



2009 - 2010 APPROVED CITIZENS' BUDGET

CITY OF COLLEGE STATION

Home of Texas A&M University®



FIRE STATION NO. 3

City of College Station, Texas Approved Budget for Fiscal Year 2010

October 1, 2009 to September 30, 2010

Principal City Officials, October 2009

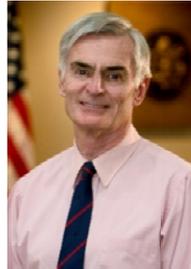
Elected Officials



Ben White
Mayor



David Ruesink
Mayor Pro Tem



John Crompton
Council - Place 1



James Massey
Council - Place 2



Dennis Maloney
Council - Place 3



Katy-Marie Lyles
Council - Place 4



Larry Stewart
Council - Place 5

City Administration

City Manager	Glenn Brown
Assistant City Manager	Kathy Merrill
Assistant City Manager	David Neeley
Chief Financial Officer	Jeff Kersten
Director of Water Services Department	David Coleman
Director of Electric Utility.....	David Massey
Interim Chief of Police.....	Jeffrey Capps
Fire Chief	Robert B. Alley
Director of Public Works	Mark Smith
Director of Capital Projects	Charles Gilman
Director of Parks and Recreation	Marco A. Cisneros
Director of Planning and Development Services	Bob Cowell, Jr.
Director of Information Technology	Ben Roper
Director of Public Communications	Jay Socol
Director of Human Resources	Alison Pond
Director of Economic and Community Development	David Gwin
City Attorney	Harvey Cargill, Jr.
City Secretary	Connie L. Hooks
Internal Auditor.....	Ty Elliott



October 1, 2009

Honorable Mayor and City Council:

In accordance with the City Charter, I am pleased to present the City of College Station Approved Fiscal Year (FY) 2009-2010 Annual Budget totaling \$259,499,268 for all funds. Of this amount, \$206,289,205 is approved for the operations and maintenance budget, and \$53,210,063 is approved for capital projects. The capital projects appropriations are for the many infrastructure projects either underway or planned to be underway in 2009-2010.

This approved budget results in an increase from the FY09 budget of 4.15%. This increase is due in part to the additional funds appropriated for capital projects, including street projects, as a result of the 2008 bond authorization election.

The key focus of the approved budget has been to prepare a budget that provides the core services for the citizens and visitors of College Station within very limited revenue resources, in an uncertain economy.

Economic Conditions and Budget Preparation

With the effects of the national economy finally being felt at the local level, this was a very challenging budget to prepare. Revenue streams that in the past saw steady and consistent growth are flat and even declining in some cases. One of the most significant revenue streams is sales tax which is the largest revenue stream in the General Fund. Sales tax revenues were forecast to increase by 4.5% in FY 2008-2009, however revenues came in well below the forecasted amount.

It will be necessary to closely monitor economic conditions this fiscal year, and if sales tax and other revenues do not perform as forecasted, then some of the proposals in the budget will be delayed, or will not occur.

Budget Reductions – Prior Year FY 2009 and Current Year FY 2010

Staff was proactive in identifying ways to reduce the FY 09 budget as well as the FY 10 budget in order to meet the lower than anticipated revenue estimates. The FY 09 General Fund budget was reduced by \$954,175. The FY 10 approved base budget was reduced by \$1.9 million, and of this amount \$1.2 million was reduced from the General Fund base budget. These reductions required careful consideration, and they were made with as little impact on services as possible. These reductions were made without eliminating any full time positions. The reductions do make it difficult to maintain the levels of service currently being provided, and may result in some changes in how services are provided and the level of services that are provided.

These reductions were necessary in order to ensure expenditures will not exceed lower than anticipated revenues last fiscal year and the upcoming fiscal year. It will be critical to monitor revenues and expenditures closely during the new fiscal year to ensure the budget remains in balance. For this reason many of the proposals included in the budget are not proposed to be implemented until later in the fiscal year.

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COLLEGE STATION, TEXAS 77842

www.csbx.gov

Pay Plan Proposals

As a service organization salaries and benefits make up the majority of the operating portion of the budget each year. These are costs associated with the over 900 full time equivalent employees who provide the wide array of services for the City of College Station.

Potential pay adjustments included in the approved budget are \$400,000. Last fiscal year the City conducted a pay classification study of the City's positions. Implementing recommendations from the classification study and the minimal adjustments to the pay scale will help keep the city pay structure competitive. Proposed adjustments to the pay scale will primarily impact the lower paid employees in each part of the pay system. The potential pay plan in the approved budget also includes minimal amounts for the skills and performance portion of the pay plan. Only non-management staff below the Management Team, Assistant Directors, and Division Managers will be eligible for these potential performance increases in FY 10.

The pay adjustments outlined above are not proposed to go into effect until April 2010, halfway through the fiscal year. This will provide an opportunity to assess the state of the economy and to make sure estimated revenues are going to meet proposed expenditures next fiscal year. If revenues do not meet expenditures then the implementation of these pay changes will be delayed, or will not occur.

Also included in the approved budget is the implementation of the first phase of a step pay plan in the College Station Police Department. It is anticipated that implementing the step pay plan in the Police Department will allow the Police Department to be more competitive in recruiting and hiring new officers. The first phase of this plan is anticipated to cost \$350,000 next fiscal year and is proposed to be implemented January 1, 2010.

Retirement and Health Insurance

The approved budget also includes cost increases related to benefits including retirement and health insurance. These are both very important components of the benefits package for the City of College Station, and help keep the City of College Station competitive in recruiting, attracting, and retaining top quality employees.

An additional \$250,000 is included in the approved budget to address increases in retirement costs. The increased costs are due to changes made by Texas Municipal Retirement System (TMRS) to ensure that the future retirement benefits can be paid as promised. There will be additional retirement cost increases in each of the next 6 years.

Health Insurance costs are also projected to continue to increase this next year. The approved budget includes an increase of approximately \$500,000 in health insurance premiums paid by the City of College Station. The City's average contribution per employee per payroll cycle increased about \$20 or 10%. Staff will continue to review the health plan and consider changes to it going into future years.

Staff provided more information to the City Council as part of the budget process in how the City is proposing to address retiree health insurance as part of the implementation of new accounting standards on reporting these retiree health insurance liabilities (GASB 45).

Hotel Tax and Convention Center Project

The Convention Center project has been identified by the City Council as a top priority. The approved budget makes more funds available from the Hotel Tax Fund for this project. The impact this change has on other areas funded from the Hotel Tax Fund were reviewed with the City Council as part of the budget review process.

Capital Projects

The approved budget includes \$53,210,063 for capital projects. These include projects associated with the 2008 bond authorization. Key projects from the bond authorization included in the approved budget planned for next year include the second phase of the Barron Road expansion project from Decatur to Highway 40 for \$11,415,000, and \$2,155,000 for the Victoria Avenue extension. Both of these projects are important transportation infrastructure projects around the area of the new high school being planned by College Station ISD. Also included in the approved capital budget are funds for the construction of Water Well #8 and associated collection line totaling \$6,670,000. Besides these specific projects, the

proposed capital budget includes appropriations for Street, Parks, Technology, and Wolf Pen Creek TIF projects. It also includes additional capital projects for the Electric, Water, Wastewater and Drainage Utilities.

Increased Service Levels

It is important to note that if revenues do not perform as projected in the first 6 months of the fiscal year, then the following Public Safety increases in service levels will be delayed, or not occur next fiscal year.

Public Safety - Police Department – Portion of Blue Print Phase 2

The approved budget includes additional funds in the amount of \$139,989 for the Police Department as part of the implementation of a portion of Phase 2 the Police Blueprint. **It is proposed that the implementation of this portion of the Police Blue Print not occur until July 2010, and this funding is for only the last 3 months of the fiscal year.**

Public Safety - Fire Department – Initial Operations Fire Station #6

Additional funds in the amount of \$236,734 are included for the future operations of Fire Station #6 scheduled to be constructed in the next several years. These funds will be used for the future hiring of new positions for the new Fire Station. **No new fire positions will be filled in FY 2010, however it will allow the City to begin to set aside the funds for the operations of Fire Station #6.** There are significant additional costs that will need to be added in future years for the operations of Fire Station #6. The approved budget also includes \$391,423 for the replacement and upgrade of the Self Contained Breathing Apparatus. A grant is also being sought that if received will pay for a portion of this request.

Transportation - Public Works – Street Rehabilitation

Funds in the amount of \$200,000 are approved in the Public Works budget for thoroughfare street rehabilitation projects. It is important to be able to continue to put funds aside for street rehabilitation projects. These funds were received as restitution as part of the resolution of legal action this past year and are currently available and were approved to go back into street maintenance.

Tax Rate

The approved budget was prepared based on the existing tax rate of 43.94 cents per \$100 assessed valuation. Based on the final numbers received from the Brazos County Appraisal District – the effective tax rate for 2009 is 42.9033 cents. The effective tax rate is the rate that will raise the same revenues on the same properties this year as last year. The rollback tax rate is 44.5815 cents, or 0.6415 cents higher than the current tax rate of 43.94 cents.

The debt service component of the tax rate is 22.9433 cents, which is a reduction of the debt component from last year of 24.6048 cents. The operations and maintenance component of the tax rate is approved to be 20.9967 cents, which is an increase from last year's operations and maintenance portion of the tax rate of 19.3352 cents. This would keep the overall tax rate at 43.94 cents. This shift of 1.6615 cents for operations and maintenance to the General Fund provides additional resources to fund the approved budget within the overall existing tax rate of 43.94 cents.

FY 2010 Utilities

Electric Fund

The approved budget includes a 9% increase in electric utility rates. This increase is needed to continue the planned increases in purchased power costs that have been phased in over the last several years. Approximately \$7 million of the \$10 million increase in the approved budget is in the Electric Utility operations. The planned increases in purchased power costs are included in the FY 10 approved Electric Utility budget.

The approved budget does **NOT** include any rate increases for the Water, Wastewater, Sanitation, or Drainage Utilities.

Conclusion

As stated earlier this was a very difficult budget to prepare, and it does not address all of the needs that have been identified by staff. There are no additional funds included for a number of requests for service level increases in areas including Parks

and Recreation, Planning and Development Services, Public Works, and other areas. While some public safety requests are included in the approved budget, there are other requests that were not able to be included in the approved budget.

Developing the budget is a team effort that requires the participation of the Citizens, City Council, and City Staff. I would like to thank the Fiscal Services staff including Jeff Kersten, Carol Thompson, Courtney Kennedy, Heather Merkel, Luke Irvin, and Ron Price for all the hard work and effort put into preparing this approved budget. I would also like to thank the Management Team and other City employees who worked on the budget.

Thanks also to the City Council for providing the leadership and direction to make the decisions that will move College Station toward the vision for the future that has been determined.

Sincerely,

A handwritten signature in black ink, appearing to read "Glenn Brown". The signature is fluid and cursive, with a long horizontal flourish at the end.

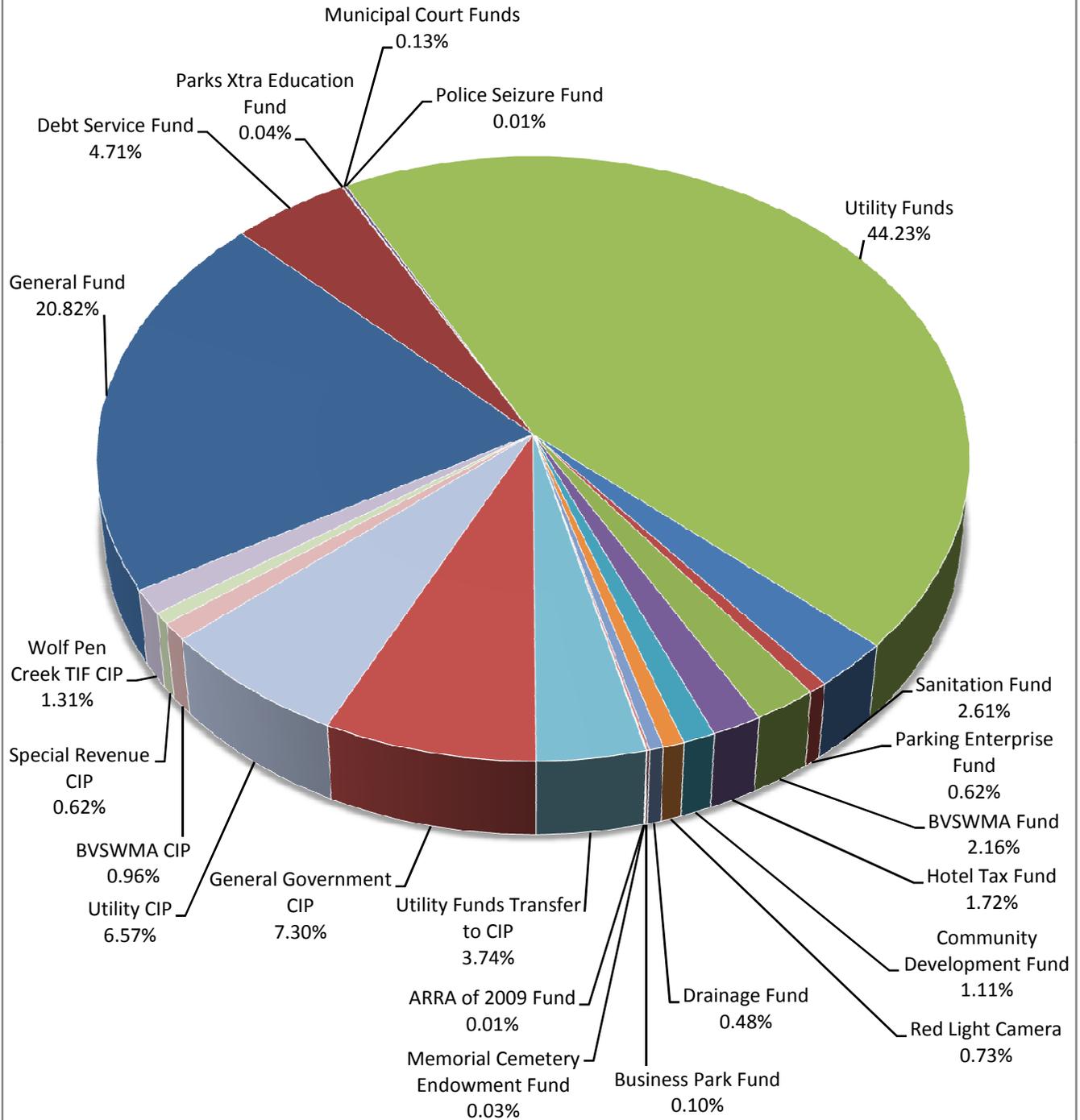
Glenn Brown
City Manager

**City of College Station
Fiscal Year Comparison Summary**

Fiscal Year 2009-2010 Approved Budget	FY10 Approved Total Funds Available	FY10 Approved Total Appropriation of Funds	Transfers in	Net Operating and Capital Budget	% Change from Prior Fiscal Year
General Fund	\$ 62,130,126	\$ 60,355,104	\$ (6,332,066)	\$ 54,023,038	0.00%
Debt Service Fund	16,831,470	12,222,459	-	12,222,459	1.43%
Economic Development Fund	1,505,276	967,000	(967,000)	-	N/A
Parks Xtra Education Fund	96,541	112,507	-	112,507	5.39%
Municipal Court Funds	1,052,285	336,160	-	336,160	14.87%
Police Seizure Fund	38,281	20,796	-	20,796	1.44%
Utility Funds	130,686,900	114,778,903	-	114,778,903	7.30%
Sanitation Fund	8,533,878	6,776,443	-	6,776,443	-2.76%
Parking Enterprise Fund	2,308,312	1,618,638	-	1,618,638	91.26%
BVSWMA Fund	10,910,381	5,598,996	-	5,598,996	-44.40%
Hotel Tax Fund	5,777,820	4,456,982	-	4,456,982	99.88%
Community Development Fund	3,220,747	2,873,865	-	2,873,865	-28.59%
Red Light Camera	2,139,315	1,889,328	-	1,889,328	77.05%
Insurance Funds	16,580,531	9,374,623	(9,374,623)	-	N/A
Utility Customer Service Fund	2,356,808	2,272,476	(2,272,476)	-	N/A
Internal Services Funds	10,663,241	5,040,250	(5,040,250)	-	N/A
Drainage Fund	3,576,195	1,233,654	-	1,233,654	-16.66%
Business Park Fund	631,640	250,000	-	250,000	0.00%
Cemetery Perpetual Care Fund	1,699,199	-	-	-	N/A
Memorial Cemetery Endowment Fund	395,500	75,000	-	75,000	0.00%
Memorial Cemetery Fund	857,557	-	-	-	-100.00%
ARRA of 2009 Fund	22,436	22,436	-	22,436	N/A
Subtotal of Operations & Maintenance	\$ 282,014,439	\$ 230,275,620	\$ (23,986,415)	\$ 206,289,205	2.51%
Utility Funds Transfer to CIP	9,700,000	9,700,000	-	9,700,000	31.97%
Community Development Transfer to CIP	-	-	-	-	N/A
Hotel Tax Fund Transfer to CIP	-	-	-	-	-100.00%
Capital Transfers to CIP	\$ 9,700,000	\$ 9,700,000	\$ -	\$ 9,700,000	-32.40%
General Government Capital Imp. Proj.	\$ 36,421,145	\$ 18,945,296	\$ -	\$ 18,945,296	507.09%
Utility Capital Improvement Projects	42,806,832	26,758,497	(9,700,000)	17,058,497	-18.71%
BVSWMA Capital Improvement Projects	8,495,840	2,495,132	-	2,495,132	-65.41%
Special Revenue Capital Imp. Proj.	5,780,725	1,611,138	-	1,611,138	49.79%
Wolf Pen Creek TIF Capital Imp. Proj.	3,702,836	3,400,000	-	3,400,000	184.25%
Subtotal of Capital Expenditures	\$ 97,207,378	\$ 53,210,063	\$ (9,700,000)	\$ 43,510,063	29.54%
Totals	\$ 388,921,817	\$ 293,185,683	\$ (33,686,415)	\$ 259,499,268	4.15%

Fiscal Year 2008-2009 Approved Budget	FY09 Approved Total Funds Available	FY09 Approved Total Appropriation of Funds	Transfers in	Net Operating and Capital Budget	% Change from Prior Fiscal Year
General Fund	\$ 62,256,185	\$ 60,803,746	\$ (6,778,906)	\$ 54,024,840	6.65%
Debt Service Fund	18,694,506	14,464,475	(2,414,345)	12,050,130	9.38%
Economic Development Fund	1,845,060	842,127	(842,127)	-	N/A
Parks Xtra Education Fund	118,731	106,755	-	106,755	6.50%
Municipal Court Funds	1,123,434	292,641	-	292,641	17.08%
Police Seizure Fund	52,722	20,501	-	20,501	2.51%
Utility Funds	126,486,125	106,972,072	-	106,972,072	12.66%
Sanitation Fund	8,123,487	6,968,495	-	6,968,495	7.77%
Parking Enterprise Fund	1,757,063	846,312	-	846,312	16.88%
BVSWMA Fund	20,195,573	10,069,570	-	10,069,570	144.41%
Hotel Tax Fund	3,359,008	2,229,826	-	2,229,826	-58.93%
Community Development Fund	6,609,750	4,024,517	-	4,024,517	4.56%
Red Light Camera	1,298,260	1,067,090	-	1,067,090	376.91%
Insurance Funds	15,291,856	8,147,572	(8,147,572)	-	N/A
Utility Customer Service Fund	2,374,622	2,240,294	(2,240,294)	-	N/A
Internal Services Funds	10,153,393	5,963,859	(5,963,859)	-	N/A
Drainage Fund	3,537,530	1,480,284	-	1,480,284	71.24%
Business Park Fund	933,628	250,000	-	250,000	-50.00%
Cemetery Perpetual Care Fund	1,650,150	-	-	-	N/A
Memorial Cemetery Endowment Fund	973,284	75,000	-	75,000	N/A
Memorial Cemetery Fund	1,173,740	750,526	-	750,526	130.58%
Subtotal of Operations & Maintenance	\$ 288,008,107	\$ 227,615,662	\$ (26,387,103)	\$ 201,228,559	11.46%
Utility Funds Transfer to CIP	7,350,000	7,350,000	-	7,350,000	75.00%
Community Development Transfer to CIP	-	-	-	-	NA
Hotel Tax Fund Transfer to CIP	7,000,000	7,000,000	-	7,000,000	NA
Capital Transfers to CIP	\$ 14,350,000	\$ 14,350,000	\$ -	\$ 14,350,000	239.24%
General Government Capital Imp. Proj.	\$ 31,579,745	\$ 3,120,689	\$ -	\$ 3,120,689	-74.76%
Utility Capital Improvement Projects	38,476,455	28,334,193	(7,350,000)	20,984,193	-14.07%
BVSWMA Capital Improvement Projects	7,212,448	7,212,448	-	7,212,448	154.11%
Special Revenue Capital Imp. Proj.	9,049,542	8,075,628	(7,000,000)	1,075,628	51.29%
Wolf Pen Creek TIF Capital Imp. Proj.	2,559,826	1,196,115	-	1,196,115	-0.29%
Subtotal of Capital Expenditures	\$ 88,878,016	\$ 47,939,073	\$ (14,350,000)	\$ 33,589,073	-19.12%
Totals	\$ 391,236,123	\$ 289,904,735	\$ (40,737,103)	\$ 249,167,632	10.11%

City of College Station Net Budget - \$259,499,268



Budget Overview

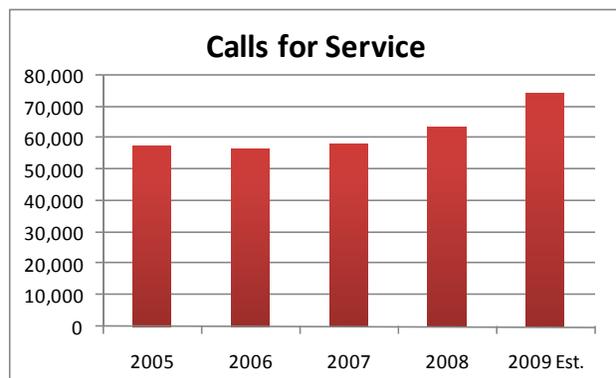
The text below focuses on the various City departments and functions provided by each department. The majority of the departmental budgets below reflect FY10 approved reductions amounting to \$1.9 million.

Governmental Funds

Police Department

\$14,215,466

The Police Department provides a number of services that help to keep the community safe. Services provided include: 1) police patrol with certified police officers who are assigned to specific areas of the city and who are equipped with police vehicles and all necessary equipment; 2) criminal investigation for the investigation of reported crimes; 3) animal control; 4) communications and emergency medical dispatch support for police, fire and EMS; 5) short term jail/detention facilities that reduce the processing time of arrests; and 6) a recruiting and training division that serves as a support and training function for the Department.



The above graph illustrates calls for service. A "Call for Service" is defined as any event or situation, reported by a citizen that requires a response from the Police Department.

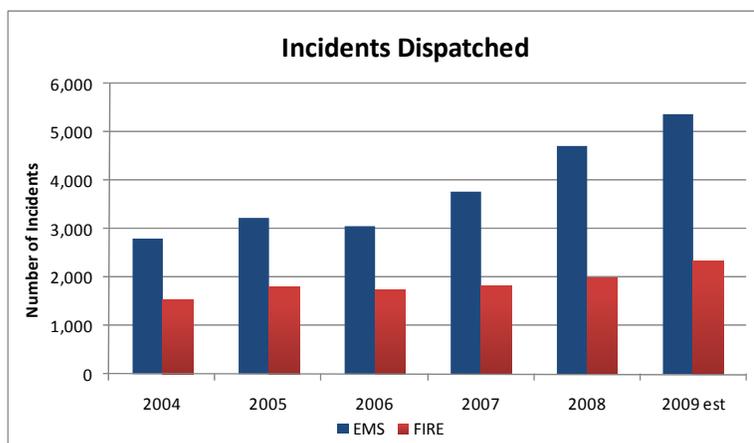
There are two approved SLAs in the Police Department totaling \$489,989. The first SLA is for \$139,989, which will partially fund the second phase of the Police Blue Print. The second SLA is for \$350,000, which will fund the implementation of the Step Pay System. The Police Department has identified a variety of needs including increased staffing and equipment. Implementation of the second phase of the Blue Print SLA would provide funding to address those needs, which will allow for an increase in the level of service provided and response to community need. Funding the step pay system will allow the Police Department to be more competitive in recruiting and hiring new officers.

Fire Department

\$11,462,357

The Fire Department provides services to College Station, City of Bryan—through an automatic aid program—and to rural areas around College Station through mutual aid agreements. The Fire Department operates out of five stations located throughout the City.

The basic services provided by the Fire Department include: 1) fire response; 2) emergency medical response; 3) fire prevention services, including commercial fire safety inspections and fire prevention training at local schools and various functions; and 4) hazardous material response.



The above graph illustrates incidents responded to by the Fire Department over the last several years.

There are two approved service level adjustments in the Fire Department totaling \$628,157. The first SLA is for \$236,734, which will set aside a portion of funding for future operations and maintenance costs for Fire Station Six. The second SLA is for \$391,423 for the purchase of 48 Self Contained Breathing Apparatus (SCBA's) and supplies required to upgrade 19 additional SCBA's. Departmental training, funding for replacement parts, and a computer that is required for the flow testing of

the equipment is included in this SLA. The Fire department will be submitting an application to the Federal Emergency Management Agency (FEMA) for a grant to reimburse the City for a portion of the purchase price of the equipment.

Public Works Department

\$7,462,930

The Public Works Department maintains streets, drainage, and the City's traffic control system. It is also responsible for refuse collection, engineering and construction, as well as fleet and facilities maintenance. Funds in the amount of \$200,000 are approved for thoroughfare street rehabilitation projects. These funds were received as restitution as part of the resolution of legal action this past year and are approved to go back into street maintenance.

The **Traffic Engineering Division** conducts and reviews traffic engineering studies & plans; manages College Station's red light camera program, CARES; and evaluates on-street parking throughout the City. Additionally, the Traffic Engineering Division engages in public education, special programs, and project management of related capital projects.

The **Facilities Maintenance Division** provides support services to City departments through the maintenance of City facilities. This entails all City buildings including heating, ventilation and cooling systems. Additionally, Facilities Maintenance performs minor building construction and remodeling activities. The Division also utilizes facility repair funds to ensure facilities and equipment are repaired and replaced in a timely manner.

The **Streets Division** of the Public Works Department strives to ensure that the street system within the City of College Station is properly maintained. This is done through a number of programs, including a street rehabilitation program that addresses street repair before more expensive reconstruction measures are needed. The Streets Division coordinates with Engineering and the Capital Projects Department to plan and develop major street projects.

The Streets Division also provides routine pothole patching and other maintenance services. The Streets Division measures the effectiveness of this service by determining whether 95% of the streets in the City have a grade of "C" or better, using the Pavement Management System. The Streets FY10 Approved budget includes one service level adjustment in the amount of \$200,000 to fund the maintenance and repair of City streets.

Drainage issues impact health and public safety, as well as transportation and mobility. Service levels for the **Drainage Division** provide a drainage maintenance program that keeps the storm water carrying capacity of the system adequate in College Station. Right of way mowing and creek cleaning are the primary ways this service is provided. The Drainage Fund covers expenditures in the General Fund pertaining to Drainage operations.

The **Traffic Signs & Markings** and **Traffic Signals Divisions** in College Station service and maintain integral traffic flow control mechanisms throughout the City. The system is critical to City operations, most notably during peak traffic times such as the very busy Texas A&M football season. These divisions are also responsible for maintaining and repairing traffic signals and school warning devices in order to provide safe and efficient movement of vehicles and pedestrians.

Capital Projects Department

\$892,932

The Capital Projects Department (CPD) is responsible for the administration of the City's capital improvement plan. This includes the building of projects proposed as part of bond elections such as streets, fire stations, libraries, and others. Some of the capital projects for public utilities such as Electric, Water, Wastewater and Drainage are also handled in this department.

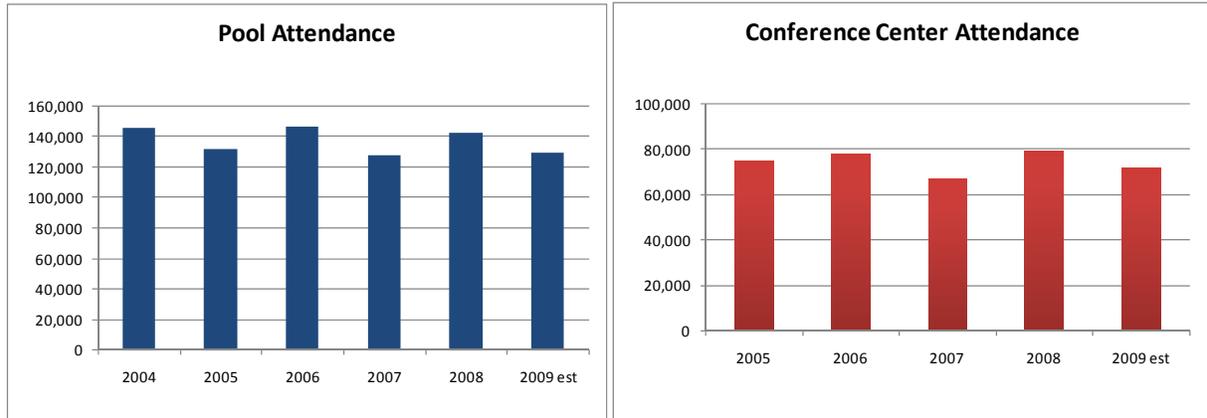
Parks and Recreation Department

\$9,069,889

The Parks and Recreation Department is responsible for College Station park facilities and recreational programs. Among the services provided are athletics, recreation and instruction programs for youth and adults, and cemetery maintenance. Also provided are programs and special events at the Wolf Pen Creek Amphitheater and other park locations throughout the City. The Parks and Recreation Department operates a number of special facilities including three City-owned swimming pools and the CSISD natatorium.

The Conference Center is operated to provide meeting space for various groups and organizations. The Lincoln Center is a community center that provides positive programming and serves as a satellite center for social services.

Parks' Xtra Education provides citizens of all ages the opportunity to enhance their quality of life through various continuing education programs.



The above graphs illustrate the fluctuations in attendance at pool facilities and the Conference Center.

The **Parks Special Facilities Division** is responsible for the Lincoln Center, Conference Center, and all Pool facilities. Beginning in 2008, Special Facilities began to oversee the Larry J. Ringer Library facility.

The **Parks Recreation Division** oversees Athletics, Senior Services, Special Events, Wolf Pen Creek Amphitheater and Concessions operations. The Kids Klub after school care program, operated in collaboration with College Station Independent School District (CSISD), is also within this division.

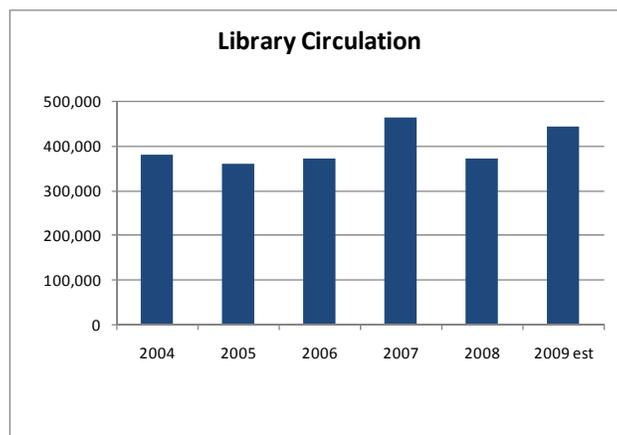
The **Parks Operations Division** maintains park facilities. An essential operation of this division is maintenance associated with operating City and Neighborhood parks such as Woodland Hills, Edelweiss Gartens, University Park and Nantucket Park.

The **Forestry Division**, through horticultural and landscaping efforts, ensures that City property is maintained in an aesthetically pleasing manner. The City Cemetery and the new Memorial Cemetery are included in the property maintained by the Forestry Division.

Larry J. Ringer Library

\$1,080,589

The Larry J. Ringer Library facility is overseen by the City's Parks and Recreation Department. This facility is operated in collaboration with City of Bryan, which provides staffing for the College Station facility.



The above graph illustrates the circulation of the College Station Library over the last several years.

Planning and Development Services Department **\$2,698,317**

The Planning and Development Services Department provides oversight for development planning within the City of College Station. Planning and Development Services also reinforces compliance with zoning, subdivision, and drainage regulations as well as other City ordinances. This department works with citizens and other City departments to ensure City development in a manner consistent with policies established by Council.

The addition of Neighborhood Services in FY09 has allowed for increased interaction of neighborhoods, property owners, tenant associations, TAMU, and others. Code Enforcement also joined Planning and Development in FY 09. Code Enforcement is the central force behind community enhancement in the City. The FY10 budget does not include any Service Level Adjustments (SLAs) for the department.

Information Technology Department **\$4,117,715**

Information Technology implements and maintains the technology and computer based information systems used by all City Departments.

The Information Technology division includes IT Administration, Management Information Services (MIS), Geographic Information Services (GIS), E-Government, and Communication Services. FY10 will be the first year that Communication Services is budgeted in the General Fund. This will allow for better overall department management. The MIS division implements and supports computing platforms and applications for all City Departments, including Computer Aided Dispatch (911) for Public Safety and connectivity to the Internet. The GIS division is responsible for the coordination of all geographic data and its presentation to the public. The E-Government division is responsible for the City website, interactive web service provision, and the City's Intranet.

The FY10 approved budget for Information Technology does not include any additional service levels. Funding is included in the approved budget for the Brazos Valley Wide Area Communications System (BVWACS) which was approved in FY 2009.

Fiscal Services Department **\$3,206,341**

The Fiscal Services Department provides Fiscal Administration, Accounting, Purchasing, and Budgeting services to the City. This department also oversees the operations of Municipal Court and Utility Customer Service.

Fiscal Service Administration handles cash and debt issues for the City while ensuring all funds are prudently invested. The Accounting and Purchasing Divisions work closely together to ensure that purchases are made and recorded according to guidelines. Municipal Court collects fines and fees for the City while providing the City with administration for cases filed for enforcement of Class C misdemeanors. The Office of Budget and Strategic Planning prepares, monitors, and reviews the annual budget. The budget office also coordinates the City's strategic planning process, which is closely tied to the City's budget.

General Government Department **\$4,206,026**

The General Government Department includes many of the administrative functions of the City.

The **Mayor and Council Division** accounts for expenditures related to Council functions such as education and training. The approved budget for this division in FY10 is \$80,395.

The **City Secretary Division** is responsible for elections, records management, City Council support and other activities. The FY10 approved budget is \$399,654. This includes \$35,000 service level adjustment to cover costs associated with a special election on November 3, 2009 related to the Red Light Camera ordinance.

The **Internal Auditor Division** conducts independent financial and performance audits to provide the Council and the Mayor with objective information to assist in determining whether governmental operations are adequately controlled and to assure that a high degree of public accountability is maintained. The approved FY10 budget is \$118,547.

The **City Manager Division** is responsible for the day to day operations of the City, making recommendations to the City Council, and providing short and long-term direction to the organization. The FY10 City Manager's approved budget is \$792,705.

The **Legal Division** provides legal services and support to City Council and City staff. Among the services provided by this office are legal advice, contract writing, and litigation. The approved Legal Office budget is \$1,021,575.

The **Economic Development Division** is responsible for coordinating economic development activities in College Station. The Economic Development FY10 approved operating budget is \$566,082.

The **Public Communications Division** provides for the dissemination of City information through various media outlets. The total FY10 approved budget is \$625,005.

The **Human Resources Division** assists in recruiting and hiring qualified candidates for City positions. The division also provides employee training and administers the compensation and benefits program. The Risk Management function within Human Resources seeks to limit the exposure of the City to physical and financial losses through a number of programs that address worker safety. Risk Management was added to the Human Resources division in FY08 and the salary and benefits budget was moved to the Worker's Compensation and Property Casualty Funds in FY09. The approved Human Resources budget for FY10 is \$602,063.

Other General Fund Expenditures **\$1,942,542**

There are a number of expenditures budgeted in the General Fund that do not fall under the purview of any one department. Miscellaneous expenditures within the governmental funds include \$778,883 approved for public agency funding, \$690,659 for contingency transfers and other charges, \$200,000 approved for landfill legal costs, and \$273,000 for pay adjustments.

Debt Service Fund **\$12,222,459**

The Debt Service Fund is used to account for ad valorem tax revenue collected to pay for authorized general government debt. The debt service portion of the ad valorem tax totals 22.9433¢ per \$100 valuation, which accounts for 52% of the tax levy.

Economic Development Fund **\$967,000**

The City created an Economic Development Fund to account for resources and expenditures directed at providing incentives for businesses and industries that are planning to locate in College Station. Resources set aside for economic development purposes will be transferred into this fund and remain in the fund until expended. In FY10, \$967,000 is budgeted in this fund for economic development incentives and related expenditures.

Business Park Fund **\$250,000**

Resources are included in the budget for economic development activities. In FY10, it is projected that \$250,000 will be expended in the Business Park Fund for the TIPs project.

Parks Xtra Education Fund **\$112,507**

The Parks Xtra Education Fund was established in FY96 and is a joint effort between the City of College Station and College Station Independent School District to provide community based education programs. The FY10 approved Parks Xtra Education budget for program expenditures is \$96,474. \$15,661 is included for the Xtra Education portion of the General and Administrative (G&A) transfer to cover the cost of internal services such as Human Resources, Accounting and Budget.

Efficiency Time Payment Fee Fund **\$9,685**

The City is authorized by the State Legislature to collect fees on traffic tickets written by the City. There are four fees collected by Municipal Court. This fund is used for the purpose of improving the efficiency of the administration of justice in College Station.

Memorial Cemetery Fund

\$0

This fund accounts for two thirds of cemetery lot sales as well as other revenue that is collected through the Memorial Cemetery and Aggie Field of Honor. The fund also accounts for expenditures on projects that take place at this location. There are no expenditures budgeted in this fund for FY10.

Enterprise Funds

Electric Fund

\$90,652,684

The Electric Division is responsible for providing cost efficient and reliable electric service to the citizens, businesses and institutions in College Station. Reliable electric service is necessary to ensure continued prosperity of the City.

Water Fund

\$19,517,622

The City of College Station has the capacity to produce approximately 26 million gallons per day of potable water. The Water Division has developed high standards of reliability that assures customers' needs are met with a water supply that meets or exceeds all federal and state mandated standards. As a City enterprise, the full cost of service for water production, transmission and distribution is recovered by charging customers for consumption on a per unit basis.

An SLA totaling \$20,000 is included for the Water Fund in FY10. This SLA is for Storage Area Network (SAN) drives. The SAN drives will allow the utility to perform incremental and full backups of the database that is used for the process control of the plant and for reporting to meet the Texas Commission of Environmental Quality (TCEQ) and the Environmental Protection Agency (EPA) requirements. The SAN drives will also allow the utility to perform all server configurations and all control programs.

Wastewater Fund

\$14,308,597

Effective sanitary sewer collection and treatment is essential to public health in an urban environment. Over the last several decades, standards have increased for this infrastructure. Past upgrades to the Carters Creek Wastewater Treatment Plant were directly related to changing standards. As the system continues to grow, additional capital is needed for line extensions. The existing system will have to be maintained with line replacements and plant enhancements and expansions. Wastewater services are provided as an enterprise function with service related fees paying for the cost of service.

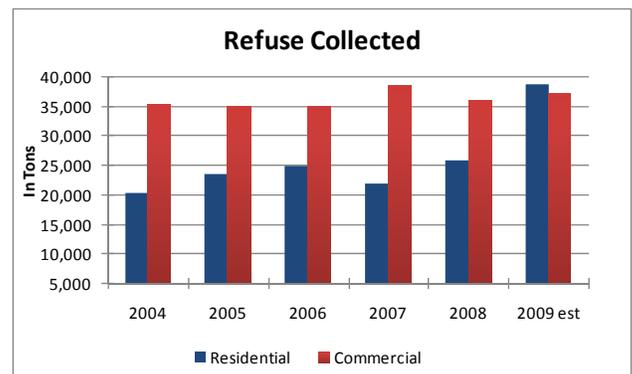
The FY10 Approved Budget includes \$70,000 for two SLAs in the Wastewater Division. The first SLA, in the amount of \$48,000, is for the purchase of a forklift for the Lick Creek Treatment Plant. The forklift will be used to move palletized materials, heavy equipment, and the grit and detritus containers at Lick Creek Wastewater Treatment Plant. The second SLA is for the purchase of portable flow monitors. The flow monitors are an integral part of the Capacity, Management, Operation, and Maintenance (CMOM) program required by EPA to eliminate wastewater overflows that may result in fines. This SLA totals \$22,000.

Sanitation Fund

\$6,776,443

The Sanitation Division of Public Works provides services that meet the City's solid waste collection needs. These services include providing residential containers, curbside recycling, brush and grass clipping collection, street sweeping and the removal of waste. Commercial services are also provided to local businesses and offers collection in small and large containers. Customers with greater volumes have the option of using roll-off containers that are serviced by front load collection equipment.

The operating portion of the Sanitation fund for residential and commercial operations is approved for FY10 to be \$6,047,299. Non-operating expenditures are approved to be \$729,144. Revenues for FY10 in the fund are estimated to be \$7,182,159.



Parking Enterprise Fund **\$1,618,638**

The Parking Enterprise Fund accounts for parking operations in the City. This includes the parking lot, parking garage and on-street parking. The approved FY10 budget for parking operations is \$623,188. This amount includes three approved SLAs totaling \$110,236. \$63,570 in SLA funding is approved for operations & maintenance of the recently completed Northgate Restroom facility, \$17,000 is included for increased public safety presence at the Northgate Parking Garage during weekends, and \$29,666 is included for additional District Management equipment and supplies. Capital expenditures in the amount of \$350,000 are also included. In addition, \$541,070 is included for the debt service payment related to the construction of the parking garage. Parking fund revenues are projected to be \$1,198,685 in FY10.

Special Revenue Funds

Hotel Tax Fund **\$4,456,982**

The City receives a tax of 7% on room rental rates from persons staying in hotels within the City. The City's use of Hotel Tax funds is limited by State law to be used for the promotion of tourism in the City of College Station.

The approved FY10 budget includes \$250,982 for City Operations including Wolf Pen Creek Operations and other Parks programs and events that are eligible for Hotel Tax Funds. Additionally, \$2,700,000 of Hotel Tax Funds are appropriated for the future development of a Convention Center. Funding for Outside Agencies eligible for Hotel Tax funding is also included in the FY10 approved budget.

Community Development Fund **\$2,873,865**

Community Development helps provide low cost housing and other public assistance through Community Development Block Grant and Home Grant funds from the federal government. These funds are used to assist low to moderate-income residents of College Station. Assistance is provided through housing services, public agency funding, public facility improvements, and economic development activities.

American Recovery Reinvestment Act Fund **\$22,436**

The American Recovery and Reinvestment Act (ARRA) Fund accounts for revenue received and expenditures made by the City through the American Recovery and Reinvestment Act enacted in 2009. These funds are used primarily for one-time equipment and other purchases.

Red Light Camera Fund **\$1,889,328**

The Texas Legislature passed SB 1119 which became effective on September 1, 2007. This bill authorizes and controls the municipal use of red light camera equipment and was codified in the Texas Transportation Code, Section 707.003. Revenue sharing provisions are mandatory: after accounting for program expenditures, one half of all revenues received must be remitted to the state. The state will be using their portion of the revenue received to fund regional trauma centers. The remaining revenue retained by the City must be spent on traffic safety programs, intersection improvements, pedestrian safety programs, public safety programs and/or traffic enforcement programs. The City implemented the red light camera program in calendar year 2008 with 4 monitored intersections. In FY09, cameras were added to 5 additional intersection approaches. Note: On November 3, 2009, an election was held in which the majority of the voters voted to end the red light camera program.

Wolf Pen Creek TIF Fund **\$3,400,000**

The Wolf Pen Creek Tax Increment Finance (TIF) Zone generates revenues that must be utilized within the Wolf Pen Creek District. In FY10, expenditures totaling \$3,400,000 are projected to be spent on capital improvements in the Wolf Pen Creek area. These improvements include the construction of a festival site and water feature.

Court Technology Fee Fund **\$68,580**

The Court Technology Fee can be used to fund technology projects at the Municipal Court Facility. Approved FY10 expenditures of \$68,580 will be used for technology related purchases such as computer hardware and software for court facilities. Two SLA's totaling \$28,580 were approved in FY10. The first SLA in the amount of \$18,580 is for an automated system to notify defendants of being delinquent and setting up a payment plan. The

second is for a regional crime database in the amount of \$10,000 to share local warrant information throughout Brazos County.

Court Security Fee Fund **\$160,529**

The Court Security Fee is used to fund security projects at the Municipal Court building. In FY10 expenditures totaling \$160,529 are approved for this fund.

Juvenile Case Manager Fee Fund **\$97,366**

The Juvenile Case Manager Fee is used to fund the salary and benefits of a Juvenile Case Manager, as well as cover the salary and benefits of staff time spent administering Teen Court. In FY10 expenditures totaling \$97,366 are approved for this fund.

Police Seizure Fund **\$20,796**

The Police Seizure Fund accounts for revenues and expenditures related to property seized by College Station Police Department. Revenues are budgeted at \$10,339 for FY10 and expenditures at \$20,796.

Memorial Cemetery Endowment Fund **\$75,000**

This fund accounts for the remaining one third of the sales of cemetery lots that are accrued through the Memorial Cemetery Fund, which includes the Aggie Field of Honor. FY10 expenditures include \$75,000 for the continued marketing efforts of the new cemetery.

Cemetery Perpetual Care Fund **\$0**

This fund accounts for the sale of cemetery lots and other revenues that are collected through the College Station cemetery. The fund also accounts for expenditures on projects that take place in the cemetery. There are no expenditures anticipated in this fund in FY10.

Internal Service Funds

The City has established several internal service funds for areas where goods and services are provided to City departments on a cost-reimbursement basis. The Internal Service Funds include the Insurance Funds, the Equipment Replacement Fund, the Utility Customer Service Fund, and Fleet Maintenance Fund. The Communications Services division will be moved to the General Fund in FY10, and will no longer be an Internal Service Fund. Each of these funds receives revenues from City departments to which services are provided. Base budget revenues for the funds reflect the above policies. Internal Service funds have revenues transferred from departmental budgets on a monthly basis to ensure that funds are available to fund related expenses.

Insurance Funds

The City of College Station has four funds for insurance purposes, all of which are self-funded.

Property Casualty Fund **\$1,333,845**

The Property Casualty Fund ensures that the City can adequately cover potential property and liability losses. The FY10 estimated revenues for the Property Casualty fund are \$978,533. Approved expenditures total \$1,333,845.

Employee Benefits Fund **\$7,531,932**

The Employee Benefits Fund is self-funded and provides medical coverage to covered City employees. Estimated revenues for the employee benefits fund total \$7,171,170 for FY10, and budgeted expenditures total \$7,531,932.

Workers Compensation Fund **\$474,856**

The Workers Compensation Fund provides coverage against losses sustained through on the job injuries to employees. Revenues anticipated in the Workers Compensation fund are \$914,510; expenditures total \$474,856.

Unemployment Compensation Fund

\$33,990

Revenues in the Unemployment Compensation Fund are estimated to be \$35,877. Expenditures in this fund are expected to be \$33,990.

Equipment Replacement Fund

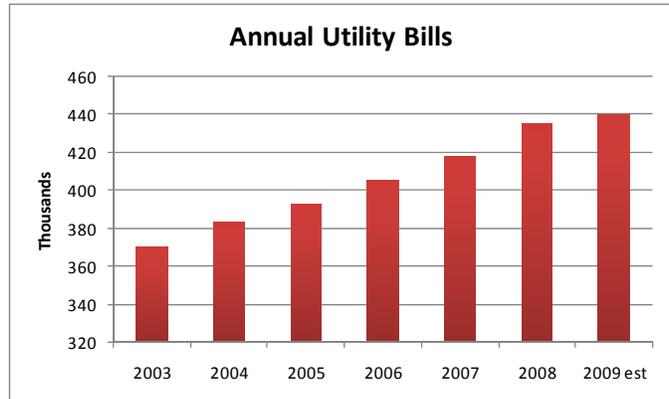
\$3,494,524

The City has a fund that serves to accumulate resources for the replacement of vehicles and large motorized equipment, the telephone and radio systems, to provide replacement assets for the existing major technological infrastructure, and the replacement of copiers. The anticipated revenues total \$4,076,002; expenditures total \$3,494,524.

Utility Customer Service Fund **\$2,272,476**

The Utility Customer Service Division is the primary interface with the City's utility customers. Responsibilities include setting up customer accounts, connecting and disconnecting utility services, reading meters, billing and collecting utility customer accounts and addressing customer concerns. The division has an SLA totaling \$9,900. This SLA is for an automated notification system to notify delinquent customers prior to the disconnection date.

The chart to the right illustrates the number of annual utility bills generated over the last several years.



Fleet Maintenance Fund

\$1,545,726

The Public Works **Fleet Services Division** manages the vehicle and equipment fleet. The division also performs preventive maintenance and vehicle repair. The City maintains a fleet of vehicles and heavy equipment to provide services to the citizens of College Station. Some of these services include Police and Fire response, Solid Waste Collection, Public Utilities, Building Inspection, and Parks operations. In FY10, revenues in the Fleet Fund are projected to be \$1,575,355. The FY10 budgeted expenditures are \$1,545,726.

Communication Services Fund

\$0

The Communications Division is responsible for the implementation and maintenance of the network infrastructure, telephone, voice radio, data radio (mobile data) and paging systems and any other system requiring connectivity for communications. All of Communication's personnel, supplies, and maintenance is budgeted in the General Fund in the Information Technology department for FY10 forward. This will allow for all IT divisions to be in the General Fund and will create greater departmental management controls.

Brazos Valley Solid Waste Management Agency (BVSWMA) Fund

\$8,094,128

BVSWMA was formed under a joint solid waste management agreement between the Cities of College Station and Bryan. The agency is responsible for providing solid waste disposal services within all appropriate guidelines and regulations. Revenues in the BVSWMA Fund are projected to be \$12,848,708. Approved expenditures total \$8,094,128. This includes operations and maintenance, non-departmental and appropriations for capital expenditures. Included is \$1,098,800 is included for the purchase of vehicles and equipment that are due for replacement. These include a roll-off truck; a 4 wheel drive ½ ton truck; a dozer, which is to be upgraded from a loader; and \$100,000 for a heavy equipment mechanic service truck. Also included in the BVSWMA approved budget are SLAs totaling \$260,800. The first SLA, in the amount of \$188,800, is to fund the costs associated with the transition of landfill operations from the Rock Prairie Road Landfill to the Twin Oaks Landfill in Grimes County. These costs include seven additional roll-off containers, two storage/work buildings, furniture and equipment, an additional Paradigm scale software license and procurement of general moving and heavy equipment specialty hauling. The second approved SLA is for the purchase of a diesel powered portable light tower. This light

tower will assist in providing employee and customer safety during limited visibility operations. This SLA is for \$12,000. The final SLA is for a GPS Peer to Peer CAES Upgrade and is in the amount of \$60,000.

Capital Project Funds

\$53,210,063

The City has a number of capital project funds. General obligation bonds form the basic resource for general government projects such as streets, parks, traffic, public facilities and other such needs. However, the City has several other resources that may be used to supplement those resources and help to hold down the ad valorem taxes necessary to pay for general obligation bonds.

In addition to the general government projects, the City has bond funds for each of the utilities operated by the City. For FY10, operating funds from both the Water and Wastewater Funds in the amount of \$9,700,000 are projected to be used to fund capital projects in lieu of the issuance of additional debt.

Other resources to fund capital projects include the Wolf Pen Creek Tax Increment Financing District, the Drainage Utility and Parkland Dedication Funds. Each provides resources that will be used to complete a number of projects over the next five years.

General Government Capital Projects

The following is a brief summary of some of the key general government projects included for FY10. More details of these projects can be found in the capital project summaries preceding each capital projects section in the budget document.

Street Capital Projects

Street Rehabilitation Projects

In FY10, funds in the amount of \$1,684,013 are included for the Tauber and Stasney street rehabilitation project. These streets are located in the Northgate area. The project includes the rehabilitation of Tauber Street and Stasney Street from University Drive to Cherry Street as well as the design and construction of new sidewalks on College Main. The project also includes the water and wastewater line rehabilitation. Funds in the amount of \$417,225 are also projected in FY10 for other rehabilitation projects that may arise in the Northgate area. These funds reflect the balance of the Church Avenue rehabilitation project, which came in under budget. The construction funds for these Northgate area rehabilitation projects were authorized as part of the 2003 GO bond election.

Street Extension Projects

\$12,793,835 is the estimated expenditure included in the FY10 Approved Budget for various street extension and widening projects. Funds in the amount of \$1,700,000 are included for the extension of Holleman Drive. This project calls for Holleman Drive to be extended from Jones Butler Road to FM 2818. An estimated \$807,061 is included for extension of Discovery Drive. \$1,704,313 is projected for the extension of Victoria Avenue. Victoria Avenue will be extended from Southern Plantation Drive to connect with William D. Fitch Parkway (SH 40), aligning with the existing Victoria Avenue on the south side of William D. Fitch Parkway (SH 40). The roadway will be a major collector consisting of two travel lanes and a center turn lane with bike lanes, sidewalks, landscaping and storm drainage. An estimated \$360,865 is projected for the extension of Penberthy Boulevard. The project extends Penberthy Boulevard from the Luther Street / Jones Butler intersection across A&M property to the George Bush Drive / Penberthy Boulevard intersection. The project includes an equestrian crossing to accommodate University operations and a traffic signal will be installed at the George Bush Drive and Penberthy Boulevard intersection.

The approved budget also includes \$989,110 for the Rock Prairie Road Widening project. These funds will be used for design and right-of-way acquisition costs related to the future widening of Rock Prairie Road. Construction funds are not included in the project budget. \$115,000 is the projected FY10 expenditure for the Rock Prairie Road West right-of-way project. This project includes the purchase of additional right-of-way from State Highway 6 to Normand Drive to provide for the future widening of that section of Rock Prairie Road. In addition, \$5,707,500 is projected for the phase II of construction to Barron Road from Decatur Drive to William D. Fitch Parkway. This project will upgrade Barron Road from a two lane rural highway to a four lane road with sidewalks, raised center median, landscaping, storm sewers and street lighting. \$882,695 has been included for the completion of phase II of the widening of William D. Fitch Parkway. This project will widen William D. Fitch Parkway between Pebble

Creek Parkway and Rock Prairie Road. Finally, \$527,291 is included for other street extension projects that may arise or for projects that may go over budget. These funds came from the Dartmouth Extension project which was completed under budget.

Street TxDOT Projects

\$596,399 is the estimated FY10 expenditure streetscaping along Texas Avenue. This streetscaping follows the completion of the TxDOT Texas Avenue Widening project.

Traffic Projects

The FY10 Approved Budget includes an estimated \$670,272 for new traffic signal projects and traffic signal communication projects. Included is an estimated \$615,587 for new signals throughout the City. A signal warrant study was recently completed, the results of which have indicated the need for new signals at the following locations: William D. Fitch Parkway (SH40) at Barron Road, William D. Fitch Parkway (SH40) at Arrington Road, Texas Avenue at Krenok Tap Road, George Bush East at Dominik and SH30 at Copperfield. These are proposed to be the locations of the next new signals. In addition, \$54,685 is included in the budget for traffic signal communication projects. These projects support traffic signal connectivity as well as other City data and voice services.

Sidewalks and Trails Projects

The City of College Station has worked over the years to ensure adequate transportation infrastructure for pedestrians and bicyclists. The City has an adopted sidewalk and bike loop plan. \$318,488 is the projected expenditure for the completion of the City's bike loop. This project will consist of signed bike routes, on-street bike lanes, and off-street bike paths to link the Texas A&M campus, City of College Station parks and local housing areas. In addition, the project will include improvements for pedestrians and bicyclists at the Longmire/FM 2818 intersection. A portion of the expenditures for the Bike Loop project will be reimbursed by TxDOT as part of an Intermodal Surface Transportation Efficiency Act (ISTEA) grant received by the City. Also included in the FY10 Approved Budget is an estimated \$249,550 for City of College Station Beautification Improvements. This project includes the addition of trees and other beautification improvements along the University Drive and Highway 6 entrance point. As new development occurs, sidewalks are an important aspect that must be considered. In FY10, \$100,000 is included for sidewalk improvements throughout the City. Finally, \$500,000 is included for the completion of the hike and bike trail as identified by the Hike and Bike Task Force.

Parks and Recreation Capital Projects

In FY10, funds in the amount of \$2,285,840 are estimated for Parks and Recreation capital improvement projects. Included is \$140,840 for field redevelopment projects. A portion of the funds will be used for replacement and repairs to numerous athletic facilities throughout the City. Items include drinking fountains, shade covers, light and base replacement, as well as fence and bleacher repairs. Remaining funds will be used for turf repair on other athletic parks. The funds for these projects are collected from the fees paid by players and teams from both City leagues and outside user groups. The funds are used to pay for replacement items and facility upgrades at City athletic facilities.

Funds in the amount of \$464,000 are estimated in FY10 for the completion of Creek View neighborhood park. This park will be constructed adjacent to Creek View Elementary. \$270,000 is estimated to be issued for improvements to various neighborhood parks throughout the City. The approved improvements include improvements at Emerald Forest Park, a walking loop at Anderson Park and a running surface at Brothers Pond Park. \$815,000 is estimated for the construction of a skate park. An additional \$500,000 is included for the purchase of land for neighborhood parks. Finally, \$96,000 is included for the design of improvements at Beachy Central Park. These include a new concession complex and restroom building.

General Government & Capital Equipment Capital Projects

General government and capital equipment projects are planned assets that have value to more than one specific area of City operations. The two main divisions within this category are public facilities and technology projects. In FY10, it is projected that \$6,009,409 will be spent on public facility projects. Included in this amount is \$660,000 for design and improvements of City Hall facilities. \$4,200,000 is estimated for the construction of Fire Station #6. Fire Station #6 will serve the busy University Drive corridor. Funds in the amount of \$932,000 have been included

for the expansion of the Larry J. Ringer library. It is estimated that the library will be expanded by approximately 15,000 square feet with an additional 16,000 square feet of parking. \$20,000 is included for the purchase of library books. The funds for the purchase of these books come from donations collected for this purpose. Finally, \$197,409 is included for other facility projects that may arise or for projects that may go over budget. These funds came from the Fire Station #3 relocation project which was completed under budget.

The FY10 Approved Budget also includes a projected expenditure of \$4,436,257 for technology projects. An estimated expenditure of \$3,900,000 has been included for the replacement of the City's 800 MHz radio system. A portion of the budget for this project (\$2,310,000) came from the Equipment Replacement Fund where they were set aside for this purpose. The remainder will come from CO's. The City, along with a number of local entities, was awarded a federal grant that will help fund a County-wide radio system. The funds received for this project will be used toward the City's portion of the system. \$110,000 is projected for the Wireless Infrastructure project which will provide funds for the installation of equipment that will allow wireless access by City employees at various locations throughout the City. \$150,000 is projected for Server Consolidation. This project provides additional hardware to accommodate the increasing demands for additional electronic storage and the software to better manage the data. The hardware upgrades will permit a doubling of the current storage allotted to each employee. \$221,000 is projected for a Fiber Optic Infrastructure project. This project will support the installation of fiber optic cable to continue expansion of the city's network to new buildings and facilities, and to permit the connection of existing facilities that are not currently on the network. A projected \$55,000 is included for the CAD hardware operating system upgrade project. The current CAD operating system was installed in 2003. This project will change the server hardware, and replace the operating system used from AIX (UNIX) to a Windows based system. This change will enable greater support, less expensive hardware, and greater flexibility. Finally, \$257 is projected for miscellaneous IT projects. These funds reflect remaining balances of closed projects for which debt was issued.

Drainage Capital Projects

Drainage capital projects are funded by revenue generated through a drainage utility fee that is collected from residential and commercial utility users. The FY10 drainage capital projects budget includes a projected expenditure of \$1,762,099 for capital improvements. Significant projects include a projected \$1,048,200 for Bee Creek IV and V. This project is for storm drainage improvements to the flow capacity of Bee Creek Tributary "A." These improvements include bank stabilization from Brothers Boulevard to Longmire Drive. \$463,899 is projected for Greenways land acquisition throughout the City. The City's Greenways Master Plan calls for future trail development in urban and suburban greenways. \$200,000 is included for Minor Drainage Improvement projects. These funds are used for minor unscheduled drainage projects that arise throughout the fiscal year. \$50,000 is included for Stormwater Mapping projects. These funds will be used for mapping of the City's stormwater infrastructure.

Convention Center Capital Projects

The Convention Center Fund accounts for the receipt and expenditure of funds received by the City for the operation and maintenance of a convention center. In FY10, there is budgeted expenditure of \$750,000 in the Convention Center Fund. \$376,385 is budgeted for convention center project expenditures. \$100,000 of which is for the completion of a study that will provide recommendations as to the feasibility of a new convention center. In addition, funds in the amount of \$276,385 have been included for future design costs. \$223,615 is included for the debt service payment that will cover the debt that has been issued to date toward the land and design of the convention center. These funds will be transferred to the debt service fund out of which the debt service payment will be made. In addition, funds in the amount of \$150,000 have been estimated for maintenance costs related to the Chimney Hill property on which the convention center will be built. These expenses will be offset by lease revenue received from existing tenants.

Utility Capital Projects

The following is a brief summary of some of the utility capital projects projected for FY10. These capital projects are funded either through existing revenues from these funds or through the issuance of utility revenue bonds.

Electric Capital Projects

\$8,932,210 is the approved appropriation for electric capital projects in FY10. As the electric capital projects are considered competitive matter under Texas Senate Bill No. 7, details of these projects cannot be outlined in this summary, but have been provided to the City Council.

Water Capital Projects

In FY10, \$12,948,894 is the approved new appropriation for water capital projects. Water production projects include an estimated FY10 expenditure of \$13,285,000. This includes \$4,500,000 for construction of phase I of the Parallel Wellfield Collection Line. This water line will run parallel to the existing water line which is currently operating at maximum capacity. The parallel line will increase system capacity. \$1,000,000 is included for the purchase of land for future well sites. As capacity needs grow, the City is preparing for the construction of new wells. A component of this is the land acquisition for new future wells. Also included in the FY10 Approved Budget are funds in the amount of \$4,875,000 for the construction of Well #8 and funds in the amount of \$2,000,000 for construction of the Well #8 Collection Line. The additional capacity is required to meet Texas Commission on Environmental Quality (TCEQ) regulations for pumping capacity to match the projected population.

\$400,000 is included for the design of the high service water pump improvements. This project will replace the existing high service pumps #3 and #4 with higher capacity fixed speed pumps. This project is in response to analysis of the water system capacities in relation to TCEQ requirements. An additional \$400,000 is included for the removal, inspection, and rehabilitation of the pumps and motors for two Simsboro water wells. The pumps in these two wells have reached their expected service life and need to be inspected and rehabilitated. \$110,000 is projected for the completion of the Supervisory Control and Data Acquisition (SCADA) system replacement. SCADA is a system that allows for computerized control over plant operations and remote facilities. This project will replace the control equipment that has exceeded its useful life.

Funds in the amount of \$5,134,824 are projected to be expended on Distribution projects in FY10. This includes \$100,000 of general oversize participation (OP) funds. These funds are used to help meet future capacity needs by oversizing water lines above the minimum size required to serve a development. \$2,650,000 is included in the FY10 budget for construction on the Reclaimed Water project. This is a multi-phase project to deliver irrigation water to major users in College Station. Phase I includes delivery of reclaimed water to Veterans Park. \$865,759 is the projected FY10 expenditure for the Wellborn Widening project. This project was for the relocation of water lines outside of future pavement areas in conjunction with Wellborn Widening. A final phase is expected to be completed in FY10. A portion of the expenditures for this project will be reimbursed by TxDOT. It is estimated that \$2,930,408 will be received over the next two fiscal years. 80% estimated to be received in FY10 and the balance in FY11 following the completion of the project. \$127,007 is included for the design of the Barron Road water line extension. This project is for the installation of water lines along Barron Road. Construction is estimated for FY11. A projected expenditure of \$366,000 is included for land acquisition related to the construction of water lines in annexed areas along Raymond Stotzer West. This project will provide water to areas along Raymond Stotzer West. \$150,000 is included for the relocation and improvements to water lines along Barron Road from Decatur Drive to William D. Fitch Parkway. In addition, \$217,500 is included for water line improvements along Victoria Avenue. These last two projects will be completed in conjunction with the corresponding street extension projects. \$25,000 is included for the land acquisition related to the project that will provide a connection of the 24" water line at Graham Road to the 24" water line at Barron Road. This is needed for the proper operation of the distribution system. An estimated \$299,500 is included for land acquisition related to the relocation of the water line for TxDOT's future widening of University Drive East. Water lines will need to be relocated into an easement outside of the right-of-way. A portion of the funds expended on this project will be eligible for reimbursement from TxDOT. Finally, \$334,058 is included for the William D. Fitch Parkway East project. This project is for the installation of a water line to serve the annexed area along William D. Fitch Parkway. Construction is estimated to be completed in FY10.

Rehabilitation projects included in the FY10 Approved Budget include \$120,000 for the adjustments to water lines that will occur as part of the Bee Creek IV and V drainage project which will provide storm drainage improvements to the flow capacity of Bee Creek Tributary "A." An estimate of \$77,688 is included for the replacement of water lines along Tauber Street and Stasney Street. This project is being completed in connection with the Streets rehabilitation project. The existing infrastructure is being replaced and capacity should increase as a result. \$1,436,866 is projected for the South Knoll/The Glade project. This project is for the replacement of water lines in

the area bounded by Haines, Southwest Parkway, Glade and Langford. These aging lines were identified in a 2003 water study as in need of replacement. In addition, \$1,267,823 has been estimated for the Southwood 5-7 project. This project is for the replacement of water lines in an area bounded by Southwest Parkway, Harvey Mitchell Parkway, Welsh and Shadowood.

Contingency in the amount of \$150,000 has been included in the FY10 Approved Budget. These funds will be available for use on unanticipated projects as well as to offset project overruns. Finally, \$360,000 has been included for the meter replacement program that was implemented in FY08. This program is for the replacement of water meters on a routine basis to ensure efficient water readings.

The FY10 Approved Budget includes an estimated \$7,000,000 in current revenues that will be transferred from operations to fund water capital projects. Additionally, a debt issue of \$12,025,000 is projected in FY10 for water capital projects.

Wastewater Capital Projects

The FY10 Approved Budget includes \$4,877,393 in new appropriations for numerous wastewater capital projects. Collection projects include \$100,000 for oversize participation and planning. These funds are available to meet future anticipated capacity in the construction of wastewater lines above the minimum size needed to serve the development. \$557,000 is the estimated expenditure for land acquisition related to the construction of wastewater lines in annexed areas along Raymond Stotzer West. Due to annexation, development and expected future development, wastewater services are necessary. \$300,000 is the projected expenditure for the Koppe Bridge Lift Station project. This project is for the construction of a force main sewer line from the existing Koppe Bridge Lift Station to Creek Meadow Lift Station. This project will allow for the Meadow Creek Package Plant to be taken off line. \$307,790 is estimated for the Westminster sewer line construction. This project is being completed in conjunction with TxDOT's widening of Wellborn Road from FM 2818 to Barron and the line will serve properties along Wellborn Road and Barron Road. An expenditure of \$475,000 is estimated for the Nantucket Gravity Sewer project. This project will include the installation of a gravity sewer line. \$300,000 is projected for engineering associated with the Lick Creek Parallel Trunk Line – Phase I. This project involves the replacement of a trunk line in Lick Creek Park. This trunk line serves areas south of Barron Road. \$23,381 is included for wastewater line improvements along Victoria Avenue. In addition, \$100,000 is included for the relocation and improvements to wastewater lines along Barron Road from Decatur Drive to William D. Fitch Parkway. These last two projects will be completed in conjunction with the corresponding street extension projects.

An estimated \$291,094 is included for the Emerald Parkway/Bent Oak project. This project will provide for new alignment of approximately 1,000 feet of 24 inch wastewater collection line will be installed to provide better flow hydraulics and will have sealed and bolted manholes. \$300,000 is projected for the adjustments to wastewater lines that will occur as part of the Bee Creek IV and V drainage project which will provide storm drainage improvements to the flow capacity of Bee Creek Tributary "A." An estimate of \$261,820 is included for replacement of wastewater lines along Tauber Street and Stasney Street. This project is being completed in connection with the Streets rehabilitation project. Funds totaling \$1,361,513 are projected for the South Knoll/The Glade project. This project is for the replacement of wastewater lines in the area bounded by Haines, Southwest Parkway, Glade and Langford. These aging lines were identified in a 2003 wastewater study as in need of replacement. Finally, \$1,537,094 has been included for the Southwood 5-7 project. This project is for the replacement of wastewater lines in an area bounded by Southwest Parkway, Harvey Mitchell Parkway, Welsh and Shadowood.

Funds in the amount of \$4,041,476 have been projected for Treatment and Disposal projects. \$500,000 is included for headworks improvements at the Carters Creek Wastewater Treatment Plant (CCWWTP). These improvements include the replacement of the motorized bar screens, replacement of the grit bridges, overhaul of the shaftless screw conveyor and the installation of mixers in the wells at the end of the grit bridges. In addition, \$310,000 is projected for the construction of catwalks around the Lick Creek clarifiers. The catwalks will provide safe access for the operators to operate and maintain the clarifiers. An estimated \$363,280 is included for centrifuge improvements at the Lick Creek Wastewater Treatment Plant (LCWWTP). Improvements include installing a larger sludge discharge hopper, a sludge conveyor and a work platform around the centrifuge. \$400,000 is included for completion of the Lick Creek Holding Tank Improvements. This project will ultimately expand the size of the waste sludge holding tank at the Lick Creek Wastewater Treatment Plant. An additional \$600,000 is estimated for ATAD improvements at the CCWWTP. This includes replacing the ATAD motor operated valves. \$200,000 is projected for Lick Creek

Return Activated Sludge Improvements. This project is for the hiring of an engineer to modify the existing pumps, flow measurement and sludge waste set up and for the implementation of necessary modifications.

Funds in the amount of \$155,196 are estimated for the SCADA replacement project. This project will replace the control equipment that has exceeded its useful life. \$890,000 is the projected expenditure for the Carters Creek Lab and SCADA Building project. The existing building no longer meets laboratory standards. The funds estimated in FY10 will be for the construction of the new building. In addition, \$123,000 is estimated for Process Control Improvements at LCWWTP. This project will be for the purchase and installation of improved process control instrumentation at the Plant. An additional \$80,000 has been included in FY10 for the installation of SCADA at the new lift stations. This will allow for monitoring and alarming of the new lift stations. Also included is \$300,000 for remote plant security. This project will address the physical access and monitoring of these plants. \$120,000 has been included for the Carters Creek Fiber Optic Ring. This project will implement a redundant Fiber Ring to Carters Creek Wastewater Treatment Plant. This will eliminate the spur and provide two paths of data into the Plant and will also eliminate extended outages of data loss from the LCWWTP.

Finally, contingency in the amount of \$150,000 has been included in the FY10 Approved Budget. These funds will be available for use on unanticipated projects as well as to offset project overruns.

A total of \$2,700,000 in current revenues from operations is estimated to be used to fund wastewater capital projects. Additionally, a debt issue of \$7,600,000 is projected in FY10 for wastewater capital projects.

Special Revenue Capital Projects

The following is a brief summary of some of the key special revenue projects scheduled for FY10.

Parkland Dedication Capital Projects

The Parkland Dedication Funds account for the receipt and expenditure of funds received by the City from residential land developers who dedicate land, or money in lieu of land, for use in the development of neighborhood parks in residential areas. The projects in the Parkland Dedication Capital Improvement Projects Funds are funded using the dedicated parkland funds.

Parkland dedication funds must be used for the development of parks within the zone to which the funds are dedicated. In FY10, appropriations in the amount of \$861,138 are included in the budget. Total expenditures are estimated at \$1,060,918 for projects that are anticipated to be completed in the various park zones. Funds in the amount of \$12,500 are included for improvements at Parkway Park. \$167,780 is projected in Zone 6 for the development of Southwest Park. This park will have amenities found in typical neighborhood parks such as a playground, walks and picnic tables. \$53,000 is the estimated FY10 expenditure for phase III of John Crompton Park and \$63,000 is projected for improvements at Emerald Forest Park. Additional funds are projected in a number of Park zones but have not yet been obligated to specific projects. These funds will be obligated to specific projects within these zones throughout the fiscal year as the projects arise. Funds not used in the fiscal year will carry over to future fiscal years.

Additional O&M Costs

The FY10 Approved Budget includes a number of capital projects that have been recently completed and have added operations and maintenance (O&M) expense. In particular, the City's general fund has been and will continue to be impacted by capital projects as they come online. In some situations, the O&M cost of a project is minimal and can be absorbed by the City department that is benefiting the most from the project. In other situations, the O&M cost is more significant and funding for these additional expenses is addressed through the Service Level Adjustment (SLA) process. In these situations, SLAs are submitted for the O&M needs of the capital projects and funding is considered as part of the budget process.

Departments are expected to consider the impact of current and planned capital improvement projects on operations and maintenance (O&M) budgets. This analysis is a component of the 5-year Strategic Business Plans that are completed by all City departments. Projections as to the impact of capital projects on O&M budgets that are included in the Strategic Business Plans are used by the Finance Office in financial forecasting.

Due to the limited availability of funds for FY10, increases in budgets for O&M related to capital projects were minimal. Instead, departments were asked to evaluate current operations and make adjustments that would allow service levels to be met without a corresponding increase in budget.

More detailed sheets that reflect the estimated O&M costs associated with the capital projects have been included following each of the CIP sections in this budget document. It is anticipated that the availability of funding for O&M costs will be limited in upcoming years. Therefore, departments will continue to evaluate current operations before increases in budget will be approved. Recommendations may also be made to delay projects for which O&M funding does not exist.

Conclusion

The previous discussion provided an overview of the approved FY10 budget and key changes from the FY09 budget. A full version of the Approved Annual Budget is available for download at <http://www.cstx.gov>, at the Larry J. Ringer Library (1818 Harvey Mitchell Pkwy.), or in the City Secretary's Office at City Hall.



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