1,498,783	205,200	1,703,983
Wastewater Treatment	6,238,564	6,799,766	6,580,914	6,969,372	245,000	7,214,372
Customer Service	1,903,340	1,860,069	1,846,513	1,687,247	4,890	1,692,137
Water Quality	630,538	722,585	722,585	734,819	334,112	1,068,931
Water Conservation	136,149	538,167	471,765	301,929	100,000	401,929
Treasury	1,692,041	1,843,337	1,843,337	2,027,097	-	2,027,097
Surface Water	6,869,275	7,836,160	7,780,181	8,369,099	879,037	9,248,136
<b>Category Totals</b>	<b>\$ 24,679,515</b>	<b>\$ 28,045,641</b>	<b>\$ 28,190,174</b>	<b>\$ 28,669,800</b>	<b>\$ 3,195,293</b>	<b>\$ 31,865,094</b>

FTE Count	FY21 Budget	FY22 Budget	FY22 Adjustment	FY23 Base Budget	FY23 Adjustment	FY23 Budget
Utility Administration	5.00	4.50	-	4.50	-	4.50
Water Distribution	13.50	13.50	-	13.50	1.00	14.50
Water Production	7.50	7.50	-	7.50	-	7.50
Wastewater Collection	10.50	10.50	-	10.50	-	10.50
Wastewater Treatment	7.00	7.00	-	7.00	-	7.00
Customer Service	12.00	12.00	-	12.00	-	12.00
Water Quality	5.50	5.50	1.00	6.50	1.00	7.50
Water Conservation	1.00	1.00	-	1.00	-	1.00
Treasury	12.00	12.00	1.00	13.00	-	13.00
Surface Water	15.00	15.00	-	15.00	2.00	17.00
<b>FTE Count Totals</b>	<b>89.00</b>	<b>88.50</b>	<b>2.00</b>	<b>90.50</b>	<b>4.00</b>	<b>94.50</b>

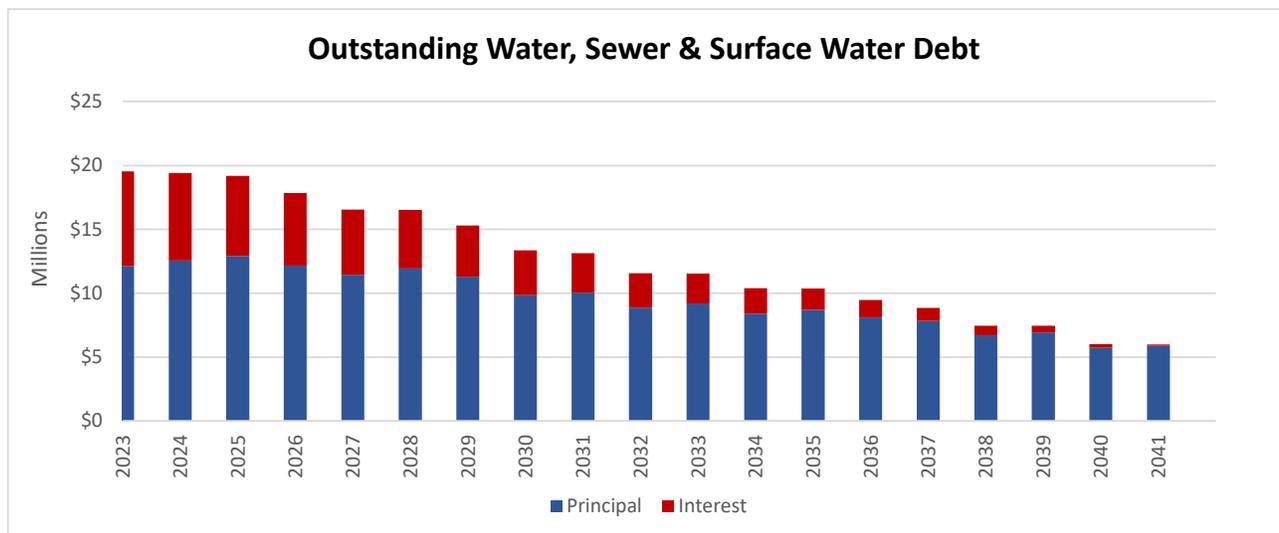
**CITY OF SUGAR LAND  
ENTERPRISE FUND - UTILITY SYSTEM  
INCOME STATEMENT**

	FY21 Actuals	FY22 Current Budget	FY22 Projections	FY23 Base Budget	FY23 Changes	FY23 Budget
<b>REVENUES</b>						
Charges for Services	\$ 35,099,593	\$ 39,106,859	\$ 39,106,859	\$ 44,019,249	\$ -	\$ 44,019,249
Surface Water Fees	16,404,601	20,954,054	20,954,054	23,952,503	-	23,952,503
Tap Fees	111,805	38,080	38,080	106,620	-	106,620
Interest Income	54,831	135,000	135,000	186,294	-	186,294
Miscellaneous	2,944,930	2,108,292	2,108,292	741,950	-	741,950
Operating Revenues	54,615,759	62,342,285	62,342,285	69,006,616	-	69,006,616
Bond Proceeds	28,144,681	23,899,400	23,899,400	16,504,000	-	16,504,000
Transfers In - PID	42,981	42,081	42,081	41,181	-	41,181
Transfers In - Connection Fees	868,019	868,019	868,019	868,019	-	868,019
Non-operating Revenues	29,055,681	24,809,500	24,809,500	17,413,200	-	17,413,200
Total Revenues	83,671,440	87,151,785	87,151,785	86,419,816	-	86,419,816
<b>EXPENDITURES</b>						
Utility Administration	947,732	987,292	1,085,674	827,248	384,437	1,211,685
Water Distribution	2,471,133	2,753,887	2,860,602	2,648,497	972,617	3,621,114
Water Production	2,367,071	3,296,414	3,493,505	3,605,709	70,000	3,675,709
Wastewater Collection	1,423,673	1,407,964	1,505,098	1,498,783	205,200	1,703,983
Wastewater Treatment	6,238,564	6,799,766	6,580,914	6,969,372	245,000	7,214,372
Customer Service	1,903,340	1,860,069	1,846,513	1,687,247	4,890	1,692,137
Water Quality	630,538	722,585	722,585	734,819	334,112	1,068,931
Water Conservation	136,149	538,167	471,765	301,929	100,000	401,929
Treasury	1,692,041	1,843,337	1,843,337	2,027,097	-	2,027,097
Surface Water	6,869,275	7,836,160	7,780,181	8,369,099	879,037	9,248,136
Total Operating Expenditures	24,679,515	28,045,641	28,190,174	28,669,800	3,195,293	31,865,094
Debt Service	16,512,715	19,403,234	19,403,354	20,528,625	-	20,528,625
Payment to Escrow Account	16,641,494	-	-	-	-	-
Issuance Costs	279,681	477,988	477,988	247,560	-	247,560
Transfers Out	10,025,942	9,263,845	9,263,725	9,367,640	-	9,367,640
Miscellaneous	487,593	549,586	489,586	308,589	-	308,589
Contingency	-	538,875	538,875	538,875	-	538,875
CIP Transfers	13,477,500	25,899,400	25,899,400	18,504,000	-	18,504,000
Total Non-Operating Expenditures	57,424,924	56,132,928	56,072,928	49,495,289	-	49,495,289
Total Expenditures	82,104,439	84,178,569	84,263,102	78,165,089	3,195,293	81,360,383
Revenues Over/(Under) Expenditures	1,567,001	2,973,216	2,888,683	8,254,727	(3,195,293)	5,059,433
Fund Balance - Beginning	27,601,703	21,555,629	21,555,629	24,444,312	-	24,444,312
Reserve - Debt Service	(8,942,393)	(7,462,777)	(7,462,777)	(9,885,244)	-	(9,885,244)
Fund Balance - Ending	\$ 20,226,311	\$ 17,066,068	\$ 16,981,535	\$ 22,813,795	\$ (3,195,293)	\$ 19,618,502
Bond Coverage	1.81	1.77	1.76	1.96		1.81
Target	1.25	1.25	1.25	1.25		1.25
Operating Reserves	82%	61%	60%	80%		62%
Target	25%	25%	25%	25%		25%

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

Fiscal Year	Principal	Interest	Total
2023	12,140,950	7,388,751	19,529,701
2024	12,572,790	6,833,629	19,406,419
2025	12,912,780	6,280,251	19,193,031
2026	12,170,000	5,679,131	17,849,131
2027	11,445,000	5,108,706	16,553,706
2028	11,950,000	4,574,656	16,524,656
2029	11,295,000	4,021,494	15,316,494
2030	9,855,000	3,515,144	13,370,144
2031	10,050,000	3,090,069	13,140,069
2032	8,890,000	2,673,419	11,563,419
2033	9,215,000	2,341,269	11,556,269
2034	8,420,000	1,995,906	10,415,906
2035	8,700,000	1,679,338	10,379,338
2036	8,120,000	1,351,988	9,471,988
2037	7,830,000	1,040,650	8,870,650
2038	6,725,000	738,231	7,463,231
2039	6,955,000	499,981	7,454,981
2040	5,740,000	275,766	6,015,766
2041	5,905,000	99,381	6,004,381
<b>TOTAL</b>	<b>\$ 180,891,520</b>	<b>\$ 59,187,760</b>	<b>\$ 240,079,280</b>

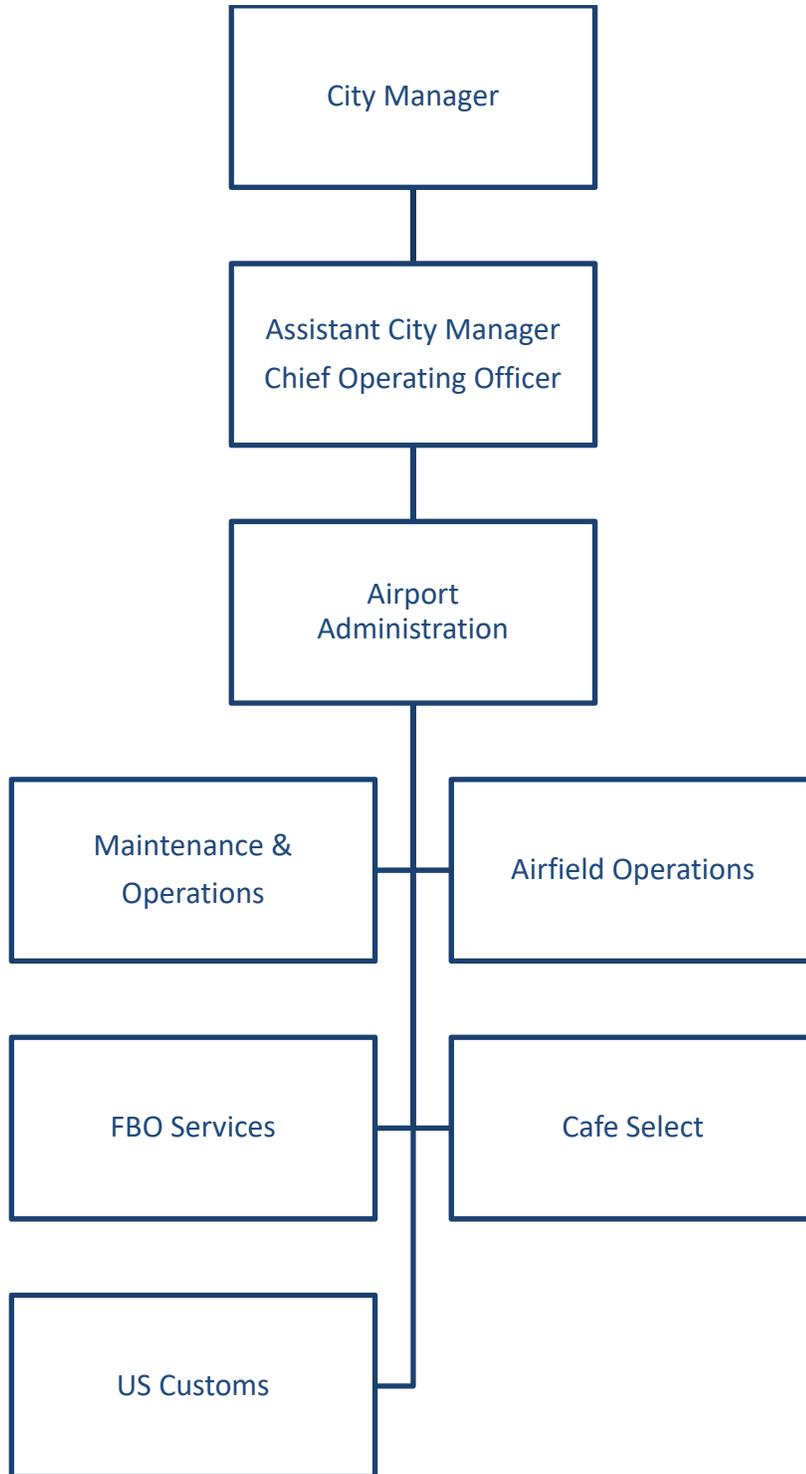
\* Does not include anticipated issuance of new debt.



# Airport Fund Organizational Chart

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*As of October 1, 2022*



# Airport Fund

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Sugar Land Regional Airport, which is owned and operated by the City, is a self-supporting enterprise funded by user charges. The Airport is home to several aircraft and expects to sell an average of 340,544 gallons of aviation fuel per month during FY23. The City serves as a fixed based operator by providing fuel and general aviation customer services. Operations are primarily supported by a markup on fuel sold by the airport, hangar leases, and ramp fees.

## Fiscal Year 2022

Total revenues for FY22 are projected to be \$27,353,476 and are up 2.71% from the FY22 Budget. This increase in revenue is driven by the increase in volume of fuel being sold and the higher costs for fuel. Projected operating revenues total \$22,714,168, which includes \$19,432,683 in fuel sales, \$1,775,755 in hangar leases, \$10,000 in interest income and \$1,495,730 in miscellaneous revenues from rental cars, ramp fees and other fees. Non-operating revenues are projected at \$4,639,308 and consist of \$321,308 in transfers in, \$198,000 in grants and \$4,120,000 in bond proceeds, which will fund the last phase of the Parallel Taxiway Relocation and the Land Acquisition along State Highway 6 and 90.

Total expenses for FY22 are projected to be \$24,988,117. Operating expenses are projected at \$17,990,033 and non-operating expenses are projected at \$6,998,084. This includes transfers for capital projects, including the Parallel Taxiway Relocation and Land Acquisition, administrative overhead, and debt service payments.

Ending cash equivalent balance at 9/30/22 is projected to be \$6,672,345.

## Fiscal Year 2023

Total revenues for FY23 are budgeted at \$33,845,450. Revenues from fuel sales is anticipated at \$28,788,294, a 48% increase over FY22 projections. The large increase is intended to capture the rising cost of fuel for resale, which is reflected in the price and revenue projections and aims to maintain flexibility in the fuel revenue and expense budget. Total gallons sold are estimated at 4,086,524. Non-operating revenues in FY23 are budgeted at \$1,663,300, which includes grant proceeds of \$50,000, operating transfers in of \$323,000, and \$1,290,300 in bond proceeds, which will fund the design phase of the Runway Reconstruction project. Transfers from other funds include estimated property taxes to be collected on taxable value at the Airport from the General and Debt Service Funds, and a transfer from the Sugar Land Development Corporation for international marketing efforts.

Total operating expenses are budgeted at \$27,594,130. Recurring expenses are increasing by \$106,843 for two new Line Crew FTEs within FBO Services. The budget also includes \$99,500 in one-time expenditures to upgrade to a Digital-Automatic Terminal Information System, which provides critical flight data automatically to aircraft, and an upgrade to the Airport's Emergency Communication and Notification Systems.

Total non-operating expenses are estimated at \$4,561,346, which includes the transfer out of bond proceeds for CIP projects, overhead reimbursement to the General Fund, debt service payments on new and outstanding bonds, contributions to the Internal Service Funds, and other miscellaneous expenditures. Ending cash equivalent balance at 9/30/23 is expected to be \$7,287,308.

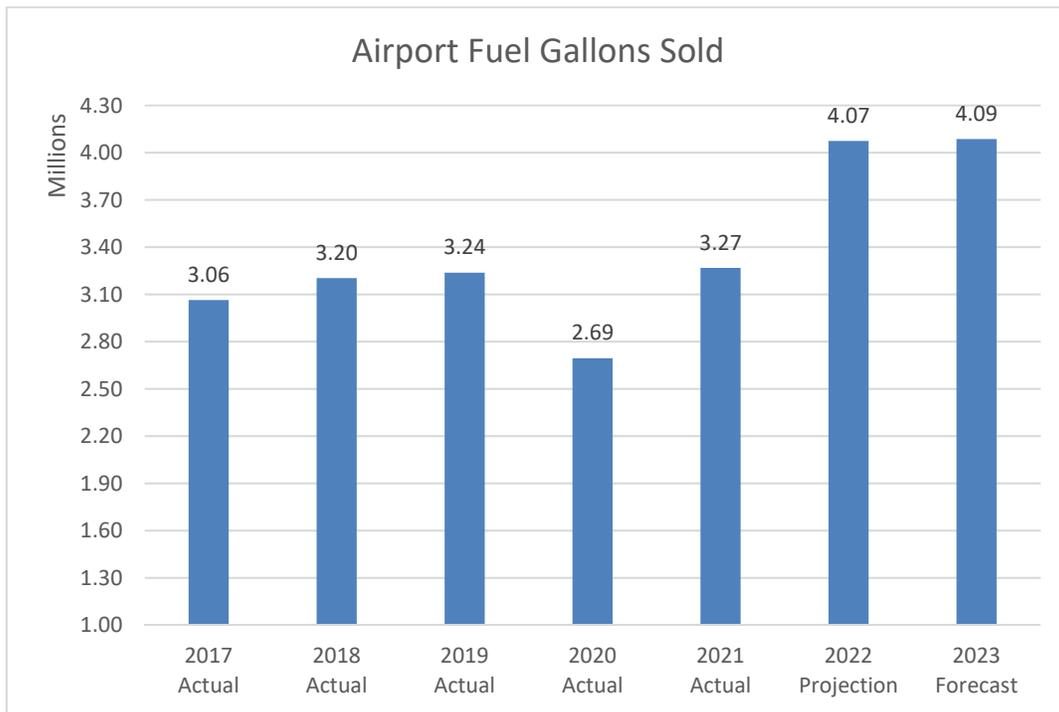
## Financial Analysis

As the Airport is intended to be financially independent and self-supporting, financial ratios are used to analyze financial position and operating results. A comparison based on FY22 projections and FY23 budget amounts is shown below.

	FY22 Projections	FY23 Budget
Cash Reserve Ratio	59%	122%
Direct Bond Coverage	2.93	2.69

Cash reserve ratios for both FY22 projections and FY23 budget are above the targeted minimum of 25% of expenses net of fuel for resale. The bond coverage ratio is above the target of 1.25 times for both FY21 projections and FY22 budget.

The graph below shows gallons of fuel sold. Projected total gallons of fuel sold in FY22 are 4.07 million gallons and the FY22 forecast is 4.09 million gallons based on current trends. The aviation community has recognized Sugar Land as a great place to land and base their aircraft, not only for the convenience as a gateway to the greater Houston area, but also for the highest level of customer service.



# Airport

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## Mission Statement

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

## Programs of Service

**Airport Administration** is responsible for the overall management, planning, marketing and outreach efforts of the airport along with contract administration and CIP project completion. Lease management of airport property is also fulfilled by this program.

**Airfield Operations** is responsible for assessing and coordinating all airport activities to ensure Sugar Land Regional Airport is in compliance with all federal, state, and local regulations.

Acting as the **Fixed Base Operator** (FBO) under the name “GlobalSelect,” staff provides line services including aircraft refueling and marshalling services. Customer service is provided to handle customer invoices and customer requests for hotel reservations, food, rental car requests, and catering orders.

**US Customs** provides passenger and luggage inspection for international arrivals, and oversees the FBO in handling and the disposal of international garbage to maintain federal compliances.

**Maintenance & Operations** oversees buildings, ground, and custodial maintenance of airport facilities.

**Café Select** provides first-class customer service and amenities to the airport’s customers by providing food and beverages.

## FY23 Changes

The FY23 budget includes \$106,843 in additional recurring funding for two new line crew FTEs within the FBO Services division and a total of \$99,500 in one-time additions. One-time funding includes \$49,500 to upgrade to a Digital-Automatic Terminal Information System, which provides critical flight data automatically to aircraft and \$50,000 for an upgrade to the Airport’s Emergency Communication and Notification Systems.

## Performance Measures: Strong Local Economy

**Fuel Gallons** is the main measurement of growth and activity of the airport. In 2019, the gallons reflect a record year, and 2020 shows the impact the pandemic had on fuel sales. In 2021, the gallons show the rebound from COVID with additional growth. 2022 will continue the trend of increased fuel sales setting a record year for the airport, and the 2023 forecast continues the long-term trend.

**Aircraft fueled and towed** reflects some of the demand on the FBO and line crew personnel. As stated in the Airport Minimum Standards, the city of Sugar Land has implemented its right to be the sole fuel provider on the airfield. In addition to providing fuel to all based and transient customers, Line Crew tow aircraft from the community hangars to the main ramp, as well as tow aircraft from the main ramp to aircraft maintenance providers on the airfield. An additional service provided to tenants at the General Aviation Complex is pulling out the aircraft in front of the hangar on an as-requested basis. Combining the two categories or data points provide the number of aircraft line crew “touch” or serve.

The **average hangar occupancy** reflects the current hangar trend in the aviation industry. The majority of customers are looking for move-in ready hangars and are not interested in construction. The airport has been at capacity in the

community hangars that fit the larger business jets for several years. Most of the availability and activity is at the t-hangars that fit the smaller general aviation aircraft.

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

Performance Measure	2019 Actual	2020 Actual	2021 Actual	2022 Actual	2023 Target
<b>Fuel Gallons</b>	3,237,334	2,694,631	3,268,007	4,206,527	4,086,524
<b>Aircraft Fueled</b>	12,096	11,624	13,008	14,908	15,059
<b>Aircraft Towed</b>	5,950	5,756	5,676	5,604	5,661
<b>Average Hangar Occupancy*</b>	96%	96%	96%	85%	90%
<b>Operations**</b>	78,258	67,418	73,664	78,864	79,661

\*Corporate/Community hangars average 82% occupancy from 2020 – 2022. The t-hangars average 88% from 2020 - 2022.

\*\*The actual operations reflected on the table come from the count provided to the FAA from Air Traffic Control Tower personnel. Does not include operations after hours.

Summary by Category	FY21 Actuals	FY22 Current Budget	FY22 Projections	FY23 Base Budget	FY23 Changes	FY23 Budget
Salary & Benefits	\$ 2,943,540	\$ 3,357,917	\$ 3,460,282	\$ 3,709,459	\$ 106,843	\$ 3,816,302
Supplies	7,507,670	17,224,111	17,175,507	22,092,655	-	22,092,655
Professional Services	850,486	1,008,550	1,041,800	815,524	99,500	915,024
Repairs & Maintenance	356,970	449,526	458,526	236,500	-	236,500
Purchased Services	172,169	331,715	338,069	533,649	-	533,649
Capital/Other	14,995	15,848	15,848	-	-	-
<b>Category Totals</b>	<b>\$ 11,845,831</b>	<b>\$ 22,387,668</b>	<b>\$ 22,490,033</b>	<b>\$ 27,387,787</b>	<b>\$ 206,343</b>	<b>\$ 27,594,130</b>

Summary by Type	FY21 Actuals	FY22 Current Budget	FY22 Projections	FY23 Base Budget	FY23 Changes	FY23 Budget
Airport Administration	990,171	1,129,468	1,128,986	1,119,872	-	1,119,872
Airfield Operations	261,571	307,376	307,376	319,486	50,000	369,486
FBO Services	8,967,503	19,134,081	19,133,344	24,167,905	106,843	24,274,748
Café Select	215,161	275,730	270,512	278,965	-	278,965
Maintenance and Operations	975,721	1,173,793	1,282,595	1,149,799	49,500	1,199,299
U.S. Customs	435,702	367,219	367,219	351,760	-	351,760
<b>Category Totals</b>	<b>\$ 11,845,831</b>	<b>\$ 22,387,668</b>	<b>\$ 22,490,033</b>	<b>\$ 27,387,787</b>	<b>\$ 206,343</b>	<b>\$ 27,594,130</b>

FTE Count	FY21 Actuals	FY22 Current Budget	FY22 Adjustments	FY23 Base Budget	FY23 Changes	FY23 Budget
Airport Administration	7.00	7.00	-	7.00	-	7.00
Airfield Operations	3.00	3.00	-	3.00	-	3.00
FBO Services	23.50	26.50	0.50	27.00	2.00	29.00
Café Select	3.00	3.00	-	3.00	-	3.00
Maintenance and Operations	10.50	10.50	(1.00)	9.50	-	9.50
<b>Category Totals</b>	<b>47.00</b>	<b>50.00</b>	<b>(0.50)</b>	<b>49.50</b>	<b>2.00</b>	<b>51.50</b>

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

	FY21	FY22	FY22	FY23	FY23	FY23
	Actuals	Current Budget	Projections	Base Budget	Changes	Budget
<b>REVENUES</b>						
Fuel Sales	\$ 12,343,690	\$ 23,510,293	\$ 23,510,293	\$ 28,788,294	\$ -	\$ 28,788,294
Hangar Leases	1,816,767	1,775,755	1,775,755	1,753,956	-	1,753,956
Charges for Services	527,430	633,665	633,665	984,900	-	984,900
Interest Income	(9)	10,000	10,000	15,000	-	15,000
Other Revenues	337,426	443,548	443,548	440,000	-	440,000
Miscellaneous	207,981	418,517	418,517	200,000	-	200,000
Operating Revenues	15,233,286	26,791,778	26,791,778	32,182,150	-	32,182,150
Bond Proceeds	-	4,120,000	4,120,000	2,373,646	-	2,373,646
Grant Proceeds	204,478	198,000	198,000	50,000	-	50,000
Transfer from Other Funds	199,716	321,308	321,308	323,000	-	323,000
Non-Operating Revenues	404,193	4,639,308	4,639,308	2,746,646	-	2,746,646
Total Revenues	15,637,479	31,431,086	31,431,086	34,928,796	-	34,928,796
<b>EXPENDITURES</b>						
Airport Administration	990,171	1,129,468	1,128,986	1,119,872	-	1,119,872
Airfield Operations	261,571	307,376	307,376	319,486	50,000	369,486
FBO Services	8,967,503	19,134,081	19,133,344	24,167,905	106,843	24,274,748
Café Select	215,161	275,730	270,512	278,965	-	278,965
Maintenance and Operations	975,721	1,173,793	1,282,595	1,149,799	49,500	1,199,299
U.S. Customs	435,702	367,219	367,219	351,760	-	351,760
Total Operating Expenditures	11,845,831	22,387,668	22,490,033	27,387,787	206,343	27,594,130
Operating Transfers Out	1,240,949	1,284,208	1,284,208	1,290,162	-	1,290,162
Transfers Out - Bond CIP	-	4,000,000	4,000,000	2,353,646	-	2,353,646
Debt Service	1,319,652	1,349,016	1,349,016	1,601,148	-	1,601,148
Miscellaneous	142,882	421,860	364,860	295,326	-	295,326
Total Non-Operating Expenditures	2,703,483	7,055,084	6,998,084	5,540,282	-	5,540,282
Total Expenditures	14,549,313	29,442,752	29,488,117	32,928,069	206,343	33,134,412
Revenues Over/(Under) Expenditures	1,088,166	1,988,334	1,942,969	2,000,727	(206,343)	1,794,384
Fund Balance - Beginning	4,079,185	5,113,670	5,113,670	7,056,639	-	7,056,639
Debt Service Reserve	(841,145)	(806,684)	(806,684)	(1,979,526)	-	(1,979,526)
Fund Balance - Ending	\$ 4,326,206	\$ 6,295,321	6,249,955	7,077,841	\$ (206,343)	\$ 6,871,498
CASH EQ. RESERVE RATIO (25% min)	97%	113%	110%	123%		115%
BOND COVERAGE (1.25x min)	2.80	2.87	2.81	2.57		2.46
FUEL GALLONS SOLD	2,694,631	3,269,707	4,191,934	4,086,524		4,086,524

ENTERPRISE FUND - AIRPORT

SCHEDULE OF REVENUES

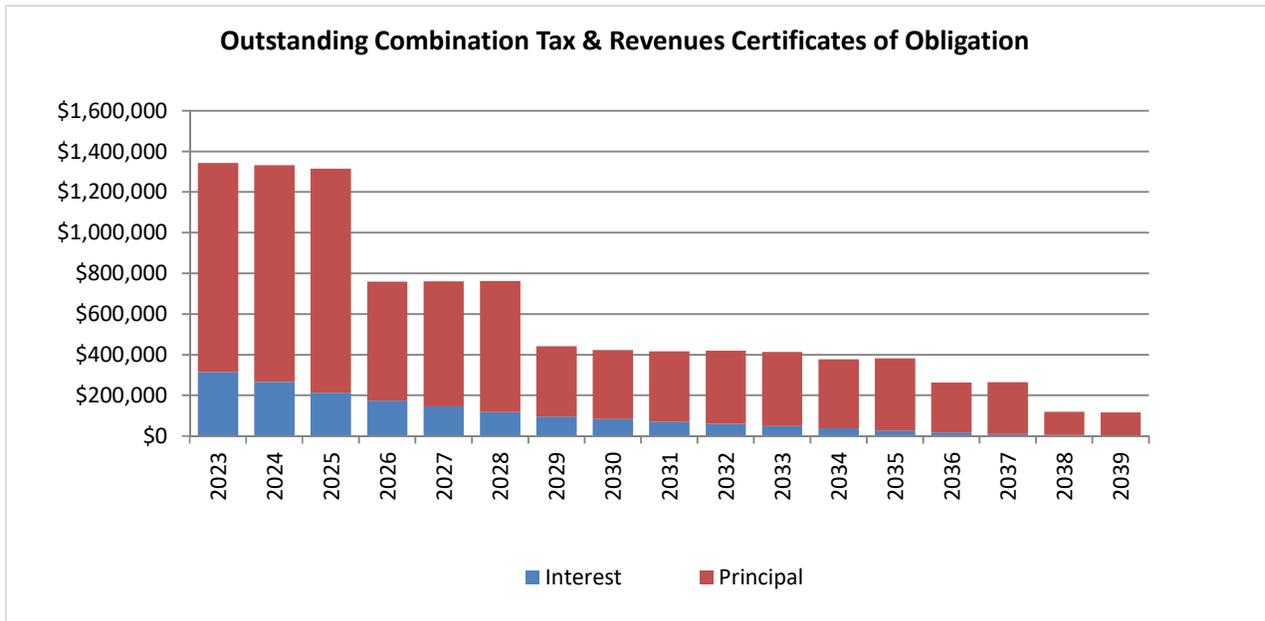
Description	FY21	FY22	FY22	FY23	FY23	FY23
	Actuals	Current Budget	Projections	Base Budget	Changes	Budget
Aviation Fuel	\$ 12,343,690	\$ 19,432,683	\$ 19,432,683	\$ 28,788,294	\$ -	\$ 28,788,294
<b>Fuel Sales</b>	<b>12,343,690</b>	<b>19,432,683</b>	<b>19,432,683</b>	<b>28,788,294</b>	-	<b>28,788,294</b>
License Agreement	1,800	-	-	-	-	-
Lease Tie Down	8,556	8,556	8,556	8,556	-	8,556
Lease Northwest II	15,300	15,300	15,300	15,000	-	15,000
Leased Facilities Premises	28,659	28,466	33,088	33,000	-	33,000
Lease Short Term Hanger	35,400	35,400	35,400	35,400	-	35,400
Lease Northwest I	36,462	36,459	20,466	20,000	-	20,000
Lease ST Corporate II	173,608	126,000	97,441	70,000	-	70,000
Lease Longterm Land	456,733	456,733	457,387	457,000	-	457,000
Lease ST Corporate I	259,712	244,482	264,571	265,000	-	265,000
Lease T-Hanger	800,538	788,139	843,546	850,000	-	850,000
<b>Hangar Leases</b>	<b>1,816,767</b>	<b>1,739,535</b>	<b>1,775,755</b>	<b>1,753,956</b>	-	<b>1,753,956</b>
Gift Shop	555	400	513	500	-	500
Catering	2,620	3,500	2,054	3,000	-	3,000
Aircraft Maintenance	187	250	339	400	-	400
Airport Café	61,878	60,000	62,896	61,000	-	61,000
Parking Fees	798	2,000	1,000	1,000	-	1,000
Call Out Fees	3,100	3,000	5,450	5,000	-	5,000
Ramp Fees	450,657	360,000	548,870	500,000	-	500,000
US Customs Fees	-	-	-	400,000	-	400,000
Oil Sales	7,636	6,000	12,543	14,000	-	14,000
<b>Charges for Services</b>	<b>527,430</b>	<b>435,150</b>	<b>633,665</b>	<b>984,900</b>	-	<b>984,900</b>
Interest Earnings	11,040	50,000	10,000	15,000	-	15,000
Unrealized Gain/Loss Invest	(11,049)	-	-	-	-	-
<b>Interest Income</b>	<b>(9)</b>	<b>50,000</b>	<b>10,000</b>	<b>15,000</b>	-	<b>15,000</b>
Car Rental	337,426	425,000	443,548	440,000	-	440,000
<b>Other Revenues</b>	<b>337,426</b>	<b>425,000</b>	<b>443,548</b>	<b>440,000</b>	-	<b>440,000</b>
Other Rev-Insurance Recovery	-	-	886	-	-	-
Misc. Operating Revenue	207,981	210,000	407,755	200,000	-	200,000
Reimbursements	-	-	9,876	-	-	-
<b>Miscellaneous</b>	<b>207,981</b>	<b>210,000</b>	<b>418,517</b>	<b>200,000</b>	-	<b>200,000</b>
OFS Bond Proceeds Par	-	1,215,396	3,890,000	1,290,300	-	1,290,300
OFS Bond Proceeds Premium	-	2,850,000	230,000	-	-	-
<b>Bond Proceeds</b>	<b>-</b>	<b>4,065,396</b>	<b>4,120,000</b>	<b>1,290,300</b>	-	<b>1,290,300</b>
Operating Contribution Federal	154,478	-	148,000	-	-	-
Operating Contribution O. Gov	50,000	50,000	50,000	50,000	-	50,000
<b>Grant Proceeds</b>	<b>204,478</b>	<b>50,000</b>	<b>198,000</b>	<b>50,000</b>	-	<b>50,000</b>
Trf in General Fund	90,341	100,000	165,000	165,000	-	165,000
Trf in SLA	50,000	50,000	50,000	50,000	-	50,000
Trf in Debt Service	59,375	75,000	106,308	108,000	-	108,000
<b>Transfer from Other Funds</b>	<b>199,716</b>	<b>225,000</b>	<b>321,308</b>	<b>323,000</b>	-	<b>323,000</b>
<b>Total Revenues</b>	<b>\$ 15,637,479</b>	<b>\$ 26,632,764</b>	<b>\$ 27,353,476</b>	<b>\$ 33,845,450</b>	<b>\$ -</b>	<b>\$ 33,845,450</b>

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

Fiscal Year	Principal	Interest	Total
2023	1,026,806	315,534	1,342,340
2024	1,067,194	265,559	1,332,753
2025	1,101,757	213,661	1,315,418
2026	585,000	173,745	758,745
2027	615,000	145,982	760,982
2028	645,000	117,354	762,354
2029	345,000	96,157	441,157
2030	340,000	83,067	423,067
2031	345,000	70,887	415,887
2032	360,000	59,388	419,388
2033	365,000	48,097	413,097
2034	340,000	37,213	377,213
2035	355,000	26,647	381,647
2036	245,000	17,488	262,488
2037	255,000	9,809	264,809
2038	115,000	4,456	119,456
2039	115,000	1,509	116,509
<b>TOTAL</b>	<b>\$ 8,220,757</b>	<b>\$ 1,686,555</b>	<b>\$ 9,907,312</b>

Series	Outstanding	Maturity
2013	\$ 395,000	2033
2015	1,225,000	2035
2015	1,610,000	2028
2016	140,000	2029
2017	1,700,000	2037
2019A	1,565,000	2039
2021	1,585,757	2025
<b>TOTAL</b>	<b>\$ 8,220,757</b>	

\*Does not include anticipated issuance of new debt



# Solid Waste Fund Organizational Chart

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*As of October 1, 2022*



# Solid Waste Fund

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

Republic Services has an exclusive franchise to provide residential and commercial solid waste services within the City. The City has negotiated a new contract with Republic Services to extend the partnership for another ten-year term. The new rate for residential solid waste service will be \$19.85 per household per month beginning in January 2023. The current rate for residential solid waste service is \$20.00 per household per month.

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

## **Fiscal Year 2022**

Total revenues for FY22 are projected at \$9,162,231. Total budgeted revenue from residential collection and recycling fees is \$8,409,067. The City does not bill for Commercial Services; businesses contract and pay Republic Services directly. Other revenues include \$735,195 from franchise fees, \$14,444 in commercial license fees, \$3,500 in miscellaneous fees for reimbursements and \$25 in interest income.

Total expenses are projected \$9,184,468 and include \$273,502 in personnel expenses for contract monitoring and program administration, \$8,229,473 for the solid waste contracts, \$107,936 in operation and maintenance costs and \$70,000 for contingency. Transfers out total \$503,257 and include a transfer of \$9,048 to the Fleet Replacement Fund, \$300,000 to the General Fund to support pavement rehabilitation efforts and \$194,209 for administrative overhead allocation.

The estimated ending fund balance as of 9/30/2022 is estimated to be \$225,114.

## **Fiscal Year 2023**

Total revenues for FY23 are budgeted at \$9,640,711. Total budgeted revenue from residential collection is \$8,386,161. The City does not bill for Commercial Services; businesses contract and pay Republic Services directly. Other revenues include \$1,236,000 from franchise fees, \$15,000 in commercial license fees, \$3,500 in miscellaneous fees for reimbursement and \$50 in interest income.

Total expenses are \$9,273,361 and include \$277,310 in personnel expenses for contract monitoring and program administration, \$8,340,830 for the solid waste contracts, \$78,737 in operation and maintenance costs, and \$70,000 for contingency. Transfers out total \$506,484 and include transfers to the Fleet Replacement Fund for \$9,048, \$300,000 to the General Fund to support pavement rehabilitation efforts and \$197,436 for administrative overhead allocation.

The estimated ending fund balance as of 9/30/2023 is estimated to be \$592,464.

# Solid Waste

## Services Provided

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

## Programs of Service

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

## FY23 Changes

Changes total \$5,000 in one-time additions for a recycling pilot program for city facilities.

## Performance Measures: Responsible City Government Services

### Number of Households Served

The key measure for the Solid Waste Fund is the number of households serviced as the City outsources residential solid waste collection. As the number of households increases, additional demands are placed on the contractor. At the end of FY23 it is estimated that 35,140 households will be served.

	FY21 Actuals	FY22 Current Budget	FY22 Projections	FY23 Base Budget	FY23 Changes	FY23 Budget
<b>Summary by Category</b>						
Salary & Benefits	\$ 273,556	\$ 273,502	\$ 273,502	\$ 277,310	\$ -	\$ 277,310
Supplies	8,183,532	8,234,581	8,234,481	8,345,938	-	8,345,938
Professional Services	851,023	77,327	65,477	30,578	5,000	35,578
Repairs & Maintenance	1,147	2,490	2,490	2,490	-	2,490
Purchased Services	25,154	23,311	35,261	35,561	-	35,561
Capital/Other	-	-	-	-	-	-
<b>Category Totals</b>	<b>\$ 9,334,413</b>	<b>\$ 8,611,211</b>	<b>\$ 8,611,211</b>	<b>\$ 8,691,877</b>	<b>\$ 5,000</b>	<b>\$ 8,696,877</b>

	FY21 Actuals	FY22 Current Budget	FY22 Projections	FY23 Base Budget	FY23 Changes	FY23 Budget
<b>Summary by Type</b>						
Contractual Services	\$ 8,158,351	\$ 8,229,473	\$ 8,229,473	\$ 8,340,830	\$ -	\$ 8,340,830
Salary & Benefits	273,556	273,502	273,502	277,310	-	277,310
Education Programs	20,424	400	300	-	-	-
Operations & Maintenance	882,082	107,836	107,936	73,737	5,000	78,737
<b>Category Totals</b>	<b>\$ 9,334,413</b>	<b>\$ 8,611,211</b>	<b>\$ 8,611,211</b>	<b>\$ 8,691,877</b>	<b>\$ 5,000</b>	<b>\$ 8,696,877</b>

	FY21 Actuals	FY22 Current Budget	FY22 Projections	FY23 Base Budget	FY23 Changes	FY23 Budget
<b>FTE Count</b>						
Solid Waste	3.50	3.50	-	3.50	(0.50)	3.00
<b>Category Totals</b>	<b>3.50</b>	<b>3.50</b>	<b>-</b>	<b>3.50</b>	<b>(0.50)</b>	<b>3.00</b>

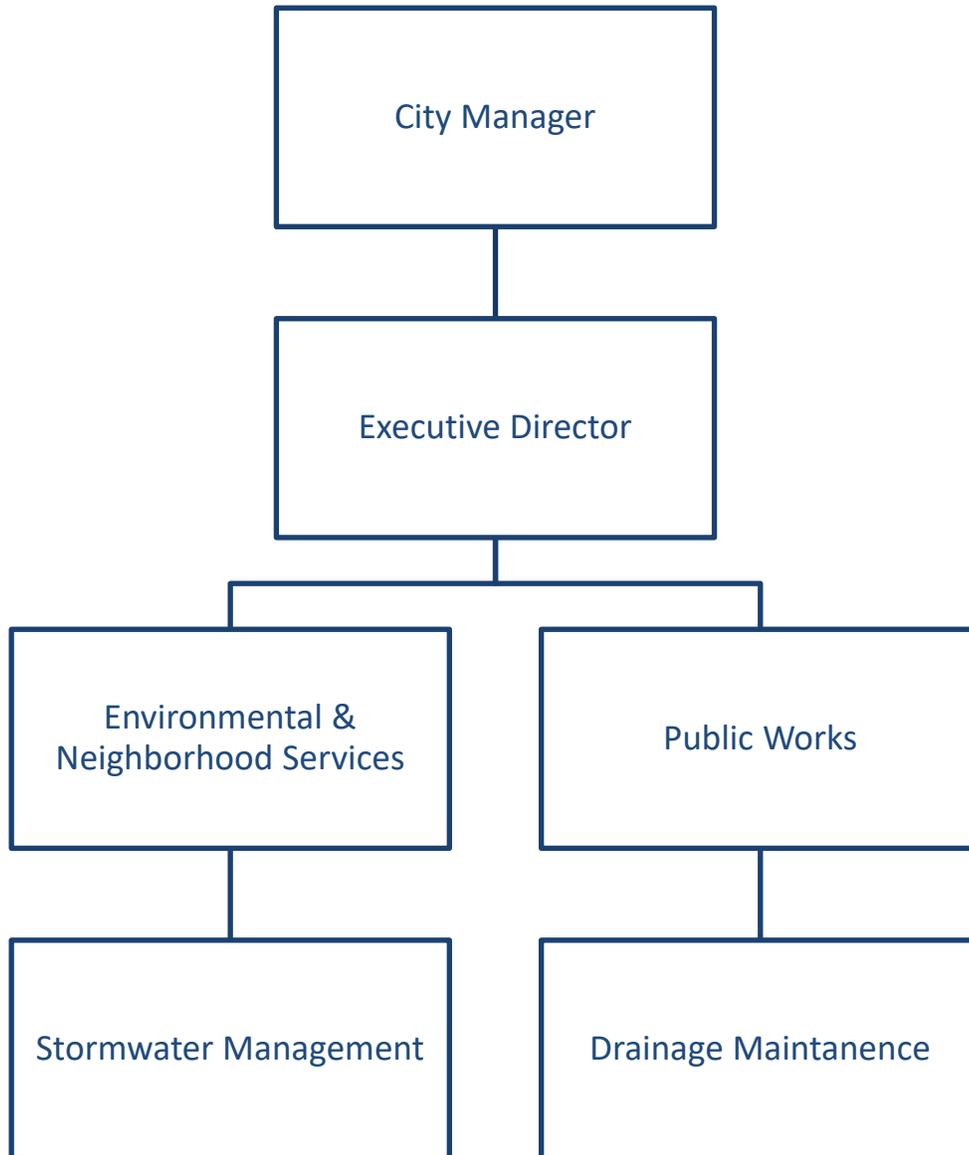
**CITY OF SUGAR LAND  
ENTERPRISE FUND - SOLID WASTE  
INCOME STATEMENT**

	FY21 Actuals	FY22 Current Budget	FY22 Projections	FY23 Base Budget	FY23 Changes	FY23 Budget
<b>REVENUES</b>						
Solid Waste Collections	\$ 8,335,308	\$ 8,408,805	\$ 8,408,805	\$ 8,386,161	\$ -	\$ 8,386,161
Franchise Fees	733,533	735,195	735,195	1,236,000	-	1,236,000
Commercial SW License	12,732	14,444	14,444	15,000	-	15,000
Miscellaneous	174,102	3,500	3,500	3,500	-	3,500
Recycling Programs	239	262	262	-	-	-
Interest Income	54	25	25	50	-	50
<b>Total Revenues</b>	<b>9,255,967</b>	<b>9,162,231</b>	<b>9,162,231</b>	<b>9,640,711</b>	<b>-</b>	<b>9,640,711</b>
<b>EXPENDITURES</b>						
Contractual Services	8,158,351	8,229,473	8,229,473	8,340,830	-	8,340,830
Salary & Benefits	273,556	273,502	273,502	277,310	-	277,310
Education Programs	20,424	400	300	-	-	-
Operations & Maintenance	882,082	107,836	107,936	73,737	5,000	78,737
<b>Total Operating Expenditures</b>	<b>9,334,413</b>	<b>8,611,211</b>	<b>8,611,211</b>	<b>8,691,877</b>	<b>5,000</b>	<b>8,696,877</b>
Miscellaneous	-	70,000	70,000	70,000	-	70,000
Transfers Out	456,745	503,257	503,257	506,484	-	506,484
<b>Total Non-Operating Expenditures</b>	<b>456,745</b>	<b>573,257</b>	<b>573,257</b>	<b>576,484</b>	<b>-</b>	<b>576,484</b>
<b>Total Expenditures</b>	<b>9,791,158</b>	<b>9,184,468</b>	<b>9,184,468</b>	<b>9,268,361</b>	<b>5,000</b>	<b>9,273,361</b>
Revenues Over/(Under) Expenditures	(535,191)	(22,237)	(22,237)	372,350	(5,000)	367,350
Fund Balance - Beginning	782,542	247,351	247,351	225,114		225,114
<b>Fund Balance - Ending</b>	<b>\$ 247,351</b>	<b>\$ 225,114</b>	<b>\$ 225,114</b>	<b>\$ 597,464</b>	<b>\$ (5,000)</b>	<b>\$ 592,464</b>
Minimum Fund Balance Requirement		\$ 459,223	\$ 459,223	\$ 463,418		\$ 463,668
Over/(Under) Requirement		(234,110)	(234,110)	\$ 134,046		128,796

# Storm Water Compliance Organizational Chart

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*As of October 1, 2022*



# Storm Water Compliance Fee Fund

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The Storm Water Fund is used to account for stormwater compliance activities and drainage related maintenance and operations previously funded in the General Fund. This fund is supported through a Storm Water Compliance Fee charged to residents, businesses, and establishments considered non-exempt by law or ordinance to this fee. State and Federal government mandates require municipalities to implement best management practices that reduce stormwater pollution by maintaining their waterways and drainage infrastructure. The Storm Water Compliance Fee is assessed on an impervious area basis which considers a property's total area covered by materials such as asphalt, concrete, brick, stone, and compacted surfaces that reduce infiltration of precipitation.

The fee will be assessed beginning January 2023.

## **Fiscal Year 2023**

Total revenues for FY23 are budgeted at \$1,967,868. Total budgeted revenue from compliance fees is \$1,671,814.. Other revenues include a transfer of \$296,054 from the General Fund, which is intended to cover the remaining expenditures in the first year of implementation.

Total expenses are \$1,967,868 and include \$406,405 for the Stormwater Management program and \$1,561,464 for the Drainage Maintenance program.

The estimated ending fund balance as of 9/30/2023 is estimated to be \$0.

# Storm Water Compliance

## Services Provided

Storm Water Compliance programs are primarily supported by stormwater fees. To remain in compliance with these mandates, the Stormwater Compliance Fee will fund pollution prevention measures, community education, drainage system operations and maintenance, and other activities to control the quality of water discharged to the City's storm drains and waterways.

## Programs of Service

**Storm Water Management** includes operations that address minimum control measures such as Community Outreach and education, TCEQ Storm Water Management Plan Compliance, and illicit discharge monitoring.

**Drainage Maintenance** involves upkeep and oversight of the City's water runoff infrastructure consisting of pipes, inlets, culverts, street gutters, ditches, channels, creeks, lakes, ponds, dams, tunnels and floodwalls.

	FY21 Actuals	FY22 Current Budget	FY22 Projections	FY23 Base Budget	FY23 Changes	FY23 Budget
<b>Summary by Category</b>						
Salary & Benefits	\$ -	\$ -	\$ -	\$ 417,440	\$ -	\$ 417,440
Supplies	-	-	-	963,637	-	963,637
Professional Services	-	-	-	460,683	-	460,683
Repairs & Maintenance	-	-	-	56,099	-	56,099
Purchased Services	-	-	-	69,909	-	69,909
Capital/Other	-	-	-	100	-	100
<b>Category Totals</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,967,868</b>	<b>\$ -</b>	<b>\$ 1,967,868</b>

	FY21 Actuals	FY22 Current Budget	FY22 Projections	FY23 Base Budget	FY23 Changes	FY23 Budget
<b>Summary by Type</b>						
Stormwater Management	\$ -	\$ -	\$ -	\$ 406,405	\$ -	\$ 406,405
Drainage Maintenance	-	-	-	1,561,464	-	1,561,464
<b>Category Totals</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,967,868</b>	<b>\$ -</b>	<b>\$ 1,967,868</b>

	FY21 Budget	FY22 Current Budget	FY22 Adjustments	FY23 Base Budget	FY23 Adjustment	FY23 Budget
<b>FTE Count</b>						
Stormwater Management	-	-	-	-	2.00	2.00
Drainage Maintenance	-	-	-	-	4.00	4.00
<b>Category Totals</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>6.00</b>	<b>6.00</b>

**CITY OF SUGAR LAND  
 STORM WATER COMPLIANCE FEE FUND  
 INCOME STATEMENT**

	FY21 Actuals	FY22 Current Budget	FY22 Projections	FY23 Base Budget	FY23 Changes	FY23 Budget
<b>REVENUES</b>						
Stormwater Fees	\$ -	\$ -	\$ -	\$ 1,671,814	\$ -	\$ 1,671,814
Transfers In	-	-	-	296,054	-	296,054
<b>Total Revenues</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,967,868</b>	<b>-</b>	<b>1,967,868</b>
<b>EXPENDITURES</b>						
Stormwater Management	-	-	-	406,405	-	406,405
Drainage Maintenance	-	-	-	1,561,464	-	1,561,464
<b>Total Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,967,868</b>	<b>-</b>	<b>1,967,868</b>
Revenues Over/(Under) Expenditures	-	-	-	-	-	-
Fund Balance - Beginning	-	-	-	-	-	-
<b>Fund Balance - Ending</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

# Internal Service Funds

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

## Employee Benefits Fund

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

### Fiscal Year 2022

The total projected revenues are \$15,089,800. FY22 contributions from the City, employees, and retirees are \$13,083,881. Miscellaneous revenues of \$2,003,248 consist of stop-loss reimbursements, COBRA contributions, and the reimbursement for the wellness program. Interest income is projected at \$2,671.

Projected expenses total \$15,028,421 and include insurance premiums, claim payments, administrative fees, and unemployment compensation. The projected fund balance at 9/30/22 is \$1,304,121 after a reserve of \$2,420,562 which is equal to 20% of budgeted claims.

### Fiscal Year 2023

FY23 total revenues are budgeted at \$15,915,861 and include \$13,924,418 in contributions from the City and employees, interest income of \$2,671 and miscellaneous of \$1,988,772, consisting of stop-loss reimbursements, COBRA contributions, and the reimbursement for the wellness program.

FY23 total expenses are budgeted at \$15,815,018. This includes claims payment and other premiums for \$15,089,723, and other expenses for \$725,295. The budgeted ending fund balance after the reserve for claims at 9/30/23 is \$1,191,190 after a reserve of \$2,634,336.

## Fleet Replacement Fund

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

### **Fiscal Year 2022**

The projected contributions, auction proceeds, and other revenues total \$1,141,219. Expenses for purchase of vehicles, and related equipment total \$2,074,488. The projected ending fund balance at 9/30/22 is \$2,636,641.

### **Fiscal Year 2023**

Total revenues are projected at \$1,317,568 and include contributions from participating funds of \$1,157,068, miscellaneous, sale of property and interest income totaling \$160,500. Miscellaneous includes insurance proceeds for vehicles that are totaled and replaced prior to their planned replacement date.

Total expenditures are projected at \$2,205,805 for the replacement of 53 vehicles. Also included in the replacement budget are make-ready funds to place vehicles in operation, such as decal work, and the installation of electronic equipment. The budgeted ending fund balance at 9/30/23 is \$1,748,404.

### **High-Technology Replacement Fund**

This fund provides centralized accounting and management for the City's high-tech equipment, which includes computers, radar and telecommunications equipment. The fund is managed under the City's policy on Technology Equipment Replacement, IT-101. This fund operates in the same manner as the Fleet Replacement Fund and has a policy to maintain a fund balance of at least 10% of the estimated value of the inventory. The Information Technology staff assigns condition codes and after review and approval, the replacement list is compiled and scheduled through the annual budget process. Contributions to the fund are based on the purchase cost of the equipment.

### **Fiscal Year 2022**

Projected revenues for FY22 total \$801,350, and expenditures are projected at \$2,175,715. Expenditures include computers, printers, servers, routers, installations, and public safety radios. The projected ending fund balance at 9/30/22 is \$1,323,081.

### **Fiscal Year 2023**

Budgeted revenues total \$934,016 and include transfers from other funds, interest income, and sale of property. Contributions to the fund include payments for equipment replacement according to the replacement schedule. Total expenditures for equipment and contractual services are budgeted at \$1,759,335. The budgeted ending fund balance at 9/30/23 is \$497,762.

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

	FY21 Actuals	FY22 Current Budget	FY22 Projections	FY23 Base Budget	FY23 Changes	FY23 Budget
<b>REVENUES</b>						
Contributions	\$ 12,454,219	\$ 13,083,881	\$ 13,083,881	\$ 13,924,418	\$ -	\$ 13,924,418
Miscellaneous	2,027,439	2,003,248	2,003,248	1,988,772	-	1,988,772
Interest Income	(1,057)	2,671	2,671	2,671	-	2,671
<b>Total Revenues</b>	<b>14,480,601</b>	<b>15,089,800</b>	<b>15,089,800</b>	<b>15,915,861</b>	<b>-</b>	<b>15,915,861</b>
<b>EXPENDITURES</b>						
Premiums & Claims	13,185,067	14,410,227	14,410,227	15,089,723	-	15,089,723
Other	654,585	618,194	618,194	725,295	-	725,295
<b>Total Expenditures</b>	<b>13,839,651</b>	<b>15,028,421</b>	<b>15,028,421</b>	<b>15,815,018</b>	<b>-</b>	<b>15,815,018</b>
Revenues Over/(Under) Exp	640,949	61,379	61,379	100,843	-	100,843
Cash Equivalent Balance - Beginning	2,720,013	3,663,304	3,663,304	3,724,683		3,724,683
Reserve for Self Insurance	(2,328,237)	(2,420,562)	(2,420,562)	(2,634,336)		(2,634,336)
<b>Cash Equivalent Balance - Ending</b>	<b>\$ 1,032,725</b>	<b>\$ 1,304,121</b>	<b>\$ 1,304,121</b>	<b>\$ 1,191,190</b>	<b>\$ -</b>	<b>\$ 1,191,190</b>

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

	FY21 Actuals	FY22 Current Budget	FY22 Projections	FY23 Base Budget	FY23 Changes	FY23 Budget
<b>REVENUES</b>						
Sale of Property	\$ 285,475	\$ 136,649	\$ 136,649	\$ 130,000	\$ -	\$ 130,000
Interest Income	1,797	5,000	5,000	5,500	-	5,500
Transfers From Other Funds	731,636	942,463	942,463	1,157,068	-	1,157,068
Miscellaneous	36,608	57,107	57,107	25,000	-	25,000
<b>Total Revenues</b>	<b>1,055,516</b>	<b>1,141,219</b>	<b>1,141,219</b>	<b>1,317,568</b>	<b>-</b>	<b>1,317,568</b>
<b>EXPENDITURES</b>						
Vehicles & Contractual Service	949,162	2,074,488	2,074,488	2,205,805	-	2,205,805
<b>Total Expenditures</b>	<b>949,162</b>	<b>2,074,488</b>	<b>2,074,488</b>	<b>2,205,805</b>	<b>-</b>	<b>2,205,805</b>
Revenues Over/(Under) Expenditures	106,354	(933,270)	(933,270)	(888,237)		(888,237)
Fund Balance - Beginning	3,463,556	3,569,911	3,569,911	2,636,641		2,636,641
<b>Fund Balance - Ending</b>	<b>\$ 3,569,911</b>	<b>\$ 2,636,641</b>	<b>\$ 2,636,641</b>	<b>\$ 1,748,404</b>	<b>\$ -</b>	<b>\$ 1,748,404</b>

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

	FY21 Actuals	FY22 Current Budget	FY22 Projections	FY23 Base Budget	FY23 Changes	FY23 Budget
<b>REVENUES</b>						
Sale of Capital Property	\$ 16,344	\$ 2,170	\$ 2,170	\$ 2,170	\$ -	\$ 2,170
Interest Income	1,525	3,000	3,000	5,000	-	5,000
Transfers in	671,778	796,180	796,180	926,846	-	926,846
<b>Total Revenues</b>	<b>689,647</b>	<b>801,350</b>	<b>801,350</b>	<b>934,016</b>	<b>-</b>	<b>934,016</b>
<b>EXPENDITURES</b>						
Equipment & Contractual Services	1,328,852	2,175,715	2,175,715	1,759,335	-	1,759,335
<b>Total Expenditures</b>	<b>1,328,852</b>	<b>2,175,715</b>	<b>2,175,715</b>	<b>1,759,335</b>	<b>-</b>	<b>1,759,335</b>
Revenues Over/(Under) Expenditures	(639,206)	(1,374,365)	(1,374,365)	(825,319)	-	(825,319)
Fund Balance - Beginning	3,336,652	2,697,446	2,697,446	1,323,081	-	1,323,081
<b>Fund Balance - Ending</b>	<b>\$ 2,697,446</b>	<b>\$ 1,323,081</b>	<b>\$ 1,323,081</b>	<b>\$ 497,762</b>	<b>\$ -</b>	<b>\$ 497,762</b>

## Component Units

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The City of Sugar Land has five entities that are considered component units of the City and is included in the City's ACFR. They are the Sugar Land Development Corporation (SLDC), the Sugar Land 4B Corporation (SL4B), the Tax Increment Reinvestment Zone (TIRZ) #1 that covers the Town Square area, TIRZ #3 that covers the Imperial site, and TIRZ #4 that covers property in Telfair near the intersection of U.S. Highway 59 and University Boulevard. The SLDC and the SL4B are the only component units included in the City's budget as their budget is approved by City Council. A component unit is defined as a legally separate organization for which the elected officials of the primary government (the City) are financially accountable. The SLDC and SL4B are the only components units included in the City's budget.

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

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

The Tax Increment Reinvestment Zone #1 (TIRZ#1) represents the property improvements on 32 acres located at the Sugar Land Town Square development at the southeast corner of U.S. Highway 59 and State Highway 6. The City of Sugar Land, Fort Bend County, and LID#2 are the entities participating in TIRZ#1.

The Tax Increment Reinvestment Zone #3 (TIRZ#3) represents the property improvements on approximately 839 acres including the former Imperial Sugar property north of U.S. Highway 90A and the former prison property north of U.S. Highway 90A and east of State Highway 6, with the exclusion of the parcel retained by TxDOT. The City of Sugar Land and Fort Bend County are the entities participating in TIRZ#3. The purpose of TIRZ#3 is to generate revenues for the costs of public infrastructure, recreational facilities, historic preservation, re-use of Imperial property, museums, and other eligible expenses.

The Tax Increment Reinvestment Zone #4 (TIRZ#4) represents the property improvements on approximately 700 acres located at the intersection of U.S. Highway 59 and University Boulevard. The City of Sugar Land, Fort Bend County, Fort Bend MUD 138 and Fort Bend MUD 139 are the entities participating in TIRZ#4. The purpose of TIRZ#4 is to fund certain infrastructure costs for entertainment, office and higher density retail development proposed within its boundaries.

## **Sugar Land Development Corporation**

### **Fiscal Year 2022**

Total revenues are projected to be \$14,566,809, which includes sales tax of \$7,701,513, refunding bond proceeds of \$5,550,296, interest income of \$15,000 and an assignment from TIRZ#1 for \$1,300,000.

Expenditures are projected at \$13,699,253 and include economic development program costs of \$625,257. Expenditures include items such as business recruitment, travel and training, dues and memberships, professional services for marketing efforts, research and advertising. Contractual services are estimated at \$9,790. Economic development incentive projections total \$680,226. Debt service for \$4,024,090 includes principal and interest payments based on current outstanding debt. The payment to escrow agent of \$5,461,720 and bond issuance costs of \$165,703 are related to the corporation's bond refunding. The reserve for opportunities in this fund remains projected at \$2,000,000, with no funds currently allocated. Transfers to other funds in the amount of \$732,467 includes \$50,000 to the Airport Fund for international marketing and \$682,467 to the General Fund for cost allocation overhead, reimbursement of staff salaries and CIP management fees

Projected available funding at 9/30/22 is \$7,827,590. The fund balance is \$6,845,754 higher than the policy requirement of \$981,836, which constitutes 15% of originally budgeted sales tax.

### **Fiscal Year 2023**

Revenues are budgeted at \$14,029,880. Sales tax is estimated at \$7,216,353, interest income at \$20,000, and an assignment at \$2,000,000 from TIRZ#1 that supports the debt service requirement on the sales tax revenue bonds issued for Town Square infrastructure. Additionally, FY23 revenues include a reimbursement of \$4,793,527 from TIRZ #3 as part of an agreement with the Imperial Redevelopment District, which states that the City would be reimbursed for its contributions to the ballpark when the certified assessed value of the district reached \$400,000,000.

Budgeted expenditures total \$10,410,686. Economic development program expenditures total \$625,257, and include items such as business recruitment, travel and training, dues and memberships, professional services for marketing efforts, research and advertising. Contractual services are budgeted at \$9,790. The budget also includes \$1,700,000 for economic development incentives. The Corporation has debt service payments of \$3,945,981 for outstanding issues, and transfers to other funds total \$878,658, which includes \$828,658 to the General Fund for economic development, staff reimbursement, and support services, and \$50,000 to the Sugar Land Regional Airport for international marketing. The corporation has one capital project schedule for FY23 for \$250,000, which accounts for 50% of the cost for a suite renovation for the Economic Development department. Additionally, the Corporation has \$3,000,000 allocated as a reserve for opportunities funding, which allows the Corporation to quickly respond to opportunistic projects that arise during the year.

Estimated available funding at 9/30/23 is \$11,563,895. The Corporation has a bond coverage ratio of 1.85, which is above the 1.25 minimum. The ending fund balance is \$10,481,442 over the policy requirement of \$1,082,453, which is 15% of the budgeted sales tax.

## **Sugar Land 4B Corporation**

### **Fiscal Year 2022**

Total revenues are projected to be \$7,943,376. This includes sales tax for \$7,701,513, interest income of \$15,000, TIRZ#1 assignment of \$146,863, and miscellaneous revenue of \$80,000 from the Sugar Land Skeeters.

Total expenditures are projected to be \$8,991,859. Economic Development program costs are projected to be \$779,893 and contractual services are estimated at \$5,074. Debt Service payments are estimated at \$2,645,700. Incentive payments are projected to be \$2,500,000 for the improvements to Constellation Field. Reserve for opportunities is projected at \$1,262,304, which includes the original allocation for FY22 of \$500,000, as well as remaining funding that was carried over from FY21. The transfers to Capital Projects are projected to be \$1,000,000, which included public arts funding, participation in joint CIP, landscaping replacements for major roadways, a preliminary engineering report for the cemetery site, and widening of University Boulevard. Transfers to other funds are \$798,888, which includes the reimbursement to the City for support staff and CIP management fee.

Projected available funding at 9/30/22 is \$3,841,527. The fund balance is projected to be \$2,859,692 higher than policy requirements of \$981,836, which constitutes 15% of originally budgeted sales tax.

### **Fiscal Year 2023**

Total revenues are projected to be \$15,282,378. Sales tax is estimated at \$7,216,353. Other revenues include interest income of \$20,000, TIRZ#1 assignment of \$145,008 and miscellaneous revenue of \$80,000, which is from the lease payment for off-site parking at Constellation Field. Additionally, FY23 revenues include a reimbursement of \$7,821,017 from TIRZ #3 as part of an agreement with the Imperial Redevelopment District, which states that the City would be reimbursed for its contributions to the ballpark when the certified assessed value of the district reached \$400,000,000.

Expenditures are budgeted at \$8,664,112. Economic Development Program expenditures total \$569,870, and contractual services total \$5,074. Capital projects funding is budgeted at \$875,000, which includes Joint Participation in CIP, Landscape Replacement for Major Roadway and Enhancement, Skate Park relocation and pickleball court improvements, and funding for a suite renovation for the Economic Development department. Incentives are budgeted at \$1,037,500, which includes \$1,000,000 for the third year of Constellation Field Improvements and \$37,500 for First Colony Lifestyle Center upgrades. Reserve for Opportunities is budgeted at \$3,000,000. Debt Service is budgeted at \$2,012,900 and transfers to other funds are at \$1,162,768, which includes a reimbursement to the General Fund for Economic Development staff and CIP management fees and a transfer of \$250,000 to the Public Arts Fund.

Estimated available funding at 9/30/23 is \$10,884,878. The Corporation has a bond coverage ratio of 3.59, which is above the 1.25 minimum. The ending fund balance is \$9,802,425 over the policy requirement of \$1,082,453, which is 15% of the budgeted sales tax.

## **Tax Increment Reinvestment Zone #1**

### **Fiscal Year 2022**

Revenues for FY22 are projected to be \$1,843,553. The budget for incremental taxes was based on the 2021 certified tax roll. Property taxes allocated from the City, Fort Bend County and LID#2 total \$1,843,053 and interest income is projected at \$500.

Expenditures are projected to be \$1,771,587 and include \$250,000 for marketing events in Town Square put on by the Town Square Property Owners Association. Assignments totaling \$1,446,863 were made to Sugar Land Development Corporation and Sugar Land 4B Corporation toward repayment of debt issued in December 2005 for developer reimbursements in Town Square. The projected ending fund balance at 9/30/22 is \$82,882.

### **Fiscal Year 2023**

Revenues are budgeted to be \$2,536,158, which includes property taxes for \$2,535,658 and interest income for \$500. Property taxes are based on the added value from 2022 certified tax roll for the TIRZ#1, proposed 2022 City, County and LID #2 proposed tax rates at a 99.5% collection rate for each participating entity.

Operating expenditures are estimated to be \$2,511,574, which includes \$284,297 for marketing events in Town Square, and \$2,000 for insurance, banking fees, auditing services, and administrative services from City staff. Non-operating expenditures include \$70,000 for Town Square Plaza events and anticipated assignment of revenues to the SLDC and SL4B for \$2,145,008. The assignments will support a portion of the debt service requirements on sales tax revenue bonds issued in December 2005 to reimburse the developer for Town Square infrastructure and expansion of the Texas Garage. The estimated ending fund balance at 9/30/23 is \$107,466. TIRZ#1 has no minimum fund policy balance requirement.

## **Tax Increment Reinvestment Zone #3**

### **Fiscal Year 2022**

Revenues for FY22 are projected to be \$1,317,179. The budget for incremental taxes was based on the 2021 certified tax roll. Property taxes allocated from the City and County total \$1,317,164 and interest income is projected at \$15. Expenditures are projected to be \$1,317,179 for administrative support, legal services, and an assignment of \$1,290,836 to Imperial Redevelopment District. Fund balance at 9/30/22 is projected to be \$19,939.

### **Fiscal Year 2023**

Revenues are budgeted to be \$1,599,490, which includes City and County property taxes for \$1,599,465 and interest income for \$25. Property taxes are based on the added value from 2022 certified tax roll for the TIRZ#3, 2022 adopted City and County tax rates are budgeted at a 99.5% collection rate for each participating entity.

Operating expenditures are estimated to be \$1,619,429 for administrative support, legal and an assignment of \$1,567,500 to Imperial Redevelopment District. The fund balance at 9/30/23 is estimated to be \$0. TIRZ#3 has no minimum fund policy balance requirement.

## **Tax Increment Reinvestment Zone #4**

### **Fiscal Year 2022**

Revenues for FY22 are projected to be \$1,144,966. Property taxes allocated from the City, County, and MUDs total \$1,139,966 and interest income is projected at \$5,000. Expenditures are projected to be \$205,241 for administrative support and legal services. The projected ending fund balance at 9/30/22 is \$6,032,075.

### **Fiscal Year 2023**

Revenues are budgeted to be \$1,441,279, which includes City, County, and MUDs property taxes for \$1,433,779 and interest income for \$7,500. Operating expenditures are estimated to be \$62,661 for administrative support and legal services. The estimated ending fund balance at 9/30/23 is \$7,410,693. TIRZ#4 has no minimum fund policy balance requirement.

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

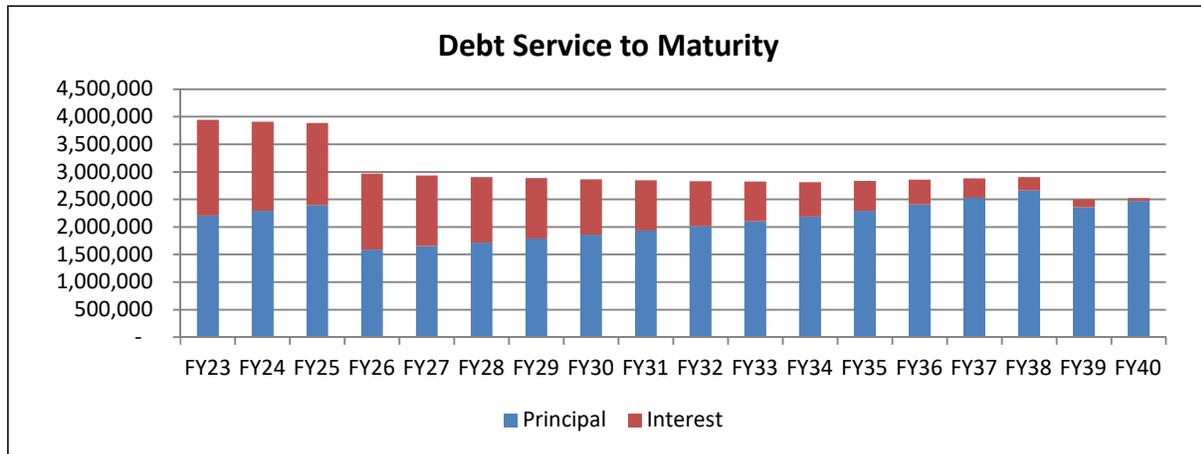
	FY21 Actuals	FY22 Current Budget	FY22 Projections	FY23 Base Budget	FY23 Changes	FY23 Budget
<b>REVENUES</b>						
Sales Tax	\$ 7,029,877	\$ 7,701,513	\$ 7,701,513	\$ 7,216,353	\$ -	\$ 7,216,353
Interest Income	3,825	15,000	15,000	20,000	-	20,000
TIRZ#1	1,375,000	1,300,000	1,300,000	2,000,000	-	2,000,000
TIRZ#3	-	-	-	4,793,527	-	4,793,527
Operating Revenues	8,408,702	9,016,513	9,016,513	14,029,880	-	14,029,880
Bond Proceeds	-	5,550,296	5,550,296	-	-	-
Non-operating Revenues	-	5,550,296	5,550,296	-	-	-
Total Revenues	8,408,702	14,566,809	14,566,809	14,029,880	-	14,029,880
<b>EXPENDITURES</b>						
Economic Development Program	479,897	625,257	625,257	625,257	-	625,257
Economic Development Incentives	625,693	680,226	680,226	1,700,000	-	1,700,000
Contractual Services	9,129	9,790	9,790	9,790	-	9,790
Total Operating Expenditures	1,114,719	1,315,273	1,315,273	2,335,047	-	2,335,047
Debt Service	4,053,721	4,024,090	4,024,090	3,945,981	-	3,945,981
Payment to Escrow Account	-	5,461,720	5,461,720	-	-	-
Reserve for Opportunities	-	2,000,000	2,000,000	3,000,000	-	3,000,000
Bond Issuance & Disclosure	-	165,703	165,703	1,000	-	1,000
Capital Projects Reimbursement	670,000	-	-	250,000	-	250,000
Transfers to Other Funds	740,862	732,467	732,467	878,658	-	878,658
Total Non-Operating Expenditures	5,464,583	12,383,980	12,383,980	8,075,639	-	8,075,639
Total Expenditures	6,579,302	13,699,253	13,699,253	10,410,686	-	10,410,686
Revenues Over/(Under) Expenditures	1,829,400	867,556	867,556	3,619,194	-	3,619,194
Fund Balance - Beginning	10,236,444	12,065,844	12,065,844	12,933,400	-	12,933,400
Accrued Sales Tax	(1,228,941)	(1,228,941)	(1,228,941)	(1,228,941)	-	(1,228,941)
Debt Service Reserve	(3,936,355)	(3,876,869)	(3,876,869)	(3,759,758)	-	(3,759,758)
Fund Balance - Ending	\$ 6,900,547	\$ 7,827,590	\$ 7,827,590	\$ 11,563,895	\$ -	\$ 11,563,895
Minimum Fund Balance (15%)	\$ 1,054,482	\$ 981,836	\$ 981,836	\$ 1,082,453	-	\$ 1,082,453
Over/Under Policy	5,846,066	6,845,754	6,845,754	10,481,442	-	10,481,442
Bond Coverage Ratio (>1.25x)	1.75	1.96	1.96	1.85	-	1.85

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

	Principal	Interest	Total
FY23	2,205,000	1,740,981	3,945,981
FY24	2,295,000	1,617,531	3,912,531
FY25	2,400,000	1,486,028	3,886,028
FY26	1,590,000	1,377,219	2,967,219
FY27	1,650,000	1,286,778	2,936,778
FY28	1,715,000	1,192,806	2,907,806
FY29	1,790,000	1,099,675	2,889,675
FY30	1,860,000	1,007,425	2,867,425
FY31	1,935,000	913,538	2,848,538
FY32	2,015,000	817,863	2,832,863
FY33	2,105,000	718,113	2,823,113
FY34	2,190,000	625,669	2,815,669
FY35	2,295,000	540,688	2,835,688
FY36	2,410,000	449,000	2,859,000
FY37	2,530,000	350,200	2,880,200
FY38	2,660,000	246,400	2,906,400
FY39	2,355,000	146,100	2,501,100
FY40	2,475,000	49,500	2,524,500
	<u>\$ 38,475,000</u>	<u>\$ 15,665,514</u>	<u>\$ 54,140,514</u>

**Outstanding Debt Issues**

Series	Principal	Matures
2014R	2,515,000	FY25
2014	31,080,000	FY40
2021R	4,880,000	FY38
Total	<u>\$ 38,475,000</u>	



**SUGAR LAND DEVELOPMENT CORPORATION  
SUMMARY OF CAPITAL PROJECTS  
FISCAL YEAR 2023**

	<b>Project #</b>	<b>Project Title</b>	<b>FY23</b>	<b>Description</b>
<b>MUNICIPAL</b>	MU2301	Economic Development Suite Renovation	250,000	The project will create a space that is inviting and aligns with the City's brand to attract Fortune 500 companies and align with remote work strategies. Enhance team building and collaboration and increase staff productivity and increase recruitment and retention of top talent. The design will consist of a new work space, including finishes, ceilings, flooring, wall locations, lighting and possible furnishings.
		<b>Total</b>	<b>\$ 250,000</b>	

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

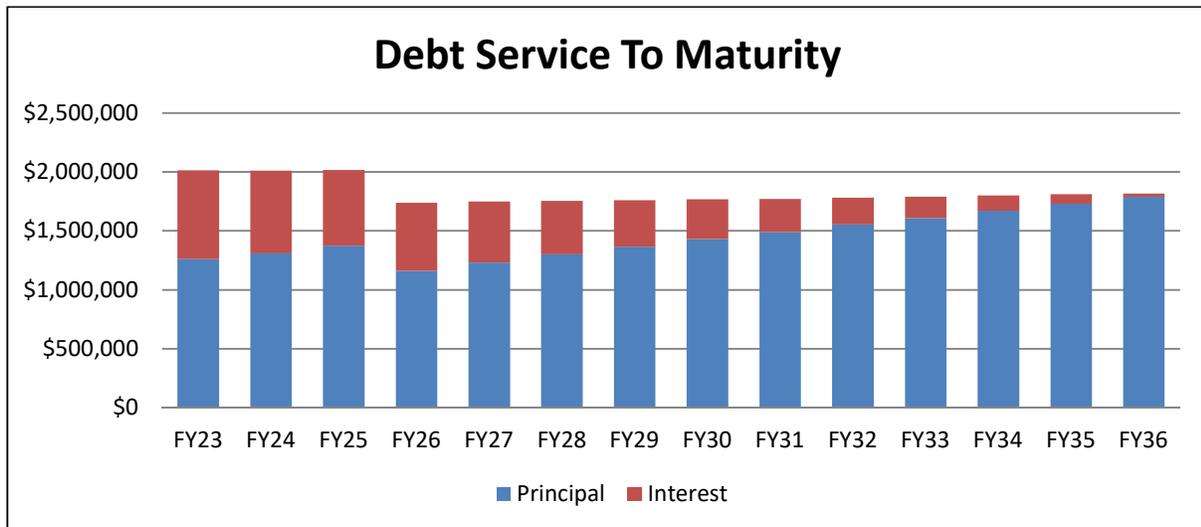
	FY21	FY22	FY22	FY23	FY23	FY23
	Actuals	Current Budget	Projections	Base Budget	Changes	Budget
<b>REVENUES</b>						
Sales Tax	\$ 7,029,877	\$ 7,701,513	\$ 7,701,513	\$ 7,216,353	\$ -	\$ 7,216,353
Interest Income	1,160	15,000	15,000	20,000	-	20,000
TIRZ#1	145,300	146,863	146,863	145,008	-	145,008
TIRZ#3	-	-	-	7,821,017	-	7,821,017
Miscellaneous	80,000	80,000	80,000	80,000	-	80,000
<b>Total Revenues</b>	<b>7,256,336</b>	<b>7,943,376</b>	<b>7,943,376</b>	<b>15,282,378</b>	<b>-</b>	<b>15,282,378</b>
<b>EXPENDITURES</b>						
Economic Development Program	594,831	779,893	779,893	569,870	-	569,870
Contractual Services	6,764	5,074	5,074	5,074	-	5,074
<b>Total Operating Expenditures</b>	<b>601,594</b>	<b>784,967</b>	<b>784,967</b>	<b>574,944</b>	<b>-</b>	<b>574,944</b>
Debt Service	3,020,625	2,645,700	2,645,700	2,012,900	-	2,012,900
Incentives	2,500,093	2,500,000	2,500,000	1,037,500	-	1,037,500
Bond Issuance & Disclosure	-	-	-	1,000	-	1,000
Reserve for Opportunities	-	1,262,304	1,262,304	3,000,000	-	3,000,000
Transfers to Capital Projects	2,170,000	1,000,000	1,000,000	875,000	-	875,000
Transfers to Other Funds	819,461	798,888	798,888	1,162,768	-	1,162,768
<b>Total Non-Operating Expenditures</b>	<b>8,510,179</b>	<b>8,206,892</b>	<b>8,206,892</b>	<b>8,089,168</b>	<b>-</b>	<b>8,089,168</b>
<b>Total Expenditures</b>	<b>9,111,773</b>	<b>8,991,859</b>	<b>8,991,859</b>	<b>8,664,112</b>	<b>-</b>	<b>8,664,112</b>
Revenues Over/(Under) Expenditures	(1,855,437)	(1,048,483)	(1,048,483)	6,618,266	-	6,618,266
Fund Balance - Beginning	10,415,398	8,559,961	8,559,961	7,511,478	-	7,511,478
Accrued Sales Tax	(1,011,327)	(1,228,941)	(1,228,941)	(1,228,941)	-	(1,228,941)
Debt Service Reserve	(2,441,009)	(2,441,010)	(2,441,010)	(2,015,925)	-	(2,015,925)
<b>Fund Balance - Ending</b>	<b>\$ 5,107,625</b>	<b>\$ 3,841,527</b>	<b>\$ 3,841,527</b>	<b>\$ 10,884,878</b>	<b>\$ -</b>	<b>\$ 10,884,878</b>
Minimum Fund Balance (15%)	\$ 1,054,482	\$ 981,836	\$ 981,836	\$ 1,082,453		\$ 1,082,453
Over/Under Policy	4,053,144	2,859,692	2,859,692	9,802,425		9,802,425
Bond Coverage Ratio (>1.25x)	2.66	2.92	3.83	3.59		3.59

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

	Principal	Interest	Total
FY23	1,260,000	752,900	2,012,900
FY24	1,310,000	701,500	2,011,500
FY25	1,375,000	640,925	2,015,925
FY26	1,160,000	577,550	1,737,550
FY27	1,230,000	517,800	1,747,800
FY28	1,300,000	454,550	1,754,550
FY29	1,365,000	394,750	1,759,750
FY30	1,430,000	338,850	1,768,850
FY31	1,490,000	280,450	1,770,450
FY32	1,555,000	227,325	1,782,325
FY33	1,610,000	179,850	1,789,850
FY34	1,670,000	130,650	1,800,650
FY35	1,730,000	79,650	1,809,650
FY36	1,790,000	26,850	1,816,850
<b>\$</b>	<b>20,275,000</b>	<b>\$ 5,303,600</b>	<b>\$ 25,578,600</b>

**Outstanding Debt Issues**

Series	Principal	Matures
2019	20,275,000	FY36
	<u>\$ 20,275,000</u>	



**SUGAR LAND 4B CORPORATION  
SUMMARY OF CAPITAL PROJECTS  
FISCAL YEAR 2023**

	<b>Project #</b>	<b>Project Title</b>	<b>FY23</b>	<b>Description</b>
<b>PARKS</b>	CPK2201	Joint Participation in CIP	200,000	Provide funds for joint participation in CIP projects between the City and citizen-based organizations that benefit the general public. Project takes advantage of partnering opportunities to enhance and preserve the quality of life for City residents.
<b>TRAFFIC</b>	CTR2201	Landscape Replacement for Major Roadway and Enhancement Projects	200,000	Reconstruction of landscape beds along major routes through Sugar Land to improve the streetscape treatments of areas directly adjacent to interstate and state highways. Routes will include US 59/I-69, US 90A, SH6, which are classified as Imperial and Highway 6 routes according to the Beautification Policy.
<b>PARKS</b>	PK2301	Skate Park Relocation & Pickleball Court @ City Park	225,000	Relocates skate park to Crown Festival Site, where a concrete skate pad and shade canopy will be added. Existing skate park ramps will be relocated. The City Park pavillion site will then be converted into 3 new pickleball courts.
<b>MUNICIPAL</b>	MU2301	Economic Development Suite Renovation	250,000	The project will create a space that is inviting and aligns with the City's brand to attract Fortune 500 companies and align with remote work strategies. Enhance team building and collaboration and increase staff productivity and increase recruitment and retention of top talent. The design will consist of a new work space, including finishes, ceilings, flooring, wall locations, lighting and possible furnishings.
		<b>Total</b>	<b>\$ 875,000</b>	

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

	FY21 Actuals	FY22 Current Budget	FY22 Projections	FY23 Base Budget	FY23 Changes	FY23 Budget
<b>REVENUES</b>						
Property Taxes	\$ 1,864,411	\$ 2,031,864	\$ 1,843,053	\$ 2,535,658	\$ -	\$ 2,535,658
Interest Income	42	100	500	500	-	500
<b>Total Revenues</b>	<b>1,864,453</b>	<b>2,031,964</b>	<b>1,843,553</b>	<b>2,536,158</b>	<b>-</b>	<b>2,536,158</b>
<b>EXPENDITURES</b>						
Insurance	1,803	1,896	2,000	2,000	-	2,000
Town Square POA Events	250,000	250,000	250,000	284,297	-	284,297
Contractual Services	128	130	130	130	-	130
Support Services Reimb	11,150	2,594	2,594	10,139	-	10,139
<b>Operating Expenditures</b>	<b>263,081</b>	<b>254,620</b>	<b>254,724</b>	<b>296,566</b>	<b>-</b>	<b>296,566</b>
Plaza Events - Transfer to General Fund	170,000	70,000	70,000	70,000	-	70,000
Assignment to SLDC/SL4B	1,520,300	1,646,863	1,446,863	2,145,008	-	2,145,008
<b>Non-Operating Expenditures</b>	<b>1,690,300</b>	<b>1,716,863</b>	<b>1,516,863</b>	<b>2,215,008</b>	<b>-</b>	<b>2,215,008</b>
<b>Total Expenditures</b>	<b>1,953,381</b>	<b>1,971,483</b>	<b>1,771,587</b>	<b>2,511,574</b>	<b>-</b>	<b>2,511,574</b>
Revenues Over/(Under) Expenditures	(88,928)	60,481	71,966	24,584	-	24,584
Fund Balance - Beginning	99,844	10,916	10,916	82,882	-	82,882
<b>Fund Balance - Ending</b>	<b>\$ 10,916</b>	<b>\$ 71,397</b>	<b>\$ 82,882</b>	<b>\$ 107,466</b>	<b>\$ -</b>	<b>\$ 107,466</b>

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

	FY21 Actuals	FY22 Current Budget	FY22 Projections	FY23 Base Budget	FY23 Changes	FY23 Budget
<b>REVENUES</b>						
Incremental Property Taxes - County	\$ 634,151	\$ 726,302	\$ 709,640	\$ 867,738	\$ -	\$ 867,738
Incremental Property Taxes - City	530,810	619,075	607,524	731,727	-	731,727
Interest Income	6	5	15	25	-	25
<b>Total Revenues</b>	<b>1,164,968</b>	<b>1,345,382</b>	<b>1,317,179</b>	<b>1,599,490</b>	<b>-</b>	<b>1,599,490</b>
<b>EXPENDITURES</b>						
Legal Services	14,387	20,436	19,872	46,064	-	46,064
Admin Services	2,285	6,472	6,472	5,865	-	5,865
Assignment to IRD- TIRZ Revenue Fund	1,147,481	1,318,474	1,290,836	1,567,500	-	1,567,500
<b>Total Expenditures</b>	<b>1,164,153</b>	<b>1,345,382</b>	<b>1,317,179</b>	<b>1,619,429</b>	<b>-</b>	<b>1,619,429</b>
Revenues Over/(Under) Expenditures	815	-	-	(19,939)	-	(19,939)
Fund Balance - Beginning	19,124	19,939	19,939	19,939	-	19,939
<b>Fund Balance - Ending</b>	<b>\$ 19,939</b>	<b>\$ 19,939</b>	<b>\$ 19,939</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

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

	FY21 Actuals	FY22 Current Budget	FY22 Projections	FY23 Base Budget	FY23 Changes	FY23 Budget
<b>REVENUES</b>						
Incremental Property Taxes- City	\$ 391,592	\$ 411,111	\$ 383,146	\$ 512,237	\$ -	\$ 512,237
Incremental Property Taxes- FB County	373,620	415,227	366,663	540,026	-	540,026
Incremental Property Taxes- FB MUD 138	242,082	297,339	297,339	306,143	-	306,143
Incremental Property Taxes- FB MUD 139	53,706	92,832	92,818	75,373	-	75,373
Interest Income	2,121	15,000	5,000	7,500	-	7,500
<b>Total Revenues</b>	<b>1,063,121</b>	<b>1,231,509</b>	<b>1,144,966</b>	<b>1,441,279</b>	<b>-</b>	<b>1,441,279</b>
<b>EXPENDITURES</b>						
Support Services	-	50,000	12,441	50,000	-	50,000
Support Services- Admin Support	11,528	205,241	192,800	12,661	-	12,661
<b>Total Expenditures</b>	<b>11,528</b>	<b>255,241</b>	<b>205,241</b>	<b>62,661</b>	<b>-</b>	<b>62,661</b>
Revenues Over/(Under) Expenditures	1,051,593	976,268	939,725	1,378,618	-	1,378,618
Fund Balance - Beginning	4,040,758	5,092,350	5,092,350	6,032,075	-	6,032,075
<b>Fund Balance - Ending</b>	<b>\$ 5,092,350</b>	<b>\$ 6,068,618</b>	<b>\$ 6,032,075</b>	<b>\$ 7,410,693</b>	<b>\$ -</b>	<b>\$ 7,410,693</b>

# Five-Year Forecast

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The City's Financial Management Policy Statements (FMPS) specify that a long-range forecast is to be prepared annually for the City's major operating funds. This forecast is based on the guidelines provided by the policy statements; reasonable assumptions can be made regarding future actions based on these policies, which provides a more meaningful forecast to elected officials as they provide direction to City management. The forecast provides management a fiscally constrained plan that funds the operations of the City and the Five-Year CIP requirements under a set of assumptions. This year, those assumptions include attempting to capture the rising cost of goods in a high inflationary environment. Looking at a long range forecast provides an opportunity to look into the future and advise elected officials regarding anticipated events and strategies to handle the financial implications of decisions. Long range modeling has been extremely important in guiding the financial recommendations in the FY23 budget as it requires addressing a rising need for recurring funding capacity, with either replacement revenues or decreases in expenditures.

The forecast outcome is highly dependent on several key assumptions that are based on information available at the time of preparation. This forecast is based on information available through mid-July 2022. A change in one or more of the assumptions used in forecasting can significantly alter the outcome of the forecast, which could have a tremendous impact on the City's tax rate and capacity for future needs. Based on these assumptions, the forecast shows the following:

- With a shift from debt service to operations, the tax rate can support both budgeted operating and debt service needs.
- Maintain General Fund dependence on sales tax to fund operations below 45%.
- Fund the next set of projects out of the \$90.76 million in voter approved GO bonds in FY23 with remaining projects funded through FY25 with a 1 cent shift from the M&O Rate to the Debt Service rate, with approximately the remaining 0.6 cent increase in FY24.
- Fund operating needs and construction requirements to meet the mandated 60% groundwater reduction mandate from the Fort Bend Subsidence District in 2027.
- Increases are needed in Utility rates over several years as recommended in the Utility Rate Study to:
  - Support enterprise fund capital projects and implementation of the Integrated Water Resources Plan.
  - Prepare the City to meet the 60% groundwater reduction mandate by 2027.
- Set aside funds for continued economic development efforts through Reserves for Opportunities.

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

## Forecast Assumptions

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

### Revenues

#### Property Taxes

Fiscal Year 2023 property taxes are budgeted at \$62.1 million with \$35.9 million going to operations and maintenance in the General Fund and \$26.2 million for the Debt Service Fund. General Fund tax revenues assumed to grow 3.5% in FY24-27. No growth is assumed in Debt Service tax revenues outside of the tax rate increase to support the 2019

voter approved GO bonds. Revenues assume the tax rate for FY23 to remain flat at 0.3465 with a \$0.01 shift from the M&O rate to the Debt Service rate to advance remaining drainage and public safety projects and the remaining 0.60 cents in FY24.

### Sales Tax

To balance both conservatism and flexibility in funding potential with this revenue stream, the forecast was developed following Financial Management Policy (FMPS) of estimating projected recurring revenue from the current year. FY24 is grown from the FY23 budget at 3%, which follows FMPS of forecasting based on the lesser of CPI or 3%. FY25-27 follows FMPS direction of 3% annual recurring increases when CPI for the current year is positive.

### Interest Earnings

Interest earnings for each fund are estimated based on available fund balances and the current rate of return trend. Interest earnings are assumed conservatively based on the current interest rate environment- which has begun to offer higher rates on investments.

### Self - Supporting Debt Service Requirements

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

The Utility Fund transfers to the Debt Service Fund an amount equal to 100% of the annual debt service requirement for water/wastewater debt assumed from annexed and dissolved MUDs. All MUD debt will be paid off by FY26, and the transfer for debt service declines as the debt service requirement declines.

Enclave at River Park PID fund transfers to the Debt Service Fund to support Certificates of Obligation issued in 2019 for a developer reimbursement for street & drainage infrastructure. The transfer is funded from assessments levied on homeowners within the PID.

Transfer from	FY23	FY24	FY25	FY26	FY27
<b>Tourism Fund</b>	\$ 1,344,078	\$ 1,338,225	\$ 1,344,281	\$ 1,008,025	\$ 652,356
<b>Utility Fund- MUD Debt</b>	4,228,005	3,984,695	3,567,094	1,244,739	-
<b>Enclave at River Park PID</b>	105,788	102,288	98,788	95,288	91,788

### Issuance of New Debt

The forecast builds in debt service payments based on the timing of each anticipated issuance of debt. Debt payments are budgeted beginning in the year of issuance and are built based on a twenty-year maturity schedule, with at least 50% of principal paid off in the first 10 years, consistent with Financial Management Policy Statement direction.

Debt Type	FY23	FY24	FY25	FY26	FY27	Total
<b>GO Bonds</b>	\$ 31,670,000	\$ 11,000,000	\$ 6,350,000	\$ -	\$ -	<b>\$49,020,000</b>
<b>TWDB CO’s</b>	28,860,000	-	-	-	-	<b>28,860,000</b>
<b>Airport CO’s</b>	2,353,646	-	10,000,000	-	-	<b>12,353,646</b>
<b>Utility Revenue Bonds</b>	16,504,000	16,708,000	10,260,000	17,337,000	74,069,000	<b>134,878,000</b>
<b>Total by Year</b>	<b>\$79,387,646</b>	<b>\$27,708,000</b>	<b>\$26,610,000</b>	<b>\$17,337,000</b>	<b>\$74,069,000</b>	<b>\$225,111,646</b>

GO bonds approved by voters in November 2019 will fund remaining approved projects through 2025. Through FY22 the City has issued \$41.74M of the \$90.76M approved. A 30-year zero interest loan from the Texas Water Development Board funds \$27.5 million for the Oyster Creek Diversion Channel project. This loan will close in September 2022 but is

shown above based on project appropriation. An additional \$1.36M in CO funding is included to supplement the \$3M Covington Woods Drainage Improvements which is being submitted to the TWDB for another zero-interest loan.

### Utility Charges for Services

Revenues in the Utility System Fund are based on the modeled average billed water consumption, based on normal year’s rainfall and groundwater usage from GRP participants. There is minimal growth in water consumption due to development. Revenue increases are built into the forecast based on the Utility Rate Study completed in FY21 to be able to manage the operations and financial sustainability of the fund and implement capital projects to meet the mandated 60% groundwater reduction by 2027. The forecast includes an approximate \$7/month increases in FY23 based on updates to the utility rate model, with maintenance increases in FY24-27 based on 3% growth in CPI.

### Airport Fuel Sales

Fuel sales are built into the forecast based on estimated fuel prices and mark up. Volume of fuel is estimated to grow 1% from the current fiscal year’s actuals and grow 1% each year for the remainder of the forecast. Total sales include Jet-A and AvGas.

Fuel Sales	FY23	FY24	FY25	FY26	FY27
Millions of Gallons	4.086	4.127	4.168	4.210	4.252

## Expenditures

### Operating Expenditures

Personnel costs increase by 3% in FY22 and 3% annually thereafter. Operations and maintenance costs grow by an average of 2% per year for the Utility Fund, 1% per year for the General Fund and 1.5% for the Airport Fund.

### Property Tax Rebates

The City makes rebates to in-city MUDs based on 50% of the City’s property tax revenue from within each district based on utility agreements and development agreements. The rebates must be utilized by the districts to reduce their tax rates. Rebates are grown consistent with property tax revenue in the forecast: 3.5% for the General Fund in FY23 with corresponding increase in the Debt Service fund based on the tax rate increases needed to support the voter approved GO bond projects in FY22-24.

## Forecast Analysis

### General Fund

The General Fund encompasses the majority of the City’s services. Resources to the fund are generated through property and sales taxes, franchise fees, fines, charges for services and miscellaneous income. Expenditures from the fund support municipal services such as Public Safety, Parks, Finance, Planning & Development, Environmental & Neighborhood Services and Public Works. Reductions to Fleet & High Tech replacement contributions that were made in FY21 were planned to be reinstated over a five-year period from FY22-26.

Additional recurring expenditures are limited in the out - years based on the structural balance. The current forecast also requires \$2M in new revenue by FY25 and will be part of additional conversation with City Council about priorities and service levels in the Spring.

Overall, the General Fund is in a stable financial position throughout the forecast. With conservative revenue estimates and controlled expenditures, the City generally ends each fiscal year better than anticipated and will easily be able to stay above the policy requirement.

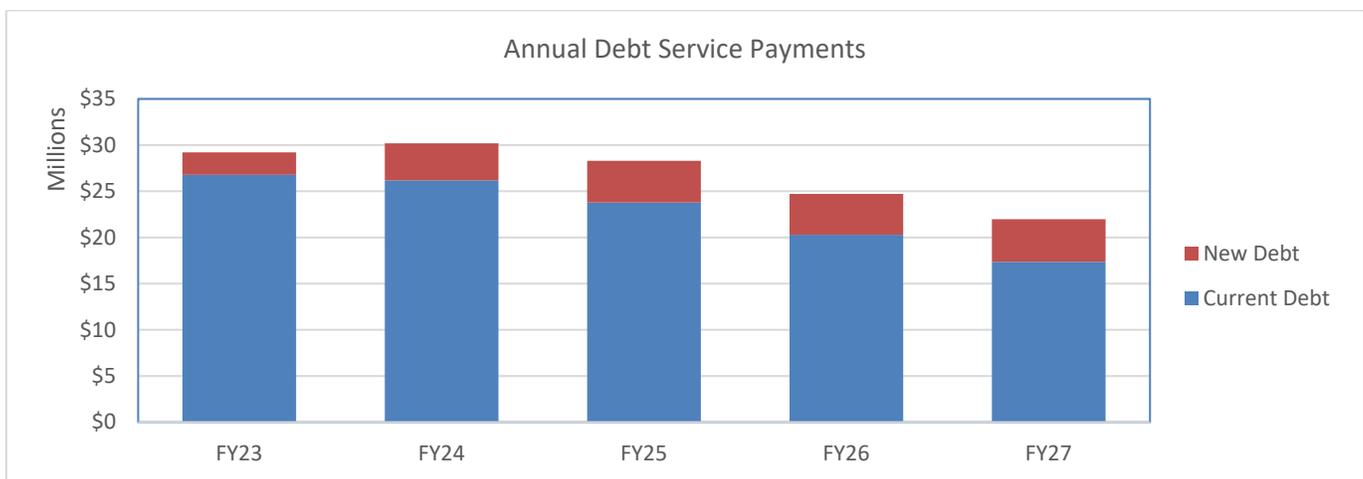
## Debt Service Funds

The City has two debt service funds, a tax-exempt Debt Service Fund for the repayment of tax-exempt debt for Certificates of Obligation and General Obligation Bonds, and a taxable Debt Service Fund established for the repayment of taxable Certificates of Obligation issued for the Smart Financial Centre at Sugar Land.

### Debt Service Fund

The Debt Service Fund maintains the policy requirements throughout the five-year forecast. Transfers in from other funds are shown in accordance with the debt schedules that are supported by those revenue streams. Based on the assumptions described the fund can support debt service payments on outstanding debt issues plus the planned issuance of GO's in FY23-25 with additional debt capacity opening up in FY26 from declining debt service requirements. The forecast assumes continued implementation of the three-cent tax increase in the Debt Service rate that is needed to support \$90.76 million in voter approved GO bonds from FY23-24 to fund projects from FY23-25.

The chart shows annual debt service requirements for existing and anticipated bond issues:



### Debt Service Fund – Taxable Debt

This fund records the taxable debt issued for the Smart Financial Centre at Sugar Land. Property tax is not used to cover the debt service payment. Lease payments are made monthly according to the terms of the thirty-year lease. Until a four-year debt service reserve is fully funded with cash, a letter of credit has been secured by ACE Sugar Land, LLC to cover their obligations for the reserve.

## Utility System Fund

The Utility System Fund is an enterprise fund providing for the administration, billing and collection activities, and operation and maintenance of the City's water, surface water and wastewater system. Ground Water Reduction Program (GRP) Participants pay a fee per thousand gallons of groundwater pumped. GRP Participants in the City include Tara Plantation, Royal Lake Estates, private well owners, homeowner associations, and Texas Department of Corrections within the City limits. Participants outside of the City limits pay a 20% out-of-City service charge on GRP fees.

Services are financed primarily through utility user fees. Strategies used in the generation of the Utility financial plan are aimed to ensure the fund is self-supporting and that capital improvement funding is adequate to maintain or expand the City's infrastructure. Based on the forecast, the fund meets all reserve and bond coverage requirements, increasing previously low bond coverage ratios through the recommended rate increases and building cash reserves that can be used to reduce the amount of debt issuance necessary to fund future capital projects.

Users of the utility system generate revenues through service charges to support operations of the water, wastewater and surface water systems, along with all related debt service payments, infrastructure rehabilitation and operating transfers. Revenues are dependent on the number of users in the system as well as weather experienced during the year. The forecast comes from the utility rate model and is based on consumption during an average rainfall year; however, annual variation from average rainfall can have a significant impact on water demand and subsequent revenues. Rate increases are assumed throughout the forecast to support debt service and operating expenses for the system and maintain adequate reserves and bond coverage ratios. Rates need to be increased in advance of capital projects to build up operating revenue available for debt service in advance of bond issues. With significant capital investment necessary in the utility system, implementation of these rate increases are critical for the financial health of the system.

Revenue bonds for the forecast total \$134.88 million that are planned to be issued for capital improvement projects in support of the Integrated Water Resources Plan and preparation of meeting the mandated 60% reduction in groundwater usage by 2025. The debt service reserve grows from \$20.53 million in FY23 to \$29.18 million in FY27 based on planned debt issuance and reserve requirements.

The fund is expected to build up cash reserves and increase bond coverage ratios throughout the forecast. By the end of FY26 a significant cash reserve is built up, which is planned to be used to fund a portion of capital projects with cash to meet the groundwater reduction mandate. The additional cash is necessary to meet the increase in bond coverage requirements ahead of the \$74.1 million bond issue planned for FY27.

#### **Airport Fund**

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

Total revenues for the Airport are expected to increase over the next five years. Current fuel sales have exceeded FY19 levels and are estimated to grow conservatively over the forecast. Additionally, hangar leases and other revenues will continue to grow throughout the forecast.

Fuel for resale expenditures are projected to be consistent with the volume of Fuel Sales. Expenditures are projected to increase in the forecast at an average of 1.5% over the five-year period, excluding fuel expenditures and credit card fees, which have offsetting revenues. FY23-27 capital projects for the Airport are planned to be financed through Certificates of Obligation that will be serviced by the Airport Fund.

#### **Tourism Fund**

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

Hotel occupancy tax revenues are projected to increase by 29% in FY22 from anticipated revenue, as hotels have seen a significant recovery post-pandemic. FY23 hotel occupancy revenue is estimated to increase by 8% from FY22 projections. The City has pledged hotel tax revenues to the Debt Service Fund to pay for the debt service on the Conference Center and in support of debt issued for the Smart Financial Centre and TIRZ #4 plaza. This arrangement confirms the City's commitment to the principle that hotel taxes should pay for the debt and not property taxes.

Expenditures in the fund are used to finance marketing and destination development for the City, according to limits imposed by state statutes. Over the forecast period, an estimated \$1.9 million will be spent on tourism programs and marketing and \$1.4 million on the visitor center.

The fund will transfer \$5.7 million to the Debt Service Fund to support existing debt service payments for the Conference Center and Smart Financial Centre at Sugar Land. The fund is anticipated to exceed the fund balance policy requirement throughout the forecast.

### Five-Year Capital Improvement Program

The City's Five-Year CIP totals \$296.96 million for FY23-FY27. The Five Year CIP has been prepared based on available funding and includes \$49 million for the remaining voter approved GO bond projects.

Funding for CIP projects are derived from various sources including utility revenue bonds, general obligation bonds, economic development sales taxes, airport revenues, and donations. Major projects in the Five-Year CIP include drainage, municipal, streets, traffic, water, wastewater and surface water. A summary by project type and the funding totals are shown below.

PROJECT TYPE	2023-2027 TOTAL	SOURCE OF FUNDS	2023-2027 TOTAL
Airport	\$12,353,646	Certificates of Obligation	\$28,860,000
Drainage	42,580,000	CO's / Airport	12,353,646
Municipal	32,650,000	GO Bonds	49,020,00
Parks	6,878,000	Revenue Bonds	134,878,000
Streets	21,120,000	SLDC	250,000
Surface Water	91,146,000	SL4B	2,475,000
Traffic	1,300,000	System Revenues	10,000,000
Wastewater	49,573,000	Other Funds	39,123,000
Water	39,359,000	CIP Fund Balance	20,000,000
<b>TOTAL</b>	<b>\$ 296,959,646</b>	<b>TOTAL</b>	<b>\$ 296,959,646</b>

If a CIP project has an operations and maintenance impact, that cost must be considered along with the project cost. Once the O&M impact has been identified, the annual cost is calculated and built into the respective operating fund's five-year forecast to give policy makers an idea of the financial impact of the CIP project.

### Sugar Land Development Corporation (SLDC)

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

Expenditures over the forecast total \$49.3 million. Expenditures include staffing reimbursement to the City, support service contracts, and the economic development program for marketing and business recruitment. The Corporation has an average annual debt service of approximately \$3.5 million each year. The forecast allocates \$1.7 million annually for direct incentives. A total of \$15 million has been identified as Reserve for Opportunities funding in the five-year forecast.

The fund is able to maintain a fund balance in excess of the 15% of budgeted sales tax policy requirement for the duration of the forecast.

### Sugar Land 4B Corporation (SL4B)

The SL4B is financed by a quarter cent sales tax authorized by voters in 1995. Uses of 4B funds are restricted by law, but are less restricted than the use of SLDC funds. Sales tax is the primary revenue source for the Corporation, along with an assignment of revenues from TIRZ #1 toward repayment of debt issued for the Texas Garage in Sugar Land Town Square. The TIRZ#1 supports 53% of debt service on the garage spaces, which is the prorated balance after the 2009 payment from Planned Community Developers is applied to outstanding principal. This debt pays off in 2025.

A performance agreement with First Colony Mall Lifestyle Center is budgeted annually. The forecast also includes the stadium enhancement incentives as part of the Houston Astros Triple-A Agreement totaling \$5M. In the forecast the SL4B contributes \$2.48 million for capital improvements, including Joint Participation in CIP, landscape replacement for major roadway and enhancement projects, the relocation of the skate park at City Park, and a renovation to the Economic Development Department suite. The Corporation has one outstanding debt issue that matures in 2036 and reflects savings from the 2019 refunding. Debt service payments decrease from \$2.01M in FY23 to \$1.75M in FY27. A total of \$15 million is available for Reserve for Opportunities funding in the five-year forecast. This fund helps support additional economic development staff while staff is dedicated to business recovery efforts.

SL4B meets its reserve and bond coverage requirements and is able to maintain a fund balance in excess of the 15% of budgeted sales tax receipts policy requirement during the forecast.

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

	FY22 Projections	FY23 Budget	FY24 Forecast	FY25 Forecast	FY26 Forecast	FY27 Forecast
<b>REVENUES</b>						
Property Taxes	\$ 33,805,166	\$ 35,913,695	\$ 37,169,067	\$ 38,435,902	\$ 39,699,617	\$ 41,616,944
Sales Tax	46,209,078	43,298,121	44,597,065	45,934,977	47,313,026	48,732,417
Other Taxes	6,144,476	6,132,509	6,295,000	6,465,000	6,639,000	6,818,000
Licenses & Permits	3,374,035	3,373,980	3,457,000	3,540,000	3,625,000	3,711,000
Charges for Services	4,314,688	4,314,688	4,695,000	6,776,000	6,860,000	6,945,000
Fines & Forfeitures	1,178,901	1,279,520	1,318,000	1,356,000	1,396,000	1,438,000
Other	829,730	786,000	809,000	833,000	858,000	884,000
Intergovernmental	2,933,205	1,237,477	1,086,700	1,112,700	1,139,700	1,167,220
Interest Income	91,591	150,000	300,000	350,000	400,000	450,000
Operating Revenues	98,880,870	96,485,990	99,726,831	104,803,578	107,930,342	111,762,580
Transfers In	7,012,862	7,324,399	6,684,000	6,876,000	7,073,000	7,276,190
Non-operating Revenues	7,012,862	7,324,399	6,684,000	6,876,000	7,073,000	7,276,190
Total Revenues	105,893,732	103,810,389	106,410,831	111,679,578	115,003,342	119,038,770
<b>EXPENDITURES</b>						
General Government	19,430,799	19,872,179	18,347,000	18,798,000	19,308,000	19,832,000
Finance	4,590,809	4,830,932	4,951,000	5,073,000	5,211,000	5,352,000
Public Works	14,109,792	12,063,106	12,305,000	12,590,000	12,934,000	13,287,000
Parks & Recreation	5,608,229	5,822,089	5,687,000	5,826,000	5,982,000	6,143,000
Community Development	6,323,056	6,535,153	6,255,000	6,407,000	6,580,000	5,756,456
Environmental & Neighborhood SVC	8,306,938	7,397,328	7,061,000	7,233,000	7,428,000	7,630,000
Police Department	23,484,475	23,838,568	24,065,000	24,664,000	25,338,000	26,032,000
Public Safety Dispatch	3,007,139	3,338,497	3,422,000	3,507,000	3,603,000	3,702,000
Fire Department	18,324,348	19,023,316	20,892,824	21,414,000	22,001,000	22,605,000
Departmental Expenditures	103,185,584	102,721,169	102,985,824	105,512,000	108,385,000	110,339,456
Transfers to Other Funds	2,243,268	2,151,634	2,209,555	2,567,656	2,927,884	2,959,540
Miscellaneous	1,947,895	2,083,593	227,015	198,536	168,692	137,442
Rebates & Assignments	2,773,495	2,630,065	2,790,141	2,960,031	3,136,671	3,320,293
Non-departmental Expenditures	6,964,658	6,865,292	5,226,712	5,726,222	6,233,246	6,417,275
Total Expenditures	110,150,242	109,586,461	108,212,536	111,238,222	114,618,246	116,756,731
Revenues Over/(Under) Expenditures	(4,256,510)	(5,776,072)	(1,801,705)	441,356	385,096	2,282,039
Fund Balance - Beginning	48,989,567	44,733,057	38,956,986	37,155,281	37,596,637	37,981,733
Accrued Sales/Franchise Taxes	(7,776,553)	(7,776,553)	(7,776,553)	(7,776,553)	(7,776,553)	(7,776,553)
Fund Balance - Ending	\$ 36,956,504	\$ 31,180,432	\$ 29,378,728	\$ 29,820,084	\$ 30,205,180	\$ 32,487,220
Ending Fund Balance- % of Oper Exp	39%	33%	30%	30%	30%	31%
Fund Balance - Requirement	\$ 23,452,916	\$ 23,750,649	\$ 24,297,864	\$ 24,888,933	\$ 25,557,798	\$ 25,995,511
Over / (Under) Policy	13,503,588	7,429,783	5,080,864	4,931,151	4,647,382	6,491,708

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

	FY22 Projections	FY23 Budget	FY24 Forecast	FY25 Forecast	FY26 Forecast	FY27 Forecast
<b>REVENUES</b>						
Current Property Tax	\$ 22,133,792	\$ 26,196,699	\$ 25,353,465	\$ 24,295,127	\$ 23,238,288	\$ 22,575,879
Delinquent Property Taxes	60,083	65,492	63,384	60,738	58,096	58,096
Interest on Investments	21,464	50,000	75,000	75,000	75,000	75,000
Miscellaneous	30	-	-	-	-	-
<b>Total Operating Revenues</b>	<b>22,215,369</b>	<b>26,312,191</b>	<b>25,491,849</b>	<b>24,430,865</b>	<b>23,371,384</b>	<b>22,708,975</b>
<b>Total Transfers In</b>	<b>5,737,014</b>	<b>5,677,871</b>	<b>1,446,502</b>	<b>1,450,962</b>	<b>1,452,513</b>	<b>744,144</b>
<b>Total Revenues</b>	<b>27,952,383</b>	<b>31,990,062</b>	<b>30,923,045</b>	<b>29,448,920</b>	<b>26,068,635</b>	<b>23,453,118</b>
<b>EXPENDITURES</b>						
Current Outstanding & New Debt Issuance Costs/Fiscal Fees/Other	25,343,587	29,219,004	30,196,235	28,303,787	24,708,291	21,977,535
<b>Total Debt Service</b>	<b>25,386,087</b>	<b>29,261,504</b>	<b>30,238,735</b>	<b>28,346,287</b>	<b>24,750,791</b>	<b>22,020,035</b>
Rebates & Assignments	1,814,726	1,930,611	1,988,484	1,955,090	2,003,967	2,006,635
Transfers to Other Funds	141,195	139,554	135,370	137,573	139,821	142,114
<b>Total Non-Operating Expenditures</b>	<b>1,955,921</b>	<b>2,070,165</b>	<b>2,123,854</b>	<b>2,092,663</b>	<b>2,143,788</b>	<b>2,148,748</b>
<b>Total Expenditures</b>	<b>27,342,008</b>	<b>31,331,669</b>	<b>32,362,589</b>	<b>30,438,950</b>	<b>26,894,579</b>	<b>24,168,783</b>
<b>CHANGE IN FUND BALANCE</b>	<b>610,375</b>	<b>658,393</b>	<b>(1,439,544)</b>	<b>(990,029)</b>	<b>(825,944)</b>	<b>(715,665)</b>
<b>FUND BALANCE - BEGINNING</b>	<b>6,111,798</b>	<b>6,722,173</b>	<b>7,380,566</b>	<b>5,941,022</b>	<b>4,950,993</b>	<b>4,125,049</b>
<b>FUND BALANCE - ENDING</b>	<b>\$ 6,722,173</b>	<b>\$ 7,380,566</b>	<b>\$ 5,941,022</b>	<b>\$ 4,950,993</b>	<b>\$ 4,125,049</b>	<b>\$ 3,409,383</b>
Policy Requirement	\$ 2,534,359	\$ 2,921,900	\$ 3,019,624	\$ 2,830,379	\$ 2,470,829	\$ 2,197,754
Over/(Under) Policy	4,187,814	4,458,666	2,921,399	2,120,614	1,654,220	1,211,630
Policy Requirement	10%	10%	10%	10%	10%	10%

**CITY OF SUGAR LAND  
DEBT SERVICE FUND - TAXABLE CO'S  
FIVE-YEAR FINANCIAL FORECAST**

	FY22 Projections	FY23 Budget	FY24 Forecast	FY25 Forecast	FY26 Forecast	FY27 Forecast
<b>REVENUES</b>						
Rent	\$ 2,005,123	\$ 2,000,748	\$ 2,000,936	\$ 2,000,248	\$ 2,003,807	\$ 2,002,651
Interest Income	500	750	1,000	1,000	1,000	1,000
<b>Total Revenues</b>	<b>2,005,623</b>	<b>2,001,498</b>	<b>2,001,936</b>	<b>2,001,248</b>	<b>2,004,807</b>	<b>2,003,651</b>
<b>EXPENDITURES</b>						
Current Outstanding & New Debt	1,591,099	1,592,599	1,588,199	1,587,899	1,589,530	1,592,768
Fiscal Fees/Other	750	750	750	750	750	750
<b>Total Expenditures</b>	<b>1,591,849</b>	<b>1,593,349</b>	<b>1,588,949</b>	<b>1,588,649</b>	<b>1,590,280</b>	<b>1,593,518</b>
Change in Fund Balance	413,774	408,149	412,987	412,599	414,527	410,133
Fund Balance - Beginning	876,279	1,290,053	1,698,202	2,111,189	2,523,789	2,938,316
<b>Fund Balance - Ending</b>	<b>\$1,290,053</b>	<b>\$ 1,698,202</b>	<b>\$ 2,111,189</b>	<b>\$ 2,523,789</b>	<b>\$ 2,938,316</b>	<b>\$ 3,348,448</b>

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

	FY22 Projections	FY23 Budget	FY24 Forecast	FY25 Forecast	FY26 Forecast	FY27 Forecast
<b>REVENUES</b>						
Charges for Services	\$ 39,106,859	\$ 44,019,249	\$ 45,301,771	\$ 46,117,427	\$ 46,982,538	\$ 47,834,205
Surface Water Fees	20,954,054	23,952,503	25,141,206	25,939,603	26,740,443	27,599,238
Tap Fees	38,080	106,620	106,620	106,620	106,620	106,620
Interest Income	135,000	186,294	175,575	226,262	280,096	332,022
Miscellaneous	2,108,292	741,950	742,854	743,774	744,721	495,695
Operating Revenues	62,342,285	69,006,616	71,468,026	73,133,686	74,854,418	76,367,780
Bond Proceeds	23,899,400	16,504,000	16,708,000	10,260,000	17,337,000	74,069,000
Transfers In - PID	42,081	41,181	35,281	33,531	32,281	31,031
Transfers In - Connection Fees	868,019	868,019	868,019	868,019	868,019	868,019
Non-operating Revenues	24,809,500	17,413,200	17,611,300	11,161,550	18,237,300	74,968,050
Total Revenues	87,151,785	86,419,816	89,079,326	84,295,236	93,091,718	151,335,830
<b>EXPENDITURES</b>						
Utility Administration	1,085,674	1,211,685	1,013,285	886,442	908,721	931,625
Water Distribution	2,860,602	3,621,114	2,946,163	3,000,243	3,055,602	3,112,275
Water Production	3,493,505	3,675,709	3,727,322	3,779,897	3,833,457	3,888,025
Wastewater Collection	1,505,098	1,703,983	1,598,547	1,632,309	1,666,943	1,702,472
Wastewater Treatment	6,580,914	7,214,372	7,526,282	7,613,664	7,702,283	7,792,164
Customer Service	1,846,513	1,692,137	1,726,117	1,760,949	1,796,657	1,833,265
Water Quality	722,585	1,068,931	896,918	918,977	941,648	964,951
Water Conservation	471,765	401,929	306,986	312,156	317,440	322,842
Treasury	1,843,337	2,027,097	2,065,190	2,104,198	2,144,147	2,185,062
Surface Water	7,780,181	9,248,136	10,063,231	10,522,014	10,791,315	11,029,173
Additional O&M Associated with CIP	-	-	26,160	26,160	26,160	26,160
Total Operating Expenditures	28,190,174	31,865,094	31,896,202	32,557,009	33,184,373	33,788,014
Debt Service	19,403,354	20,528,625	21,661,278	22,421,944	23,734,240	29,184,377
Issuance Costs	477,988	247,560	250,620	153,900	260,055	1,111,035
Transfers Out	9,263,725	9,367,640	9,174,120	8,808,413	6,538,471	5,346,670
Miscellaneous	489,586	308,589	491,989	491,989	491,989	491,989
Contingency	538,875	538,875	538,875	538,875	538,875	538,875
CIP Transfers	25,899,400	18,504,000	18,708,000	12,260,000	19,337,000	76,069,000
Total Non-Operating Expenditures	56,072,928	49,495,289	50,824,882	44,675,121	50,900,630	112,741,946
Total Expenditures	84,263,102	81,360,383	82,721,084	77,232,130	84,085,003	146,529,960
Revenues Over/(Under) Expenditures	2,888,683	5,059,433	6,358,243	7,063,105	9,006,715	4,805,870
Fund Balance - Beginning	21,555,629	24,444,312	29,503,746	35,861,988	42,925,093	51,931,808
Capital Spending from Reserve Funds						(20,000,000)
Reserve - Debt Service	(7,462,777)	(9,885,244)	(11,095,441)	(12,305,638)	(13,515,836)	(15,054,258)
Fund Balance - Ending	\$ 16,981,535	\$ 19,618,502	\$ 24,766,547	\$ 30,619,455	\$ 38,415,972	\$ 21,683,420
Bond Coverage	1.76	1.81	1.83	1.81	1.76	1.46
Target	1.25	1.25	1.25	1.25	1.25	1.25
Operating Reserves	60%	62%	78%	94%	116%	64%
Target	25%	25%	25%	25%	25%	25%

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

	FY22 Projections	FY23 Budget	FY24 Forecast	FY25 Forecast	FY26 Forecast	FY27 Forecast
<b>REVENUES</b>						
Fuel Sales	\$ 23,510,293	\$ 28,788,294	\$ 29,076,177	\$ 29,366,939	\$ 29,660,608	\$ 29,957,214
Hangar Leases	1,775,755	1,753,956	1,775,000	1,795,000	1,816,000	1,837,000
Charges for Services	633,665	984,900	995,000	1,005,000	1,015,000	1,025,000
Interest Income	10,000	15,000	15,000	15,000	15,000	15,000
Other Revenues	443,548	440,000	444,000	448,000	452,000	457,000
Miscellaneous	418,517	200,000	200,000	200,000	200,000	200,000
Operating Revenues	26,791,778	32,182,150	32,505,177	32,829,939	33,158,608	33,491,214
Bond Proceeds	4,120,000	2,373,646	-	10,200,000	-	-
Grant Proceeds	198,000	50,000	50,000	50,000	50,000	50,000
Transfer from Other Funds	321,308	323,000	328,460	334,029	339,709	345,504
Non-Operating Revenues	4,639,308	2,746,646	378,460	10,584,029	389,709	395,504
Total Revenues	31,431,086	34,928,796	32,883,637	43,413,968	33,548,317	33,886,718
<b>EXPENDITURES</b>						
Airport Administration	1,128,986	1,119,872	1,136,670	1,153,720	1,171,026	1,188,591
Airfield Operations	307,376	369,486	324,278	329,143	334,080	339,091
FBO Services	19,133,344	24,274,748	24,531,260	24,790,545	25,052,632	25,317,552
Café Select	270,512	278,965	283,149	287,397	291,708	296,083
Maintenance and Operations	1,282,595	1,199,299	1,167,046	1,184,552	1,202,320	1,220,355
U.S. Customs	367,219	351,760	357,036	362,392	367,828	373,345
Total Operating Expenditures	22,490,033	27,594,130	27,799,441	28,107,748	28,419,593	28,735,018
Operating Transfers Out	1,284,208	1,290,162	1,326,581	1,363,581	1,401,581	1,440,581
Transfers Out - Bond CIP	4,000,000	2,353,646	-	10,000,000	-	-
Debt Service	1,349,016	1,601,148	1,902,930	2,280,621	2,201,833	2,170,644
Miscellaneous	364,860	295,326	235,326	435,326	235,326	235,326
Total Non-Operating Expenditures	6,998,084	5,540,282	3,464,837	14,079,528	3,838,740	3,846,551
Total Expenditures	29,488,117	33,134,412	31,264,278	42,187,276	32,258,333	32,581,569
Revenues Over/(Under) Expenditures	1,942,969	1,794,384	1,619,359	1,226,692	1,289,984	1,305,149
Fund Balance - Beginning	5,113,670	7,056,639	8,851,024	10,470,382	11,697,074	12,987,059
Debt Service Reserve	(806,684)	(1,979,526)	(1,979,526)	(1,978,373)	(1,956,134)	(1,903,508)
Fund Balance - Ending	6,249,955	\$ 6,871,498	\$ 8,490,857	\$ 9,718,702	\$ 11,030,924	\$ 12,388,700
CASH EQ. RESERVE RATIO (25% min)	110%	115%	140%	158%	177%	195%
BOND COVERAGE (1.25x min)	2.81	2.46	2.06	2.14	2.18	2.19
FUEL GALLONS SOLD	4,191,934	4,086,524	4,127,389	4,168,663	4,210,349	4,252,453

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

	FY22 Projections	FY23 Budget	FY24 Forecast	FY25 Forecast	FY26 Forecast	FY27 Forecast
<b>REVENUES</b>						
Hotel/Motel Occupancy Tax	\$ 2,074,951	\$ 2,232,000	\$ 2,254,320	\$ 2,276,863	\$ 2,299,632	\$ 2,322,628
Interest Income	250	500	1,000	500	500	500
Miscellaneous	32,600	33,000	33,000	33,000	33,000	33,000
<b>Total Revenues</b>	<b>2,107,801</b>	<b>2,265,500</b>	<b>2,288,320</b>	<b>2,310,363</b>	<b>2,333,132</b>	<b>2,356,128</b>
<b>EXPENDITURES</b>						
Tourism Program	352,871	373,179	380,643	388,256	396,021	403,941
Visitor Center	280,994	264,821	270,117	275,519	281,030	286,650
<b>Total Operating Expenditures</b>	<b>633,865</b>	<b>638,000</b>	<b>650,760</b>	<b>663,775</b>	<b>677,051</b>	<b>690,592</b>
Transfer Out - Debt Service Fund	1,342,343	1,344,078	1,338,225	1,344,281	1,008,025	652,356
Transfer Out - Others	550	550	550	550	550	550
Reserve for Opportunities	40,000	100,000	-	-	-	-
<b>Total Non-Operating Expenditures</b>	<b>1,382,893</b>	<b>1,444,628</b>	<b>1,338,775</b>	<b>1,344,831</b>	<b>1,008,575</b>	<b>652,906</b>
<b>Total Expenditures</b>	<b>2,016,758</b>	<b>2,082,628</b>	<b>1,989,535</b>	<b>2,008,606</b>	<b>1,685,626</b>	<b>1,343,498</b>
Revenues Over/(Under) Expenditures	91,043	182,872	298,785	301,757	647,506	1,012,630
Fund Balance - Beginning	1,271,374	1,362,417	1,545,289	1,844,075	2,145,832	2,793,338
GAAP Adjustments	(514,958)	(514,958)	(514,958)	(514,958)	(514,958)	(514,958)
<b>Fund Balance - Ending</b>	<b>\$ 847,459</b>	<b>\$ 1,030,331</b>	<b>\$ 1,329,116</b>	<b>\$ 1,630,873</b>	<b>\$ 2,278,380</b>	<b>\$ 3,291,010</b>
Fund Balance Policy (10% of Budgeted HOT)	\$ 207,495	\$ 223,200	\$ 225,432	\$ 227,686	\$ 229,963	\$ 232,263
Over/Under Policy	639,964	807,131	1,103,684	1,403,187	2,048,416	3,058,747

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

	FY22 Projections	FY23 Budget	FY24 Forecast	FY25 Forecast	FY26 Forecast	FY27 Forecast
<b>REVENUES</b>						
Sales Tax	\$ 7,701,513	\$ 7,216,353	\$ 7,432,844	\$ 7,655,829	\$ 7,885,504	\$ 8,122,069
Interest Income	15,000	20,000	25,000	30,000	35,000	40,000
TIRZ#1	1,300,000	2,000,000	1,600,000	1,600,000	1,625,000	1,625,000
TIRZ#3	-	4,793,527	-	-	-	-
Operating Revenues	9,016,513	14,029,880	9,057,844	9,285,829	9,545,504	9,787,069
Bond Proceeds	5,550,296	-	-	-	-	-
Non-operating Revenues	5,550,296	-	-	-	-	-
Total Revenues	14,566,809	14,029,880	9,057,844	9,285,829	9,545,504	9,787,069
<b>EXPENDITURES</b>						
Economic Development Program	625,257	625,257	631,510	637,825	644,203	650,645
Economic Development Incentives	680,226	1,700,000	1,700,000	1,700,000	1,700,000	1,700,000
Contractual Services	9,790	9,790	9,790	9,790	9,790	9,790
Total Operating Expenditures	1,315,273	2,335,047	2,341,300	2,347,615	2,353,993	2,360,435
Debt Service	4,024,090	3,945,981	3,912,531	3,886,028	2,967,219	2,936,778
Payment to Escrow Account	5,461,720	-	-	-	-	-
Reserve for Opportunities	2,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Bond Issuance & Disclosure	165,703	1,000	1,000	1,000	1,000	1,000
Capital Projects Reimbursement	-	250,000	-	-	-	-
Transfers to Other Funds	732,467	878,658	900,518	923,033	946,224	970,111
Total Non-Operating Expenditures	12,383,980	8,075,639	7,814,049	7,810,061	6,914,443	6,907,889
Total Expenditures	13,699,253	10,410,686	10,155,349	10,157,676	9,268,436	9,268,324
Revenues Over/(Under) Expenditures	867,556	3,619,194	(1,097,505)	(871,847)	277,068	518,745
Fund Balance - Beginning	12,065,844	12,933,400	16,552,594	15,455,089	14,583,242	14,860,310
Accrued Sales Tax	(1,228,941)	(1,228,941)	(1,228,941)	(1,228,941)	(1,228,941)	(1,228,941)
Debt Service Reserve	(3,876,869)	(3,759,758)	(3,627,000)	(3,397,500)	(2,967,219)	(2,936,778)
Fund Balance - Ending	\$ 7,827,590	\$ 11,563,895	\$ 10,599,148	\$ 9,956,801	\$ 10,664,150	\$ 11,213,336
Minimum Fund Balance (15%)	\$ 1,155,227	\$ 1,082,453	\$ 1,114,927	\$ 1,148,374	\$ 1,182,826	\$ 1,218,310
Over/Under Policy	6,672,363	10,481,442	9,484,221	8,808,427	9,481,324	9,995,025
Bond Coverage Ratio (>1.25x)	1.96	1.85	1.92	2.59	2.70	2.81

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

	FY22 Projections	FY23 Budget	FY24 Forecast	FY25 Forecast	FY26 Forecast	FY27 Forecast
<b>REVENUES</b>						
Sales Tax	\$ 7,701,513	\$ 7,216,353	\$ 7,432,844	\$ 7,655,829	\$ 7,885,504	\$ 8,122,069
Interest Income	15,000	20,000	22,500	25,000	27,500	30,000
TIRZ#1	146,863	145,008	148,005	146,678	-	-
TIRZ#3	-	7,821,017	-	-	-	-
Miscellaneous	80,000	80,000	80,000	80,000	80,000	80,000
<b>Total Revenues</b>	<b>7,943,376</b>	<b>15,282,378</b>	<b>7,683,349</b>	<b>7,907,507</b>	<b>7,993,004</b>	<b>8,232,069</b>
<b>EXPENDITURES</b>						
Economic Development Program	779,893	569,870	575,569	581,324	587,138	593,009
Contractual Services	5,074	5,074	5,074	5,074	5,074	5,074
<b>Total Operating Expenditures</b>	<b>784,967</b>	<b>574,944</b>	<b>580,643</b>	<b>586,398</b>	<b>592,212</b>	<b>598,083</b>
Debt Service	2,645,700	2,012,900	2,011,500	2,015,925	1,737,550	1,747,800
Incentives	2,500,000	1,037,500	2,037,500	2,037,500	37,500	37,500
Bond Issuance & Disclosure	-	1,000	1,000	1,000	1,000	1,000
Reserve for Opportunities	1,262,304	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Transfers to Capital Projects	1,000,000	875,000	400,000	400,000	400,000	400,000
Transfers to Other Funds	798,888	1,162,768	1,186,474	1,212,272	1,238,824	1,266,152
<b>Total Non-Operating Expenditures</b>	<b>8,206,892</b>	<b>8,089,168</b>	<b>8,636,474</b>	<b>8,666,697</b>	<b>6,414,874</b>	<b>6,452,452</b>
<b>Total Expenditures</b>	<b>8,991,859</b>	<b>8,664,112</b>	<b>9,217,117</b>	<b>9,253,095</b>	<b>7,007,085</b>	<b>7,050,535</b>
Revenues Over/(Under) Expenditures	(1,048,483)	6,618,266	(1,533,768)	(1,345,588)	985,918	1,181,534
Fund Balance - Beginning	8,559,961	7,511,478	14,129,744	12,595,976	11,250,387	12,236,306
Accrued Sales Tax	(1,228,941)	(1,228,941)	(1,228,941)	(1,228,941)	(1,228,941)	(1,228,941)
Debt Service Reserve	(2,441,010)	(2,015,925)	(2,015,925)	(1,901,500)	(1,770,500)	(1,633,000)
<b>Fund Balance - Ending</b>	<b>\$ 3,841,527</b>	<b>\$ 10,884,878</b>	<b>\$ 9,351,110</b>	<b>\$ 8,119,946</b>	<b>\$ 9,236,865</b>	<b>\$ 10,555,899</b>
Minimum Fund Balance (15%)	\$ 1,155,227	\$ 1,082,453	\$ 1,114,927	\$ 1,148,374	\$ 1,182,826	\$ 1,218,310
Over/Under Policy	2,686,300	9,802,425	8,236,183	6,971,572	8,054,039	9,337,588
Bond Coverage Ratio (>1.25x)	3.83	3.60	3.70	4.42	4.53	4.81

# City of Sugar Land

## Financial Management Policy Statements

### Introduction

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

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

### Accounting, Auditing & Financial Reporting

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

### Accounting Practices and Principles

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

### Financial and Management Reports

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Pursuant to City Charter requirements, Interim Financial Reports will be provided monthly to management and City Council that explain key economic and fiscal developments and note significant deviations from the budget. These reports will be reviewed monthly with the City Manager and provided to City Council by the end of each month for the prior month, consistent with the City Charter. These reports will be prepared on a cash basis.

Capital Projects are reported quarterly to the City Manager and included in the quarterly report to City Council.

## Annual Audit

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

The objective of the ordinary audit of financial statements by the independent auditor is the expression of an opinion on the fairness with which they present, in all material respects, financial position, results of operations, and its cash flows in conformity with generally accepted accounting principles. The auditor has a responsibility to plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether caused by error or fraud. The financial statements are management's responsibility. The auditor's responsibility is to express an opinion on the financial statements.

An official Annual Comprehensive Financial Report (ACFR) shall be issued no later than six (6) months following the end of the fiscal year. The CFR shall be prepared to meet the requirements of the Certificate of Achievement for Excellence in Financial Reporting program through GFOA. This program establishes criteria that go beyond the minimum requirements for Generally Accepted Accounting Principles to prepare ACFRs that evidence the spirit of transparency and full disclosure. The Controller shall be responsible for establishing a process to ensure timely resolution of audit recommendations.

## Finance/Audit Committee

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The City Council shall designate a Finance/Audit Committee. The role of the committee is to review and guide financial policy and strategic financial issues as needed and determined by the City Manager or City Council.

The Finance/Audit Committee responsibilities related to the audit will include but not be limited to:

- Recommendation to the City Council on selection of the independent audit firm through a Request for Proposal process.
- Overview of the planning and timeline of the audit and risk assessment.
- Final audit review, results, findings, management letter as well as major audit adjustments as identified under Sarbanes-Oxley Act of 2002.
- Meet as soon as practical and appropriate after final audit review to assess the status of issues addressed in the management letter, if warranted.
- Meet during the audit regarding any major issues/concerns/findings that may arise.

## Continuing Disclosure

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The Director of Finance will ensure that the Municipal Securities Rulemaking Board's EMMA<sup>®</sup> (Electronic Municipal Market Access) website is current, and all disclosures are filed timely with assistance from the City's Municipal Advisor and Bond Counsel. EMMA<sup>®</sup> is the official repository for information on virtually all municipal securities. Continuing disclosure includes annual disclosure required within 180 days of fiscal year end, as well as material event disclosure required under the Securities and Exchange Commission (SEC) Rule 15c2-12 within 10 days of the occurrence of the event. The Director of Finance will work with the City's Bond Counsel and Municipal Advisors to ensure that any financial obligations that must be disclosed to the MSRB are filed timely.

## Signature of Checks

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All checks shall have two signatures. The following persons shall be authorized to sign checks: City Manager, Deputy City Manager or Director of Finance, Deputy Director of Finance and/or Controller. Signatures shall be affixed to all City checks via facsimile signatures, made with a secure laser check printing system or through handwritten signatures affixed to each check.

## FINANCIAL CONSULTANTS

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

## Independent Auditors

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In all matters relating to the assignment, an independence in mental attitude is to be maintained by the auditor or auditors. To emphasize independence from management, many corporations follow the practice of having the independent auditor appointed by the board of directors or elected by the stockholders. As such, the City has established a practice of the City Council appointing the auditor, and the auditor reporting to the City Council.

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

- It is the City's preference, but not a requirement, to rotate audit firms every five years to ensure that the City's financial statements are reviewed and audited with an objective, impartial, and unbiased point of view. The selection of the audit firm will be based upon the proposals received, the reputation and qualifications of the firm, and the firm's ability to perform a quality audit.

- However, if through the RFP solicitation and review process, management and the Finance/Audit Committee recommend the current audit firm for another engagement term, then, under the Sarbanes Oxley Act of 2002, the lead audit partner must be rotated, as well as the lead reviewer, after a maximum of five years.
- Annually, the independent auditor will provide a letter of engagement to the City for annual audit services.

## Arbitrage Consultants

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While the City is responsible to ensure that the records are in order, the calculations made, reporting completed, and filings made, the actual arbitrage calculation and reporting shall be contracted out to a qualified firm.

- The City's Controller and the Arbitrage Consultant shall complete a risk assessment of positive arbitrage on each bond issue annually to determine the necessity for a calculation of positive/negative arbitrage in the current year.
- All bond issues in accordance with arbitrage regulation shall have each 5th year and final arbitrage calculations completed.
- Due to the complexity of the City's financial structure and the benefits that come with the history and knowledge of the City, the contract with the Arbitrage Consultant shall be considered evergreen, however with a termination clause.
- In order to ensure that the City is still receiving services for fair market value, staff will conduct a survey every five years of arbitrage calculation fees and present a comparison and analysis to the City Manager and Finance/Audit Committee.

## Delinquent Tax Collections

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Due to the nature and expertise required, the City shall hire a delinquent tax collection attorney to collect delinquent taxes, represent the City in filing bankruptcy claims, foreclose on real property, seize personal property, and represent the City in court cases and property sales.

- The City shall contract for a delinquent tax collection attorney either through Fort Bend County in conjunction with the contract for billing and collection of the City's property taxes or shall contract directly with an attorney.
- The City shall review delinquent tax collection services and determine if they choose to contract direct or contract through the County either at the end of a direct contract for delinquent tax services or annually if contracted with Fort Bend County.
- If the City chooses to contract directly for delinquent tax collection services, requests for proposals and statements of qualifications are to be solicited at least every five years.
- There is not a requirement for rotation.

## Bond Counsel

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Bond Counsel to the City has the role of an independent expert who provides an objective legal opinion concerning the issuance and sale of bonds and other debt instruments. As bond counsel are specialized attorneys who have developed necessary expertise in a broad range of practice areas, the City will always use a consultant for these services. Generally, bonds are not marketable without an opinion of nationally recognized bond counsel stating that the bonds are valid and binding obligations stating the sources of payment and security for the bonds and that the bonds are exempt from State and Federal income taxes (if applicable).

Bond Counsel is responsible for the following tasks in a transaction:

1. Prepares ballot propositions, ordinances and notices to call a bond election;
  2. Files all relevant documents with the state Attorney General for approval;
  3. Prepares and oversees bond proceedings;
  4. Ensures that the City meets all the legal requirements and authorization of the bond offering;
  5. Discloses and analyzes all relevant legal proceedings that may have a bearing on the validity of the offering;
  6. Interprets relevant regulations and laws and assists in structuring the issue;
  7. Writes key financing documents.
- Due to the complexity of the City's financial structure and the benefits that come with the history and knowledge of the City, the contract with Bond Counsel shall be considered evergreen, however with a termination clause.
  - In order to ensure that the City is still receiving services for fair market value, staff will conduct a survey every five years of bond counsel fees and present a comparison and analysis to the City Manager and Finance/Audit Committee.

## Disclosure Counsel

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Disclosure Counsel is an independent firm, separate from bond counsel, retained by the City to provide a legal opinion concerning accuracy of the information presented in disclosure and bond documents. With scrutiny of municipal disclosure increasing by the SEC and Municipal Securities Rulemaking Board, the engagement of disclosure counsel provides an added layer of assurance that the City's financial position is accurately presented in bond documents. The City may choose to engage Disclosure Counsel on certain transactions, but it is not required.

## Municipal Advisor

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The Government Finance Officers Association (GFOA) recommends that issuers hire a municipal advisor (MA) prior to the undertaking of a debt financing unless the issuer has sufficient in-house expertise and access to current bond market information. The City issues various types of securities to finance its capital improvement program. Debt structuring and issuance requires a comprehensive list of services associated with municipal transactions, including but not limited to: method of sale; analysis of market conditions; size and structure of the issue;

preparation of disclosure documents; coordinating rating agency relations; evaluation of and advice on the pricing of securities; assisting with closing and debt management; calculating debt service schedules; and providing recommendations on management of the City's finances, including evaluation of debt structures and refinancing opportunities.

- While retaining the services of an MA, the City shall post an IRMA Exemption Certificate on the City's website and on EMMA (Electronic Municipal Market Access, a service of the Municipal Securities Rulemaking Board). The IRMA Exemption Certificate states that the City has retained an independent registered municipal advisor (IRMA) and that the City will rely on the advice of the Municipal Advisor in the issuance of municipal securities.
- The Municipal Advisor must be registered with the Securities & Exchange Commission and Municipal Securities Rulemaking Board as a Municipal Advisor
- As municipal advisors to governmental entities have developed the necessary expertise in a broad range of services, the City will use a consultant for these services, until such time that the City wishes to bring these services in-house.
- Due to the complexity of the City's financial structure and the benefits that come with the history and knowledge of the City, the contract with the Municipal Advisor shall be considered evergreen, however with a termination clause.
- In order to ensure that the City is still receiving services for fair market value, staff will conduct a survey every five years of Municipal Advisory fees and present a comparison and analysis to the City Manager and Finance/Audit Committee.
- While a municipal advisor plays a key role on the financing team, it is important to note that the City remains in control of the decision making process necessary for the issuance and sale of the bonds or implementing the financing.
- The selected Municipal Advisor shall not be permitted to serve as underwriter on any bond transactions while serving in the Municipal Advisor role. Upon termination of the Municipal Advisor contract, a period of at least one year must pass before the firm may be engaged as an underwriter on any bond transaction for the City.

## Depository Bank

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Pursuant to State law, the City of Sugar Land may approve a contract for depository services whose term does not exceed five years. There is no requirement for rotation. The City of Sugar Land will select its official banking institution through a formal process based on best value to provide the City with the most comprehensive, flexible, and cost-effective banking services available. Depository accounts may only be opened by employees with authority specifically granted in the depository agreements approved by City Council.

## BUDGET AND LONG-RANGE FINANCIAL PLANNING

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Establish guidelines for budgeting to ensure a financially sound City and to establish a long-range financial planning process that assesses the long-term financial implications of current and proposed operating and capital budgets.

### Balanced Budget

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The City Manager shall file annually, a balanced budget for the ensuing fiscal year with City Council in compliance with state law and the City Charter.

In addition, it is expected that the annual operating budget will be structurally balanced. A structurally balanced budget is further defined as recurring revenues funding recurring expenditures and adherence to fund balance policies. Deferrals, short-term loans, or one-time sources will be avoided as budget balancing techniques. If economic conditions dictate that the City Manager file a structurally imbalanced budget, it shall be accompanied by a plan to return the budget to structural balance and the resulting five-year financial forecast that reflects steps to be taken to return the budget to structural balance.

### *Current Funding Basis (Recurring Revenues)*

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The City shall budget and operate on a current funding basis. Revenues and expenditures shall be budgeted on a cash basis. Expenditures shall be budgeted and controlled so as not to exceed current revenues. Recurring expenses will be funded exclusively with recurring revenue sources to facilitate operations on a current funding basis. Recurring revenues are defined as revenues which are reasonably expected to occur each year and can be planned for with a level of certainty, such as property taxes, sales taxes and other revenues based on historical averages. One-time remittances due to audit adjustments or large payments, permit revenues from large construction projects, grants and other unpredictable sources are classified as non-recurring revenues.

### *Use of Non-Recurring Revenues*

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Non-recurring revenue sources, such as a one-time revenue remittance or fund balance more than policy can only be budgeted / used to fund non-recurring expenditures, such as capital purchases or capital improvement projects. This will ensure that recurring expenditures are not funded by non-recurring sources.

The following expenditures are considered non-recurring for budgetary purposes:

1. Transfers to Replacement Funds (Fleet and High Technology).
2. Capital Expenditures.
3. Contingency Funds.
4. Lump sum payments to employees.
5. Operating transfers to Self-Insurance Reserve in the Employee Benefits Fund.
6. One-time expenditures designated in the annual operating budget.

The following revenues are considered non-recurring in the definition of a structurally balanced budget:

1. Grant Revenues.
2. Annexation/Dissolution Proceeds.

3. Reimbursements for One Time Items.
4. Short Term/Inter-Fund Loans.
5. Use of fund balance over policy requirements.
6. Sales tax more than budgeted by policy

One-time revenues can be appropriated in the budget through one of two methods.

1. After completion of the annual audit, if funds are available over the budgeted fund balance, a budget amendment can be recommended to City Council:
  - a. To appropriate funds for carryover items (in progress but not completed) from the prior year.
  - b. Funds can be appropriated by City Council in accordance with the allowable uses defined below.
2. During the annual budget process, for the following fiscal year:
  - a. Funds identified based on year-to-date actual plus projections for the remainder of the year to determine the projected ending fund balance.
  - b. If funds are available over the policy requirement, they may be allocated for one-time use in the annual budget.

Allowable uses of one-time funding sources, in priority order:

1. To replenish a draw down in the fund balance below policy requirements (including Self-Insurance Reserve in the Employee Benefits Fund).
2. Provide a one-time boost to infrastructure rehabilitation funding.
3. To fund capital projects without an identified funding source.
4. Lump sum payment to employees if the budgeted annual merit pool is reduced.
5. To fund one-time expenditures in the following fiscal year's budget.

## Property Taxes

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### *Tax Rate*

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The no-new-revenue tax rate is defined by the State of Texas as the tax rate that raises the same amount of total tax revenue in the current year as the prior year's tax rate for properties taxed in both years. The no-new-revenue tax rate is calculated based on a formula established under Section 26.04 of the Texas Tax Code. The voter-approval tax rate provides for a 3.5% adjustment in maintenance and operations (M&O) tax revenues compared to the no-new-revenue operations and maintenance tax rate, plus the debt rate needed to meet outstanding debt obligations for the year. A tax rate that exceeds the voter approval tax rate requires a mandatory election in November to approve the tax rate by voters. (Texas Tax Code Section 26.07)

By law, the City must levy a tax rate sufficient to generate revenues that will meet outstanding debt obligations, net of outside funding sources (transfers from other funds). The City Manager will recommend a budget based on property tax revenues that the City finances require to operate efficiently, yet effectively, and meets the City Council's expectations of services provided and service levels. In accordance with the voter-approval tax rate, the tax rate will be managed to maintain a tax rate that maintains a 3.5% adjustment in tax revenues, excluding new growth and prior to implementation of new voter authorized debt.

As economic conditions permit and in accordance with the voter-approval tax rate, the City Manager will recommend a tax rate that is equal to a 3.5% adjustment to the tax bill to maintain existing service levels, recognizing that individual tax bills will vary based on several factors, including revaluation, residential vs commercial revaluation and exemptions. Adoption of the annual budget and tax rate will consider growth in the certified tax roll, adjustments to the nominal tax rate and the homestead exemption- with a long-term objective of stability in the tax rate and predictability of tax bills.

As stated in the GO bond section of the FMPS, after a GO bond election, the debt service tax rate will be adjusted based on the projected annual impact of the bonds- before GO bonds are issued to fund voter approved projects. (see page 33)

For budgeting and forecasting purposes, the City will assume:

- An annual growth of 3.5% in M&O tax revenues based on the voter-approval tax rate.
- Debt service tax revenues will be forecast to support the City's anticipated debt obligations plus the stated estimated annual tax adjustment from bond election propositions based on the implementation plan.
- Depending on revaluation, the tax rate split may need to be adjusted between debt service and M&O to achieve the voter-approval tax rate.
- If residential revaluation consistently exceeds commercial revaluation, consider adjusting the homestead exemption to rebalance the tax roll.
- Homestead exemption adjustments will occur in the year following the significant valuation adjustment.
- Any new value to the tax roll will result in growth in the tax levy, which is needed to support services to the new development.
- Budgeted revenue from property taxes should include an allowance of 1% for potential reductions in value from court ordered reductions.

### *Homestead Exemption*

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The residential homestead exemption is a tool available to the City to manage residential tax bills in the long term. When the financial health of the City's finances and the economic and market conditions of the local economy justify, the City Manager may recommend an adjustment to the homestead exemption. City Council may direct the City Manager to pursue an adjustment to the homestead exemption as part of a broad financial management strategy to rebalance the tax roll, or to offset a planned adjustment to the tax rate, recognizing that increasing the homestead exemption reduces the tax revenue generated to the City from the existing tax rate. In accordance with state statute, a recommended change in the homestead exemption shall be presented to City Council to allow approval through two readings of an ordinance prior to July 1.

The total exemption percentage granted cannot exceed the state limitation of 20%.

### *Over-Age Exemptions and Disabled Persons Exemption*

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The City shall grant a \$70,000 over-age exemption and disabled persons' exemption each year when economic and financial conditions allow. This amount shall remain stable during the period in which the City is considering adjusting the homestead exemption.

If a tax freeze were ever implemented for over-age and disabled persons, these exemptions would be reduced to zero. (Chapter 2 Article V Sec 2-119, Code of Ordinances)

## Sales Tax

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Sales tax used to fund recurring operations shall have a target of 45% of recurring operating expenditures. As sales tax revenue fluctuates due to changes in economic conditions, the City shall endeavor through long-term strategies to reduce its reliance on sales tax revenues for funding recurring operating expenditures. The goal is to reduce the percentage dependence on sales tax for recurring operations and set aside extra funds for one-time needs. Sales Tax revenue shall be estimated conservatively (See Revenue Estimating for Budgeting).

## Water/Wastewater Transfer for Pay-As-You-Go Capital Projects

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As discussed under Capital Expenditures, the transfer from the City's Utility Fund to fund pay-as-you-go capital projects will be budgeted at a target of \$2,500,000, when financially feasible. It will be based on the financial health of the Utility System Fund with the long-term goal of adequately funding rehabilitation.

## Revenue Estimating for Budgeting

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To protect the City from revenue shortfalls and to maintain a stable level of services, the City shall use a conservative, objective, and analytical approach when preparing revenue estimates. The process shall include analysis of probable economic changes and their impacts on revenues, historical collection rates, and trends. This approach should reduce the likelihood of actual revenues falling short of budget estimates and should avoid mid-year service changes.

## Sales Tax

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With such a large portion of the City's operating budget dependent on sales tax, it is important to forecast revenue conservatively. Sales tax revenue shall utilize the current year's projected recurring revenue as a baseline for the following year's budget, which is net of audit adjustments and large one-time payments and includes zero growth.

The purpose of defining forecast parameters is to better realize when changes in the utilization of property tax use may be necessary (i.e. shifting the tax rate from debt service to O&M), as well as permit for better planning opportunities. These parameters are designed to simulate the cyclical nature of the economy based on the most often used economic indicator, the Consumer Price Index.

The long-range sales tax forecast will utilize the following parameters to estimate sales tax revenue in years 2-5 of the forecast: CPI as published by the Bureau of Labor Statistics for -All Urban Consumers for the Houston-Sugar Land-Baytown MSA.

1. Positive CPI:
  - a. Year 2 growth = lesser of CPI or 3%.
  - b. Year 3-5 growth = 3%.
2. Negative CPI:

- a. Year 2 growth = flat from current year projection.
- b. Year 3 growth = lesser of 3% or 5-year average CPI.
- c. Year 4-5 growth = 3%.

### Utility System Revenues

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Utility System Fund revenues will be budgeted using consumption based on an average year's rainfall/consumption (excluding extremely wet and dry years). The City will anticipate neither drought nor wet conditions. Adjustments to water, wastewater and surface water rates shall be made based on revenue requirements over the five-year forecast for the utility system fund, and adjustments necessary to build and maintain revenue coverage requirements shall be made in advance of anticipated bond issues, if possible, to allow for smaller adjustments to be made over time.

When significant projects are identified that will require an increase in revenues to meet bond coverage requirements, rates shall be adjusted as early as possible to allow the revenues to be well established to minimize any downward pressure on the bond rating, and potentially provide positive impacts for an upgrade.

If an extreme weather event should take place (like Winter Storm Uri) that causes customers to experience waterline breaks resulting in damages to property, City Council may consider an Ordinance to provide temporary relief from excess billings. Staff shall recommend a relief program to City Council based on the circumstances of the event.

### Employee Compensation

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When funding is available, the proposed budget shall include an amount adequate to cover an overall average performance and merit pool, as determined annually by the City Manager. This amount will be calculated for each department, based on budgeted salaries for the year, and will be placed in the appropriate budget accounts. The City does not give cost of living adjustments. Other than adjustments due to changes in the compensation plan, salary adjustments are to be earned through merit and/or promotions.

The City's compensation plan shall be approved by City Council and administered by the City Manager as identified in the City Charter and the Council adopted Compensation Philosophy (Resolution No. 13-21). All employees shall be paid within the approved budget and established salary ranges.

### Budget Management

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The budget is adopted by City Council through one reading of an ordinance, no later than the 25<sup>th</sup> day of September, as directed by Section 6.03b of the City Charter. Under Texas Tax Code Section 26.05(a), if the proposed tax rate is more than 3.5% above the No New Revenue Tax Rate (voter-approval tax rate), the budget and tax rate must be adopted not later than 71 days before the November election date. This is the deadline for an election to be called for November for voters to approve the tax rate that exceeds the voter approval tax rate. Upon approval, the budget can be either amended or adjusted based on the level of changes needed. Under Local

Government Code 102.009(a)- The governing body may levy taxes only in accordance with the budget. This means that the budget must be adopted before an ad valorem tax rate may be adopted.

- Amendment- an increase to the overall appropriation in the fund or capital project. Must be approved by City Council through one reading of an ordinance.
- Adjustment- a reallocation of funds between departments without changing the total operating fund budget. Must be approved by the City Manager in accordance with interdepartmental policy AD-113: Operational Authority Limits.

Upon approval by the City Council, the budget must be filed with the County Clerk.

## Operating Budget Adjustments

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The City Manager is responsible for managing the operating budget after it is formally adopted by City Council, including the transfer of funds within program, between programs, between departments, and expenditure of contingency funds if there is no change in service levels as a result of the adjustments. The City Manager may further delegate levels of authority for the daily operation of the budget. See interdepartmental policy AD-113 for guidance on Operational Authority Limits.

## Contingency Funds

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The City recognizes that one-time expenditures cannot always be anticipated, and that it is not efficient for departments to set aside recurring funding for unanticipated expenses, such as run-off elections or emergency repairs that don't occur every year. A centralized contingency allows for management of one-time funds available to meet those needs, subject to approval by the City Manager.

The General Fund operating budget will include one-time funding for contingencies equal to 1% of operating expenditures in the adopted budget. The General Fund may also include a budgeted reserve of one-time funding to cover potential emergency response costs to cover expenses until reimbursed by FEMA. The Utility, Airport and Solid Waste funds will each budget a contingency of one-time funds appropriate to the potential unexpected operating needs for each fund.

Contingency funds are budgeted as a one-time expenditure. Use of contingency funds requires approval by the City Manager and are limited to funding one-time items that are not funded in the annual budget, or that could not have been planned for during the annual budget.

## Operating Budget Amendments

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Under State law, the budget must be adopted before a tax rate can be adopted. Should the adopted tax rate generate significantly more or less ad valorem tax revenue than the adopted budget, the operating budget shall be amended as soon as possible to ensure that budgeted expenditures remain balanced with anticipated revenue sources.

Budget reductions shall be targeted to regain structural balance and focused on reductions to recurring expenditures for non-core services when the imbalance is due to recurring a revenue shortfall.

To preserve projected fund balances/ ending balances based on projected revenues and expenditures for the current fiscal year, City Council will amend the annual operating budget for all funds, excluding capital improvements funds, as set forth in the projections. City Council will amend the current fiscal year budget to projections annually through adoption of an ordinance amending the budget.

Contracts or purchases presented for City Council approval shall identify the budgeted amount for the item within the current approved budget. A budget amendment by City Council is only necessary if the total appropriation for the fund is increased. This could occur under, but is not limited to, the following situations:

1. The budgeted appropriation will be exceeded at the fund level prior to year-end.
2. Acceptance of a grant that was not included in the annual budget.
3. Appropriation from fund balances for one-time items that were not budgeted.
4. A donation or sponsorship that exceeds budgeted revenues and cannot be absorbed within contingency funding.

To streamline the process, budget amendments are to be considered by City Council on an as-needed basis and then formally adopted by ordinance periodically.

- Budget Amendment for Carryovers- appropriating funds for one-time items budgeted in the previous fiscal year that were in progress but not complete at year-end. Funding comes from fund balance more than policy requirements at the end of the fiscal year.
- Budget Amendment for Projections- as part of the annual budget process, the Budget & Strategy Department re-estimates revenues and expenditures based on year-to-date actuals plus a projection for the remainder of the year. The budget is amendment to formally document the projections, which becomes the revised budget for the year.

Each budget ordinance shall summarize and include all budget amendments approved by City Council for affected funds since the last ordinance was approved. At year end, the annual operating budget will be amended by ordinance through projections and will reflect adjustments that were approved by the City Manager.

### Capital Projects Budget Amendments

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As capital projects are budgeted on a project length basis and not a fiscal year basis, a project budget needs approval of a budget amendment when one of the following applies:

1. Increase to project funding with a corresponding funding source, such as:
  - a. Inter-local agreements

- b. Award of a grant to enhance or expand the project
2. Reallocation of funding from one capital project to another, except:
  - a. When splitting funding for a project into multiple projects for tracking purposes when the total amount budgeted for the overall project does not change or
  - b. When allocating additional funds from CIP fund balance to a project to accommodate a change order, if the additional funding needed does not exceed the lesser of 5% of the original project budget or \$50,000, and the change order does not need approval from City Council nor materially change the scope of the project.
3. Increase to project funding from the Capital Projects Fund Balance or other funding source, such as operating contingency.
4. Reduction to project budgets as discussed below:
  - Capital Project budgets shall be amended (reduced) when construction bids come in significantly less than estimated costs, project estimates shall be adjusted to reflect the construction bid plus a sufficient contingency and other project needs, and the remaining budget shall be reduced as necessary to reflect savings.
  - When a project is funded from the issuance of debt, if the debt has not been sold at the time of the budget reduction, the revenue budget for bond proceeds shall be reduced accordingly.

## Mid-Year Operating Deficits

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During the fiscal year, the City may find or anticipate revenues falling short of budgeted levels. If so, the City shall take immediate corrective actions if at any time during the fiscal year expenditure and revenue re-estimates are such that an operating deficit is projected at year end. Corrective actions are to be implemented by the City Manager with a report to advise the City Council of the actions taken. Corrective actions in order of precedence are:

1. Manage Vacant Positions.
2. Deferral of capital purchases.
3. Expenditure reductions.
4. Hiring freezes.
5. Freeze or reduce planned merit increases.
6. Use of fund balance, including Replacement Fund balances.
7. Adjustment of fees.
8. Lay-off employees.

Short-term loans shall be avoided to balance the budget.

The use of fund balance, which is a one-time revenue source, may be used to fund an annual operating deficit, only with a plan prepared as part of the annual budget to replenish the fund balance within two years if it is brought down below policy level.

### Five-year Forecast of Revenues and Expenditures

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A five-year forecast of revenues and expenditures shall be prepared in conjunction with the annual budget process for the following funds:

- General Fund
- Debt Service Funds
- Tourism Fund
- Utility System Fund
- Airport Fund
- Economic Development Corporations
- Five-Year Capital Improvement Program

The forecast assesses long-term financial implications of current and proposed policies, programs, and assumptions that develop appropriate strategies to achieve the City's goals. The forecast will provide an understanding of available funding; evaluate financial risk; assess the likelihood that services can be sustained; assess the level at which capital investment can be made; identify future commitments and resource demands; and identify the key variables that may cause change in the level of revenue. The forecast will be used to identify anticipated financial issues so that a plan can be developed to correct anticipated issues before they become reality. The assumptions used to prepare the five-year forecast shall be consistent with those used to prepare the annual operating budget, unless specifically directed by City Council.

## **REVENUES AND OTHER RESOURCES**

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The City shall strive to maintain a balanced and diversified revenue system to protect the City from fluctuations in any one source due to changes in local economic conditions, which may adversely impact that source. The Budget & Strategy Department shall maintain a revenue manual documenting the various revenue sources of the City and how those revenues are derived and estimated.

### Property Taxes

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- a. Taxes on Airport Value- Property taxes collected on taxable property at the Airport will be transferred to the Airport Fund to use for operations and development. This will ensure that users paying the property tax will see a direct benefit to the Airport.
- b. Rebates to Municipal Utility Districts (MUDs) – As stipulated in the individual utility agreements, the City has agreed to rebate a portion of City taxes collected on properties within in-city MUDs back to the

districts through various utility agreements. Rebate payments shall be calculated based on the taxes collected by the City on properties within the district since the point of the last rebate calculation (quarterly or semi-annually depending on the MUD), less any refunds given on those properties during that period.

- c. Payments to Tax Increment Reinvestment Zones (TIRZ)- The City has several TIRZ established within the City. Taxes paid to the City on properties in each zone are paid to each TIRZ annually; payments due shall be adjusted for any refunds given on those properties since the last TIRZ payment was made.

## Sales Tax Revenue

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- a. Monthly, the Economic Development Corporations will be allocated their percentage of the actual monthly sales tax remittances.
- b. The City's portion will be deposited into the General Fund. Revenues over the budgeted recurring sales tax will be identified and set aside as one-time revenues for allocation as a one-time funding source during the next year's budget process.
- c. Sales Tax from Sale of Aircraft
  - 1. Sales/Use tax remitted to the City that is determined to be from the sale/purchase of aircraft at the City's Airport will be transferred to the Airport Fund, excluding the percent allocated to the Economic Development Corporations.
  - 2. The proceeds that are allocated to the Economic Development Corporations will be identified as potential funding for Airport projects that legally meet the requirements of the Corporations.

## Administrative Services Charges

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The City shall determine annually the administrative services charges due to the General Fund from the enterprise funds for overhead and staff support using a cost allocation model.

## Utility System Transfer to the Debt Service Fund for Assumed Water/Wastewater Debt

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The Utility System Fund shall transfer to the Debt Service fund an amount/percent calculated annually for water/wastewater infrastructure debt assumed by the City due to annexation and dissolution of municipal utility districts.

- a. The goal is to have water/wastewater debt funded by water/wastewater revenues as much as possible within the financial resources of the Utility Fund, without negatively impacting the utility fund.
- b. The City's intent is to fund a transfer amount that equates to 100% of the annual debt service requirements for water/wastewater debt in the Debt Service Fund.

- c. If the City should assume additional debt from municipal utility districts in the Debt Service Fund, the annual transfer for water/wastewater infrastructure debt will be reviewed and recalculated, if necessary. The overall percentage covered may need to be adjusted based on affordability.
- d. If the City refunds outstanding bonds assumed from municipal utility districts, the transfer to the debt service fund will be adjusted in the following year's budget to reflect the updated debt service schedule.

## Surface Water Revenues

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The City will account for revenues and expenses associated with the mandated reduction in groundwater usage within the Utility System Fund.

- a. All participants in the City's Groundwater Reduction Plan will pay into the fund an amount based on water supplied at a rate established per 1,000 gallons (GRP fee). This rate is set by Ordinance.
- b. The GRP fee shall be paid monthly based on metered water pumped from groundwater sources.
- c. City customers will be billed a surface water fee based on billed water consumption.

## Water/Wastewater Billings

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Water, wastewater, and surface water charges are billed in arrears, as customer meters are read monthly for the previous month's water usage. At year end, revenues are accrued to adjust revenues to full accrual basis but during the year, revenues are recorded on a modified accrual basis (when billed).

## Revenue Collections

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The City shall maintain high collection rates for all revenues by monitoring monthly receivables. The City shall follow an aggressive, consistent, yet reasonable approach to collecting revenues to the fullest extent allowed by law for all delinquent taxpayers and others overdue in payments to the City. Where possible, the City will implement collection improvement programs to improve payment of amounts owed to the City. These programs can include, but are not limited to, inter-local cooperation between government entities and prohibiting receipt of optional services when outstanding balances are due.

- a. The City shall contract for billing and collection services when it makes financial sense to do so.
  - a. Emergency Medical Services transport billing requires a high level of knowledge relating to medical billing; in this case, outsourcing the billing & collection of EMS transport fees is the most prudent thing to do.
  - b. Property tax billing & collection requires certification of a tax assessor/collector and significant staff time; contracting this service to Fort Bend County makes financial sense and the City will continue to do so if it makes financial sense.
- b. The City shall contract for collection of delinquent receivables when it makes economic sense for the City to do so. The City currently contracts directly for the following delinquent receivables:

- a. Court Fines & Warrants
  - b. Emergency Medical Services Fees
  - c. Miscellaneous Receivables, including Alarm Response Fees
  - d. Property Taxes- through the contract with Fort Bend County Tax Office
- c. Write-off of Uncollectible Receivables (excludes court fines and warrants)
- a. Receivables shall be considered for write-off as follows:
    - i. Undeliverable mail – accounts that remain outstanding for 6 months and all steps have been exhausted
    - ii. State Statute authorizing the release or extinguishment, in whole or in part, of any indebtedness, liability, or obligation, if applicable
    - iii. Accounts outstanding for 3 years, identified as uncollectible, and all attempts to collect have been taken
    - iv. The write-off of uncollected accounts is a bookkeeping entry only and does not release the debtor from any debt owed to the City.
    - v. The City shall estimate uncollectible accounts through an allowance for doubtful accounts in each fund with receivables.
  - b. Annually, City Council approve the write-off of certain property taxes under the Tax Code that is not subject to a lawsuit (10 years for personal and 20 years for real property). The Tax/Assessor-Collector submits the amounts to the City to be written off, for approval by the City Council.

## User Fees

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The City shall design, maintain, and administer a revenue system that will assure a reliable, equitable, diversified, and sufficient revenue stream to support desired City services.

## General Fund

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- a. For services that benefit specific users the City shall establish and collect fees to recover the costs of those services.
- b. Where services provide a public benefit, the City shall finance those services through property and sales taxes.
- c. For services that provide both specific benefits and a public benefit, it may be appropriate to subsidize from property and sales tax revenues.
- d. Costs of Services are defined as full cost; direct, indirect, and overhead.
- e. Factors in setting of fees shall include but not be limited to: market and competitive pricing, effect on demand for services, and impact on users, which may result in recovering something less than full cost.

## *Enterprise Funds*

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- a. Utility rates and other fund user fees shall be set at levels sufficient to cover operating expenditures (direct and indirect), meet debt obligations and debt service coverage, provide pay-as-you-go funding for capital improvements, and provide adequate levels of working capital.
- b. The City shall seek to eliminate all forms of subsidization between the General Fund and Enterprise Funds
- c. The Five-Year Financial Plan shall serve as the basis for rate change considerations. Rate adjustments are to be recommended based on the revenue requirements identified in the utility rate model based on the five-year capital improvement program, consumption data and other factors that influence the utility system demands for services and capacity.
- d. If rate adjustments are necessary, the Five-Year Financial Plan shall be built around smaller rate adjustments annually versus higher rate adjustments periodically. Rates shall be set to ensure that the revenues exceed coverage requirements established in bond covenants based on anticipated system demands.

## *User Fee Creation and Revision*

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Working with the department or office, the Budget & Strategy Department will determine the cost for each service and determine a full-cost price. Fees shall be set to recover an appropriate level of cost for each service, depending on what proportion of the cost has been determined to be supported by general revenues. Once a fee has been proposed for a particular service, the fee will be compared to market, evaluated for potential effects on users such as low-income households, market demands of service, etc. Fees will then be recommended to the City Manager and City Council based on all information gathered through the fee evaluation.

User fees shall be adjusted by the Houston- Sugar Land- Baytown MSA CPI annually as part of the budget process, and a fee ordinance shall be adopted at the beginning of each fiscal year to reflect the fee revisions. Fee changes are effective for all activity billed or generated on or after the effective date of the fee ordinance.

## *Non-Resident Surcharges*

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For services provided to municipal utility districts, facilities located outside the City limits or individuals who reside outside the city limits, the City may assess an out-of-city service fee or non-resident user fee. The surcharges shall be set either as an additional percentage fee or a separate fee for non-residents and can be established by ordinance or by contract.

## **EXPENDITURES AND SERVICES**

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### *Operating Expenditures*

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Identify services, establish appropriate service levels, and administer the expenditure of available resources to ensure fiscal stability and the effective and efficient delivery of those services within the service delivery plan.

## Purchasing and Vendor Selection

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The City Manager shall maintain policies and procedures to ensure compliance with state laws relating to procurement of goods and services.

It is the policy of the City that, when lowest qualified bid is not the sole determining factor for a contract award, the contract shall be awarded to the highest ranked vendor based on merit as determined by a thorough evaluation by a team of staff evaluators. Merit factors that can be taken into consideration include qualifications, experience, quality of team, equipment, scheduling, and proven performance. In accordance with state law, City Council approval is required on purchases that will expend more \$50,000 of City funds over the term of the contract. After purchasing staff verification that all applicable state laws, purchasing policies, and procedures have been followed, a recommendation for award is made to City Council by staff.

## Operational Performance Management Program

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As a part of the Operational Performance Management (OPM) Program, Departments and Offices shall prepare a Service Delivery Model (SDM) that defines all services and the operating objectives for each division within the department. While the program is under development, the following shall be considered as goals for the OPM Program.

1. Each SDM should clearly identify all services performed by each division within each department.
2. All services should be clearly defined, prioritized, and tied to a budgeted account.
3. All services should clearly identify the customers and performance measures for each service (that is identifiable and measurable).
4. The SDM should capture the “why” behind each service that we perform and how each service is provided (staff resources or contract).
5. Each SDM should directly relate to an organizational chart that identifies the staff resources assigned to these services.

## Annual Program of Services

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Annually, as part the budget document, a program of services for each department will be established for the ensuing year. The program of services will include a high-level summary of services from the service delivery plan, as well as key service level expectations and staffing levels.

## Maintenance of Capital Assets

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Within the resources available each fiscal year, the City shall maintain capital assets and infrastructure at a sufficient level to protect the City’s investment, to minimize future replacement and maintenance costs, and to maintain service levels. Maintenance and repairs must be documented at an appropriate level to allow a third party to understand what was performed and when. This will ensure that if an asset is damaged in an emergency that the City will be reimbursed for the damages that are not due to normal wear & tear. Should damages occur

to an asset, the damages should be carefully documented prior to making repairs to ensure the City can be reimbursed from insurance or FEMA funds, as appropriate.

### Periodic Operational Reviews

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The City Manager and staff shall undertake periodic operational reviews of City programs and services for both efficiency and effectiveness. The operational reviews can be conducted at the service level by the departments on a recurring basis with the use of the Service Delivery Models and sound performance measures and can be evaluated in-house by staff or contracted to a consultant with expertise in a particular area. This should be an ongoing continuous improvement process developed through the Operational Performance Management Program.

Outsourcing and contracting with other governmental agencies and/or the private sector can be evaluated as alternative approaches to service delivery, as well as insourcing services to achieve efficiency, preserve service levels and cost savings compared to contracting. Programs or services determined to be inefficient and/or ineffective shall be recommended through the annual budget process to be reduced in scope or eliminated.

### Outsourcing vs Insourcing of City Services

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The City provides many municipal services to its citizens covering a wide variety of disciplines. Attempting to perform all these services in-house could dilute the City's efficiency and not be cost effective. Two of the management tools utilized by the City to maximize efficiency and cost effectiveness are outsourcing and managed competition processes, the mere consideration of which provides economic benefits that flow from competition.

Services that are currently outsourced should be evaluated for delivery of services in-house only if insourcing results in improved service levels and/or cost savings. The economic benefits of competition include lower costs and improved quality of performance irrespective of whether a given service is ultimately performed in-house or outsourced.

### **FUND BALANCE/WORKING CAPITAL**

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Maintain the fund balance and working capital of the various operating funds at levels sufficient to protect the City's creditworthiness as well as its financial position during emergencies or economic fluctuations. Should the budgeted fund balance drop below the minimum identified by the policy below, the City will establish a plan to replenish the balances within two years.

### Governmental Fund Balances

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There are five categories of Fund Balance in all governmental funds, not all will always be present. The categories are defined below:

1. Non-spendable- cannot be spent due to being non-spendable in form or the city being legally or contractually required to maintain this amount intact.
2. Restricted- balances are subject to external restrictions from creditors, grantors, contributors, or laws of other governments.
3. Committed- use of funds is only for specific purposes as determined by City Council. City Council will approve obligations of funds such as multi-year contracts prior to the end of the fiscal year.
4. Assigned- intended use of balances for specific purposes is established by the City Council or delegated to the City Manager that is neither restricted or committed and includes the remaining positive balance of all governmental funds except the General Fund. Balances for encumbrances, other than those committed by City Council, fall into this category.
5. Unassigned- balances are available for any purpose; excess fund balances after above categories have been deducted. This type of balance is reported in the General Fund and negative fund balances in other than General Fund.

### General Fund Unassigned Fund Balance

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The City must maintain a General Fund unassigned fund balance equivalent to at least three months of normal recurring operating costs, based on current year budgeted expenditures. If the fund balance exceeds this amount, the amount more than policy requirements may be utilized to fund one-time expenditures in the next fiscal year's budget.

Other governmental operating funds that do not have a policy minimum defined shall adhere to the general fund balance policy.

The City will typically use Restricted fund balances first, followed by Committed resources, and then Assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend Unassigned resources first to defer the use of these other classified funds.

### Working Capital of Enterprise Operating Funds

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In enterprise operating funds, the City shall maintain working capital sufficient to provide for reserves for emergencies and revenue shortfalls, specifically in the Utility System and Airport Funds. Enterprise funds without major infrastructure or assets will have no minimum balance requirement. Minimum reserve balances exclude debt service reserves or restricted funding. A cash equivalent operating reserve will be established and maintained as follows:

1. Utility System Fund - 25% of the current year's budget appropriation for recurring operations and maintenance.
2. Airport Fund - 25% of the current year's budget appropriation for recurring operations and maintenance, excluding fuel for resale.
3. Solid Waste Fund – target balance of 5% of recurring operating expenditures, to be built up beginning with the FY23 budget.

The cash equivalent operating reserve is derived by dividing the total cash equivalents balance by recurring operating expenses. (Cash equivalents = Cash + Investments + Accounts Receivable – Accounts Payable)

### Use of Fund Balance/Working Capital

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Fund Balance/Working Capital shall be used only for emergencies, non-recurring expenditures/ expenses, or major capital purchases that cannot be accommodated through current year savings. Should such use reduce balances below the level established as the minimum for that fund, the request/decision to utilize said balances will include a plan to replenish funds within two years.

### Inter Fund Loans

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Through the long-range financial planning process, the City may identify a short-term capital financing need that does not qualify for debt financing, and funds are available in special revenue or enterprise funds balances. An inter fund loan is a loan from one fund to another that specifies repayment terms and requires approval by City Council Resolution. Inter fund loans may not be used to support operating needs but are allowable for cash flow needs related to capital projects involving third party financial transactions, such as grants or reimbursements.

Inter fund loans may be considered in cases where a short-term loan is needed to cash-flow a project that does not qualify for tax-exempt bond financing. An example of this situation, but not limiting to this case, is a future reimbursement by a grant or developer for project funding that needs to move forward prior to funds being available. This is similar to how the IRS allows the City to reimburse itself from future bond proceeds, except the funds are coming from a source other than tax exempt bonds. Inter fund loans may be considered when one fund has excess reserves (over policy requirements) that are not anticipated to be needed prior to repayment.

The inter fund loan shall be documented by City Council Resolution and shall define the following:

1. Source of the Funding.
2. Use of the Funds (project).
3. Maximum Amount.
4. Repayment Schedule.
5. Interest accrual, consistent with City investment rates of return at the time of the loan.

The proposed inter fund loan shall be identified during the annual budget and CIP process as a funding source and discussed with the Council Finance/Audit Committee prior to the Resolution being considered by City Council. Any changes to repayment terms shall be approved by City Council via Resolution and clearly identified in the budget document. Completion of payments will be reported to City Council through a memorandum which will also document the status and terms of any other inter-fund loans. If any circumstances arise that could prevent payment of the loans as scheduled, the City Council will be notified in writing as soon as possible.

## Debt Service Funds

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The City shall maintain the debt service fund balance at 10% of annual debt service requirements OR a fund balance reserve as required by bond ordinances, whichever is greater.

The City shall maintain a separate Debt Service Fund for any taxable bonds. This debt service fund shall have a reserve requirement separate from the tax –exempt debt service fund to be defined in the bond documents as bonds are issued.

## Other Funds (Internal Service & Special Revenue)

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### Fleet Replacement Fund

The Fleet Replacement Fund reserve will be maintained based upon a lifecycle or useful life replacement plan to ensure adequate fund balance required for systematic replacement of fleet vehicles. Fund Balance shall not be less than 10% of the total inventory asset value.

### Technology Replacement Fund

The High Technology Replacement Fund reserve will be maintained based upon a lifecycle or useful life replacement plan to ensure adequate fund balance required for systematic replacement of technology. Fund Balance shall not be less than 10% of the total inventory asset value.

### Employee Benefits Fund

The Employee Benefits Fund is funded through City and employee contributions. Estimated costs shall be determined during each budget year and the contributions adjusted accordingly. This fund should carry a reserve equal to the estimated maximum liability to the City before aggregate stop loss coverage kicks in, less budgeted funding. If the reserve falls below this level, the City should increase contributions to the fund over the next 2 years, until the aggregate stop loss liability is met.

### Tourism Fund

Tourism Fund is supported by a 7% City tax on hotel occupancy within the City, which can fluctuate based on changes in the economy. A minimum fund balance of 10% of budgeted occupancy tax collections shall be maintained in the fund.

### Economic Development Corporations

As sales taxes fluctuate due to changes in the economy, the SLDC and SL4B Corporations shall maintain a minimum fund balance of 15% of budgeted annual sales tax revenues.

## CAPITAL EXPENDITURES AND IMPROVEMENTS

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City staff will review and monitor the state of the City's capital equipment and infrastructure annually, setting priorities for its replacement and renovation based on needs, funding alternatives, and availability of resources.

## Capitalization Threshold for Tangible Capital Assets

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Tangible capital items should be capitalized only if they have an estimated useful life of at least two years following the date of acquisition or significantly extend the useful life of the existing asset and cannot be consumed, unduly altered, or materially reduced in value immediately by use and has a cost of not less than \$10,000 for any individual item.

The capitalization threshold of \$10,000 will be applied to individual items rather than to a group of similar items, (i.e.: desks, chairs, etc.) unless doing so would have a material impact on financial reporting. The capitalization threshold for infrastructure will be \$50,000 or more.

GASB requires software to be capitalized if criteria described in GASB Statement 51 (Accounting & Financial Reporting for Intangible Assets) is met. Internally developed or contracted development of or off-the-shelf and then modified software should be capitalized given cost & useful life threshold is met. Other licensed software implemented without modification or minimal modification is not capitalized.

## Five-Year Capital Improvement Plan (CIP)

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The City shall annually prepare a five-year capital improvement plan based on the needs for capital improvements and equipment, the status of the City's infrastructure, replacement and renovation needs, and potential new projects. Capital projects are improvements or additions to the City's physical infrastructure and become part of the City's asset inventory. Capital projects can be further categorized into land, buildings, improvements other than buildings, and infrastructure, which includes roads, sidewalks, bridges, utility lines, etc. Capital costs typically consist of studies, preliminary design, final design, and construction, and may involve the acquisition of land or easements. For every project identified in the plan, a project scope and project justification will be provided. Also, project costs shall be estimated, funding sources identified, and annual operation and maintenance costs computed.

Citizens, PARCS Board and the Planning and Zoning Commission will be provided opportunities to review the list of CIP projects for the Five-Year Capital Improvement Plan and may suggest additions and/or changes to the plan as appropriate. Pursuant to the City Charter, the Planning & Zoning Commission makes recommendations to the City Council on the City's Five-Year Capital Improvement Plan.

The City Manager is charged with recommending a Capital Improvement Plan to City Council. Projects submitted, either by staff, through a neighborhood or citizen request, or through joint participation, will be reviewed in conjunction with the entire capital improvement program and submitted to City Council for final consideration. The Five-Year Capital Improvement Plan shall be filed and year one funding approved with the annual budget. Years two through five are for planning purposes only, and may move up, back, or be phased, and cost estimates might be revised as the project becomes more refined based on preliminary engineering and design work gets completed.

The Five-Year CIP shall be limited to the affordability limits identified in the long-range financial plans of the City, taking into consideration pay-as-you go funding, voter approved bond authorization, revenue debt capacity, operating costs, etc. Affordability shall be determined by the revenue assumptions used to build the five-year forecast.

Projects that cannot be funded in the Five-Year CIP using the affordability assumptions will be included in the CIP for future reference as an appendix of unfunded requests and considered for future funding or a bond referendum.

The City will establish and maintain Capital Project Funds based on various funding sources as identified below:

- General Capital Projects (non-bond) - includes projects funded from general fund one-time revenues and other funding sources. Projects recommended for funding from non-voter approved bond sources should be consistent with the overall prioritization and ranking of the five-year CIP.
- Corporation Capital Projects (non-bond)- supported by funding resolutions of the Sugar Land Development Corporation and Sugar Land 4B Corporation. Projects must qualify for funding by the respective corporation and meet all applicable public notice and public hearing requirements.
- General Capital Projects (tax-exempt bond funds)- supported by proceeds of tax-exempt bonds that are to be repaid from property taxes and interest earned thereon; projects funded from this source must be consistent with the uses identified in the bond documents. Use of remaining bond proceeds after project completion should be targeted to be consistent with the overall prioritization and ranking of the five-year CIP.
- Taxable Bonds Capital Projects- supported by proceeds of taxable bonds that are to be repaid from sources other than property taxes.
- Federal Grant Funded Capital Projects- funding for federally funded projects, which have additional requirements that must be met; this includes matching funds from the state, which are pass-through from federal funding sources.
- Utility System Enterprise CIP (non-bond) - includes projects funded from revenues of the utility system. Includes rehabilitation of infrastructure to extend its useful life. Revenues are budgeted as a transfer from the Utility System Operating fund.
- Utility System Enterprise CIP (bond funds) - supported by proceeds of tax-exempt bonds that are to be repaid from enterprise utility revenue sources. Bonds Payable is recognized in the Utility Enterprise Fund as long-term liabilities.
- Airport Enterprise CIP (non-bond) - includes projects funded from revenues of Sugar Land Regional Airport and outside funding sources. Revenues are budgeted as a transfer from the Airport Operating fund or as grants from third parties (FAA/TxDOT).
- Airport Enterprise CIP (bond funds) - supported by proceeds of tax-exempt bonds that are to be repaid from enterprise airport revenues. Bonds payable are recognized in the Airport Enterprise Fund as long term liabilities.

Annually, through the budget process and at year-end, projects are to be reviewed and if identified as complete will be closed according to the Project Close-out Procedures by Budget and Engineering, and any remaining funds closed to the CIP fund balance, which can then be re-appropriated during the next fiscal year capital budget. Funds remaining from bond proceeds will only be used in accordance with the legal use of those funds.

Appropriations for capital projects are for the life of the project; therefore, re-appropriation of capital funding for budgeted projects will not be necessary.

### *Infrastructure Evaluation and Replacement/Rehabilitation:*

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Water, wastewater, drainage, street lighting, streets and sidewalks, municipal facilities, and other infrastructure are fundamental and essential functions for public health and safety, environmental protections, and the economic well-being of the City. As a result, the City's operating budget should be funded at a level to ensure that infrastructure is replaced or rehabilitated as necessary to protect the City's investment, to minimize future replacement and maintenance costs, extend the useful life of the asset, and to maintain existing levels of service and accommodate growth.

Infrastructure will be replaced or rehabilitated at the end of its useable service life if it is financially feasible to do so. If upgrades are warranted to meet current design standards, a cost/benefit analysis will be performed.

### *Community Redevelopment Projects*

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A Community Redevelopment Project is a capital project approved, funded, and implemented within an identified neighborhood for the purpose of upgrading public infrastructure to an established standard without regard to the remaining serviceable life of the infrastructure. Requests will be reviewed and prioritized in conjunction with the entire capital improvement program and within the City's financial ability for pay-as-you-go funding, not to exceed ½ of one percent of the total City operating budget. There will be a dollar-for-dollar match to City funds from non-City third-party sources. (See Capital Improvement Projects for Community Redevelopment Policy)

### *Joint Capital Improvement Projects*

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The City will establish guidelines for City participation in Joint Capital Improvement Projects with community-based organizations that would either add to or enhance the City's Five-Year Capital Improvement Plan (See Resolution 14-27, Policy No. 5000-09 Joint Capital Improvement Projects with Community Based Organizations using Sugar Land 4B Funds).

The projects must benefit the public and be located in the public right of way. In the proposed budget, \$200,000 will be set aside annually for the City's participation in these type projects, funded through the Sugar Land 4B Corporation, pending funds availability and subject to approval by the City Council. A maximum of \$75,000 will be contributed to any one project, and in no case will the Corporation contribute over 50% of project funding. The request will be reviewed, verified to ensure the request meets the criteria set forth in the policy, and prioritized within the financial ability of the Sugar Land 4B Corporation.

The City may also consider requests for participation in funding capital enhancements to projects that have been completed and are open to the public. (see Resolution No. 19-03, Policy on Requests for Funding Public Destination Venue Capital Enhancement Projects) Funding is to be provided through the Sugar Land 4B

Corporation and projects must qualify under this policy to be considered for funding. One-time funding may be appropriated in the SL4B budget from fund balances available over the policy requirement or from Reserve for Opportunity Funding that has been appropriated in the budget.

### *Replacement of Capital Assets on a Regular Schedule (Fleet and Technology)*

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The City shall annually prepare a schedule for the replacement of its fleet and high technology capital assets. Funding for the replacement of these assets will be accomplished using an annual depreciation structure charged to each participating fund at 100% of annual depreciation based on lifecycle or useful life of the asset. Within the resources available each fiscal year, the City shall replace these assets according to the Fleet and High Technology Replacement Policies.

### *Capital Expenditure Financing*

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The City recognizes that there are three basic methods of financing its capital requirements: Funding from current revenues; funding from fund balance/working capital as allowed by the Fund Balance/Working Capital Policy; or funding through the issuance of debt. Types of debt and guidelines for issuing debt are set forth in the Debt Policy Statements.

### *Pay-As-You-Go Capital Improvements*

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1. The City may allocate one-time general revenue funding to capital improvements and capital purchases. When capital improvements are funded, the funds will be transferred to the non-bond CIP fund.
2. Unless CIP balances are sufficient to pre-fund pay-as-you-go projects, scheduling of pay-as-you-go capital improvement projects shall coincide with the transfer from system revenues. CIP projects funded by pay-as-you-go funding must receive approval from the Budget & Strategy Department before they begin, to ensure funding is available.

### *Timing of Bond Funded Projects*

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When capital projects are funded by a planned bond issuance, under IRS regulations the projects may begin ahead of the actual issuance of the bonds, if the City Council has approved a Resolution stating the City's Intent to Reimburse from the proceeds of future tax-exempt bond issues. The resolution must be approved within 60 days of the first expenditure of funds to qualify for reimbursement.

### *Capital Projects Management*

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Capital project status reports shall be completed by project managers monthly, and project status and issues shall be reported to the City Council quarterly.

- a. Project Close Out- A project will be closed once the original scope of the stated project has been completed as determined by Engineering and the project manager.
- b. Remaining Funds- Funds left in a project after completion shall be closed out and fall to the CIP fund balance. Engineering, Accounting and Budget & Strategy will identify and close out projects on a quarterly basis to facilitate identification of funds that can be used for other projects.

## DEBT

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Establish guidelines for debt financing that will provide needed facilities, land, capital equipment and infrastructure improvements while minimizing the impact of debt payments on current and future revenues.

### Use of Debt Financing

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Debt financing, to include general obligation bonds, revenue bonds, certificates of obligation, certificates of participation, lease/purchase agreements, and other obligations permitted to be issued or incurred under Texas law, shall only be used to purchase capital assets that cannot be prudently acquired from either current revenues or fund balance/working capital and to fund infrastructure improvements and additions. Debt financing is utilized to better ensure inter-generational equity by spreading payments of assets and infrastructure over their useful lives. Debt will not be used to fund operating expenditures.

The City will pay cash, when possible, for capital improvements within the financial affordability of each fund versus issuing debt when funding capital expenditures and capital improvements. Projects that are rehabilitative in nature shall be earmarked for funding from cash instead of debt when possible and funded within the department's operating budget. (This is not intended to include reconstruction projects that significantly extend the useful life of an asset.) Cash sources include, but are not limited to general fund one-time revenues, utility and airport system revenues, economic development corporation funding, developer fees, inter-local agreements, and state and federal grants.

### Bond Ratings

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In evaluating the issuance of additional debt to finance projects, the City shall consider the statements of the rating agencies regarding the City's financial condition.

Ratings reflect the assessment of the following factors, and these must be evaluated to determine the impact of potential bond issues:

- Local economic activity
- Strong financial policies as evaluated under the Financial Management Assessment methodology
- Budgetary performance & flexibility
- Total liquidity and reserve balances
- Debt and contingent liability- evaluation of debt carrying costs as a percent of expenditures
  - With adjustments for self-supporting debt
- Impact of future debt issuance on bond ratings/debt profile and outlook
- Voter authorized bonds and tax rate impact

### Affordability

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The City shall use an objective analytical approach to quantify the impact of new general-purpose debt, both General Obligation Bonds and Certificates of Obligation. This process shall compare City accepted standards of

affordability to the current values for the City. These standards may include debt per capita, debt as a percent of taxable value, taxable value per capita, and overall tax rate. The process shall also examine the direct costs and benefits of the proposed expenditures.

The analysis will evaluate the capacity within the General Fund to take on the operating expenditures associated with the completion of the proposed capital improvements. When a project will have a significant impact on the operating budget, the M&O tax rate could be pushed over the voter-approval tax rate, which is 3.5% over the no-new-revenue tax rate. This would cause the tax rate to need further approval by voters once the project is completed and placed into service. If additional capacity within the 3.5% voter-approval rate is available, this capacity can be reserved for future implementation of voter approved bond projects to support the O&M impacts of the projects.

## Debt Capacity

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The City shall complete an assessment of debt capacity and the tax impact of proposed bond funded projects as part of the GO bond planning process. The debt capacity is the upper limit on the dollar amount of capital improvements that the City can afford to fund from debt within the proposed debt service tax rate.

Debt capacity calculations for long-term planning shall assume market rates for the average annual interest costs at the time the capacity is determined. The analysis shall assume a debt structure that meets the policy requirement to pay 50% of principal within the first 10 years of issuance. The analysis shall not assume future refunding of any outstanding bonds and shall consider both debt service requirements on current and proposed debt.

For property tax supported debt, current debt capacity shall be determined by an amount of annual debt service that the City can fund within a flat debt service tax rate with no growth in assessed valuation. The affordability shall include the anticipated impact to the tax rate necessary to support the proposed debt. This tax rate impact should be stated as a maximum impact with no assumed future changes to residential exemptions or growth from revaluation or new taxable value. The calculation shall include the estimated maximum annual increase in the amount of taxes that would be imposed on a residence homestead with an appraised value of \$100,000 to repay the debt obligations, if approved, based on the assumptions by the City. (Government Code Sec. 1251.052)

For revenue debt, maximum capacity shall be determined by the amount of annual debt service that the City can absorb within a proposed rate structure that has been reviewed with City Council and which can support the proposed debt within the additional bonds test as defined in the revenue bond covenants. The City shall not exceed debt capacity as defined through bond covenants or fall below bond coverage ratios for additional revenue bonds.

Factors that will be included in the annual debt capacity determination shall include:

- Existing debt obligations
- Evaluation of revenue and expenditure trends
- Various measures of debt burden on the community

- Debt per capita
- Debt to assessed value ratio
- Taxable value per capita
- Statutory or constitutional requirements
- Market factors such as interest rates, credit ratings or market status

## Certificates of Obligation (CO's)

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Certificates of Obligation may be issued without voter approval to finance any public works project or capital improvement, as permitted by State law. It is the policy of the City to utilize Certificates of Obligation to finance public improvements in limited circumstances and only after determining the City's ability to assume additional debt based on the standards identified above. CO's may not be issued to fund projects that have failed to be approved by voters in a General Obligation bond proposition for the same purpose within the preceding three years (Local Government Code 271.047 (d)- HB 1378 84<sup>th</sup> legislature).

Given restrictions on the issuance of CO's, publication and notice requirements and increased transparency to residents, the issuance of CO's shall be reserved to limited circumstances. CO's must follow notice requirements under Local Government Code 271.049, be published once per week for two consecutive weeks with the first publication at least 45 days in advance of the tentative sale date.

Notices must include the following information:

1. Time and place for consideration of the ordinance to issue the CO's;
2. Purpose of the CO's;
3. How the CO's will be repaid- property taxes, revenues, or a combination;
4. Detail on debt obligations of the City:
  - a. Outstanding principal of all debt obligations (secured and paid from property taxes);
  - b. Combined principal and interest on outstanding debt obligations;
  - c. Maximum principal amount of the CO's to be authorized; and
  - d. Estimated combined principal & interest to repay the CO's.
5. Estimated interest rates for the CO's
6. Maximum maturity dates for the CO's.

Circumstances in which CO's might be issued include, but are not limited to the following:

- The City may issue CO's when emergency conditions require a capital improvement to be funded rapidly and it cannot wait for the next GO bond election.
- The City may issue CO's for projects when the City can leverage dollars from others (such as county mobility bonds, low interest loans, or partnerships) to reduce the City's capital cost for a community improvement and it is not prudent to wait for the next GO bond election;
- The City may issue CO's if it would be more economical to issue Certificates of Obligation rather than issuing revenue bonds, such as funding for airport or economic development projects that are self-supporting.

## CO's in the Definition of Debt for Tax Rate Calculations

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For CO's issued after September 1, 2021, the debt may be considered as part of the debt service tax rate calculation if it meets the following definition (HB1869 of the 87<sup>th</sup> session amending Texas Tax Code 26.012):

- A bond, warrant, certificate of obligation, or other evidence of indebtedness by a taxing unit that is payable [solely] from property taxes in installments over a period of more than one year, not budgeted for payment from maintenance and operations funds, and secured by a pledge of property taxes; and meets one of the following requirements:
  - has been approved at an election;
  - includes self-supporting debt;
  - evidences a loan under a state or federal financial assistance program;
  - is issued for designated infrastructure;
  - is a refunding bond;
  - is issued in response to an emergency under Section 1431.015, Government Code;
  - is issued for renovating, improving, or equipping existing buildings or facilities;
  - is issued for vehicles or equipment; or
  - is issued for a project under Chapter 311, Tax Code, or Chapter 222, Transportation Code, that is in a reinvestment zone created under one of those chapters, or
  - a payment made under contract to secure indebtedness of a similar nature issued by another political subdivision on behalf of the taxing unit.

Designated infrastructure means infrastructure, including a facility, equipment, rights-of-way, or land, for the following purposes:

- streets, roads, highways, bridges, sidewalks, parks, landfills, parking structures, or airports;
- telecommunications, wireless communications, information technology systems, applications, hardware, or software;
- cybersecurity;
- as part of any utility system, water supply project, water plant, wastewater plant, water and wastewater distribution or conveyance facility, wharf, dock, or flood control and drainage project;
- police stations, fire stations, or other public safety facilities, jails, juvenile detention facilities, or judicial facilities, and any facilities that are physically attached to these facilities;
- as part of any school district; or
- as part of any hospital district created by general or special law that includes a teaching hospital.

Refunding bond means a bond or other obligation issued for refunding or refinancing purposes under Chapter 1207 or 1371, Government Code.

Self-supporting debt means the portion of a bond, warrant, certificate of obligation, or other evidence of indebtedness described above designated by the governing body of a political subdivision as being repaid from a source other than property taxes.

## General Obligation Bonds (GO's)

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General Obligation Bonds require voter approval. To increase transparency and resident engagement, the City may strive to plan and propose General Obligation Bond packages on a regular cycle. As part of the annual budget and CIP process, staff will identify projects for funding within remaining voter approved GO bond authorization. When projects have been identified for funding that cannot be funded from the voted authorization, the City may begin planning for and call the next General Obligation Bond Election.

### 1. Bond Elections-

- a. Timing of general obligation bond elections shall be determined by the inventory of current authorized, unissued bonds remaining to be sold and the City's ability to fund projects in the five-year CIP.
- b. The total dollar amount of bond election propositions recommended to the voters may not exceed the City's estimated ability to issue the bonds within a five-year period after the election passes.
- c. An analysis showing how the new debt impacts the City's tax rate and debt capacity must accompany every bond proposition proposal in accordance with state law. The analysis will also include the estimated impact on the operations and maintenance portion of the tax rate.
- d. Each GO bond proposition must be consistent with Government Code Sec. 1251.052 (HB 477 - 2019) and include the following information:
  1. The ballot for GO Bonds shall specifically state:
    - i. General description of the purposes for the debt;
    - ii. Total principal to be authorized; and
    - iii. That taxes sufficient to pay the principal and interest on the debt will be imposed.
  2. The City must prepare a voter information document for each proposition to be voted on at the election.
    - i. The voter information document must distinctly state:
      - a) Language to be used on the ballot;
        - i. Principal to be issued;
        - ii. Estimated interest costs;
        - iii. Estimated combined principal and interest; and
      - iv. As of the date the election is called:
        - 1) Principal of current debt;
        - 2) Interest on outstanding debt; and
        - 3) Combined principal and interest on outstanding debt.
    - b) Estimated maximum annual increase in the amount of taxes that would be imposed on a residence homestead in the city with an appraised value of \$100,000 to repay the debt obligations, if approved, based upon assumptions by the City; and
    - c) Any other information that the City considers relevant or necessary to explain the information required by this subsection.
  - ii. The voter information document should include assumptions made in connection with the statements regarding the maximum annual increase in taxes, including:
    - a) Assumed amortization of debt – current and proposed;
    - b) Assumed changes in future appraised values; and

- c) Assumed interest rates on the proposed debt.
2. General Obligation bonds must be used to accomplish projects identified in the bond referendum and associated material.
3. General Obligation bonds must be used for projects that are consistent with the wording in the bond propositions.
4. The tax rate shall be adjusted annually based on the projected impact from the GO bond election. If the tax rate is not adjusted to fully fund approved projects in that year's CIP, the projects will not be funded in the CIP nor bonds issued. The maintenance & operations tax rate will be adjusted at the time the projects are placed into service.
5. The City will strive to take a GO bond package to the voters on a regular cycle, approximately every five years, or as needed; GO bond packages shall be structured to provide sufficient funding in each proposition to complete the identified projects.
  - a. If a GO bond proposition fails to be approved by voters, the City may not issue Certificates of Obligation to fund projects from the proposition for the next three years (Local Government Code 271.047 (d)).
  - b. The City Council may consider placing a proposition back on the ballot for approval by voters within the three-year window, prior to the next scheduled GO bond election.

## Revenue Bonds

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For the City to issue new revenue bonds, revenues, as defined in the ordinance authorizing the revenue bonds in question, shall be a minimum of 125% of the average annual debt service and 110% of the debt service for the year in which debt requirements are scheduled to be the greatest. Annual adjustments to the City's rate structures for enterprise funds will be made as necessary to maintain the coverage factor.

When the City issues CO's for enterprise fund projects, the City shall prepare a five-year financial plan to ensure that the enterprise fund maintains appropriate reserves and coverage requirements.

## Debt Structures

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- The City shall normally issue bonds with a life not to exceed 25 years for general obligation bonds and 25 years for revenue bonds, but in no case longer than the useful life of the asset. The normal maturity structure is 20 years.
- The City shall seek level principal payments or declining debt repayment schedules and shall seek to retire 50% of the total principal outstanding within the first half of the maturity schedule.
- There should be no debt structures that include increasing debt service levels in subsequent years, with the first and second year of a bond payout schedule the exception or as special situations may warrant.
- There shall be no "balloon" bond repayment schedules, which consist of low annual payments and one large payment of the balance due at the end of the term.

- There shall always be at least interest paid in the first fiscal year after a bond sale and principal payments starting generally no later than the second fiscal year after the bond issue.
- Normally, there shall be no capitalized interest included in the debt structure except for debt issuances reimbursing developers for infrastructure, which shall not exceed 2 years of capitalized interest.

## Debt Refunding

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The City's financial advisor shall monitor the municipal bond market for opportunities to obtain interest savings by refunding outstanding debt. As a rule, the net present value savings of a particular refunding should exceed 3.0% of the refunded maturities unless (1) a debt restructuring is necessary or (2) bond covenant revisions are necessary to facilitate the ability to provide services or to issue additional debt.

### *Allocation of Savings from Taxable Refunding Bonds*

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When a taxable bond issue is refunded for savings, the savings shall be applied in a way that mutually benefits the City and the beneficiary of the taxable bonds. For Public Private Partnerships financed by Taxable CO's, the use of savings from the refunding should be agreed upon between the partners in advance of undertaking the refunding issue.

### *Interest Earnings and Remaining Bond Proceeds*

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Interest earnings on bond proceeds will be limited to funding changes to the bond financed Capital Improvement Plan in compliance with the voted propositions, cost overruns on bond projects, or be applied to debt service payments on the bonds issued. Issued but unspent bond proceeds may be appropriated for projects consistent with the ballot language after completion of projects identified in the approved bond propositions.

### *Sale Process*

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The City shall use a competitive bidding process in the sale of debt unless the nature of the issue warrants a negotiated sale. The City will utilize a negotiated process when the issue is, or contains, a refinancing that is dependent on market/interest rate timing, or if uncertainty in the bond market is such that a competitive issuance may not generate the required 3 bids to meet IRS requirements. The City shall award the bonds based on a true interest cost (TIC) basis. However, the City may award bonds based on a net interest cost (NIC) basis as long as the financial advisor agrees that the NIC basis can satisfactorily determine the lowest and best bid.

### *Underwriting Syndicates*

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In response to the MSRB Rule G-17, which recognizes that the motivations of an underwriter may not be consistent with the best interest of the City, the City shall refer underwriters to its Municipal Advisor to review potential refunding opportunities. The City's municipal advisor is prohibited from underwriting the City's bonds while under contract with the City for municipal advisory services, and for a period of one year after termination of the municipal advisory contract.

The City will consider past participation and results of competitive City of Sugar Land and component unit bond sales when engaging one or more firm to underwrite a negotiated bond transaction.

### *Rating Agency Presentations*

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Full disclosure of operations and open lines of communications shall be maintained with the rating agencies. City staff, with the assistance of financial advisors, shall prepare the necessary materials and presentation to the rating agencies. Credit ratings will be sought from one or more of the nationally recognized municipal bond rating agencies, currently Standard & Poor's and Fitch Ratings Inc., as recommended by the City's municipal advisor.

### *Bond Ratings*

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The City will prudently manage the General, Economic Development Corporations, and Enterprise Funds and attempt to issue and structure debt to help maintain or increase the current bond ratings.

### *Direct Borrowings*

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A direct borrowing is when a government engages in a loan with a lender for funding (e.g. bank, credit union, private mortgage company, etc.). A direct placement is when a government issues a debt security directly to an investor.

The City will use lease/purchase agreements or direct borrowing contracts for capital items only when it is cost-efficient and provides for more attractive terms than issuance of bonds. Capital leases and bank loans must be disclosed as debt in the ACFR under GASB Statement No. 88 and should be disclosed to the MSRB through the EMMA website.

## **CASH MANAGEMENT AND INVESTMENTS**

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To maintain the City's cash in such a manner to ensure the absolute safety of principal, to meet the liquidity needs of the City, and to achieve the highest possible yield in compliance with the Public Funds Investment Act (Chapter 2256 of the Local Government Code) and the City's Investment Policy & Strategy, as adopted annually by City Council.

### *Investment Policy*

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All aspects of cash/investment management shall be designed to ensure safety and integrity of the City's financial assets. Cash/Investment management activities shall be conducted in full compliance with prevailing local, state, and federal regulations. Please reference the City's Investment Policy as adopted annually by City Council.

The City shall design and establish policies relating to a variety of cash/investment management issues, such as the eligibility and selection of various broker/dealers, safekeeping requirements, collateral requirements, delivery versus payment requirements, weighted average maturity requirements and such other aspects of the program, which necessitate standard setting in pursuit of appropriate prudence and enhanced protection of assets.

### *Investment Strategy*

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The City of Sugar Land maintains a consolidated portfolio in which it pools its funds for investment purposes. The City's investment program seeks to achieve safety of principal, adequate liquidity to meet cash needs, and

reasonable yield commensurate with the preservation of principal and liquidity. Refer to the City's Investment Strategy as adopted by City Council annually for detail.

### *Interest Income*

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Interest earned from investments shall be distributed to the funds from which the funds were provided for investment.

### *Arbitrage Investments and Reporting*

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The City's investment position as it relates to arbitrage is as follows: Investments on bond proceeds will be made with safety of principal and liquidity in mind, but with a competitive rate of return. Investment of bond proceeds will be clearly tracked, and investment earnings recorded for arbitrage purposes.

### *Depository Bank*

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The City of Sugar Land will select its official bank depository through a formal bidding process to provide the City with the most comprehensive, flexible, and cost-effective banking services available. The City will at a minimum, bid depository services every five years. Only officials authorized by the City Council through the depository contract may open accounts in the name of the City or its component units.

### *Collateralization of Deposits*

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The City of Sugar Land shall have pledged collateral held at an independent third-party institution and evidenced by a written receipt.

The value of the pledged collateral should be marked to market monthly and shall be at least 102 percent of par or market value of the investments, whichever is greater. The City's depository bank monitors the required collateral and makes necessary adjustment to increase or decrease it.

Substitutions of collateral shall meet the requirements of the collateral agreement and have prior written approval. Collateral shall not be released until the replacement collateral has been received.

The pledge of collateral shall comply with the City's Investment Policy.

## **GRANTS**

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The City will seek, apply for, and effectively administer federal, state, and local grants, which support the City's current priorities and policy objectives. Any project that receives federal funding, including pass-through funds, should be treated as a grant, as it must be reported in the Schedule of Federal Awards for single-audit consideration and review.

### *Federal Stimulus Funds*

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The City shall spend federal stimulus funding (CARES Act and American Rescue Plan Act- ARPA) in accordance with the terms of the treasury guidance and federal requirements. All reporting shall be completed in accordance with the terms and conditions of the funds. These funds are considered one-time in nature and will not be used to fund recurring programs.

## *Grant Guidelines*

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The City will actively pursue grant funding from the state and federal government along with privately funded grants. The City shall apply and facilitate the application for only those grants that are consistent with the objectives and high priority needs identified by Council and City Management. When necessary, the City will retain consultants to assist with this process.

Grant funding will be considered to leverage City funds. Inconsistent and/or fluctuating grants should not be used to fund ongoing programs.

The potential for incurring ongoing costs, to include assumptions of support for grant-funded positions from local revenues, will be considered prior to applying for a grant.

## *Grant Review and Acceptance*

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All grant submittals shall be reviewed for their local match requirements, their potential impact on the operating budget, and the extent to which they meet the City's goals. If there is a local match requirement, the source of funding shall be identified prior to application, and whether the local match must be made as cash or in-kind contributions. (Refer to City's Inter-Departmental Grant Policy AC104.)

All grants must be reflected in the budget. Grants must be officially accepted by action of the City Council, with funding appropriated during budget adoption or with a budget adjustment. If the funding is not already included in the annual budget, the budget shall be amended to reflect revenues and expenditures associated with the grant.

## *Grant Termination and/or Reduced Grant Funding*

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In the event of reduced grant funding, City resources will be substituted only after all program priorities and alternatives are considered during the budget process, unless the City is obligated through the terms of the grant to maintain the positions.

The City shall terminate grant-funded programs and associated positions when grant funds are no longer available, and it is determined that the program no longer supports City goals and/or is no longer in the best interest of the City, unless the City has obligated itself through the terms of the grant to maintain the positions after the grant period ends.

**CITY OF SUGAR LAND  
SALARY STRUCTURE  
FOR NON-EXEMPT POSITIONS  
FOR FY23**

Range	Position Title	Minimum	Midpoint	Maximum
<b>N-01</b>	COURIER	\$15.00	\$18.93	\$22.95
	CUSTODIAN	\$31,200	\$39,374	\$47,736
<b>N-02</b>	CUSTOMER SERVICE REPRESENTATIVE I	\$15.65	\$19.87	\$24.09
	GENERAL MAINTENANCE WORKER I	\$32,552	\$41,330	\$50,107
<b>N-03</b>	CAFÉ ATTENDANT I	\$16.45	\$20.88	\$25.31
	COURT CLERK	\$34,216	\$43,430	\$52,645
	KENNEL TECHNICIAN			
	PERMIT TECHNICIAN			
	RECORDS CLERK			
<b>N-04</b>	AIRPORT SERVICES REP I	\$17.26	\$22.07	\$26.92
	BILLING/COLLECTION SPEC. I	\$35,901	\$45,906	\$55,994
	CAFÉ ATTENDANT II			
	CUSTOMER SERVICE REPRESENTATIVE II			
<b>N-05</b>	311 CONTACT CENTER AMBASSADOR	\$18.27	\$23.39	\$28.52
	ADMINISTRATIVE ASSISTANT	\$38,002	\$48,651	\$59,322
	ANIMAL SERVICES OFFICER I			
	BILLING SPECIALIST II			
	COMPLIANCE COLLECTIONS SPECIALIST			
	COURT DOCKET SPECIALIST			
	<i>FLEET INVENTORY &amp; PARTS CLERK</i>			
	FLEET SERVICES CLERK			
	GENERAL MAINTENANCE WORKER II			
	LINE CREW I			
	PARKS FACILITIES TECHNICIAN			
	SR. PERMIT TECHNICIAN			
	TRAFFIC TECH I			
WARRANT CLERK				
<b>N-06</b>	AIRPORT SERVICES REP II	\$19.39	\$24.81	\$30.23
	ANIMAL SERVICES OFFICER II	\$40,331	\$51,605	\$62,878
	FACILITY SUPPORT SPECIALIST			
	LINE CREW II			
	PUMP & MOTOR TECHNICIAN I			
	<i>UTILITIES OPERATOR TRAINEE</i>			
	WARRANT COORDINATOR			
WATER QUALITY TECHNICIAN				
<b>N-07</b>	ACCOUNTS PAYABLE SPECIALIST	\$20.55	\$26.50	\$32.46
	AUTOMOTIVE TECHNICIAN I	\$42,744	\$55,120	\$67,517
	CAFE SUPERVISOR			
	DEPARTMENT SPECIALIST			
	LINE CREW III			
	PUMP & MOTOR TECHNICIAN II			
VETERINARY TECHNICIAN				
	ACCOUNTANT I	\$22.08	\$28.51	\$34.93
	ADMINISTRATIVE SUPERVISOR	\$45,926	\$59,301	\$72,654
	AIRPORT OPERATIONS AGENT			
	CODE ENFORCEMENT INSPECTOR			
	CREW CHIEF			

Range	Position Title	Minimum	Midpoint	Maximum
<b>N-08</b>	DEVELOPMENT REVIEW COORDINATOR			
	ENVIRONMENTAL SERVICES INSPECTOR			
	IRRIGATION TECHNICIAN			
	LABORATORY TECHNICIAN			
	RECORDS ANALYST			
	SR. ACCOUNTS PAYABLE SPECIALIST			
	SR. ADMINISTRATIVE ASSISTANT			
	SR. COURT CLERK			
	SR. FACILITY SERVICES TECH			
	TRAFFIC TECHNICIAN II, SIGNALS			
UTILITIES OPERATOR				
<b>N-09</b>	311 CONTACT CENTER SUPERVISOR	\$23.64	\$30.50	\$37.36
	311 QUALITY ASSURANCE COORDINATOR	\$49,171	\$63,440	\$77,709
	AIRPORT MAINTENANCE COORDINATOR			
	CONTRACT SERVICES COORDINATOR			
	ELECTRICIAN			
	GOVERNMENT INFORMATION ANALYST			
	LEAD UTILITIES OPERATOR			
	MECHANIC			
	RESIDENTIAL RENTAL INSPECTOR			
	SANITARIAN			
<b>N-10</b>	ADMINISTRATIVE COORDINATOR	\$25.55	\$33.20	\$40.87
	AUTOMOTIVE TECHNICIAN II	\$53,144	\$69,056	\$85,010
	BUILDING INSPECTOR			
	CONSTRUCTION INSPECTOR			
	CRIME SCENE TECHNICIAN			
	EXECUTIVE ASSISTANT			
	FACILITY SERVICES TECHNICIAN			
	FOOD INSPECTION COORDINATOR			
	G.I.S. ANALYST			
	INFORMATION PROCESS TECHNICIAN			
LINE SUPERVISOR				
<b>N-11</b>	AIRPORT FIELD SUPERVISOR	\$29.35	\$38.14	\$46.96
	ANIMAL SHELTER SUPERVISOR	\$61,048	\$79,331	\$97,677
	CRIME ANALYST			
	END USER SUPPORT SPECIALIST			
	FIELD SUPERVISOR			
	FLEET SERVICES SUPERVISOR			
	G.I.S. SPECIALIST			
	INSTRUMENTATION & CONTROL TECHNICIAN			
	PERMITS SUPERVISOR			
	PLANS EXAMINER			
SR. ACCOUNTANT				
SR. ADMINISTRATIVE COORDINATOR				
SR. BUILDING INSPECTOR				
SR. CONSTRUCTION INSPECTOR				
SR. FACILITY TECHNICIAN				
TELECOMMUNICATIONS SPECIALIST				
<b>N-12</b>	SYSTEM ADMINISTRATOR	\$32.30	\$41.96	\$51.66
	SR. G.I.S. SPECIALIST	\$67,184	\$87,277	\$107,453

*Effective Date: TBD*

**CITY OF SUGAR LAND  
SALARY STRUCTURE  
FOR EXEMPT POSITIONS  
FOR FY23**

Range	Position Title	Minimum	Midpoint	Maximum
E-01	COMMUNICATIONS SPECIALIST	\$ 26.45	\$ 34.61	\$ 41.25
	COMMUNITY DEVELOPMENT COORDINATOR	\$ 55,016	\$ 71,989	\$ 85,800
	CONTRACTS COORDINATOR			
	DEPARTMENT ANALYST			
	ECONOMIC DEVELOPMENT COORDINATOR			
	EMPLOYEE ENGAGEMENT & WELLNESS COORDINATOR			
	EVENT COORDINATOR			
	GRAPHICS DESIGNER/BRANDING SPECIALIST			
	MANAGEMENT ANALYST I			
	PLANNER I			
	RECREATION COORDINATOR			
VICTIM SERVICES COORDINATOR				
E-02	AGENDA COORDINATOR	\$ 28.90	\$ 36.74	\$ 44.53
	AIRPORT LEASING COORDINATOR	\$ 60,112	\$ 76,419	\$ 92,622
	BILLING SUPERVISOR			
	BUDGET & STRATEGY ANALYST			
	CODE COMPLIANCE COORDINATOR			
	COLLECTIONS & CUSTOMER SERVICE SUPERVISOR			
	COMMUNITY ENGAGEMENT COORDINATOR			
	COMPLIANCE COLLECTIONS SUPERVISOR			
	COURT SERVICES SUPERVISOR			
	ECONOMIC DEVELOPMENT MARKETING COORDINATOR			
	ENVIRONMENTAL COMPLIANCE COORDINATOR			
	ENVIRONMENTAL COORDINATOR			
	FACILITIES SERVICES SUPERVISOR			
	GRANTS OFFICER			
	HR BUSINESS PARTNER			
	MANAGEMENT ANALYST II			
	MEDIA PRODUCER			
	PERFORMANCE ANALYST			
	PLANNER II			
	PRETREATMENT COORDINATOR			
	RECREATION SUPERVISOR			
SAFETY & RISK COORDINATOR				
TRAFFIC MANAGEMENT CENTER OPERATOR				
E-03	ADMINISTRATIVE MANAGER	\$ 31.24	\$ 39.66	\$ 48.10
	AIRPORT OPERATIONS SUPERVISOR	\$ 64,979	\$ 82,493	\$ 100,048
	AIRPORT SERVICES REPRESENTATIVE SUPERVISOR			
	APPLICATION DEVELOPER I			
	COMMUNITY DEVELOPMENT PROGRAM STRATEGIST			
	COMPLIANCE AND BUDGET ANALYST			
	CONTENT STRATEGIST			
	DEPUTY COURT ADMINISTRATOR			
	EMPLOYEE ENGAGEMENT & WELLNESS MANAGER			
	ENGINEER I			
	FINANCIAL ANALYST			
	INNOVATION STRATEGIST			
	PRINCIPAL ACCOUNTANT			
	RECORDS MANAGER			
	SR. HR BUSINESS PARTNER			
	SR. PLANNER			
	TRAFFIC MANAGEMENT CENTER ANALYST			
TRANSPORTATION & MOBILITY COORDINATOR				
USER SERVICES SUPERVISOR				
WATER CONSERVATION MANAGER				
E-04	ACCOUNTING SUPERVISOR	\$ 33.74	\$ 42.85	\$ 51.94
	ACCOUNTS PAYABLE MANAGER	\$ 70,179	\$ 89,128	\$ 108,035
	AIRPORT BUSINESS MANAGER			
	APPLICATION DEVELOPER II			
	COMMUNITY ENGAGEMENT MANAGER			
	CONTRACTS MANAGER			
	DIGITAL COMMUNICATION MANAGR, VIDEO PRODUCTION			
	ENGINEER II			
	EVENT PRODUCTION MANAGER			
	FACILITIES SERVICES MANAGER			
	FOOD INSPECTION MANAGER			
	HUMAN RESOURCES MANAGER			
	INNOVATION MANAGER			
	IT PROJECT MANAGER			
	IT PROJECT MANAGER - ERP			
	PLATFORM DATA ADMINISTRATOR			
	PROJECT MANAGER			
REAL PROPERTY MANAGER				

Range	Position Title	Minimum	Midpoint	Maximum
	RECREATION MANAGER			
	RISK MANAGER			
	SALES AND EVENTS MANAGER			
	SR. BUDDET & STRATEGY ANALYST			
	TRAFFIC OPERATIONS MANAGER			
	WATER RESOURCES MANAGER			
	APPLICATION DEVELOPER III	\$ 36.41	\$ 46.26	\$ 56.08
	ASSET & OPERATIONS MANAGER	\$ 75,733	\$ 96,221	\$ 116,646
	CODE COMPLIANCE MANAGER			
	CONSTRUCTION MANAGER			
	CULTURAL ARTS MANAGER			
	CUSTOMER EXPERIENCE MANAGER			
	CUSTOMER SERVICE MANAGER			
	DEPUTY BUILDING OFFICIAL			
	ENGINEER III			
	ENTERPRISE DATA ARCHITECT			
	ENVIRONMENTAL MANAGER			
E-05	FIELD OPERATIONS MANAGER			
	INTELLIGENT TRANSPORTATION SYSTEMS MANAGER			
	IT BUSINESS SYSTEMS ANALYST			
	LINE SERVICES MANAGER			
	PARKS DEVELOPMENT MANAGER			
	PARKS SUPERINTENDENT			
	PRINCIPAL PLANNER			
	PUBLIC WORKS OPERATIONS MANAGER			
	SR. BUSINESS DEVELOPMENT MANAGER			
	SR. MARKETING MANAGER			
	SR. PROJECT MANAGER			
	STREET/DRAINAGE SUPERINTENDENT			
	WATER QUALITY MANAGER			
	ANIMAL SERVICES MANAGER	\$ 39.71	\$ 50.43	\$ 61.13
	ASSISTANT CITY ATTORNEY	\$ 82,597	\$ 104,894	\$ 127,150
	ASSISTANT TO THE CITY MANAGER			
	BUDGET & STRATEGY MANAGER			
	DEPUTY CONTROLLER			
	EMERGENCY MANAGEMENT COORDINATOR			
	ENGINEERING MANAGER			
E-06	FACILITY OPERATIONS MANAGER			
	FLEET SERVICES MANAGER			
	INTERGOV'L RELATIONS MANAGER			
	MANAGER, VERTICAL CONSTRUCTION			
	RIGHT OF WAY SERVICES MANAGER			
	SR. DEVELOPMENT MANAGER			
	SURFACE WATER PLANT MANAGER			
	TRANSPORTATION & MOBILITY INNOVATION MANAGER			
	ASSISTANT COMMUNICATIONS DIRECTOR	\$ 43.26	\$ 54.99	\$ 66.64
	ASSISTANT INNOVATION DIRECTOR	\$ 89,981	\$ 114,379	\$ 138,611
	CITY TRAFFIC ENGINEER			
	DEPUTY CITY SECRETARY			
	FINANCE MANAGER			
	IT MANAGER			
E-07	MUNICIPAL COURT ADMINISTRATOR			
	PUBLIC AFFAIRS STRATEGIST			
	PURCHASING MANAGER			
	SR. ASSISTANT CITY ATTORNEY			
	SR. ENGINEERING MANAGER			
	TREASURY MANAGER			
	ADMINISTRATOR, EMERGENCY MANAGEMENT	\$ 46.74	\$ 59.35	\$ 71.97
	ASSISTANT CITY ENGINEER	\$ 97,219	\$ 123,448	\$ 149,698
	ASSISTANT DIRECTOR OF AVIATION			
	ASSISTANT DIRECTOR OF ECONOMIC DEVELOPMENT			
	ASSISTANT DIRECTOR OF ENVIRON & NEIGHBORHOOD SVS			
	ASSISTANT DIRECTOR OF FIRE/EMS			
	ASSISTANT DIRECTOR OF HUMAN RESOURCES			
	ASSISTANT DIRECTOR OF PARKS & RECREATION			
	ASSISTANT DIRECTOR OF PUBLIC WORKS			
E-08	CHIEF ACCOUNTANT			
	CHIEF BUILDING OFFICIAL			
	CITY PLANNER - DEVELOPMENT PLANNING			
	CITY PLANNER - LONG RANGE PLAN			
	CONTROLLER			
	FIRST ASSISTANT CITY ATTORNEY			
E-09	DEPUTY DIRECTOR OF AVIATION	\$ 50.02	\$ 65.28	\$ 81.32
	DEPUTY DIRECTOR OF FINANCE	\$ 104,042	\$ 135,782	\$ 169,146
	DEPUTY DIRECTOR OF ECONOMIC DEVELOPMENT			

Effective Date: TBD

**CITY OF SUGAR LAND**  
**SALARY STRUCTURE**  
**FIRE-EMS**  
**FOR FY23**

<b>Job Title</b>	<b>Range</b>	<b>Hourly Annual Minimum</b>	<b>Hourly Annual Midpoint</b>	<b>Hourly Annual Maximum</b>
FIREFIGHTER RECRUIT PARAMEDIC RECRUIT	F-R	\$19.73		
FIREFIGHTER	F-1	\$23.34	\$26.85	\$30.37
<i>(2912 Hours Annually)</i>		<b>\$67,966</b>	<b>\$78,187</b>	<b>\$88,437</b>
FIRE DRIVER	F2F	\$25.83	\$29.20	\$32.57
<i>(2912 Hours Annually)</i>		<b>\$75,217</b>	<b>\$85,030</b>	<b>\$94,844</b>
FIRE LIEUTENANT (SHIFT)	F3F	\$31.86	\$33.98	\$36.11
<i>(2912 Hours Annually)</i>		<b>\$92,776</b>	<b>\$98,950</b>	<b>\$105,152</b>
FIRE LIEUTENANT (NON-SHIFT)	F3G	\$44.59	\$47.58	\$50.55
<i>(2080 Hours Annually)</i>		<b>\$92,747</b>	<b>\$98,966</b>	<b>\$105,144</b>
FIRE CAPTAIN (SHIFT)	F4F	\$33.13	\$36.56	\$40.00
<i>(2912 Hours Annually)</i>		<b>\$96,475</b>	<b>\$106,463</b>	<b>\$116,480</b>
FIRE CAPTAIN (NON-SHIFT)	F4G	\$46.38	\$51.19	\$56.00
<i>(2080 Hours Annually)</i>		<b>\$96,470</b>	<b>\$106,475</b>	<b>\$116,480</b>
BATTALION CHIEF (SHIFT)	F5F	\$36.35	\$39.74	\$43.13
<i>(2912 Hours Annually)</i>		<b>\$105,851</b>	<b>\$115,723</b>	<b>\$125,595</b>
BATTALION CHIEF (NON-SHIFT)	F5G	\$50.89	\$55.64	\$60.38
ASSISTANT FIRE MARSHAL <i>(2080 Hours Annually)</i>		<b>\$105,851</b>	<b>\$115,731</b>	<b>\$125,590</b>
ASSISTANT CHIEF OF FIRE-EMS	F6G	\$58.36	\$64.09	\$69.83
<i>(2080 Hours Annually)</i>		<b>\$121,389</b>	<b>\$133,307</b>	<b>\$145,246</b>

*Effective Date: TBD*

**CITY OF SUGAR LAND  
SALARY STRUCTURE  
POLICE, DETENTION & DISPATCH  
FOR FY23**

<b>Job Title</b>	<b>Range</b>	<b>Hourly Annual Minimum</b>	<b>Hourly Annual Midpoint</b>	<b>Hourly Annual Maximum</b>
PUBLIC SAFETY DISPATCHER - RECRUIT	PTR	\$23.87		
PUBLIC SAFETY DISPATCHER I (CERTIFIED)	PT1	\$24.41	\$29.91	\$35.41
		<b>\$50,773</b>	<b>\$62,213</b>	<b>\$73,653</b>
PUBLIC SAFETY DISPATCHER II (CERTIFIED)	PT2	\$27.43	\$33.84	\$40.25
		<b>\$57,054</b>	<b>\$70,387</b>	<b>\$83,720</b>
PS DISPATCH SHIFT SUPERVISOR	PT3	\$32.32	\$38.69	\$45.05
QUALITY ASSURANCE COORDINATOR		<b>\$67,226</b>	<b>\$80,475</b>	<b>\$93,704</b>
PS DISPATCH MANAGER	PT4	\$39.59	\$46.52	\$53.47
		<b>\$82,347</b>	<b>\$96,762</b>	<b>\$111,218</b>
DETENTION OFFICER	PD1	\$22.81	\$27.40	\$31.97
		<b>\$47,445</b>	<b>\$56,992</b>	<b>\$66,498</b>
POLICE OFFICER - RECRUIT	P-1	\$27.57		
POLICE OFFICER	P-2	\$33.55	\$39.42	\$45.29
		<b>\$69,784</b>	<b>\$81,994</b>	<b>\$94,203</b>
POLICE SERGEANTS	P-3	\$43.36	\$47.70	\$52.05
		<b>\$90,189</b>	<b>\$99,216</b>	<b>\$108,264</b>
POLICE LIEUTENANT	P-4	\$50.15	\$55.02	\$59.90
		<b>\$104,312</b>	<b>\$114,442</b>	<b>\$124,592</b>
POLICE CAPTAIN	P-5	\$55.65	\$62.01	\$68.38
		<b>\$115,752</b>	<b>\$128,981</b>	<b>\$142,230</b>
ASSISTANT CHIEF OF POLICE	P-6	\$62.02	\$69.53	\$77.05
		<b>\$118,886</b>	<b>\$144,622</b>	<b>\$160,264</b>

*Effective Date: TBD*

**CITY OF SUGAR LAND  
SALARY STRUCTURE  
MANAGEMENT & ELECTED OFFICIAL POSITIONS  
FOR FY23**

Range	Position Title	Minimum	Midpoint	Maximum
<b>M-01</b>	CITY SECRETARY	\$ 55.29	\$ 68.65	\$ 82.00
	COMMUNICATIONS DIRECTOR	\$ 115,003	\$ 142,792	\$ 170,560
	PUBLIC SAFETY DISPATCH DIRECTOR			
<b>M-02</b>	CHIEF INNOVATION OFFICER	\$ 57.88	\$ 72.37	\$ 86.84
	CITY ENGINEER	\$ 120,390	\$ 150,530	\$ 180,627
	DIRECTOR OF AVIATION			
	DIRECTOR OF BUDGET & STRATEGY			
	DIRECTOR OF ECONOMIC DEVELOPMENT			
	DIRECTOR OF ENVIRON & NEIGHBORHOOD SVS			
	DIRECTOR OF FINANCE			
	DIRECTOR OF HUMAN RESOURCES			
	DIRECTOR OF INFORMATION TECHNOLOGY, DATA & SECURITY			
	DIRECTOR OF PARKS & RECREATION			
	DIRECTOR OF PLANNING & DEVELOPMENT SERVICES			
<b>M-03</b>	CITY MANAGER		UNGRADED	
	DEPUTY CITY MANAGER			
	ASSISTANT CITY MANAGER			
	EXECUTIVE DIRECTOR			
	DIRECTOR OF SPECIAL PROJECTS			
	CITY ATTORNEY			
	CHIEF OF FIRE & EMS			
	CHIEF OF POLICE			
	MUNICIPAL COURT JUDGE			
<b>EO-1</b>	COUNCIL MEMBER		\$ 872.50	(Monthly)
			\$ 10,470	(Annually)
<b>EO-2</b>	MAYOR		\$ 1,745.00	(Monthly)
			\$ 20,940	(Annually)

*Effective Date: TBD*

# Glossary

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## A

**ACCOUNT:** An accounting unit established to record expenditures or revenues by detailed categories.

**ACCOUNTS PAYABLE:** A liability account reflecting amounts on an open account owing to private persons or organizations for goods and services received by a government (but not including amounts due to other funds of the same government or to other governments).

**ACCOUNTS RECEIVABLE:** An asset account reflecting amounts owing to open accounts from private persons or organizations for goods and services furnished by a government.

**ACCRUAL ACCOUNTING:** A basis of accounting in which debits and credits are recorded at the time they are incurred as opposed to when cash is actually received or spent.

**AD VALOREM:** Refers to the tax assessed against real (land and buildings) and personal (equipment and furniture) property.

**AGENDA:** A formal listing of items to be discussed during a public meeting. Agendas for public meetings are posted 72 hours in advance, in compliance with the open meetings act.

**AGENDA REQUEST:** A formal summary of a topic to be discussed during an open meeting. Included in the request are the proceeding, clearances, appropriation and action required, and an executive summary and attachments to explain the topic.

**ANNEX:** Refers to a portion of the City's Emergency Operations Plan.

**APPROPRIATION:** A legal authorization granted by City Council to make expenditures and incur obligations for designated purposes.

**ARBITRAGE:** The interest earnings derived from invested bond proceeds or debt service fund balances.

**ARCIMS:** The Internet map server allowing users to interact with maps on the City's web page.

**ASSESSED VALUATION:** A valuation set upon real estate of other property by a government as a basis for levying taxes.

**ASSETS:** Property with monetary value owned by the City.

**AUDIT:** A systematic examination of resource utilization concluding in a written report. It is a test of management's internal accounting controls and is intended to accomplish the following:

- Ascertain whether financial statements fairly represent financial position and results of operations
- Ascertain whether transactions have been recorded accurately and consistently, and
- Identify areas for possible improvements in accounting practices and procedures.

## B

**BALANCE SHEET:** The basic financial statement that discloses the assets, liabilities, and equities of an entity at a specified date in conformity with GAAP.

**BALANCED BUDGET:** A budget in which revenues are equal to expenditures.

**BASE BUDGET:** Funding required meeting current service levels.

**BENEFIT BURDEN:** The ratio of the cost of defined benefits to the base payroll of employees eligible to receive benefits.

**BOND:** A written promise to pay a specified sum of money, called the face value or principal amount, at a specified date or dates in the future, called the maturity date(s), together with periodic interest at a specified date.

**BOND REFERENDUM:** A proposal to be voted on by registered voters within the City regarding the sale of bonds for which ad valorem taxes are pledged for repayment.

**BRAZOS RIVER AUTHORITY:** An agency of the State of Texas whose mission is to develop and maintain the resources of the Brazos River basin. The BRA has operated a wastewater treatment plant that serves the City since 1975.

**BUDGET:** A plan of financial operation embodying an estimate of proposed expenditures for a given period and the proposed means of financing them. For a local government, a budget is a legal restriction on expenditures.

**C**  
**CAPITAL IMPROVEMENT PROGRAM / PROJECT (CIP):** Projects that purchase or construct capital assets. Typically, a capital project encompasses a purchase of land and/or the construction of a building or facility.

**CAPITAL OUTLAYS:** Expenditures that result in the acquisition of or addition to fixed assets that are individually priced more than \$10,000, per the City's capitalization policy.

**CARRYOVER:** Expenditures budgeted in one year for materials, equipment, programs, etc. but not spent until the following fiscal year. Funding for non-recurring expenditures can carry over to the following fiscal year if approved by the City Manager and City Council. City Council formally amends the budget to approve carryover funding. Revenues can also carryover if they were anticipated in one fiscal year but not received until the following year.

**CERTIFICATE OF OBLIGATION (CO):** A debt instrument that is issued by the City and has the same legal status as a general obligation bond. Proceeds from the issuance of the certificates may be used for construction of public works; purchase of materials, supplies, equipment, machinery, builds, land, and right-of-ways for authorized needs and purposes; or payment of contractual obligations for professional services. However, certificates of obligation are not authorized by the voters.

**CONSUMER PRICE INDEX (CPI):** The monthly data on the changes in the prices paid by urban consumers for a representative basket of goods and services.

**CONTINGENCY:** An amount of money set aside for unforeseen incidents.

**CONTRACTUAL SERVICES:** The costs related to services performed for the City by individuals, businesses, or utilities.

**COST:** The amount of money or other consideration exchanged for property or services. Costs may be incurred even before money is paid; that is, as soon as a liability is incurred. Ultimately, however, money or other consideration must be given in exchange.

**COVID-19:** On February 11, 2020 the World Health Organization announced an official name for the disease that is causing the 2019 novel coronavirus outbreak, first identified in Wuhan, China. The new name of this disease is coronavirus disease 2019, abbreviated as COVID-19. In COVID-19, 'CO' stands for 'corona,' 'VI' for 'virus,' and 'D' for disease. Formerly, this disease was referred to as "2019 novel coronavirus" or "2019-nCoV".

There are many types of human coronaviruses including some that commonly cause mild upper-respiratory tract illnesses. COVID-19 is a new disease, caused by a novel (or new) coronavirus that has not previously been seen in humans. The virus that causes COVID-19 is thought to spread mainly from person to person, mainly through respiratory droplets produced when an infected person coughs or sneezes. These droplets can land in the mouths or noses of people who are nearby or possibly be inhaled into the lungs.

**CURRENT ASSETS:** Assets which are available or can be made readily available to finance current operations or to pay current liabilities. Current assets also include those which will be used up or converted into cash within one year. Some examples are cash, temporary investments, and taxes receivable which will be collected within one year.

**CURRENT LIABILITIES:** Debt or other legal obligation arising out of transactions in the past which must be liquidated, renewed, or refunded within one year.

**D**  
**DEBT SERVICE:** A cost category that typically reflects the repayment of short-term (less than five years) debt associated with the acquisition of capital equipment.

**DEFICIT:** The excess of expenditures over revenues during an accounting period; or, in the case of Enterprise and Intra- Governmental Service Funds, the excess of expense over income during an accounting period.

**DELINQUENT TAXES:** Taxes remaining unpaid on or after the date on which a penalty for nonpayment is attached.

**DEPARTMENT:** A section of the total organization that is comprised of Divisions and is under the oversight of an Executive Director, Assistant City Manager or City Manager.

**DIRECTOR:** A mid-management employee charged with oversight of one or more programs. Directors may report to an Executive Director, Assistant City Manager or the City Manager.

**DEPRECIATION:** Is the process by which the City allocates an asset's cost over the duration of its useful life. Depreciation results in depreciation expense.

**DEVELOPER REIMBURSEMENT:** Payment to a private developer for installation of public infrastructure. The developer typically installs infrastructure such as water and sewer utilities, traffic signals and streets & sidewalks. The City or MUD can reimburse the developer through issuance of debt.

**DIVISION:** A subsection of a Department that carries out a specific line of work assigned to the Department. A Division may have more than one Program.

**E**  
**ENCUMBRANCES:** Commitments related to unperformed contracts for goods or services used in budgeting. Encumbrances are not expenditures or liabilities, but represent the estimated amount of expenditures ultimately to result if unperformed contracts in process are completed.

**ENHANCEMENTS:** Funds that the City has earmarked for a new service not provided in the past, or allowing an increase in the level of service already provided.

**ENTERPRISE FUND:** A fund established to account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs of providing goods or services the general public on a continuing basis can be financed or recovered primarily through user charges.

**ETJ:** See Extraterritorial Jurisdiction.

**EXECUTIVE DIRECTOR:** An upper management employee charged with oversight of one or more departments. Executive Directors participate in high-level policy and strategic decision-making and report either to an Assistant City Manager or the City Manager.

**EXEMPT:** Personnel not eligible to receive overtime pay and who are expected to put in whatever hours are necessary to complete job assignments. The respective Department Head, as partial compensation for overtime hours worked, may allow compensatory time off.

**EXPENDITURES:** Decreases in net financial resources. Expenditures include current operating expenses, which require the current or future use of net current assets, debt service, and capital outlays.

**EXTRATERRITORIAL JURISDICTION (ETJ):** The land bordering a City's limits that the City has limited control over but does not furnish City services to nor collect ad valorem taxes from. This is an area outside of City limits that is subject to annexation.

## **F**

**FISCAL YEAR:** A 12-month period to which the annual operating budget applies and at the end of which a government determines its financial position and the results of its operations. The City of Sugar Land's fiscal year begins each October 1 and ends the following September 30. The term fiscal year 2021 connotes the fiscal year beginning October 1, 2020 and ending September 30, 2021.

**FIXED ASSETS:** Assets of a long-term character which are intended to continue to be held or used, such as land, buildings, improvements other than buildings, and machinery and equipment.

**FIXED BASE OPERATOR (FBO):** An operating company providing customer services including fuel and line service personnel at an airport.

**FORT BEND SUBSIDENCE DISTRICT:** created by the Texas Legislature in 1989 as a conservation and reclamation district. The District's purpose is to provide for the regulation of the withdrawal of groundwater within the District to prevent subsidence that contributes to flooding, inundation or overflow of areas within the District, including rising waters resulting from storms or hurricanes, The District's boundaries are defined as all the territory within Fort Bend county.

**FRANCHISE:** A special privilege granted by a government permitting the continuing use of public property such as, City rights-of-way.

**FULL-TIME EQUIVALENT (FTE):** One full-time equivalent works 2,080 hours a year; a person working 1,040 hours per years is equivalent to 0.5 FTE.

**FUND:** A fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

**FUND BALANCE:** The difference between governmental fund assets and liabilities. Also referred to as fund equity.

**FUND BALANCE POLICY:** A minimum fund balance that is required to be kept in reserve as defined in the Financial Management Policy Statements. Fund balances over the policy requirement may be appropriated in the budget.

## **G**

**GENERAL FUND:** Is used to account for all transactions not properly includable in other funds.

**GENERAL LEDGER:** A book, file, or other device, which contains the accounts needed to reflect the financial position and the results of operations of an entity. In double entry bookkeeping, the debits and credits in the general ledger are equal; therefore, the debit balances equal the credit balances.

**GENERALLY ACCEPTED ACCOUNTING PRINCIPALS (GAAP):** Uniform minimum standards and guidelines used for financial accounting and reporting as set forth by the Governmental Accounting Standards Board (GASB).

**GENERAL OBLIGATION (GO) BONDS:** Bonds for the payment of which the full faith and credit of the issuing government are pledged. In issuing its general obligation bonds, the City of Sugar Land pledges to levy whatever property tax is needed to repay the bonds for any particular year. GO Bonds cannot be issued without voter approval, must be spent in accordance with the voter authorized use and are issued with maturities between 15 and 30 years.

**GOVERNMENTAL ACCOUNTING STANDARDS BOARD (GASB):** A governing board set up to establish and improve standards of state and local governmental accounting and financial reporting that will result in useful information for users of financial reports and guide and educate the public, including issuers, auditors, and users of those financial reports.

**GOVERNMENTAL FUNDS:** Those funds through which most governmental functions typically are financed. The acquisition, use, and financial resources and the related current liabilities are accounted for through governmental funds (General, Special Revenue, Capital Projects, and Debt Service Funds).

**GROUNDWATER:** Water obtained by drilling a well and pumping water from below the surface, typically at depths of thousands of feet. Pumping of groundwater is a contributing factor to subsidence.

**H**  
**HOMEOWNERS' ASSOCIATION (HOA):** A group of property owners in a residential area, in which membership may be mandatory by deed restriction.

**HOUSTON-GALVESTON AREA COUNCIL (HGAC):** A voluntary association of counties, cities, independent school districts, and soil and water conservation districts in the Gulf Coast State Planning Region of Texas. H-GAC serves almost 150 local governments, and its region includes about 4 million people in an area of about 12,500 sq. miles.

**I**  
**ISO RATING:** The Insurance Service Office (ISO) performs surveys to assist insurance organizations with setting up the insurance ratings for the communities. The ISO will perform a survey to assign a public protection grade to each fire department, which is used in the development of insurance rates for all properties within the protected area. Grading starts at 1, which is the best possible score and ends at 10 which is considered unacceptable.

**INTERGOVERNMENTAL REVENUE:** Grants, entitlements and cost reimbursements from another governmental entity.

**INVESTMENT:** Securities and real estate purchased and held for the production of income in the form of interest, dividends, rentals or base payments.

**K**  
**KEY PERFORMANCE INDICATORS (KPI):** Specific quantitative and qualitative measures of work performed as a productivity indicator of the program.

**L**  
**LANDSCAPE COST SHARE PROGRAM:** A program that credits private funds that are used to irrigate public areas, specifically right-of-ways along arterials and state roads. Secondary goals of the program include helping to reduce

peak water demand by limiting the times participants in the program can irrigate and promoting water conservation by means of rain sensors and well managed timers and management of irrigation systems.

LEVEE IMPROVEMENT DISTRICT (LID): A special district with authority to levy ad valorem taxes that is used to improve flood control within its boundaries through the use of levies.

LEVY: The City Council has authority to impose or collect taxes, special assessments, or service charges.

LOCAL LAW ENFORCEMENT BLOCK GRANT: A grant program of the Department of Justice in which a local law enforcement agency is given a specified amount of funding to accomplish a goal.

LONG TERM DEBT: Debt with a maturity of more than one year after the date of issuance.

## M

MAINTENANCE: The upkeep of physical properties in condition for use or occupancy. Examples are the inspection of equipment to detect defects and the making of repairs.

MAJOR FUND: Governmental or Enterprise Funds reported as a separate column in the basic fund financial statements and subject to a separate opinion by the independent auditor.

MODIFIED ACCRUAL ACCOUNTING: The basis of accounting in which revenues are recognized when they become measurable and available to finance expenditures of the current period. Expenditures are recognized when the goods or services are received.

MUNICIPAL UTILITY DISTRICT (MUD): A special district whose purpose is to provide water and sewer services to the residences and businesses within its boundaries. The district has ad valorem taxing power and can issue bonds to pay for construction and improvements to the district's system. Districts are typically established in unincorporated areas, but can also lie within the boundaries of one or more cities.

## N

NO NEW REVENUE TAX RATE: When compared to the same property, the tax rate that produces the same amount of the total amount of taxes as compared to the prior year, based on the value of properties taxed in both years.

NON-CAPITAL ASSETS: Expenditures that result in the acquisition of or addition to assets that are individually priced \$2,500 to \$10,000, per the City's capitalization policy. These items are not added to the fixed assets, but are tracked for inventory purposes.

NON-EXEMPT: Personnel eligible to receive overtime pay when overtime work has been authorized or requested.

NOVEL CORONAVIRUS: A novel coronavirus is a new coronavirus that has not been previously identified. The virus causing coronavirus disease 2019 (COVID-19), is not the same as the coronaviruses that commonly circulate among humans and cause mild illness, like the common cold.

## O

OPERATING BUDGET: Plans of current expenditures and the proposed means of financing them. The annual operating budget is the primary means by which most of the financing, acquisition, spending, and services delivery activities of the City are controlled, and are required by state law.

ORDINANCE: A formal legislative enactment by the governing board of a municipality that has the full force and effect of law within the boundaries of the municipality to which it applies so long as it is not in conflict with any higher form

of law. Revenue raising measures, such as the imposition of taxes, special assessments, and service charges, universally require ordinances.

## P

**PART I CRIMES:** Crimes such as homicide, sexual assault, robbery, aggravated assault, burglary, larceny, auto theft and arson.

**PERSONNEL SERVICES:** The costs associated with compensating employees for their labor (salaries, wages, insurance, payroll taxes, and retirement contributions).

**PROGRAM:** A subset of a Department in which expenditures are focused on a primary function of work to be performed.

**PROJECTION:** Anticipated total for the current fiscal year. During the budget process, the City projects expected revenues and expenditures through the remainder of the fiscal year to gain a better picture of the City's finances. These projections are adopted as the revised budget during the budget adoption process.

**PROPERTY TAX:** Taxes levied on all real and personal according to the property's valuation and the tax rate, in compliance with State Property Tax Code.

**PROPRIETARY FUND:** In governmental accounting is a business-like fund. Examples of proprietary funds include enterprise funds and internal service funds.

**PUBLIC FUNDS INVESTMENT ACT:** A law that governs the investment of government funds in Texas. Under this law, specific parameters are set for Texas cities, requiring them to adopt an investment policy and to designate an investment officer who is required to attend an approved training course. The act, first adopted in 1995 and most recently amended in 2003, also limits the types of investments that can be made and requires quarterly reporting of investment activity to the governing body.

**PURCHASE ORDER:** A document that authorizes the delivery of specified merchandise or the rendering of certain services and the making of a charge for them.

## R

**RATING:** The credit worthiness of an entity as evaluated by independent agencies.

**REPLACEMENT COST:** The cost as of certain date of a property that can render similar service (but which need not be of the same structural form) as the property to be replaced.

**RESERVE:** An account used to indicate that a portion of a fund's balance is legally restricted for a specific purpose and is, therefore, not available for general appropriation.

**RETAINED EARNINGS:** Is a form of equity resulting from earning activities.

**REVENUE BONDS:** Legal debt instruments which finance public projects for such services as water or sewer. Revenues from the public project are pledged to pay principal and interest of the bonds. In Texas, revenue bonds may or may not be authorized by public referenda.

**REVENUES:** Increases in governmental fund types, net current assets from other than expenditure refunds and residual equity transfers.

**RIGHT-OF-WAY:** The area immediately adjacent to a City's roadway or drainage channel.

## S

**SALES TAX:** A state tax of 6.25% is imposed on all retail sales, leases and rentals of most goods, as well as taxable services. Texas cities and counties have the option of imposing additional local sales taxes for a combined total of state and local taxes of 8.25%.

**SERVICE LEVEL STANDARD:** The expected outcome for a service that is provided. Can include minimum staffing, hours of operation, or outcome goals.

**SPECIAL ASSESSMENT:** A compulsory levy made against certain properties to defray part or all of the cost of a specific improvement or service deemed to primarily benefit those properties.

**SPECIAL REVENUE FUND:** A fund used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The term “proceeds for specific revenue sources” establishes that one or more restricted or committed revenues should be the foundation for a special revenue fund.

**STRUCTURAL BALANCE:** A term used to define a budget that includes recurring revenues greater than or equal to recurring expenditures.

**SUBSIDENCE:** A gradual settling or sudden sinking of the Earth’s surface owing to subsurface movement of earth materials. Land subsidence occurs when there is a loss of support below ground such as when water is taken out of the soil and the soil collapses. This situation occurs throughout the United States, but has had more impact in California, Texas, and Arizona.

**SUGAR LAND 101:** A municipal government course sponsored by the City, educating future City leaders in the workings of the Sugar Land Municipal Government.

**SUGAR LAND DEVELOPMENT CORPORATIONS:** Corporations that are financed by additional sales taxes approved by the voters. State law allows the City to collect this sales tax to assist in the promotion, enhancement, and development on behalf of the City.

**SUGAR LAND TOWN SQUARE DEVELOPMENT AUTHORITY:** A local government corporation created by the City for the sole purpose of carrying out the necessary tasks to accomplish the Town Square project.

**SUPPLIES:** A cost category for minor items (individually priced at less than \$500) required by departments to conduct their operations.

**SURFACE WATER:** Drinking water can come from either ground water sources (via wells) or surface water sources (such as rivers, lakes, and streams). Nationally, most water systems use a ground water source (80%), but most people (66%) are served by a water system that uses surface water. Large metropolitan areas tend to rely on surface water, whereas small and rural areas tend to rely on ground water.

## T

**TAX LEVY:** The total amount to be raised by general property taxes for purpose specified in the Tax Levy Ordinance.

**TAX RATE:** The amount of tax levied for each \$100 of taxable valuation. The tax rate multiplied by the taxable valuation equals the tax levy.

**TAXES:** Compulsory charges levied by a government for the purpose of financing services performed for the common benefit. This term does not include specific charges made against particular persons or property for current or

permanent benefits such as special assessments. Neither does the term include charges for services rendered only to those paying such charges as, for example, sewer service charges.

TEXAS COMMISSION ON LAW ENFORCEMENT OFFICERS STANDARDS AND EDUCATION (TCLEOSE): A commission that allocates funds each year to public safety agencies in Texas earmarked for peace officer training based on the number of peace officers on staff for each agency.

TEXAS DEPARTMENT OF TRANSPORTATION (TxDOT): A state agency that provides funding, with a local match, for improvement of state highways within the City limits.

TML: See Texas Municipal League.

TEXAS MUNICIPAL LEAGUE: An organization that exists to provide services to Texas cities.

## U

USER FEES: The payment of a fee for direct receipt of a public service by the party benefiting from the service.

## V

VOTER APPROVAL TAX RATE: the maximum tax rate that can be adopted by the City without approval by voters in the November election. This is a new requirement beginning in tax year 2020 under Senate Bill 2 passed in the 86<sup>th</sup> legislative session.

## W

WATER CONTROL IMPROVEMENT DISTRICT (WCID): A special purpose district established to provide water and sewer facilities and services within the district. The District has taxing authority separate from any other taxing authority, and maybe, subject to voter approval, issue an unlimited amount of bonds and levy an unlimited rate of tax in payment of such bonds.

WORKING CAPITAL: Is the current assets less current liabilities.

## Y

YIELD: rate earned on an investment based on the cost of the investment, the par value of the investment, plus interest to be earned to maturity, and less any accrued interest.

# Acronyms

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## A

ACFR: Annual Comprehensive Financial Report  
AED: Automated External Defibrillator  
ADA: Americans with Disability Act  
AFIS: Automated Fingerprint Identification System  
ANSI: American National Standards Institute  
ANAB: American National Accreditation Board  
ARPA: American Recovery Plan Act

## C

CAC: Community Action Center  
CDBG: Community Development Block Grant  
CID: Criminal Investigation Division  
CIP: Capital Improvement Program  
CO: Certificate of Obligation  
COVID-19: Novel Coronavirus 2019  
CPR: Cardiopulmonary Resuscitation  
CALEA: Commission on Accreditation for Law Enforcement Agencies

## D

DEM: Department of Emergency Management  
DPS: Department of Public Safety

## E

EMS: Emergency Medical Service  
EOC: Emergency Operations Center  
EPA: Environmental Protection Agency  
ETJ: Extraterritorial Jurisdiction

## F

FAA: Federal Aviation Administration  
FBISD: Fort Bend Independent School District  
FBO: Fixed Base Operator  
FBSD: Fort Bend Subsidence District  
FEMA: Federal Emergency Management Agency  
FMPS: Financial Management Policy Statements  
FTE: Full-time Equivalent  
FY: Fiscal Year

## G

GAAP: Generally Accepted Accounting Principals  
GASB: Governmental Accounting Standards Board  
GFOA: Government Finance Officers Association  
GIS: Geographic Information Systems  
GRP: Groundwater Reduction Plan

## H

H-GAC: Houston - Galveston Area Council  
HAZ-MAT: Hazardous Materials

## K

KSLB: Keep Sugar Land Beautiful

## L

LID: Levee Improvement District  
LLEBG: Local Law Enforcement Block Grant

## M

M&O: Maintenance and Operations  
MG: millions of gallons  
MGD: millions of gallons per day  
MSA: metropolitan statistical area  
MUD: Municipal Utility District

## O

O&M: Operations and Maintenance

## P

PER: Preliminary Engineering Report  
PM: Preventative Maintenance  
PO: Purchase Order

## R

RFP: Request for Proposal  
RFS: Request for Services  
ROW: Right-of-Way

## S

SCADA: Supervisory Control and Data Acquisition  
SPA: Strategic Partnership Agreement  
STEP: Selective Traffic Enforcement Program  
SWAT: Special Weapons and Tactics

## T

TCEQ: Texas Commission of Environmental Quality. The name changed from TNRCC effective September 1, 2002  
TEEX: Texas Engineering Extension Service  
TML: Texas Municipal League  
TMRS: Texas Municipal Retirement System

## V

VOIP: Voice over Internet Protocol

## W

WCID: Water Control Improvement District

# City Resources

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## Goal Measures

The city's goal measures dashboard serves as an account of the city's performance on 30 key operations. These operations are organized into priorities, also known as City Council's Mid-Term priorities. Through the establishment of mid-term priorities, City Council provides direction for city management in order to meet Vision 2032.

Link: <https://sugarland.clearpointstrategy.com/>

## Service Delivery Plans

Business plans are the documents that departments and offices use to detail the services they provide as well as their commitment to service levels. The purpose of the Service Delivery Plans (SDPs) is to identify every service (activity) provided by each department or office and the activity level commitment for each. Additionally, the SDPs ensures the delivery of services in an efficient and effective manner and allows the City Council and the Executive Team to determine what activities, if any, can be improved or adjusted based on current fiscal year funding and resources. Each activity also has core activity levels (mandatory, essential, traditional, quality of life). Identification of core levels enable informed decision making and ensures the appropriate allocation of funds and resources to activities. Departments and offices selected a core level for every activity listed based on the definitions provided.

Link: <http://www.sugarlandtx.gov/1915/Service-Delivery-Plans>