



**JOINT MEETING OF THE
CITY COUNCIL AND THE BOARD OF DIRECTORS OF
REINVESTMENT ZONE NUMBER TWO, CITY OF FRIENDSWOOD
MONDAY, AUGUST 26, 2024, 5:30 P.M.
COUNCIL CHAMBERS, CITY HALL
910 S. FRIENDSWOOD DR, FRIENDSWOOD, TEXAS 77546**

AGENDA

1. CALL TO ORDER

2. INVOCATION

3. PLEDGE OF ALLEGIANCE – United States Pledge and State of Texas Pledge.

4. COUNCIL COMMENTS AND REPORTS

Notice is hereby given in accordance with Section 551.0415 of the Texas Government Code, the City Council of the City of Friendswood may receive reports about items of community interest from City staff and/or a member of the City Council, but no action or possible action shall be taken or discussed concerning the subject of such report.

5. PUBLIC COMMENT

In order to comply with the provisions of the Texas Open Meetings Act, neither the City Council nor the Board of Directors of Reinvestment Zone Number Two, City of Friendswood may deliberate any item not listed on the agenda, as such, the governing bodies will listen to public comment and may (i) refer the item to City Management for further action or (ii) direct staff for the placement of said item on a future agenda. During public comment, the public shall comply with the Council's rules of decorum.

6. CITY COUNCIL - MUNICIPAL BUDGET FOR FISCAL YEAR 2024-25

- A. Conduct a public hearing regarding the Proposed Fiscal Year 2024-2025 Municipal Budget for the City of Friendswood.
- B. Discuss and take action concerning the City of Friendswood's Proposed FY2024-25 Municipal Budget.

7. TIRZ BOARD - BUSINESS ITEMS

- A. Consider the election of a Vice Chair and Secretary of the Board of Directors of Reinvestment Zone Number Two, City of Friendswood.
- B. Consider approving the Rules of Procedure of the Board of Directors of Reinvestment Zone Number Two, City of Friendswood .
- C. Consider adopting the Project Plan and Reinvestment Zone Financing Plan for Reinvestment Zone Number Two, City of Friendswood.
- D. Consider approving the Development Agreement by and between Castle Biosciences, Inc., the City of Friendswood, and Reinvestment Zone Number Two, City of Friendswood.

8. CITY COUNCIL - CONSENT

All Consent Agenda items listed are considered to be routine by the City Council and will be enacted by one motion. There will be no separate discussion of these items unless a Council Member requests, in which event the item will be removed from the Consent Agenda and considered in its normal sequence on the agenda.

- A. Consider an ordinance approving the Project Plan and Reinvestment Zone Financing Plan for Reinvestment Zone Number Two, City of Friendswood.
- B. Consider authorizing a Development Agreement by and between Castle Biosciences, Inc., Reinvestment Zone Number Two, City of Friendswood, and the City of Friendswood.

9. ADJOURNMENT

PUBLIC NOTICE IS GIVEN THAT IN ADDITION TO ANY EXECUTIVE SESSION LISTED ABOVE, THE CITY COUNCIL AND THE BOARD OF DIRECTORS OF REINVESTMENT ZONE NUMBER TWO, CITY OF FRIENDSWOOD RESERVE THE RIGHT TO ADJOURN INTO EXECUTIVE SESSION AT ANY TIME AS AUTHORIZED BY THE TEXAS GOVERNMENT CODE SECTIONS 551.071 - 551.090 TO DISCUSS ANY MATTERS LISTED ABOVE.

THE CITY OF FRIENDSWOOD AND REINVESTMENT ZONE NUMBER TWO, CITY OF FRIENDSWOOD ARE COMMITTED TO COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT. REASONABLE ACCOMMODATIONS AND EQUAL ACCESS TO COMMUNICATIONS WILL BE PROVIDED UPON REQUEST. PLEASE CONTACT THE CITY SECRETARY'S OFFICE BY PHONE AT (281) 996-3270, FAX (281) 482-1634, OR CONTACT (281) 996-3270 VIA RELAY TEXAS AT 711 OR 1-800-735-2988 FOR TTY SERVICES. FOR MORE INFORMATION CONCERNING RELAY TEXAS, PLEASE VISIT: [HTTP://RELAYTEXAS.COM](http://RELAYTEXAS.COM).



Leticia Brysch, City Secretary

Posted in compliance with the Open Meetings Act on this
23rd day of August 2024, at 4:00 p.m.



FRIENDSWOOD CITY COUNCIL AGENDA ITEM FORM

This form should be completed and forwarded to the City Manager's Office as soon as possible prior to the first date that the item is expected to be placed on the Friendswood City Council agenda.

Date requested for City Council consideration: August 26, 2024

Date submitted: 06/12/2024

Prepared by: Leticia Brysch, Assistant City Manager/City Secretary

Subject: Conduct a public hearing regarding the Proposed Fiscal Year 2024-2025 Municipal Budget for the City of Friendswood.

Originating Department: City Secretary

Degree of importance: Critical.

SUMMARY / ORIGINATING CAUSE

This item allows the City Council to receive public comment regarding the Proposed Fiscal Year 2024-2025 Municipal Budget for the City of Friendswood.

On August 5, 2024, the City Council called for a public hearing regarding the City's proposed FY 2024-25 municipal budget to occur on Monday, August 26, 2024, at 5:30 P.M., in the City Council Chamber located in City Hall, 910 S. Friendswood Drive, Friendswood, Texas 77546. Notice of said public hearing was posted on the City's notice boards and website on Tuesday, August 6, 2024, and published in *The Reporter News* on Wednesday, August 7, 2024. A copy of the notice is attached for your review.

IMMINENT CONSEQUENCES / BENEFIT TO COMMUNITY

Failure to conduct the public hearing impacts the validity of the City's municipal budget process.

RECOMMENDATIONS

Coduct the public hearing in compliance with all applicable laws.

ATTACHMENTS

1. FY2024-25 Prop Budget Public Hearing Notice
2. FY25 BUDGET PUBLIC HEARING PRESENTATION - 8.26.2024 FINAL
3. Financial Management Policy (considered with FY25 budget adoption) - 8.19.2024



CITY OF FRIENDSWOOD

OFFICE OF THE CITY SECRETARY

NOTICE OF PUBLIC HEARING REGARDING CITY OF FRIENDSWOOD FY2024-25 PROPOSED BUDGET

NOTICE OF PUBLIC HEARING is hereby given in accordance with Section 8.03(c) of the Charter of the City of Friendswood, Texas, and Section 102.006(a)(b) and (c) of the Texas Local Government Code, that the City Council of the City of Friendswood will hold a public hearing giving all interested parties the right to appear and express their views, both written and oral, regarding the City of Friendswood FY2024-25 Proposed Budget. The City Council will hold this public hearing at a Special Council Meeting on **Monday, August 26, 2024, at 5:30 p.m.** in the **Council Chambers, Friendswood City Hall, located at 910 S Friendswood Drive, Friendswood, Texas 77546.**

This budget will raise more total property taxes than last year's budget by \$2,619,447 or (10.4%), and of that amount \$423,981 is tax revenue to be raised from new property added to the tax roll this year.

The public may inspect the proposed budget at any time on the City's website: <https://www.ci.friendswood.tx.us/573/Annual-Budget>, or by appointment from 7:30 a.m. to 5:30 p.m., Monday through Thursday, and 8:00 a.m. to 5:00 p.m., Friday, in the City Secretary's Office, City Hall, 910 S Friendswood Drive, Friendswood, Texas 77546 or by appointment at the Friendswood Public Library, 416 S Friendswood Drive, Friendswood, Texas 77546, during regular operating hours.

The City of Friendswood is committed to compliance with the Americans with Disabilities Act. Reasonable accommodations and equal access to communications will be provided upon request. For assistance, please contact the City's ADA Coordinator Brian Rouane at 281-996-3285 via phone, 281-482-1634 via fax or contact 281-996-3285 via Relay Texas at 711 or 1-800-735-2988 for TYY services. For more information concerning Relay Texas, please visit <http://relaytexas.com>.

/S/Leticia Brysch, City Secretary



FY2024-2025 Proposed Budget PUBLIC HEARING

August 26, 2024

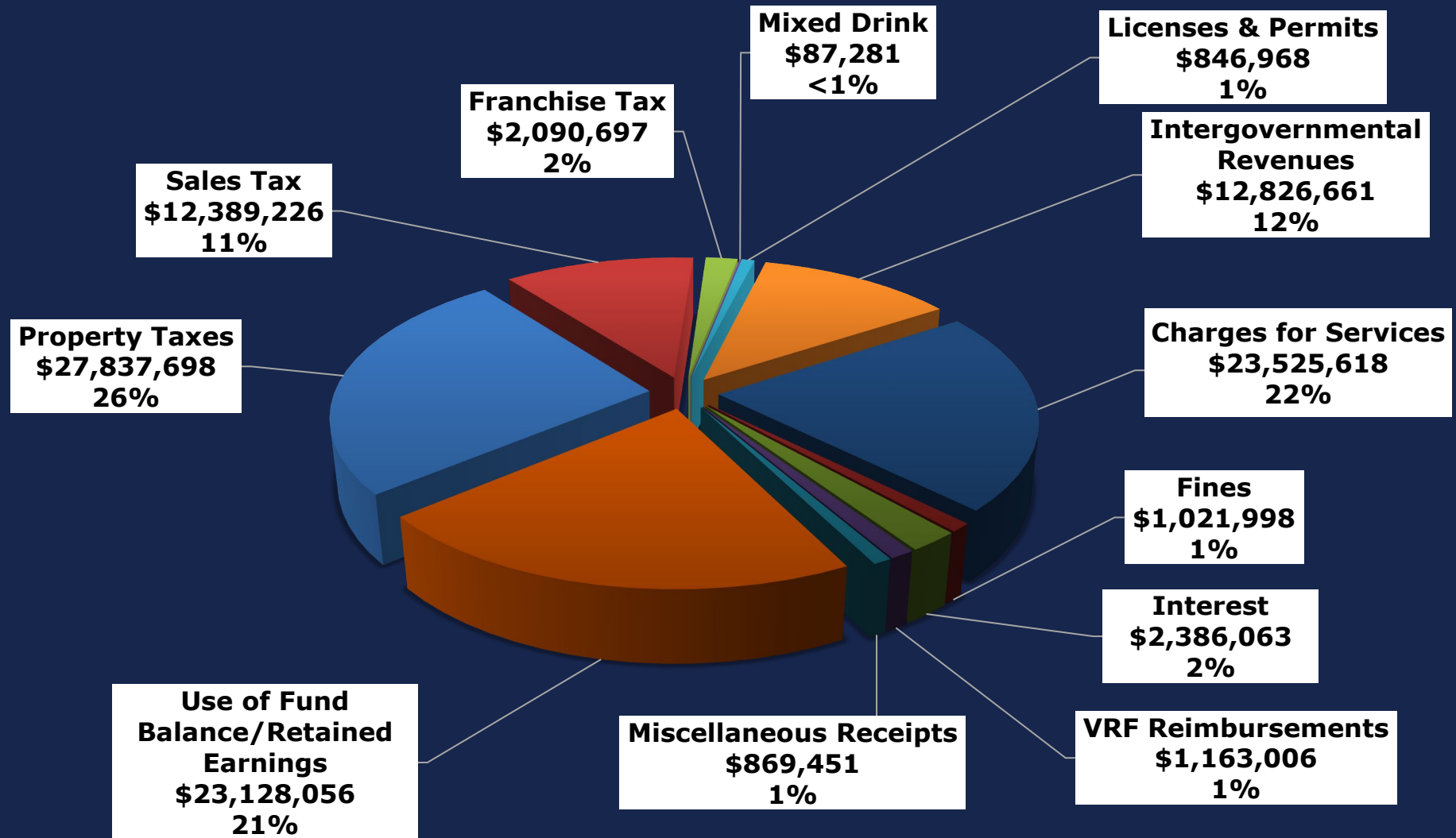


KEY BUDGET DRIVERS

- Insurance Costs
- Operational Costs
- Personnel Costs
- Deferred Maintenance

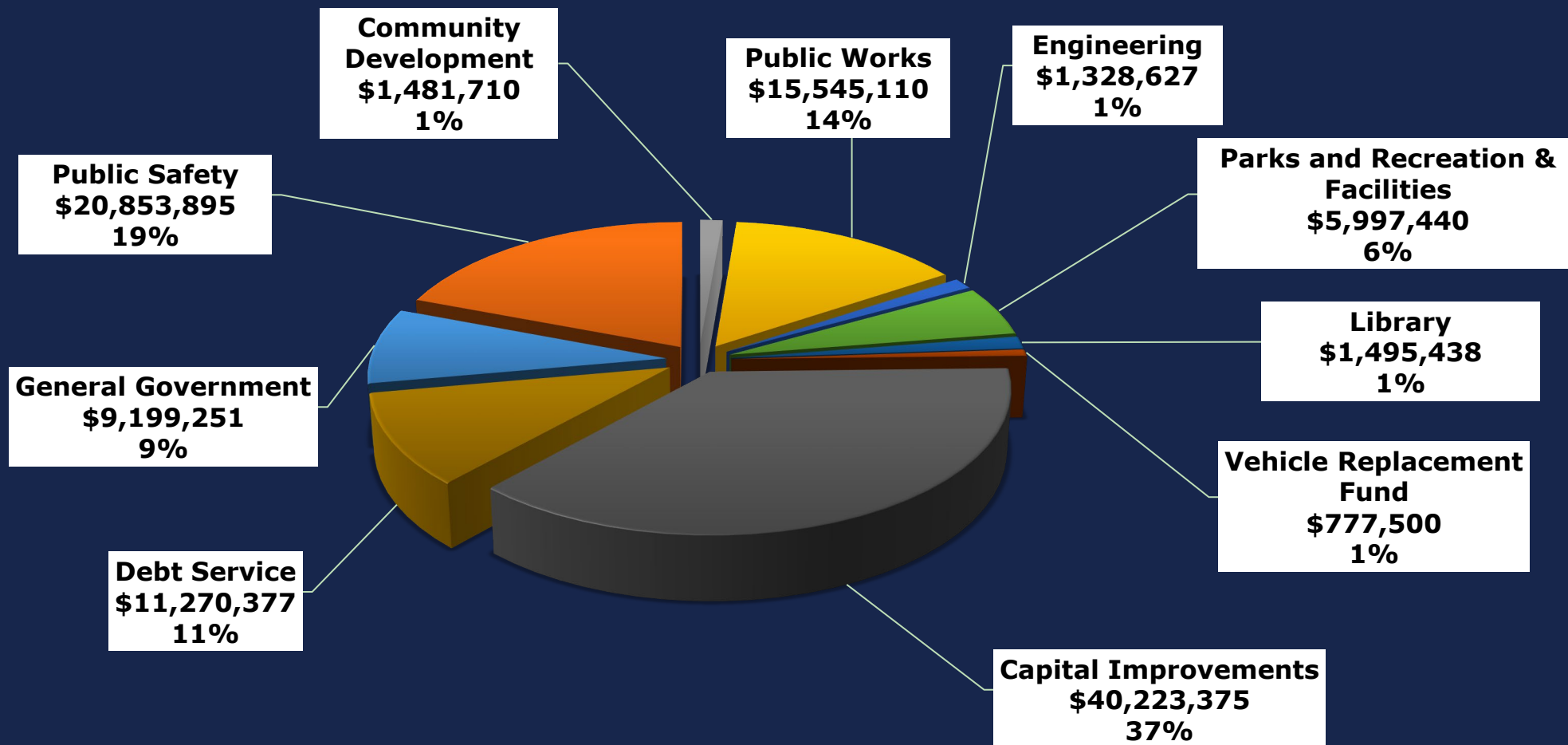
- EMS Onboarding
- FVFD Contract
- Bond Project Impacts
- Grant Project Impacts
- Aging Infrastructure

Total Proposed Revenue (All Funds) ~ \$108.2M



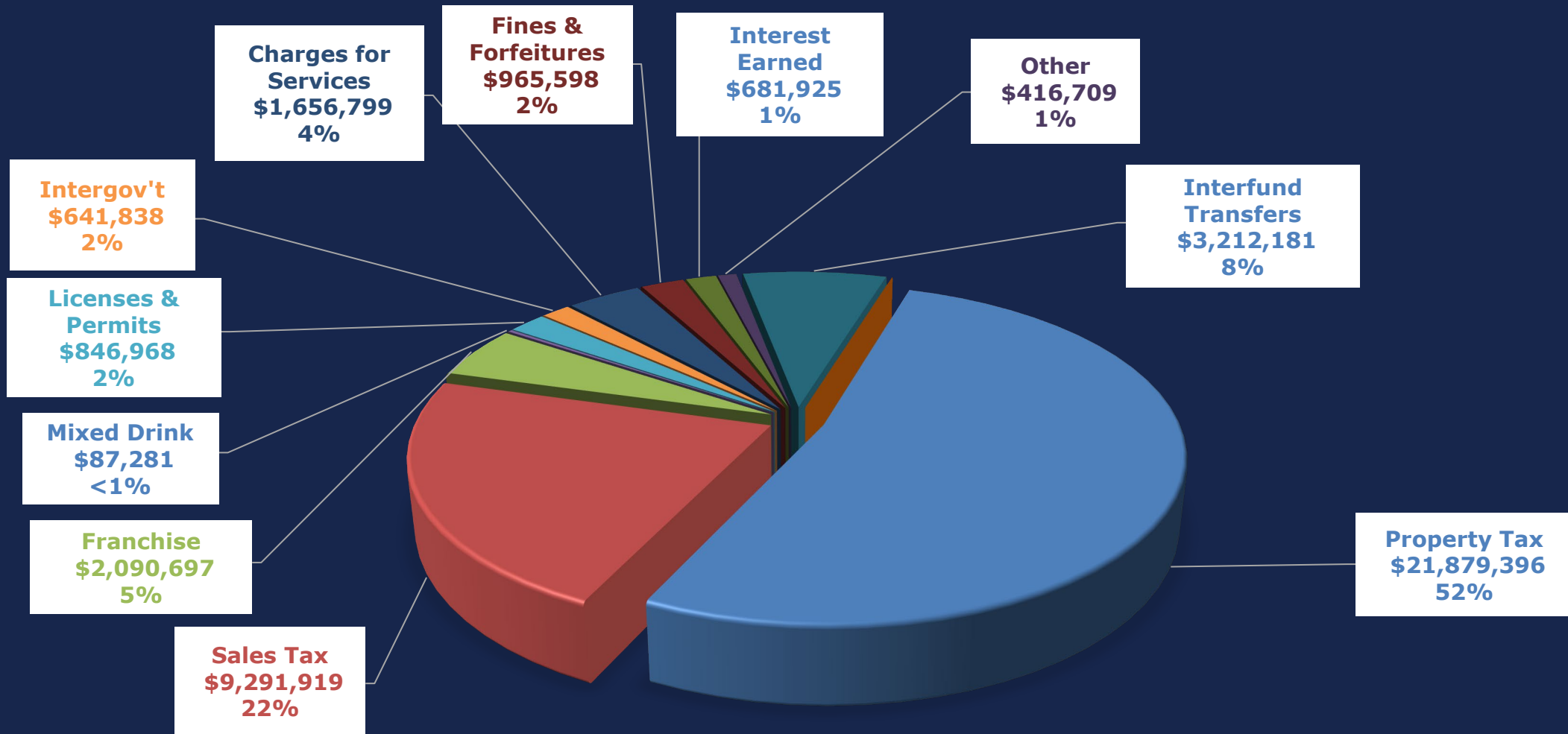
Use of fund balance/retained earnings includes bond funds issued and grant funds received in prior years to complete capital improvement projects in FY25.

Total Proposed Expenditures (All Funds) ~ \$108.2M



GENERAL FUND

FY 2025 Proposed Revenue (General Fund) ~ \$41.8M



Property taxes to pay down debt (\$5.9M) are recorded in the Tax Debt Service Fund.

Proposed Budget Tax Rate (\$0.514172)

- 1.4 cents above current rate of 50.07 cents
 - NNRR – 49.51 cents
 - VATR Unused Increment Rate – 55.23 cents
- Estimated Taxable Value \$5.9B (up \$487M)
 - Includes new construction
 - Includes exemptions
 - Includes over 65 freeze ceiling values
 - \$1.3B (up \$200M YOY)
 - 18% growth from prior year



\$82M

Projected new construction value
(down \$25M from last year)



\$372M

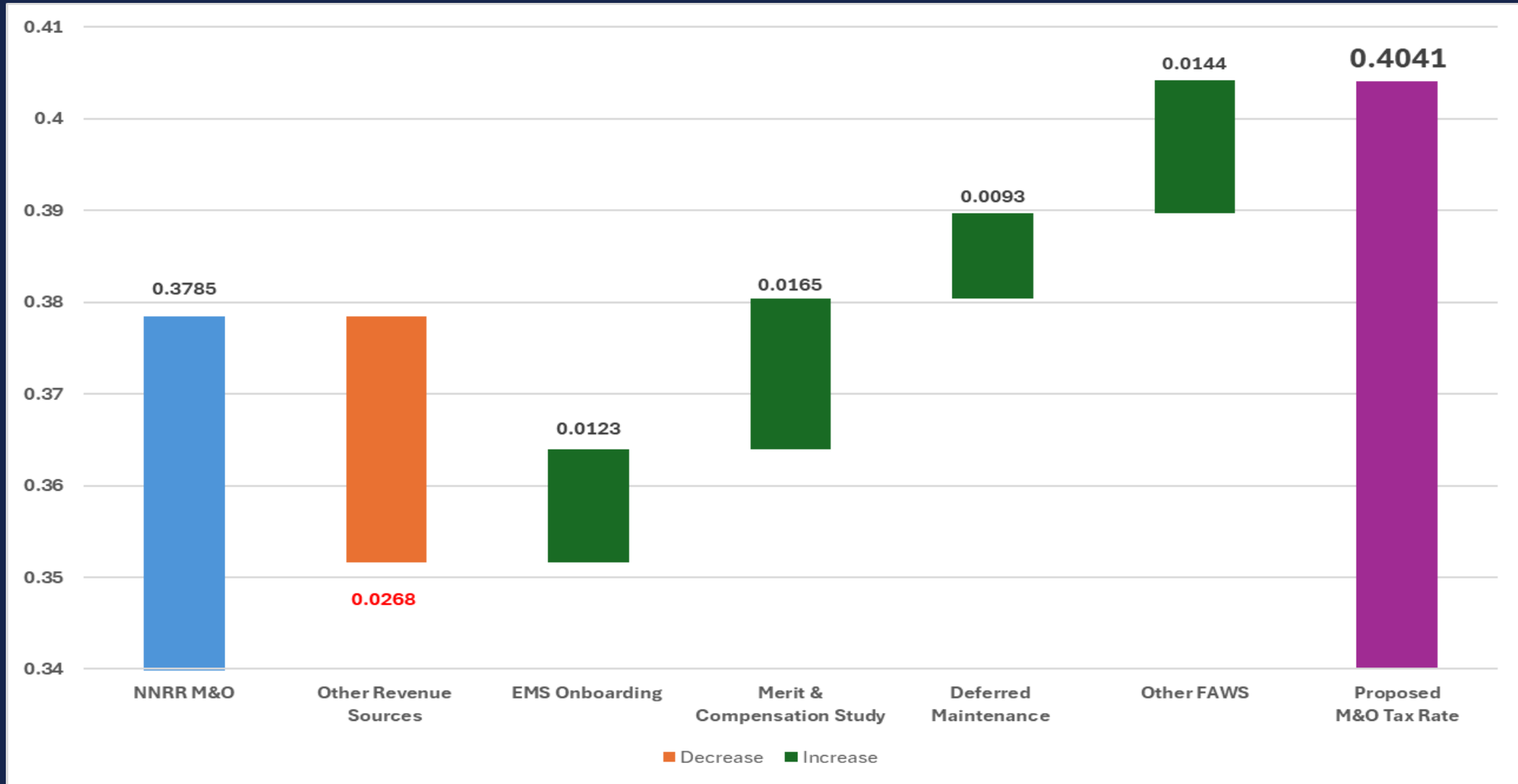
Property Values Under Protest (7/25/24)
(\$17M more than last year at certification)



\$5.9M

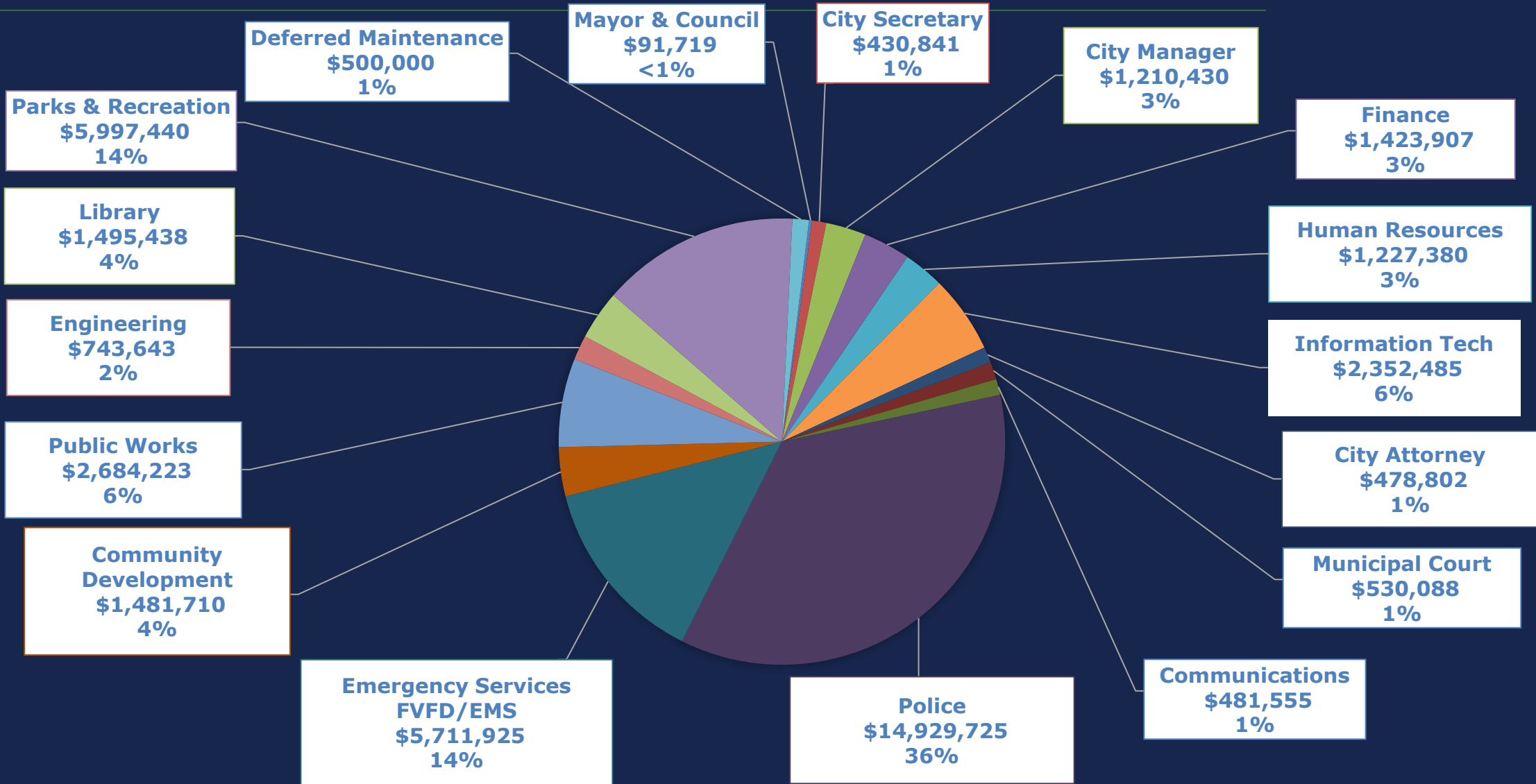
Tax Debt Service Obligation
(\$149K less than last year)

M&O Proposed Tax Rate



*Other revenue sources reduces property tax revenue and rate needed.

FY 2025 Proposed Expenditures (General Fund) \$41.8M



General Fund – Forces At Work (Funded)

Dept	Description	One Time Cost	Ongoing Cost	Total	Outside Revenue Sources	Net Total
City Wide	Windstorm Insurance Increase (3%)	\$0	\$25,220	\$25,220	\$0	\$25,220
City Wide	Auto Liability Insurance Increase (7%)	0	20,768	20,768	0	20,768
City Wide	Real & Personal Property Insurance Increase (13%)	0	16,431	16,431	0	16,431
P&R	Facility Electricity Increase (2%)	0	10,898	10,898	0	10,898
PW_St	Streets Electricity Increase (2%)	0	11,488	11,488	0	11,488
City Wide	Health Insurance Increase (5%)	0	104,764	104,764	0	104,764
City Wide	Workers Compensation Increase	0	29,899	29,899	0	29,899
DES_EMS	EMS Onboarding	0	2,972,772	2,972,772	1,035,000	1,937,772
FVFD_Fire	FVFD Fire Contract Reduction	0	64,195	64,195	247,981	(183,786)
FVFD_EMS	EMS Contract Elimination	0	0	0	1,022,840	(1,022,840)
PD_Admin	Police Policy Accreditation	40,000	26,920	66,920	1,920	65,000
PD_Patrol	12-Hour Shifts + Vehicle	93,725	300,555	394,280	255,340	138,940
PD_Patrol	FISD SRO Contract Reduction	0	0	0	(91,582)	91,582
PD_Patrol	CCISD School Crossing Guard Agreement	0	18,534	18,534	0	18,534
ENG	Additional Vehicle (Stormwater)	50,000	3,500	53,500	0	53,500
P&R_Pk	Quaker's Landing Buyout lots-Mowing & Maintenance	0	29,600	29,600	0	29,600
P&R_Pk	Maintenance Worker + Vehicle (+1.0 FTE)	62,000	87,372	149,372	0	149,372
Total Forces at Work		\$245,725	\$3,722,916	\$3,968,641	\$2,471,499	\$1,497,142

General Fund – Decision Packages (Funded)

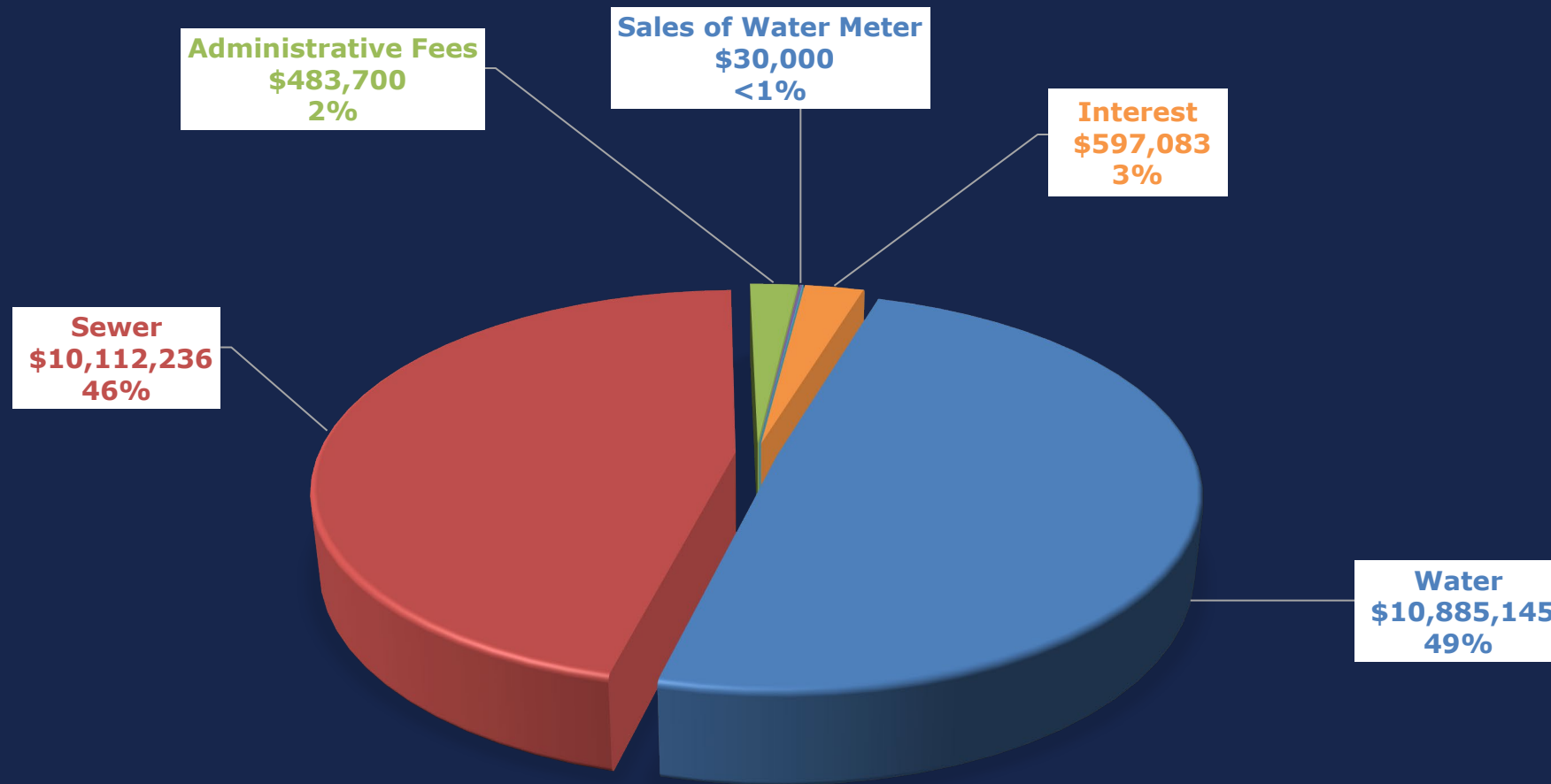
Dept	Description	One Time Cost	Ongoing Cost	Total	Outside Revenue Sources	Net Total
PD/CAO	Temporary Records Specialist, FY25-FY26	\$0	\$89,624	\$89,624	\$89,624	\$0
P&R_SDC	Holiday Camps	0	27,000	27,000	27,000	0
City Wide	Salary Adjustments / Merit 4.0%	0	888,603	888,603	0	888,603
Total Decision Packages		\$0	\$1,005,227	\$1,005,227	\$116,624	\$888,603

General Fund – Decision Packages (Unfunded)

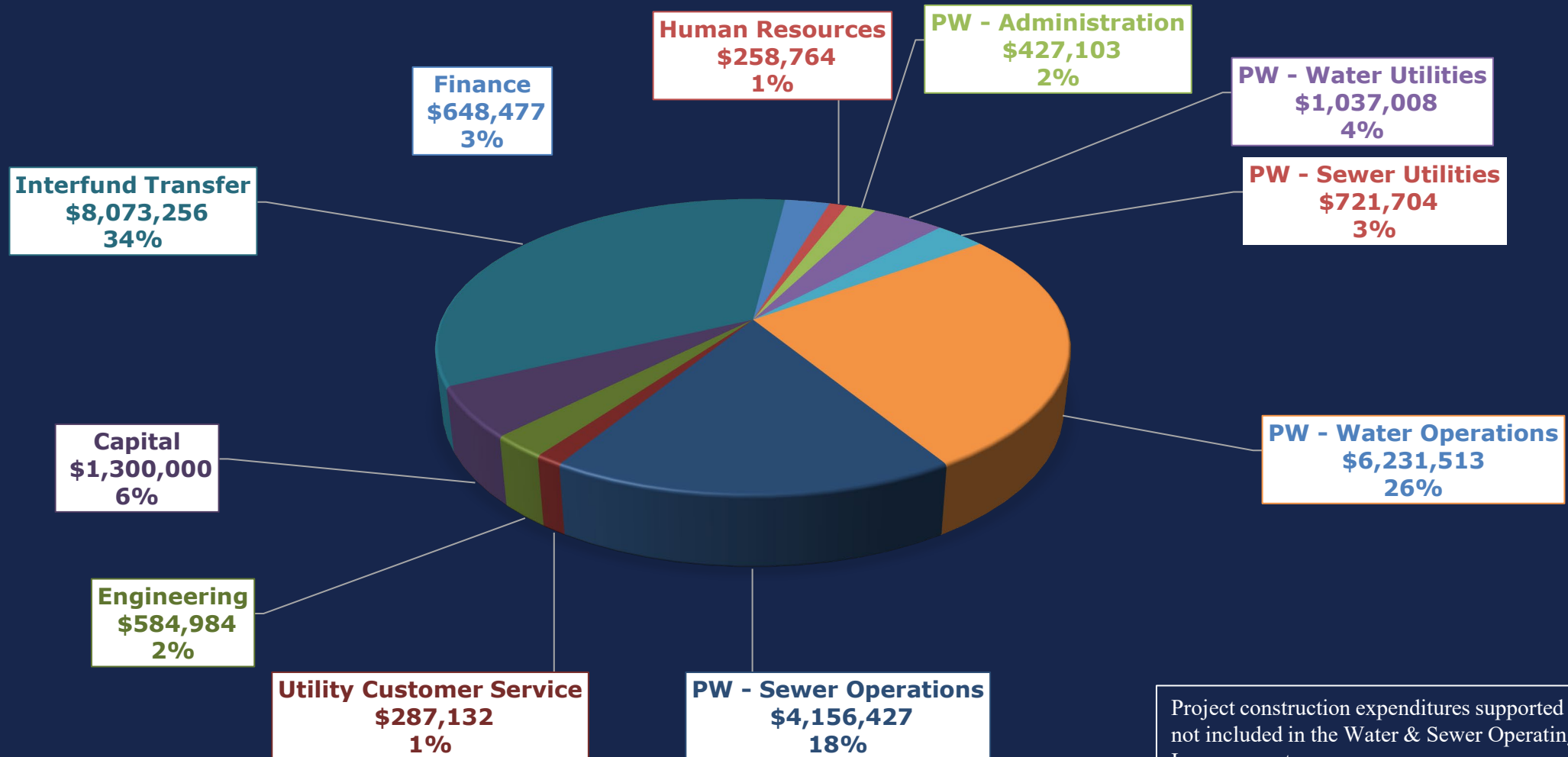
Dept	Description	One Time Cost	Ongoing Cost	Total	Outside Revenue Sources	Net Total
COMM	Social Media Posts		\$10,000	\$10,000		\$10,000
PD_Comm	PD Records Specialist (+1.0 FTE)		91,858	91,858		91,858
PW_St	Equipment Operator - Streets (+1.0 FTE)		86,583	86,583		86,583
DES_EMS	Full-time Paramedic Conversion (+3.0 FTE)		422,092	422,092	227,625	194,467
P&R_Pk	Weekday Laborer (+1.0 FTE)		65,090	65,090		65,090
IT	Cloud Backup Service		17,000	17,000		17,000
HR	Benefit Specialist (+1.0 FTE)	4,000	91,244	95,244		95,244
PD_AC	Animal Control Officer + Vehicle (+1.0 FTE)	78,800	97,029	175,829		175,829
CSO	Temporary Records Technician (part-time)	24,823		24,823		24,823
PW_St	Maintenance Worker (+1.0 FTE)		79,346	79,346		79,346
CDD_GIS	Geographic Information Systems Analyst (+1.0 FTE)	5,000	100,507	105,507		105,507
PW_St	Streets/Sign Shop Vehicle	45,000	4,500	49,500		49,500
PW_St	Maintenance Worker (+1.0 FTE)		79,346	79,346		79,346
ENG	City-Wide Traffic Study	200,000		200,000		200,000
CAO	Legal Services/Litigation Deductibles/Damages		50,000	50,000		50,000
PW_St	Crew Leader + Vehicle (+1.0 FTE)	75,000	102,840	177,840		177,840
DES_FM	Deputy Fire Marshal II + Vehicle (+1.0 FTE)	65,000	158,728	223,728		223,728
P&R_Rec	Summer Camp Staff Wage Increase		8,594	8,594		8,594
P&R_Rec	Summer Pool Staff Wage Increase		7,596	7,596		7,596
P&R_Rec	Citizen Awareness (City U)		500	500		500
P&R_Rec	Relevant Special Event Programming		8,500	8,500		8,500
P&R_Pk	Lake Friendswood Fish Feeding & Restocking Program	6,500	3,500	10,000		10,000
ENG	Sunset Drive Signal Rehabilitation & Optimization	2,250,000		2,250,000		2,250,000
P&R_Rec	Lake Friendswood Kayak/Paddleboard Rental Kiosk	18,000		18,000		18,000
Total Unfunded Decision Packages for General Fund		\$2,772,123	\$1,484,853	\$4,256,976	\$227,625	\$4,029,351

WATER & SEWER FUND

FY 2025 Proposed Revenue (W&S Fund) \$22.1M



FY 2025 Proposed Expenses (W&S Fund) \$23.7M



Project construction expenditures supported by Revenue Bonds are not included in the Water & Sewer Operating Fund Capital Improvements.

Water & Sewer Fund – Forces at Work (Funded)

Dept	Description	186	Ongoing Cost	Total	Outside Revenue Sources	Net Total
City Wide	Real & Personal Property Insurance Increase (13%)	0	13,444	13,444	0	13,444
PW	Electricity Increase (2%)	0	8,217	8,217	0	8,217
City Wide	Health Insurance Increase (5%)	0	18,401	18,401	0	18,401
City Wide	Workers Compensation Increase	0	3,375	3,375	0	3,375
PW_SU	Blackhawk WW Operations Increase @ 5%	0	143,262	143,262	0	143,262
PW_WO	City of Houston Cash Call 42" SETL	2,515,039	0	2,515,039	0	2,515,039
PW_SU	Southeast Water Purification Plant - CIP Program 2023-2027 (Year 3)	431,198	0	431,198	0	431,198
Total Forces at Work		\$2,946,237	\$186,699	\$3,132,936	\$0	\$3,132,936

Water & Sewer Fund – Decision Packages (Funded)

Dept	Description	One Time Cost	Ongoing Cost	Total	Outside Revenue Sources	Net Total
City Wide	Salary Adjustments / Merit 4.0%	\$0	\$109,579	\$109,579	\$0	\$109,579
PW_SO	Sewer Operator + Vehicle (+1.0 FTE)	45,000	97,826	142,826	0	142,826
PW_SU	Equipment Operator - Sewer Utilities (+1.0 FTE)	0	89,646	89,646	0	89,646
PW_WO	Water Operator + Vehicle (+1.0 FTE)	45,000	97,826	142,826	0	142,826
PW_Admin	Administrative Vehicle	55,000	4,500	59,500	0	59,500
ENG	Wastewater Master Plan	1,000,000	0	1,000,000	0	1,000,000
Total Decision Packages		\$1,145,000	\$399,377	\$1,544,377	\$0	\$1,544,377

NEXT STEPS



✓ Key Dates

- ✓ Proposed Budget Delivered – 07/31/2024
- ✓ Budget Work Sessions – 08/05/2024 and 8/14/2024
- ✓ Proposed Budget Public Hearing – 08/26/2024
- ✓ Budget Adoption – 08/26/2024 or 09/09/2024
- ✓ Public Hearing on Tax Rate – 09/09/2024
- ✓ Tax Rate Adoption – 09/09/2024

Introduction

The City of Friendswood assumes an important responsibility to its citizens and customers to carefully account for public funds, to manage City finances wisely and to plan for the adequate funding of services desired by the public.

The main goal of this Policy is to help the City achieve a long-term, stable and positive, financial condition. The City's financial management, as directed by this Policy, is based on the foundation of integrity, prudent stewardship, planning, accountability and full disclosure.

The purpose of the Policy is to provide guidance for planning and directing the City's daily financial affairs. This Policy provides a framework in pursuit of the following objectives.

Financial Objectives

Revenues

- Design and administer a revenue system that will assure a reliable, equitable and sufficient revenue stream to support desired City services.

Expenditures

- Identify priority services, establish and define appropriate service levels and administer the expenditure of available resources to assure fiscal stability and the effective and efficient delivery of these services.

Fund Balance/Retained Earnings

- Maintain the fund balance and retained earnings of the various operating funds at levels sufficient to protect the City's credit worthiness, as well as its financial position, during times of emergency.

Capital Expenditures and Improvements

- Annually review and monitor the condition of the City's capital equipment and infrastructure, setting priorities for its replacement and renovation based on needs, funding alternatives and availability of resources.

Debt Management

- Establish guidelines for debt financing that will provide needed capital equipment and infrastructure improvements, while minimizing the impact of debt payments on current and future revenues.

Investments

- Invest the City's operating cash to ensure its safety, provide necessary liquidity and maximize yield. Return on investment is of least importance compared to the safety and liquidity objectives.

Intergovernmental Relations

- Coordinate efforts with other governmental agencies to achieve common policy objectives, share the cost of providing governmental services on an equitable basis and support appropriate favorable legislation at the state and federal levels.

Grants

- Aggressively investigate, pursue and effectively administer federal, state and foundation grants-in-

aid, which address the City's current priorities and policy objectives.

Economic Development

- Initiate, encourage and participate in economic development efforts to create job opportunities and strengthen the local economy and tax base.

Fiscal Monitoring

- Analyze financial data and prepare reports that reflect the City's financial performance and economic condition.

Accounting, Auditing and Financial Reporting

- Comply with prevailing federal, state and local statutes and regulations. Conform to generally accepted accounting principles as promulgated by the Governmental Accounting Standards Board (GASB), American Institute of Certified Public Accountants (AICPA) and the Government Finance Officers Association (GFOA).

Internal Control

- Maintain an environment to provide management with reasonable assurance that assets are safeguarded against loss from unauthorized use or disposition.

Risk Management

- Prevent and/or reduce financial impact to the City of claims and losses through prevention and transfer of liability.

Budget

- Develop and maintain a balanced budget (defined as a term signifying budgeted expenditures being offset by budgeted revenues), which presents a clear understanding of goals, service levels and performance standards. The document shall, to the extent possible, be "user-friendly" for citizens.

I. Revenues

The City shall use the following guidelines to design and administer a revenue system that will assure a reliable, equitable and sufficient revenue stream to support desired City services.

Balance and Diversification in Revenue Sources

- 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 economic conditions, which adversely impact that source.

User Fees

- For services that benefit specific users, where possible, the City shall establish and collect fees to recover the full direct and indirect cost of those services. City staff shall review user fees on a regular basis to calculate their full cost recovery levels, to compare them to the current fee structure and to recommend adjustments where necessary.

Property Tax Revenues/Tax Rate

- The City shall endeavor to reduce its reliance on property tax revenues by revenue diversification, implementation and continued use of user fees and economic development. The City shall also strive to stabilize its tax rate and minimize tax rate increases.

Utility/Enterprise Funds User Fees

- Utility rates and enterprise funds user fees shall be set at levels sufficient to cover operating expenditures, meet debt obligations, provide additional funding for capital improvements and provide adequate levels of working capital.

Administrative Services Charges

- The City shall prepare a cost allocation plan annually to determine the administrative services charges due the General Fund from enterprise funds for overhead and staff support. Where appropriate, the enterprise funds shall pay the General Fund for direct services rendered.

Revenue Estimates for Budgeting

- In order 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 in revenues. This approach should reduce the likelihood of actual revenues falling short of budget estimates during the year, which otherwise could result in mid-year service reductions.

Revenue Collection and Administration

- The City shall maintain high collection rates for all revenues by keeping the revenue system as simple as possible to facilitate payment. In addition, since a revenue source should exceed the cost of producing it, the City shall strive to control and reduce administrative costs. The City shall pursue to the full extent allowed by state law all delinquent taxpayers and others overdue in payments to the City.

II. Expenditures

The City shall use the following guidelines to identify necessary services, establish appropriate service levels and administer the expenditure of available resources to assure fiscal stability and the effective and efficient delivery of services.

Current Funding Basis

- The City shall operate on a current funding basis. Expenditures shall be budgeted and controlled so as not to exceed current revenues.

Avoidance of Operating Deficits

- The City shall take immediate corrective action, if at any time during the fiscal year, expenditure and revenue estimates are such that an operating deficit is projected at year- end.

Maintenance of Capital Assets

- 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 continue acceptable service levels.

Periodic Program Reviews

- Periodic program review for efficiency and effectiveness shall be performed. Programs not meeting efficiency or effectiveness objectives shall be brought up to required standards, or be subject to reduction or elimination.

Purchasing

- The City shall make every effort to maximize any discounts offered by creditors/vendors. The City will follow state law and the City of Friendswood Purchasing Manual concerning formal bidding procedures and approval by the City Council. For purchases where competitive bidding is not required, the City shall obtain the most favorable terms and pricing possible.
- The City Manager, or his designee, shall have the authority to approve and sign contracts and/or purchases for budgeted goods or services that do not exceed the state law bid limitation of \$50,000. Contracts or purchases for items in excess of the state law bid limit shall be placed on a Council agenda for action authorizing the Mayor, or his designee's, signature.

III. Fund Balance/Working Capital/Net Assets

The City shall use the following guidelines to maintain the fund balance and retained earnings of the various operating funds at levels sufficient to protect the City's creditworthiness as well as its financial position from unforeseeable emergencies.

General Fund Unassigned Fund Balance

- The City shall strive to maintain the General Fund unassigned fund balance at a minimum of 90 days of prior year audited operating expenditures.
- Any unassigned funds after the fiscal year-end audit will be allowed to accumulate to build this 90-day reserve.
- After the General Fund has gathered sufficient resources, additional unassigned funds will be allowed to accumulate for future General Fund capital improvements.

Unrestricted Net Position of Other Operating Funds; Water and Sewer Working Capital

- In other operating funds, the City shall strive to maintain a positive unrestricted net position to provide sufficient reserves for emergencies and revenue shortfalls. The minimum working capital in the Water and Sewer Fund shall be 90 days of prior year audited operating expenses.
- Any unrestricted funds after the fiscal year-end audit will be allowed to accumulate to build this 90-day reserve.
- After these funds have gathered sufficient resources, additional unrestricted funds will be allowed to accumulate in working capital for future utility/operating fund capital improvements.

Use of Fund Balance/ Working Capital

- Fund Balance/ Working Capital may be used in one or a combination of the following ways:
 - Emergencies;
 - One-time expenditures that do not increase recurring operating costs;
 - Major capital purchases; and
 - Start-up expenditures for new programs undertaken at mid-year, provided such action is considered in the context of multiyear projections of program revenues and expenditures.
- Should such use reduce the balance below the appropriate level set as the objective for that fund, the City shall take action necessary to restore the unassigned fund balance or working capital to acceptable levels within three years.

IV. Capital Expenditures and Improvements

Financial Management Policy **(Recommended revisions in red font)**

The City shall annually review and monitor the condition of the City's capital equipment and infrastructure, setting priorities for its replacement and renovation based on needs, funding alternatives and availability of resources.

Capital Improvements Planning Program

- The City shall annually review the Capital Improvements Planning Program (CIP), the current status of the City's infrastructure, replacement and renovation needs and potential new projects and update the program as appropriate. All projects, ongoing and proposed, shall be prioritized based on an analysis of current needs and resource availability. For every project, all operation, maintenance and replacement costs shall be fully costed. The CIP shall also present the City's long-term borrowing plan, debt payment schedules and other debt outstanding or planned, including general obligation bonds, revenue bonds and certificates of obligation.

Replacement of City Vehicles

- The City shall annually prepare a schedule for the replacement of its vehicles. Within the resources available each fiscal year, the City shall replace these assets according to this schedule.
- The Vehicle Replacement Fund will purchase all City vehicles. Departments will then make annual contributions to this fund, based on the life expectancy of their equipment, to replace the funds used to purchase vehicles.
- Heavy equipment that cost more than \$50,000 may be funded by one of the capital expenditure financing methods discussed below.

Capital Expenditures Financing

- The City recognizes that there are several methods of financing capital items. It can budget the funds from current revenues; take the funds from fund balance/working capital, as allowed by the Fund Balance/working capital Policy; utilize funds from grants; or it can borrow the money through some form of debt instrument. Debt financing includes general obligation bonds, revenue bonds, certificates of obligation and capital lease agreements.

Capitalization Threshold for Tangible Capital Assets

The Government Finance Officers Association (GFOA) recommends that "best practice" guidelines be followed in establishing capitalization thresholds for tangible capital-type items. Accordingly, the following criteria shall be established with the adoption of this policy.

- Individual items costing \$5,000 or more will be capitalized and depreciated according to Governmental Accounting Standards Board rules. This amount will be adjusted as changes are recommended in GFOA's "best practices" guidelines.
- Tangible capital-type items will only be capitalized if they have any estimated useful life of at least five years following the date of acquisition.
- ~~Groups of assets purchased together (e.g. computers) whose individual acquisition costs are less than the threshold for an individual asset if those assets in the aggregate are significant will be capitalized. Capitalization thresholds will be applied to individual items rather than to groups of similar items (e.g., desks and tables).~~
- Adequate control procedures at the department level will be established to ensure adequate control over non-capitalized tangible items.

V. Debt Management

Financial Management Policy **(Recommended revisions in red font)**

The City shall use the following guidelines for debt financing used to provide needed capital equipment and infrastructure improvements, while minimizing the impact of debt payments on current and future revenues.

Use of Debt Financing

- Debt financing, to include general obligation bonds, revenue bonds, certificates of obligation and capital lease agreements, shall only be used to acquire capital assets.

Amortization of Debt

- Amortization of debt shall be structured in accordance with a multi-year capital improvement plan. The term of a debt issue will never exceed the useful life of the capital asset being financed.

Affordability Targets

- The City shall use an objective, analytical approach to determine whether it can afford to assume new debt beyond the amount it retires each year. This process shall compare generally accepted standards of affordability to the current values for the City. These standards shall include debt per capita, debt as a percent of taxable value and debt service payments as a percent of current revenues and current expenditures. The process shall also examine the direct costs and benefits of the proposed expenditures as determined in the City's annual update of the Capital Improvements Planning Program. The decision on whether or not to assume new debt shall be based on these costs and benefits and on the City's ability to afford new debt as determined by the aforementioned standards.

Sale Process

- The City shall use a competitive bidding process in the sale of debt unless the nature of the issue warrants a negotiated bid.

Rating Agencies Presentation

- Full disclosure of operations and open lines of communication shall be made available to the rating agencies. City staff, with assistance of financial advisors, shall prepare the necessary materials and presentation to the rating agencies.

Continuing Disclosure

- The City is committed to continuing disclosure of financial and pertinent credit information relevant to the City's outstanding issues.

Debt Refunding

- City staff and the financial advisor shall monitor the municipal bond market for opportunities to obtain interest savings by refunding outstanding debt. A proposed refunding of debt, for interest cost savings, should provide a present value benefit as a percent of refunded principal of at least 3%.

Continuing Compliance with Federal Tax Covenants

- Arbitrage Compliance

Federal income tax laws generally restrict the ability to earn arbitrage in connection with the Obligations. The Responsible Person (as defined below) will review the Closing Documents periodically (at least once a year) to ascertain if an exception to arbitrage compliance applies.

- Procedures applicable to Obligations issued for construction and acquisition purposes. With respect to the investment and expenditure of the proceeds of the Obligations that are issued to finance public improvements or to acquire land or personal property, the Issuer's City Manager (such officer,

together with other employees of the Issuer who report to such officer, is collectively, the "Responsible Person") will:

- Instruct the appropriate person who is primarily responsible for the construction, renovation or acquisition of the facilities financed with the Obligations (the "Project") that (i) binding contracts for the expenditure of at least 5% of the proceeds of the Obligations are entered into within 6 months of the date of closing of the Obligations (the "Issue Date") and that (ii) the Project must proceed with due diligence;
- Monitor that at least 85% of the proceeds of the Obligations to be used for the construction, renovation or acquisition of the Project are expended within 3 years of the Issue Date;
- Monitor the yield on the investments purchased with proceeds of the Obligations and restrict the yield of such investments to the yield on the Obligations after 3 years of the Issue Date;
- Monitor all amounts deposited into a sinking fund or funds pledged (directly or indirectly) to the payment of the Obligations, such as the Interest and Sinking Fund, to assure that the maximum amount invested within such applicable fund at a yield higher than the yield on the Obligations does not exceed an amount equal to the debt service on the Obligations in the succeeding 12 month period plus a carryover amount equal to one-twelfth of the principal and interest payable on the Obligations for the immediately preceding 12-month period; and
- Ensure that no more than 50% of the proceeds of the Obligations are invested in an investment with a guaranteed yield for 4 years or more.
- Procedures applicable to Obligations with a debt service reserve fund. In addition to the foregoing, if the Issuer issues Obligations that are secured by a debt service reserve fund, the Responsible Person will:
 - Assure that the maximum amount of any reserve fund for the Obligations invested at a yield higher than the yield on the Obligations will not exceed the lesser of (1) 10% of the principal amount of the Obligations, (2) 125% of the average annual debt service on the Obligations measured as of the Issue Date, or (3) 100% of the maximum annual debt service on the Obligations as of the Issue Date.
- Procedures applicable to Escrow Accounts for Refunding Issues. In addition to the foregoing, if the Issuer issues Obligations and proceeds are deposited to an escrow fund to be administered pursuant to the terms of an escrow agreement, the Responsible Person will:
 - Monitor the actions of the escrow agent to ensure compliance with the applicable provisions of the escrow agreement, including with respect to reinvestment of cash balances;
 - Contact the escrow agent on the date of redemption of obligations being refunded to ensure that they were redeemed; and
 - Monitor any unspent proceeds of the refunded obligations to ensure that the yield on any investments applicable to such proceeds are invested at the yield on the applicable obligations or otherwise applied (see Closing Documents).
- Procedures applicable to all Tax-exempt Obligation Issues. For all issuances of Obligations, the Responsible Person will:
 - Maintain any official action of the Issuer (such as a reimbursement resolution) stating the Issuer's intent to reimburse with the proceeds of the Obligations any amount expended prior to the Issue Date for the acquisition, renovation or construction of the facilities;
 - Ensure that the applicable information return (e.g., IRS Form 8038-G, 8038-GC, or any successor forms) is timely filed with the IRS; and
 - Assure that, unless excepted from rebate and yield restriction under section 148(f) of the Code,

excess investment earnings are computed and paid to the U.S. government at such time and in such manner as directed by the IRS (i) at least every 5 years after the Issue Date and (ii) within 30 days after the date the Obligations are retired.

- **Private Business Use**

Generally, to be tax-exempt, only an insignificant amount of the proceeds of each issue of Obligations can benefit (directly or indirectly) private businesses. The Responsible Persons will review the Closing Documents periodically (at least once a year) for the purpose of determining that the use of the facilities financed or refinanced with the proceeds of the Obligations (the "Project") do not violate provisions of federal tax law that pertain to private business use. In addition, the Responsible Persons will:

- Develop procedures or a "tracking system" to identify all property financed with tax-exempt debt;
- Monitor and record the date on which the Project is substantially complete and available to be used for the purpose intended;
- Monitor and record whether, at any time the Obligations are outstanding, any person, other than the Issuer, the employees of the Issuer, the agents of the Issuer or members of the general public has any contractual right (such as a lease, purchase, management or other service agreement) with respect to any portion of the facilities;
- Monitor and record whether, at any time the Obligations are outstanding, any person, other than the Issuer, the employees of the Issuer, the agents of the Issuer or members of the general public has a right to use the output of the facilities (e.g., water, gas, electricity);
- Monitor and record whether, at any time the Obligations are outstanding, any person, other than the Issuer, the employees of the Issuer, the agents of the Issuer or members of the general public has a right to use the facilities to conduct or to direct the conduct of research;
- Monitor and record whether, at any time the Obligations are outstanding, any person, other than the Issuer, has a naming right for the facilities or any other contractual right granting an intangible benefit;
- Monitor and record whether, at any time the Obligations are outstanding, the facilities are sold or otherwise disposed of; and
- Take such action as is necessary to remediate any failure to maintain compliance with the covenants contained in the Order related to the public use of the Project.

- **Record Retention**

The Responsible Person will maintain or cause to be maintained all records relating to the investment and expenditure of the proceeds of the Obligations and the use of the facilities financed or refinanced thereby for a period ending three (3) years after the complete extinguishment of the Obligations. If any portion of the Obligations is refunded with the proceeds of another series of tax-exempt Obligations, such records shall be maintained until the three (3) years after the refunding Obligations are completely extinguished. Such records can be maintained in paper or electronic format.

- **Responsible Persons**

Each Responsible Person shall receive appropriate training regarding the Issuer's accounting system, contract intake system, facilities management and other systems necessary to track the investment and expenditure of the proceeds and the use of the Project financed or refinanced with the proceeds of the Obligations. The foregoing notwithstanding, each Responsible Person shall report to the Council whenever experienced advisors and agents may be necessary to carry out the purposes of these instructions for the purpose of seeking Council approval to engage or utilize existing advisors and agents for such purposes.

VI. Investments

The City's cash shall be invested in such a manner so as to ensure the absolute safety of principal and interest, to meet the liquidity needs of the City and to achieve the highest possible yield in accordance with the City's Investment Policy. Interest earned from investments shall be distributed to the City's funds from which the money was provided.

VII. Intergovernmental Relations

The City shall coordinate efforts with other governmental agencies to achieve common policy objectives, share the cost of providing government services on an equitable basis and support appropriate favorable legislation at the state and federal levels.

Interlocal Cooperation in Delivery of Services

- In order to promote the effective and efficient delivery of services, the City shall work with other local jurisdictions to share on an equitable basis the costs of services, to share facilities and to develop joint programs to improve service to its citizens.

Legislative Program

- The City shall cooperate with other jurisdictions to actively oppose any state or federal regulation or proposal that mandates additional City programs or services and does not provide the funding necessary for implementation.

VIII. Grants

The City shall seek to obtain and effectively administer federal, state, and local grants that address the City's current and future priorities and policy objectives identified by City Council.

- Allowability of Costs
 - Grant funds must be expended for the programs, activities, and strategies that meet the needs of the citizens served. All applicable requirements of the Federal and grant funds regulations, other applicable laws and regulations, and the Uniform Guidance apply to the use of Federal awards. All costs must be reasonable and necessary to carry out the intent of the award/program.
 - The Department Director or his/her designee shall review invoices to ensure costs meet the following general criteria to be allowable under 2 CFR 200:
 - Be necessary and reasonable for proper and efficient performance and administration of Federal awards.
 - Be allocable to Federal awards under the provisions of the Uniform Guidance.
 - Be authorized or not prohibited under State or local laws or regulations.
 - Conform to any limitations or exclusions set forth in these principles, Federal laws, terms, and conditions of the Federal award, or other governing regulations as to types or amounts of cost items.
 - Be consistent with policies, regulations, and procedures that apply uniformly to both Federal awards and other activities of the City.
 - Be accorded consistent treatment. A cost shall not be assigned to a Federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to the Federal award as an indirect cost.
 - Except as otherwise provided for in the Uniform Guidance, be determined in accordance with generally accepted accounting principles (GAAP).
 - Not be included as a cost or used to meet cost sharing or matching requirements of any

Financial Management Policy **(Recommended revisions in red font)**

other Federal award in either the current or a prior period, except as specifically provided by Federal law or regulation. See 2 Code of Federal Regulations (CFR) 200.306(b).

- Be the net of all applicable credits.
- Be adequately documented. See 2 CFR 200.300 through 200.309.
- Cost shall be incurred during the approved budget period. The Federal awarding agency is authorized, at its discretion, to waive prior written approvals to carry forward unobligated balances to subsequent periods pursuant to 2 CFR 200.308 (e)(3).
- Reasonable Costs
 - A cost is reasonable if, in its nature and amount, it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the cost. The question of reasonableness is particularly important when governmental units or components are predominantly federally funded. In determining reasonableness of a given cost, consideration must be given to:
 - Whether the cost is of a type generally recognized as ordinary and necessary for the operation of the City or the proper and efficient performance of the Federal award.
 - The restraints or requirements imposed by such factors as: sound business practices; arm's-length bargaining; Federal, state, local, and other laws and regulations; and terms and conditions of the Federal award.
 - Market prices for comparable goods or services for the geographic area.
 - Whether the individuals concerned acted with prudence in the circumstances considering their responsibilities to the governmental unit, its employees, the public at large, and the Federal Government.
 - Significant deviations from the established practices and policies of the City which may unjustifiably increase the Federal award's cost.
- Allocable Costs
 - A cost is allocable to a particular Federal award or other cost objective if the goods or services involved are chargeable or assignable to such cost objective in accordance with relative benefits received. This standard is met if the cost:
 - Is incurred specifically for the Federal award;
 - Benefits both the Federal award and other work of the governmental unit and can be distributed in proportions that may be approximated using reasonable methods; and
 - Is necessary to the overall operation of the governmental unit and is assignable in part to the Federal award in accordance with the principles in this subpart.
 - All activities which benefit from the governmental unit's indirect facilities & administrative (F&A) cost, including unallowable activities and donated services by the governmental unit or third parties, will receive an appropriate allocation of indirect costs.
 - Any cost allocable to a particular Federal award or cost objective under the principles provided for in the Uniform Guidance may not be charged to other Federal awards to overcome fund deficiencies, to avoid restrictions imposed by law or terms and conditions of the Federal awards, or for other reasons.
 - This prohibition would not preclude the governmental unit from shifting costs that are allowable under two or more Federal awards in accordance with existing Federal statutes, regulations, or the terms and conditions of the Federal awards.
 - The City shall recover indirect costs to the maximum amount allowed by the funding source. The City may waive or reduce indirect costs if doing so will significantly increase the effectiveness of the grant.
 - Where an accumulation of indirect costs will ultimately result in charges to a Federal

- award, a cost allocation plan will be required.
- Direct cost allocation principles are applicable:
 - If a cost benefits two or more projects or activities in proportions that can be determined without undue effort or cost, the cost must be allocated to the projects based on the proportional benefit.
 - If a cost benefits two or more projects or activities in proportions that cannot be determined because of the interrelationship of the work involved, then, notwithstanding the Uniform Guidance, the costs may be allocated or transferred to benefitted projects on any reasonable documented basis.
 - Where the purchase of equipment or other capital asset is specifically authorized under a Federal award, the costs are assignable to the Federal award regardless of the use that may be made of the equipment or other capital asset involved when no longer needed for the purpose for which it was originally required. See also 2CFR 200.310 through 200.316 and 200.439.
 - If a contract is subject to Cost Accounting Standards (CAS), costs must be allocated to the contract pursuant to the CAS. To the extent that CAS is applicable, the allocation of costs in accordance with CAS takes precedence over other allocation provisions in this part.

Accounting Control of Purchases and Invoices

- Invoices shall be submitted to the relevant department head for approval. His or Her review shall include verification of work/quantities completed and to ensure no duplication of work exists. The department representative will consult with appropriate staff, consultants, and agencies to determine eligibility of proposed costs.
- The Finance ~~division of Administrative Services~~ department shall keep a detailed ledger identifying the budgeted funds for each program as well as a list of all expenditures to determine allowability of costs. Expenditures will be compared to the budget prior to approval to ensure costs are within budgeted amounts.
- Once approved, invoices shall be provided to ~~Administrative Services~~ the Finance department for processing and submittal to appropriate agency (if applicable) and for issuance of checks or electronic payment consistent with existing financial policies. ~~Administrative Services~~ The Finance department will then send to the appropriate vendor in accordance with the terms of the contract and in accordance with program requirements.
- All purchases made shall be pursuant to written or electronic authorization from the Department Director or agency whose appropriation will be changed, and no contract or order shall be issued to any seller unless and until ~~Administrative Services~~ the Finance department verifies that there is to the credit of such department or agency a sufficient unencumbered appropriation balance to pay for the supplies, materials, equipment or contractual services for which the contract or purchase order is to be issued.

Grant Review

- The City shall review all grant submittals requiring an in-kind match requirement to determine their potential impact on the operating budget, and the extent to which they meet the City's policy objectives. If there is a cash match requirement, the source of funding shall be identified and approved prior to application.
- Prior to submission, all grant requests will be reviewed by ~~Administrative Services~~ the Finance department to ensure the benefits to the City exceed the administrative costs incurred throughout the life of the grant.

Grant Program Termination

- The City shall terminate grant-funded programs and associated positions as directed by the City Council when grant funds are no longer available, unless alternate funding is identified.

IX. Economic Development

The City shall initiate, encourage and participate in economic development efforts to create job opportunities and strengthen the local economy and tax base.

Commitment to Expansion and Diversification

- The City shall encourage and participate in economic development efforts to expand Friendswood's economy and tax base, to increase local employment and to invest when there is a defined, specific long-term return. These efforts shall not only focus on new areas, but on established sections of the City where development can generate additional jobs and other economic benefits.

Tax Abatements

- The City of Friendswood is committed to the promotion of quality development in all parts of the City. On a case-by-case basis, the City will give consideration to providing tax abatement on the increment in value added to a particular property by a specific development proposal, which meets the economic goals and objectives of the City.
- The tax abatement shall not apply to any portion of the inventory or land value of the project.
- Tax abatement may be offered on improvements to real property owned by the applicant and/or on new personal property brought to the site by the applicant.
- Tax abatement will not be ordinarily considered for projects which would be developed without such incentives unless it can be demonstrated that higher development standards or other development and community goals will be achieved through the use of the abatement.

Increase Non-Residential Share of Tax Base

- The City's economic development program shall seek to expand the non-residential share of the tax base to decrease the tax burden on residential homeowners.

Coordinate Efforts With Other Jurisdictions

- The City's economic development program shall encourage close cooperation with other local jurisdictions to promote the economic well-being of this area.

X. Fiscal Monitoring

Reports shall be prepared and presented on a regular basis that analyze, evaluate and forecast the City's financial performance and economic condition.

Financial Status and Performance Reports

- Monthly reports shall be prepared comparing expenditures and revenues to original and amended budgets. Explanatory notes will be included, as needed.

XI. Accounting, Auditing and Financial Reporting

Financial Management Policy **(Recommended revisions in red font)**

The City shall comply with prevailing local, state and federal regulations. Its accounting practices and financial reporting shall conform to generally accepted accounting principles as promulgated by the Governmental Accounting Standards Board (GASB), American Institute of Certified Public Accountants (AICPA) and the Government Finance Officers Association (GFOA). The City Council shall select an independent firm of certified public accountants to perform an annual audit of its accounting and financial reporting practices.

XII. Internal Control

The Director of ~~Administrative Services~~ Finance is responsible for developing citywide, written guidelines on accounting, handling of cash and other financial matters. The Director of ~~Administrative Services~~ Finance will assist Department Directors as needed, in tailoring these guidelines into detailed written procedures to fit each department's specific requirements.

Each Department Director is responsible to ensure that good internal controls are followed throughout his or her department, that all guidelines on accounting and internal controls are implemented and that all independent auditor internal control recommendations are addressed.

XIII. Risk Management

The City will utilize a safety program, an employee health program and a risk management program to prevent and/or reduce the financial impact to the City due to claims and losses. Transfer of liability for claims through transfer to other entities through insurance and/or by contract will be utilized where appropriate. Prevention of loss through the safety program and the employee health program will be employed.

XIV. Operating Budget

The City shall establish an operating budget that shall link revenues and expenditures to City Council goals, service and performance standards.

Any transfer of intradepartmental appropriations shall be authorized, in writing, by the City Manager. Transfers from personnel expenditure category line items to non-personnel expenditure category line items of the adopted budget are permitted, with City Manager approval, when the expense for which the transfer is made is directly related to personnel. No transfer of more than \$50,000 shall be authorized by the City Manager without prior approval of the City Council. Written justification shall be attached to each request to the City Manager for a transfer of appropriation and, if authorized, the written justification shall be attached to the City Manager's written authorization. All applicable bidding and purchasing laws shall be followed. New capital projects or projects not otherwise provided for in the budget shall not be funded through transfers.

FRIENDSWOOD CITY COUNCIL AGENDA ITEM FORM

This form should be completed and forwarded to the City Manager's Office as soon as possible prior to the first date that the item is expected to be placed on the Friendswood City Council agenda.

Date requested for City Council consideration: August 26, 2024

Date submitted: 06/12/2024

Prepared by: Leticia Brysch, Assistant City Manager/City Secretary

Subject: Discuss and take action concerning the City of Friendswood's Proposed FY2024-25 Municipal Budget.

Originating Department: Finance

Degree of importance: Critical importance.

SUMMARY / ORIGINATING CAUSE

This item allows the City Council to discuss the City of Friendswood's Proposed FY2024-25 Municipal Budget and the input received at the public hearing and to take action as required by Section 102.007 of the Texas Government Code.

Specifically, such section requires that at the conclusion of the public hearing on the municipal budget, the City Council "take action on the proposed budget." As such, the Council may at this time either:

1. vote to approve the proposed budget and then separately at an upcoming meeting vote to ratify the property tax increase reflected in the proposed budget, or
2. postpone the approval of the budget until September 9, 2024, the date the City Council is scheduled to consider the adoption of the tax rate.

IMMINENT CONSEQUENCES / BENEFIT TO COMMUNITY

Compliance with the Local Government Code and the City Charter.

RECOMMENDATIONS

Staff recommends approval of the proposed FY2024-25 municipal budget.

ATTACHMENTS

1. FY24-25 Proposed Budget 7.31.2024
2. FY2024-2025 Proposed Budget Summary
3. Ordinance - Budget Adoption

City of Friendswood, Texas

ANNUAL PROPOSED BUDGET



FISCAL YEAR 2024 - 2025

City of Friendswood Adopted Budget

This proposed budget is estimated to raise more revenue from property taxes than last year's budget by an amount of \$2,619,447, which is a 10.4% increase from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is \$423,981.

The City of Friendswood's total tax debt service obligation is \$105,579,243

Debt service obligations of the City of Friendswood, secured by property taxes, in fiscal year 2024-25: \$5,943,302.

Property Tax Comparison (per \$100 valuation)	FY24 Adopted	FY25 Proposed
Tax Rate	\$0.500728	\$0.514172
O&M Rate	\$0.379450	\$0.404140
I&S Rate	\$0.121278	\$0.110032
No New Revenue Tax Rate	\$0.463141	\$0.495117
No New Revenue Operating Rate	\$0.373767	\$0.378453
Maximum Debt Tax Rate	\$0.138244	\$0.129553
Voter Approved Tax Rate (includes unused increment)	\$0.598630	\$0.571804

Data included in the table is reflective of State Comptroller's Truth-In-Taxation guidelines for informational purposes.

City of Friendswood's 2024 proposed total tax rate is \$0.514172 which includes the maintenance & operations (M&O) rate of \$0.404140 and the debt service (I&S) rate of \$0.110032.

City Council	Position	Vote on Budget	Vote on Tax Rate
Mike Foreman	Mayor		
Joe Matranga	Mayor Pro Tem		
John Ellisor	Position 1		
Sally Branson	Position 2		
Trish Hanks	Position 3		
Robert J. Griffon	Position 4		
Brent Erenwert	Position 6		

In accordance with Section 104.0045 of the Texas local Government Code as amended by HB 1495 - Itemization of Certain Expenditures Required in Certain Political Subdivision Budgets - expense line items for public notices and lobbying efforts provided below:

	FY23 Actuals	FY24 Amended Budget	FY24 Estimate	FY25 Proposed Budget
Notices required to be published in the Newspaper (S.B. 622)	36,582	60,597	58,264	86,484
Directly or Indirectly influencing or attempting to influence the outcome of legislation or administrative action (H.B. 1495)	0	0	0	0
Total Expenditures	\$36,582	\$60,597	\$58,264	\$86,484



CITY OF FRIENDSWOOD, TEXAS

ANNUAL PROPOSED BUDGET 2024 - 2025

October 1, 2024 - September 30, 2025



Mayor

Mike Foreman

Mayor Pro Tem

Joe Matranga

Position #1

John Ellisor

Position #2

Sally Branson

Position #3

Trish Hanks

Position #4

Robert J. Griffon

Position # 6

Brent Erenwert

City Manager

Morad Kabiri

Deputy City Manager

Steven Rhea

Assistant City Manager

Katina Hampton

Assistant City Manager /City Secretary

Leticia Brysch

City Attorney

Karen Horner

Police Chief

Josh Rogers

Emergency Services Director

Brian Mansfield

Community Development Director

Aubrey Harbin

Communications Director

Glenda Faulkner

Engineering Director

Jildardo Arias

Public Works Director

Steve Vavrecka

Municipal Court Director

Patricia Riffel

Library Director

Matt Riley

Parks & Recreation Director

James Toney

Human Resources Director

Haley Brown

Information Technology Director

Terry Prindle

Finance Director

Rhonda Boskas

Deputy Finance Director

Jennifer Walker

Budget Manager

Andree Calhoun

Distinguished Budget Presentation Award

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the **City of Friendswood, Texas** for its annual budget for the fiscal year beginning **October 1, 2023**.

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

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

**City of Friendswood
Texas**

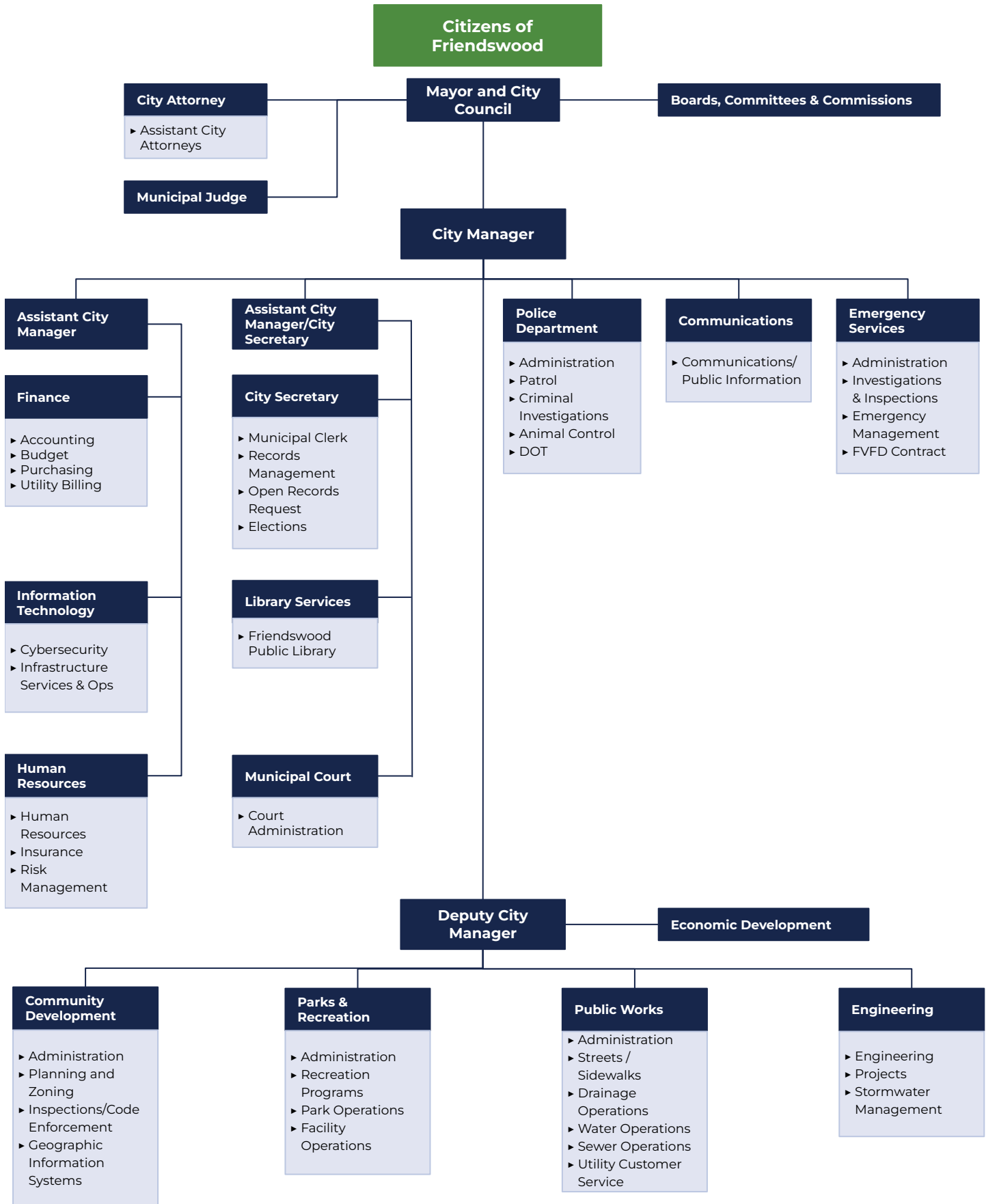
For the Fiscal Year Beginning

October 01, 2023

Christopher P. Morrell

Executive Director

CITY OF FRIENDSWOOD Organization Chart



Guide to Use of the Budget

The primary purpose of this document is to plan both the operating and capital improvement expenditures in accordance with the policies of the City of Friendswood. By adoption of this budget, the City Council establishes the level of services to be provided, the amount of taxes and utility rates to be charged and the various programs and activities to be provided.

The **Introduction and Overview section** includes the City Manager's budget message with a "budget-in-brief" summary. Also featured in this section is an Overview of the City; detailing community and population demographics, Fiscal Year Fact Sheet of the City's property tax base, staffing summary, utility customer count and utility rates. This section presents City Council's mission statement and strategic goals and long range planning tools used to guide the City's budget process.

The **Financial Structure, Policy and Process section** begins with flowcharts listing each of the City's funds and the funds' basis of accounting and budgeting. Fund narratives follow providing definitions for each fund utilized by the City. A matrix correlating the City's fund uses by functioning unit (City department) is incorporated. The City's Financial Management Policy is included. Budget provisions from the City's Charter are included and details of the budget process and this year's budget calendar close this section.

The **Financial Summaries section** provides the revenues, expenditures and proposed ending fund balance for the City's governmental funds as well as enterprise funds.

Governmental funds include General Fund, Police Investigation Funds, FVFD Donation Fund, 2017 Community Development Block Grant-Disaster Relief (Harris and Galveston County), 2021 Coronavirus State and Local Fiscal Recovery Fund, Municipal Court Fund, Sidewalk Installation Fund, Park Land Dedication Fund, Streets Maintenance Fund, Tax Debt Service Fund, 1776 Park Trust Fund, Downtown Economic Development Fund, and General Obligation Bond Construction Funds.

Enterprise funds include Water and Sewer Operation Fund, Water and Sewer Revenue Bond Construction Funds, Water and Sewer CIP/Impact Fee Funds, and Water and Sewer Revenue Debt Service Fund.

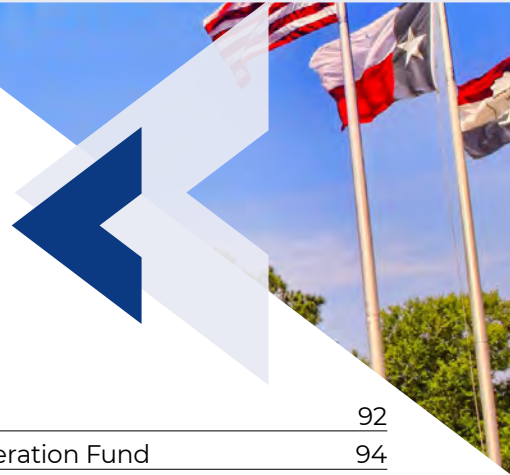
Additional funds include the Vehicle Replacement Fund. A description of the fund precedes the fund schedule and includes the basis of budgeting. The section also includes detailed revenue schedules by fund and account element/object and inter-fund transfer schedules.

The next section is reserved for the **Debt & Capital section**. The tax and revenue debt service portion of this section contains summary schedules, tax debt service and revenue debt service to maturity charts and payment schedules for each bond issue of the City. Currently, the City's Capital Improvement Plan is being reviewed by the Community Development Department and City departmental Directors. The proposed budget document includes available information from the Capital Improvement Program for the upcoming budget year by fund and project as well as the detail by object account.

The next section is entitled **Departmental Information**. Each department includes: (1) an organizational chart depicting the department structure; (2) department narrative, goals, objectives, and performance measures; (3) department summary with department totals across all funds and a departmental staffing table showing the full-time equivalents. The general ledger account number segment for fund, department and division accounts are included for cross-reference to the detail division budgets. The detailed departmental pages are formatted to include FY23 actual; FY24 adopted budget; FY24 amended budget; year-end estimate for FY24; and FY25 proposed budget data.

The **Supplemental Information section** contains a City-wide personnel schedule by full-time equivalents, departmental decision package recommendations, sales tax revenue comparison schedule, estimated tax valuations, historical tax levy and tax rate comparisons, including graphs, and glossary of budget terminology and acronyms.

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Introduction and Overview





CITY OF FRIENDSWOOD

July 31, 2024

Honorable Mayor and City Council:

As another fiscal year comes to a close, the City once again stepped up and met the challenges presented. Whether it was replacing the departure of key employees, or responding to a natural disaster with Hurricane Beryl, Friendswood demonstrated its resilience and organizational preparedness.

Moving into FY2025, we anticipate the continuation of certain budget drivers. These include inflationary impacts on contract services and the purchase of certain commodities [i.e. fuel, electricity, insurance, etc.]. Additionally, the City is taking on more operational and maintenance responsibilities for bond/grant funded projects that are now coming online [i.e. the Blackhawk Facility, the Forest Bend Detention Pond, the expanded Fire Station 2, and the expanded Public Safety Building].

With regard to our most vital resource, our employees, the City is in the midst of a comprehensive pay plan analysis. The results of which will have a fiscal impact on our operations, but is key to maintaining the City's lean and mean staffing. Friendswood still retains one of the lowest staffing ratios per capita in the entire Houston-Metro Area, but as demonstrated with our leadership restructuring and the onboarding of EMS this current fiscal year, we need to be adaptable to ensure we are poised to meet the challenges ahead.

All that being said, the City continues to rise to meet the challenges and opportunities before us. We are making significant investments in our infrastructure with capital projects in water and sewer utilities, flood mitigation and drainage efforts, and street rehabilitation/reconstruction. This next fiscal year will see the completion of the remaining leg of Blackhawk Blvd; funded in large part by Harris County Precinct 2, as well as flood mitigation projects along Clear Creek; both on the Whitcomb property, and with the FM 1959/Friendswood Regional Detention Basin.

Knowing the difficulties that lay ahead, I would like to applaud Council for their leadership and for their support of the organization. The City continues to set the standard in financial transparency, public safety, emergency medical services, infrastructure, and recreational facilities development. These efforts have time and time again been recognized by numerous organizations resulting in accolades such as budget presentation and financial reporting recognition, Safest City, and "Best Places to Live" awards. They signify a tangible quality embedded in the City's team approach to not only its budgeting process, but all operations: the City's core values, "TRAQ" which stands for **T**rust, **R**espect, **A**ccountability, and **Q**uality. With these values, City Staff will continue to seek efficiencies in delivering services with limited resources.

On behalf of the City Staff, especially the Budget Team that pours wisdom, time, and energy into the process which creates this plan, I thank the Mayor and City Council for providing guidance to develop the budget. We all look forward to the days ahead and the opportunity to serve Friendswood residents, business owners, and visitors with the service and quality they expect.

Respectfully submitted,



Morad Kabiri, City Manager

Budget in Brief

The pages that follow summarize the City of Friendswood's fiscal year 2024-25 proposed budget.

Revenues

1. The budget includes total revenue projections of approximately \$108.2 million in all funds. This is a decrease of \$10.7 million under the fiscal year 2023-24 adopted budget. The overall decrease is due to a reduction in the use of fund balance for capital improvement project construction. Below are highlights of the revenue projections:
 - Property tax revenue reflects an increase for tax year 2024 of \$2,619,447 over prior year budget projections related to new construction and property tax increases to cover operating expenses, deferred facilities maintenance, Emergency Medical Services (EMS) onboarding, and debt service obligations related to the general obligation bonds authorized by voters in 2013 and 2019.
 - Sales tax revenue budget is up approximately 1.6% based on fiscal year 2023-24 collections and includes revenue from the 1/8 of 1% sales tax for downtown economic development and 3/8 of 1% sales tax for streets maintenance.
 - Franchise tax revenue budget is down 1.0% based on fiscal year 2023-24 collections.
 - Intergovernmental revenue reflects a decrease of -8.98% or \$1.3 million. The majority of the decrease is directly related to federal and state grants awarded in previous fiscal years.
 - Charges for Services budget is expected to increase 14.8% from the prior year budget. An increase of \$1,035,000 is a result of EMS onboarding and charges for EMS services. As a result of the Utility Rate Study conducted in FY24, the City's utility rates are expected to be increased over the next 3 years beginning in January 2025. This planned increase is to support infrastructure needs of the water and sewer system.
 - Permit revenue in the proposed budget is expected to increase 12.4% from last year's budget based on the anticipated growth in the pace of new residential construction.
 - Interest earnings are expected to decrease by about 15.8% from the prior year adopted budget. This is primarily due to decreases in general obligation bond fund balances and revenue bond fund balances.
 - Vehicle Replacement Fund lease payments are expected to increase by 4.5% due to the addition of six fleet vehicles as part of the EMS onboarding for an additional \$52,284.
 - Planned use of fund balance/retained earnings used to offset capital improvements is \$23.1 million. These capital improvement projects are slated for completion over the next few years.
2. The FY25 proposed budget was developed with a tax rate projected to be \$0.5142 per \$100 valuation. As a result, approximately \$423,981 in property tax revenue is expected to be generated from properties added to the tax roll this year (i.e. new construction).
 - The maintenance and operations (M&O) rate is projected to be \$0.4042 and the interest and sinking or debt service (I&S) rate is projected to be \$0.1100.
3. The estimated net taxable value adjusted for freeze ceilings is \$5,401,437,619; an increase of \$195,542,565 above certified values adjusted for freeze ceilings including supplemental rolls for tax year 2023.
 - Certified values from Galveston Central Appraisal District and Harris County Appraisal District indicate overall growth in property values.
 - The impact on property owner tax bills vary based on their individual circumstances. If a \$200,000 home's value does not change from year-to-year, it would be taxed on a value of \$160,000 due to the City's 20% homestead exemption. At the tax rate used to develop the proposed budget (\$0.5142) the tax bill of \$823 would increase \$22 from prior tax year. The tax bill using the voter approved rate including any unused 2024 increment would be \$915.

Historical Revenue Budget (All Funds)

	FY25		FY24		FY23	
Revenue Source	Proposed	Percent Change PY	Adopted	Percent Change PY	Adopted	Percent Change PY
Property Taxes*	\$27,837,698	10.4%	\$25,218,251	11.7%	\$22,579,959	8.6%
Sales Tax	\$12,389,226	1.6%	\$12,200,003	6.1%	\$11,495,359	6.5%
Franchise Tax	\$2,090,697	-1.0%	\$2,112,803	3.4%	\$2,044,100	6.1%
Mixed Drink	\$87,281	12.8%	\$77,372	32.3%	\$58,490	9.3%
Licenses & Permits	\$846,968	12.4%	\$753,524	-13.8%	\$873,730	6.1%
Intergovernmental Revenues**	\$12,826,661	-9.0%	\$14,091,795	43.3%	\$9,836,181	-47.0%
Charges for Services	\$23,525,618	14.8%	\$20,493,742	8.4%	\$18,910,936	5.1%
Fines	\$1,021,998	5.4%	\$969,878	-0.1%	\$971,160	-14.7%
Interest	\$2,386,063	-15.8%	\$2,834,082	59.1%	\$1,781,119	1354.7%
VRF Reimbursements	\$1,163,006	4.5%	\$1,112,395	11.4%	\$998,340	22.7%
Miscellaneous Receipts	\$869,451	-6.9%	\$934,286	-2.0%	\$953,542	-20.0%
Fund Balance/Retained Earnings***	\$23,128,056	-39.2%	\$38,043,665	-13.0%	\$43,720,906	-9.7%
Total	\$108,172,723	-9.0%	\$118,841,796	4.0%	\$114,223,822	-6.9%

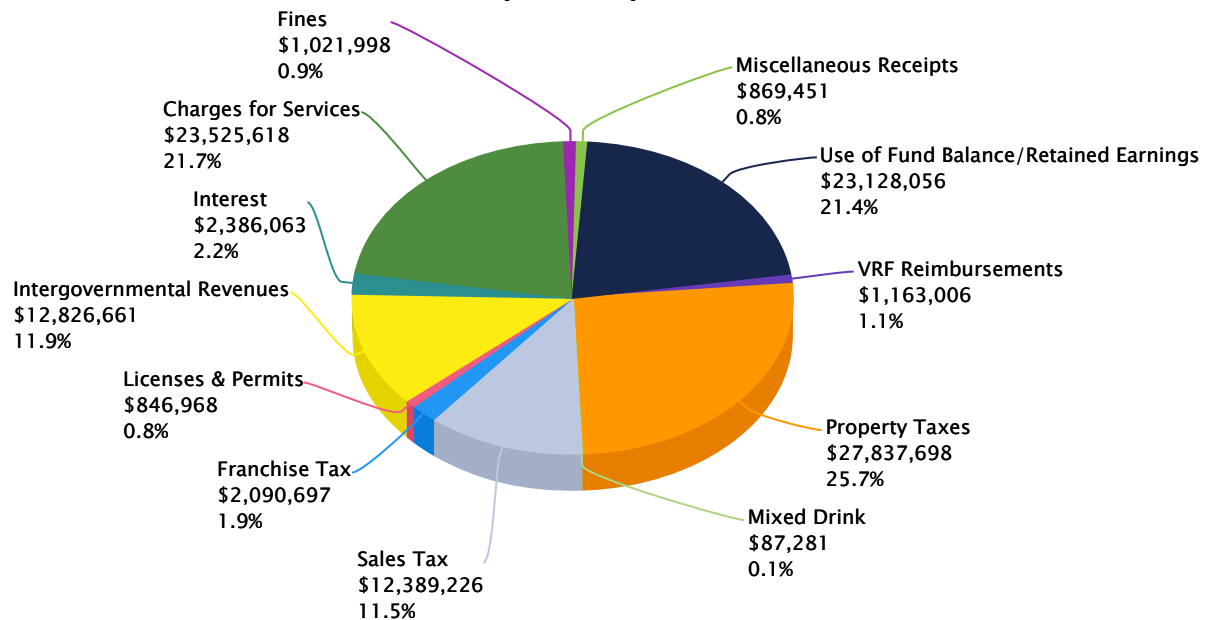
* Amounts include prior year delinquent property tax collections with penalty and interest.

** Includes Coronavirus State and Local Fiscal Recovery Grant and Community Development Block Grant funding

*** Fund Balance/Retained Earnings used for capital improvements expenses.

FY25 Proposed Budget Revenues

\$108,172,723
(all funds)



*Excludes inter-fund transfers. Uses of fund balance and retained earnings in several funds total \$23,128,056; resulting in revenues offsetting budgeted expenditures.

Expenditures

1. The proposed budget appropriates approximately \$108.2 million in expenditures, excluding inter-fund transfers. This is a decrease of approximately \$10.7 million or -8.98% from prior year. This decrease is primarily related to the budgeted use of bond and grant funds for drainage and water and sewer projects offset by increased operating expenditures due to inflation, deferred maintenance and increased personnel costs. Details of these changes are explained below.
2. The budget includes \$500,000 in the general fund for the purpose of funding deferred maintenance items.
3. Personnel costs in the General Fund and Water and Sewer Fund make up 69% and 25% of their operational budgets, respectively. The proposed budget includes staffing of 271.76 full-time equivalents (FTE). Proposed changes in personnel expenditures include:
 - The City's Worker's Compensation insurance rate increased \$29,889 in the general fund and \$3,375 in the water and sewer fund.
 - An estimated 5.0% health and dental insurance cost increase totaling approximately \$104,764 is required in the General Fund and an \$18,401 cost increase in the Water & Sewer Fund.
 - The proposed budget includes decision packages for funding merit and salary adjustments resulting from a pay plan analysis in both the General Fund (\$888,603) and Water and Sewer Fund (\$109,579). This equates to an average of 4.0%. Merit increases are awarded based on individual employee performance.
 - The Department of Emergency Services (formerly Fire Marshal's Office) will onboard the EMS division. The onboarding of this division will bring 13.0 full-time employees and additional part time employees. The force-at-work total is \$2,947,772, but is offset by the EMS contract elimination with the FVFD, and a reduction in the FVFD contract due to administrative costs being transferred to the city.
 - The Police Department patrol division will switch from 8-hour shifts to 12-hour shifts at the beginning of calendar year 2025. Two patrol positions will be promoted to sergeant and the department will purchase an additional patrol vehicle as part of the new scheduling plan.
 - The Parks and Recreation department will add a new maintenance worker and vehicle to accommodate expanded square footage at Public Safety and the Blackhawk Building.
 - Public Works will add a sewer operator and vehicle in the sewer operations division and a water operator and vehicle in the water operations division. Public Works will also add an equipment operator in the sewer utilities division. Public works will gain a vehicle for the additional water operator as well as an administrative vehicle.
4. Engineering will gain a new vehicle to help stormwater management duties.
5. A wastewater master plan is being funded in the water and sewer fund to aid in the development of future sewer related capital improvement projects. In addition, funding is also included for Cash Call #6 to the City of Houston for the Southeast Transmission Line (SETL) project.
6. Maintaining the City's current service levels requires additional funding for non-personnel related operational expenses. The Supplemental Information section of the proposed budget includes a detailed listing of the expenditures.
 - Forces at Work total \$1,497,142 (General Fund) and \$3,132,936 (Water and Sewer Fund).
 - Decision Packages total \$888,603 (General Fund) and \$1,544,377 (Water and Sewer Fund).
 - Unfunded Decision Packages total \$4.06 million. A listing of these departmental requests is also included in the Supplemental Information section.
7. In addition to the 2024-25 Forces at Work and Decision Packages, the proposed budget includes the following capital improvements:
 - \$3,727,555 for streets improvements funded by additional $\frac{3}{8}$ of 1% sales tax
 - \$300,000 for collection line maintenance

- \$322,968 for G.O. Bond projects authorized in 2013 (street improvements)
 - \$2,386,038 for G.O. Bond projects authorized in 2019 (drainage improvements)
 - \$16,109,259 for G.O. Bond projects authorized in 2019 (drainage improvements)
 - \$2,700,000 for Water & Sewer projects funded with the 2021 Water & Sewer Revenue Bonds
 - \$10,988,278 for Water, Sewer, and other capital projects to be funded with Coronavirus State and Local Fiscal Recovery federal grant funds
 - \$2,189,277 for Public Safety, Flood Control, and Acquisitions projects to be funded with Community Development Block Grants
8. Fleet replacements included in the proposed Vehicle Replacement Fund budget total \$777,500:
- Police Department – 6 patrol units and 1 CID unit
 - Public Works - 1 service truck in the streets division, 1 service truck in the sewer utilities division
9. Debt Service payments funded and detailed in the proposed budget are:
- Total Tax Debt Service (including capital leases) - \$105,579,243
 - ▶ 2024-25 principal, interest & fiscal agent fee payments – \$5,943,302
 - Total Water & Sewer Revenue Debt Service - \$60,058,700
 - ▶ 2024-25 principal, interest & fiscal agent fee payments - \$5,327,075
 - Total Capital Lease Debt Service for FVFD equipment funded with Fire & EMS donations:
 - ▶ 2024-25 principal and interest - \$212,245
1. Year 5 of 7-year principal and interest payment for a fire purchased in FY20
 2. Year 6 of 6-year principal and interest payment for an ambulance purchased in FY20
 3. Year 3 of 5-year principal and interest payment for SCBA tanks purchased in FY23

Historical Expenditure Budget (All Funds)

	FY25		FY24		FY23	
Expenditure	Proposed	Percent Change PY	Adopted	Percent Change PY	Adopted	Percent Change PY
General Government	\$9,199,251	12.0%	\$8,210,930	7.6%	\$7,627,784	7.8%
Public Safety	\$20,853,895	12.3%	\$18,575,817	10.2%	\$16,858,179	4.6%
Community Development	\$1,481,710	-4.1%	\$1,544,944	11.2%	\$1,389,275	9.0%
Public Works	\$15,545,110	24.8%	\$12,452,959	14.5%	\$10,874,765	-1.2%
Engineering	\$1,328,627	5.0%	\$1,265,858	7.1%	\$1,181,750	17.6%
Parks & Recreation	\$5,997,440	4.9%	\$5,715,517	10.6%	\$5,169,299	29.3%
Library	\$1,495,438	0.7%	\$1,484,828	6.6%	\$1,393,120	3.9%
Vehicle Replacement	\$777,500	84.1%	\$422,420	-47.7%	\$806,930	26.4%
Capital Improvements	\$40,223,375	-30.4%	\$57,753,573	-2.2%	\$59,043,042	-16.1%
Debt Service	\$11,270,377	-1.3%	\$11,414,950	15.5%	\$9,879,678	0.9%
Total	\$108,172,723	-9.0%	\$118,841,796	4.0%	\$114,223,822	-6.9%

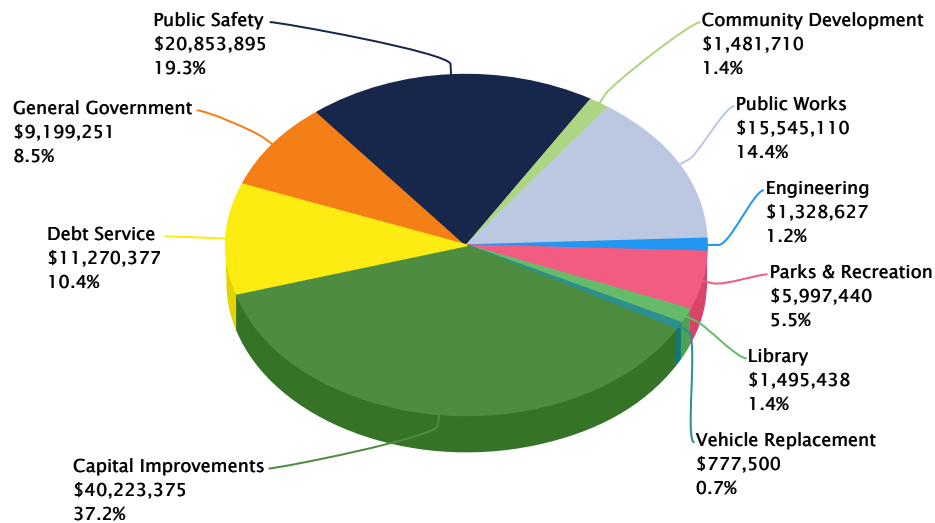
*General Government includes the following departments:

Mayor & Council	City Attorney	Finance
City Manager	Communications	Human Resources
City Secretary	Municipal Court	Information Technology

FY25 Proposed Budget Expenditures

\$108,172,723

(all funds)



*Excludes inter-fund transfers. Uses of fund balance and retained earnings in several funds resulting in revenues offsetting budgeted expenditures.

**Public Safety includes Police Department, Department of Emergency Services, & Friendswood Volunteer Fire Department contract.



PROPOSED BUDGET

FISCAL YEAR 2024 - 2025

OPERATING FUNDS

\$108.2 MILLION

REVENUE



\$108.2 MILLION

EXPENDITURES

WHERE DOES THE MONEY COME FROM?



21%
PROPERTY TAX



<1%
PERMITS &
LICENSES



12%
GRANTS &
INTERLOCAL



21%
UTILITY
SERVICES



18%
OTHER
TAX



<1%
FINES



<1%
COMMUNITY
SERVICES



25%
OTHER

WHERE DO THE DOLLARS GO?



9%
GENERAL
GOVERNMENT



1%
ENGINEERING



19%
PUBLIC
SAFETY



10%
DEBT
SERVICES



1%
FLEET
REPLACE-
MENT



1%
LIBRARY



6%
PARKS &
RECREATION



37%
CAPITAL
IMPROVEMENTS



16%
COMMUNITY
DEVELOPMENT &
PUBLIC WORKS

City of Friendswood, Texas

City Overview



Community

Friendswood continues to be in the top category of most national surveys that rank the best places to live and raise a family. Some of the reasons why are the consistently low tax rate, low crime rate, proximity to the nation's sixth largest metropolitan area, and superior public schools. Within Friendswood are beautiful parks providing recreation facilities for all ages and outdoor entertainment and leisure activities throughout the year. It's a hometown respite for Friendswood's affluent resident base of well-educated, high-income families. More than half are professionals with an estimated average household income of \$167,000 – one of the highest in the Houston area.

History

Friendswood was founded in 1895 as a Quaker colony; one of only three in Texas. After looking at Alvin and Galveston, Frank Brown located a 1,500 acre tract and suggested to his fellow settlers that they name the community "Friendswood" in honor of the Society of Friends. The town remained predominantly Quaker until 1958, when a local Baptist church was organized. The community incorporated in 1960. With the burgeoning NASA Johnson Space Center nearby in 1962, many Friendswood residents began to commute there or to Houston, and Friendswood became a "bedroom" suburb.

Today

Now 129 years after its founding, Friendswood is home for approximately 43,020 residents. The triad of Quaker values upon which Friendswood was founded: faith, family, and education, are still seen through the tremendous volunteer spirit at the roots of community involvement. Residents participate in civic and educational events. The Fourth of July celebration is the longest consecutive year's observance in America, dating back to 1895. In the present and looking forward, the goal is steady, sustained quality growth to perpetuate a well-balanced community. Friendswood offers single-family residential housing in pleasant, park-like settings which are tucked-away but accessible to needed paths of mobility. Friendswood is committed to attracting more local enterprises. Its "Live Here, Work Here" program encourages business owners to base their operations here, allowing them and their employees to take full advantage of Friendswood's amenities. This will complement and enhance the unique community environment present in Friendswood over the past 129 years; one that is cherished by residents and business owners alike.

Location

Encompassing 21 square miles, Friendswood is located in southeast Texas near the Texas Gulf Coast, between downtown Houston and Galveston. It spans across both northern Galveston County and southern Harris County. Residents and visitors can quickly access Friendswood through Farm to Market Roads 2351, 518, and 528. Friendswood has its own airstrip in the Polly Ranch neighborhood. Hobby Airport (for commercial aviation) and Ellington Airport (general aviation) are located within a 30 minute drive. Bush Intercontinental Airport, an aviation gateway to the world, is just 45 minutes away. Major sectors of Friendswood's economic base include aerospace, specialty chemicals, healthcare, retail, and tourism.



Business

Friendswood is the perfect choice for many types of commercial enterprises. Target markets include professional offices, retail, commercial, and light industrial developments. A key City focus is to encourage redevelopment of the downtown area along FM 518 and development of the City's "panhandle" area near FM 2351. City leaders have approved special tools and incentives to revitalize downtown to promote mixed-use, multi-story developments with pedestrian streetscapes and other amenities. The City offers competitive business incentives, including a municipal grant program, tax abatement that includes "green" development, freeport tax exemption, and downtown development fee waivers.

Education

The **Friendswood Independent School District (FISD)**, established in 1948, is one of the top rated school districts in Texas. FISD covers 15 square miles and borders the Alvin, Pearland and Clear Creek school districts. FISD is in a great location for enrichment learning in Space, Engineering, Medicine, Marine Biology and Petrochemical areas. Their website is <https://myfisd.com/>



Clear Creek Independent School District (CCISD) serves numerous communities across 103 square miles on both sides of Clear Lake and Interstate 45. CCISD proudly serves the educational growth of approximately 41,000 students. It is the 29th largest school district in Texas, out of 1,207 districts. Their website is <https://www.ccisd.net/>

Long Term Planning

A Multi-Year Financial Plan (MYFP) was developed in 2006. Originally, staff was directed to develop a plan to forecast the City's financial condition through 2020, the projected build-out date. The first version of this plan was drafted and later reduced in scope to a five-year projection. At this time, the MYFP will continue to help plan and forecast in five-year increments. The revised build-out date is projected within the next 10 to 20 years.

The MYFP is based on the City's strategic planning efforts, including the Comprehensive Land Use Plan, Vision 2020 and the Capital Improvements Plan. Departmental operational plans and funding requirements to provide programs and services are included in the MYFP as well. Funding needs and available resources, both current and alternative revenue enhancements, are identified. Expenditures are projected based on departmental needs assessments and are organized based on "one-time" and "on-going" expenditures. In collaboration with Council, the plan is updated at least annually and serves as the basis of budget development.

By City Charter, the budget presented to Council must be balanced. The MYFP forecast recognizes the need for a balanced budget. The MYFP is a dynamic forecasting tool; adjusted to reflect circumstantial changes affecting current and future outcomes and City Council direction for the annual budget adoption.



The latest MYFP was presented to Council on June 3, 2024 for Fiscal Years 2025-2029. This is a high-level overview. It plans for the General Fund and Debt Service Fund. Critical assumptions and planning factors were outlined. Revenue planning data considered while building the MYFP is residential and commercial growth projections, current trends, tax base, fiscal policies, revenue forecasting, adjustments to fees or the addition of new fees and alternative revenue sources.

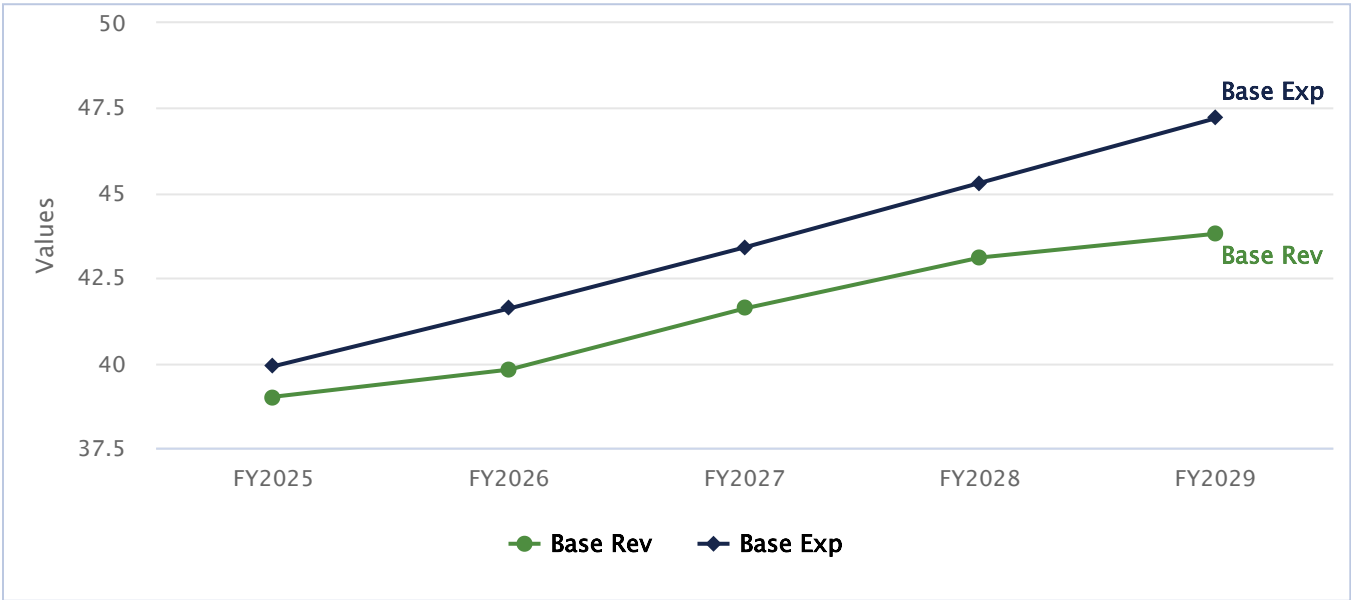
The MYFP is designed to estimate and project using the No New Revenue Rate (NNRR) which generates about the same revenue year to year on the same properties taxed in current and prior year. Based on preliminary values received from the county appraisal districts, revaluations of 5% is used all years of the plan for existing residential and commercial properties. Additional scenarios are also included in the plan for a flat tax rate and the voter approval tax rate options. The plan includes sales tax, other revenues such as franchise tax, building permits, court fines, parks & recreation fees, intergovernmental revenue, inter-fund transfers, and interest. An increase in sales tax revenue for 2024-25 is about 3% and other revenues are based on an estimated growth in population of about 2%.

Expenditures for personnel are increased each year by 4% for wages and benefits. Non-personnel expenditures are increased year over year by 5% which is based on historical trends. Other planning assumptions taken into consideration is the required 90-day operating reserve balance by the City's financial policy. The policy does allow the use of unassigned fund balance (above the 90-day reserve) for expenditures such as:

- Emergencies
- One-time expenditures without operating cost increase
- Major capital purchases
- Start-up expenditures for new programs

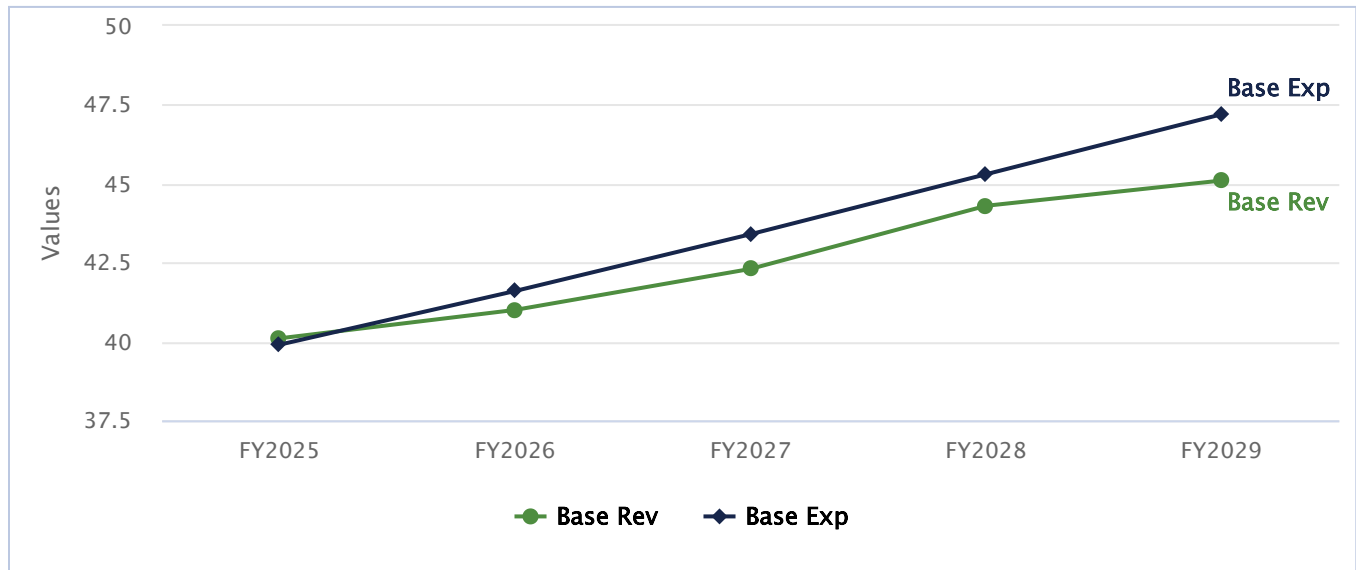
General Fund – Baseline Revenues & Expenditures (No New Revenue Rate)

The chart below reflects the MYFP assumptions of the estimated no new revenue rate (NNRR) as of June 3, 2024, and expenditures to meet current service level expectations and debt service. At the NNRR, revenue (green line) is not projected to adequately support current service level expenses for the upcoming years, and there are no decision packages or forces at work included.



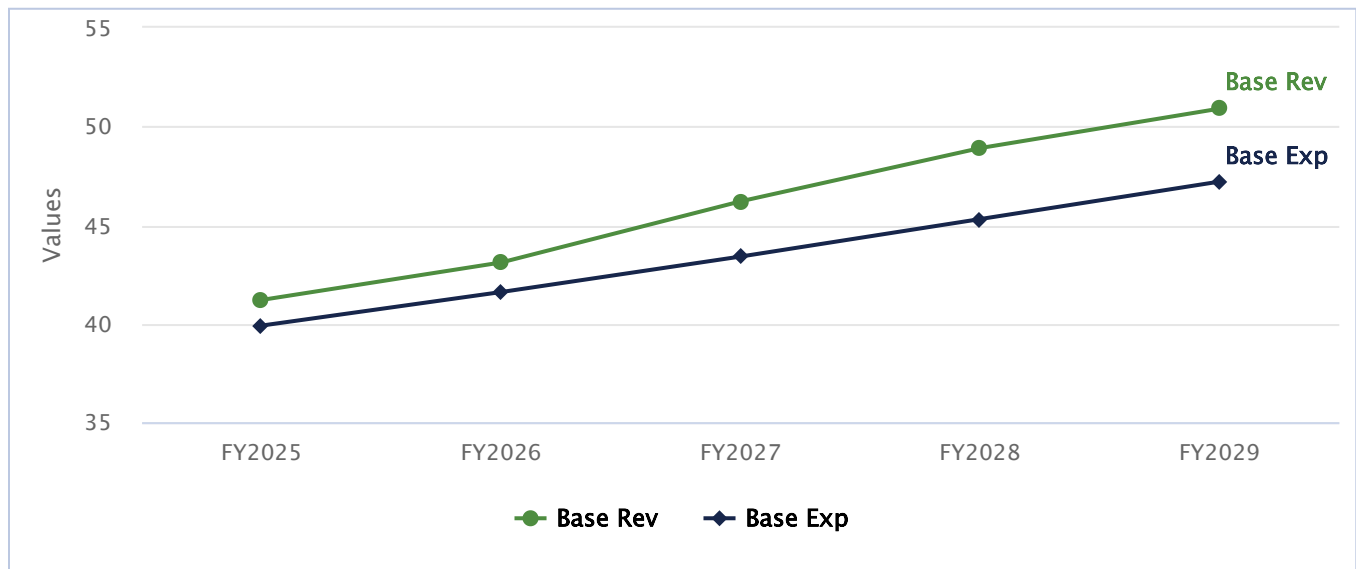
General Fund – Baseline Revenues & Expenditures (flat tax rate)

The second chart reflects a MYFP scenario using the estimated flat tax rate as of June 3, 2024 and expenditures to meet current service level expectations. As with the NNRR, the flat tax rate does not produce the revenue needed to support current services level expenses for the upcoming years.



General Fund – Baseline Revenues & Expenditures (voter approval tax rate)

This third chart reflects a MYFP scenario using the voter approval tax rate as of June 3, 2024, where expenditures meet current service level expectations and debt service requirements are met. The City's 90-day reserve requirement is projected to be maintained through the fiscal year 2025 at the voter approval tax rate.



All charts include \$500,000 for the City's ongoing deferred maintenance from the General Fund projections.

To reiterate, every year in preparation for the proposed budget, the MYFP is reviewed and adjusted to reflect the changes in the current fiscal year and in the future years of the plan.

Community Demographics

Demographics

Land size	21.2 sq. miles
2024 Friendswood population est.:	43,020
Number of households:	14,803
Average household size:	2.81
Median Age:	41
Population by age:	
<15 years	17%
15-24 years	12%
25-54 years	37%
55-64 years	13%
65+ years and over	21%
2024 est. annual household income:	\$166,610
96.9% high school graduation rate	
34.2% of residents have a bachelor's degree	
18.3% of residents have a graduate degree	
Houston DMA population:	7,510,253

Education

Served by 2 Public School Districts (in order by land area served)
Friendswood ISD - 5A
Web: www.fisd12.net
Clear Creek ISD - 6A
Web: www.ccisd.net

Recreation

10 City parks
2 County parks
335 acres of green space, nature trails and sports fields
Adult, Youth, and senior programs, annual special events with 10,000 attendees include July 4 celebration, Memorial Day Celebration, Flapjack Fun Run, Santa in the Park, Daddy & Daughter Dance, Youth Fishing Derby, Youth Sports Day Program, Movies in the Park, and Concerts

Labor Force and Economic Base

Labor Pool:	16-65
Friendswood:	21,965
Houston Area:	3,689,92
Employment by occupation	
57% Managerial/Professional	
11% Service Occupations	
18% Sales and Office	
6% Construction/Maintenance	
8% Production/Transportation	

Bay Area Predominant Business Categories

Aerospace and Aviation
Medical and Life Sciences
Information Technology
Specialty Chemicals
Tourism
Maritime

Quality of Life

2024 avg. homestead value:	\$440,779
2024 avg. taxable home value:	\$352,623
2024 avg. new home value:	\$735,344
2024 Cost of Living Index, Annual Average	
Houston	95.8
Atlanta	100.3
Chicago	100.1
Miami	110.1
Los Angeles	140.6
Washington,DC	120.1
New York	128.0
2023 Low crime rate per 1,000 population	
Friendswood	6.76
Alvin	17.46
Galveston	15.02
Houston	56.40
League City	13.37



Pearland	17.79
Sugar Land	13.53
Webster	73.56
Texas City	27.22

Financial Status

City Bond Rating

Standard and Poor's:

- General Obligation "AA+"
- Revenue Bonds "AA-"

Tax Year 2024 Assessed Value: \$7,408,699,403
Tax Year 2024 Taxable Value: \$5,401,437,619
Actual FY 2022-23:

Sales tax revenue: \$12,849,363

Projected FY 2023-24:

Sales tax revenue: \$12,389,226

Total sales tax rate: 8.25%

- 6.25% State
- 2.00% City

Proposed Tax Year 2024:

- City property tax rate: \$0.5142
- \$0.4042 General Fund
- \$0.1100 Debt Service

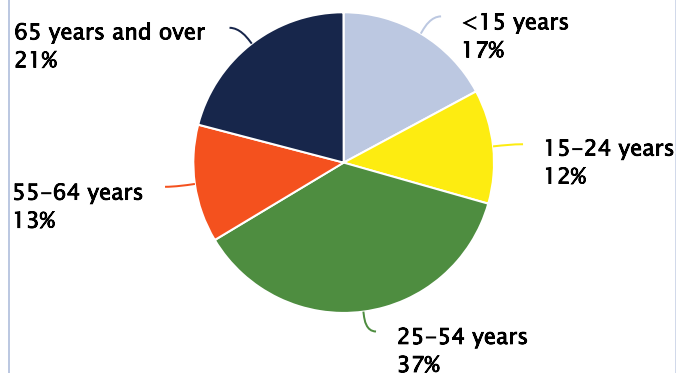
Top Employers

- Friendswood ISD
- H.E. Butt Grocery Company
- Kroger Texas, LP (2 locations)
- City of Friendswood
- Clear Creek ISD
- UTMB (3 locations)
- Friendship Haven Healthcare & Rehabilitation
- McDonald's (2 locations)
- U.S. Post Office
- Morada

Top Non-Residential Taxpayers

- Texas-New Mexico Power Co.
- A-S 108 Friendswood Crossing LP
- Frontier Land VPLL
- The Beldon Friendswood LLC
- Confidential Owner
- Taylor Morrison of Texas, Inc
- 1715 Friendswood, LLC
- GAHC3 Friendswood TX MoB LLC
- WOJV Friendswood LLC
- Comcast of Houston LLC
- Maxi-Ban LTD
- CHP Friendswood SNF LLC
- H.E. Butt Grocery Company
- NVSTORS, LLC

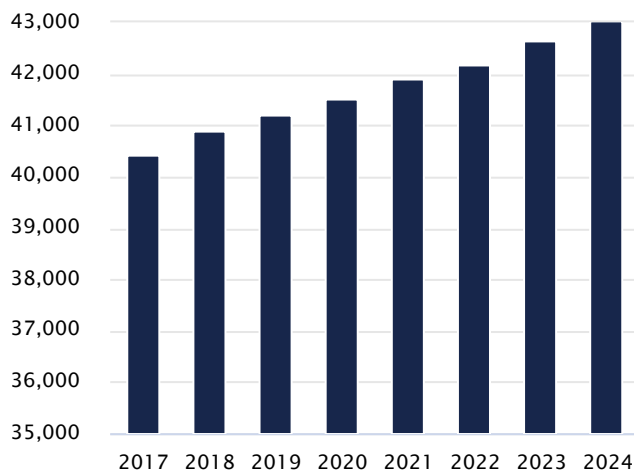
Estimated Population by Age



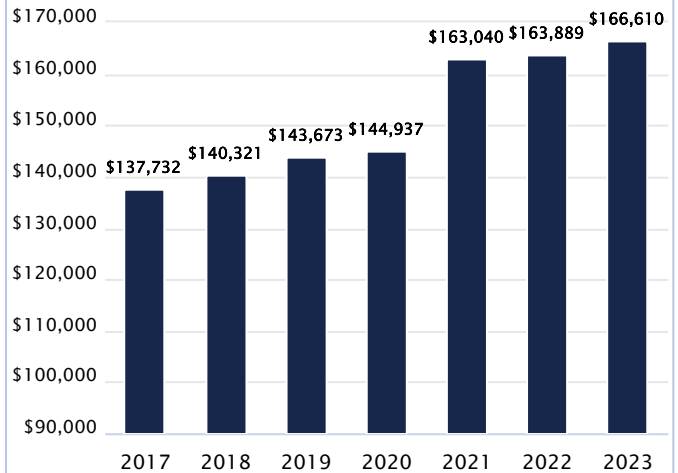
Estimated Households at 06/30/2023



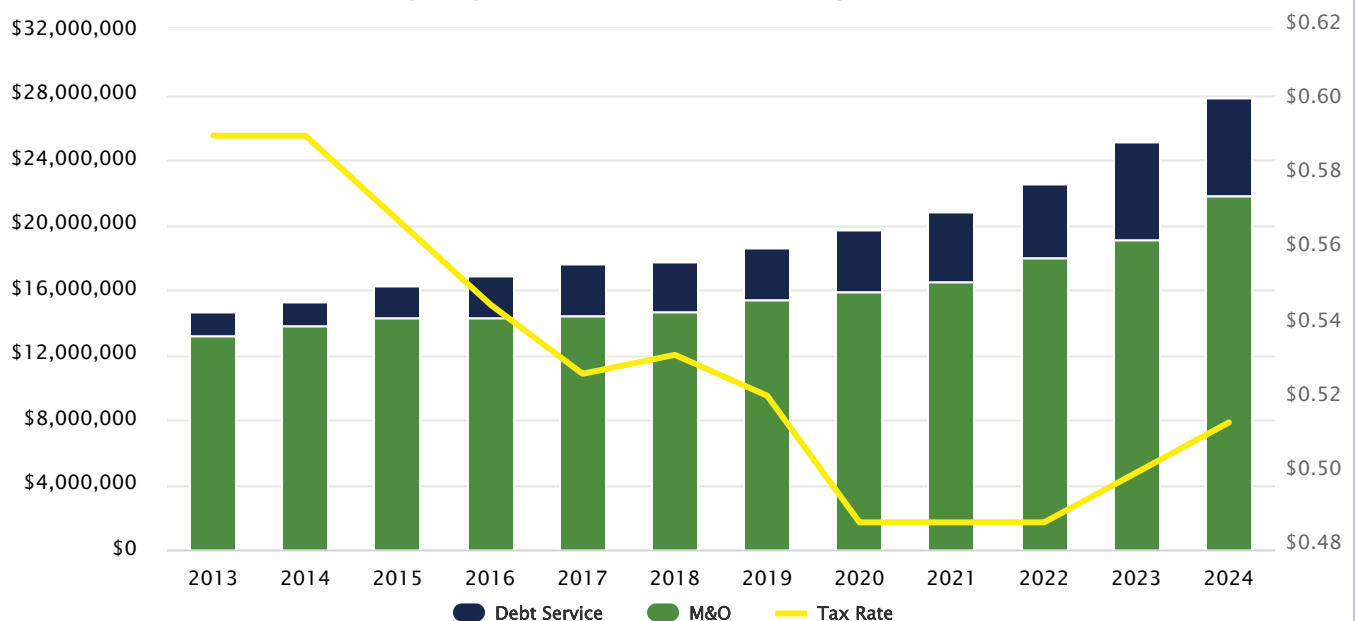
Estimated Population at 06/30/2023



Estimated Household Income



Property Tax Revenue & Rate By Tax Year



Fiscal Year Fact Sheet

Net Assessed Property Valuation (estimated of 7/22/2024):	\$5,401,437,619
Proposed Tax Rate per \$100 Valuation:	\$0.5142
Square Miles:	approx. 21
Population, Estimated as of 7/01/2024:	43,020

Staffing	FY24	FY25
Full-time employees (FTE):	234.70	252.00
Part-time employees (FTE):	14.80	19.76
Total employees:	249.50	271.76
Number of Utility Customers as of 7/01/2024	FY24	FY25
Water:	14,345	14,455
Sewer:	13,258	13,368

Utility Rates - (Billed Bi-monthly):

Proposed Monthly Water Rates (beginning January 1, 2025):

Minimum Charge - Single Family Residential (includes 3,000 gallons)

Meter Size up to 1 inch	\$ 25.20
Meter Size 1 ½"	\$ 98.55
Meter Size 2"	\$157.75
Meter Size 3"	\$283.75
Meter Size 4"	\$463.75
Meter Size 6"	\$913.80
Meter Size 8"	\$1453.85

Volumetric Charges - Single Family Residential (consumption over 3,000 gallons)

3,001 – 10,000 gallons	\$3.45 per 1,000 gallons
10,001 – 25,000 gallons	\$4.30 per 1,000 gallons
Above 25,000 gallons	\$6.45 per 1,000 gallons

Minimum Charge - Commercial, Multi-unit (residential or commercial), Irrigation/Sprinkler

Meter Size up to 1 inch	\$ 25.20
Meter Size 1 ½"	\$ 98.55
Meter Size 2"	\$157.75
Meter Size 3"	\$283.75
Meter Size 4"	\$463.75
Meter Size 6"	\$913.80
Meter Size 8"	\$1453.85

Volumetric Charges - Commercial, Multi-unit (residential or commercial)

Per 1,000 gallons	\$5.25
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Volumetric Charges - Irrigation/Sprinkler

0 – 3,000 gallons	\$0.00 per 1,000 gallons
3,001 – 10,000 gallons	\$4.30 per 1,000 gallons
10,001 – 25,000 gallons	\$4.55 per 1,000 gallons
Above 25,000 gallons	\$6.45 per 1,000 gallons

Proposed Monthly Sewer Rates (beginning January 1, 2025):

Minimum Charge – All customer classes	\$30.20
Volumetric Charges – Single Family Residential (based on Winter Months Avg.)	\$4.65 per 1,000 gallons
Volumetric Charges – Residential (multi-unit) & Commercial (single or multi-unit)	\$4.40 per 1,000 gallons

Current Monthly Sanitation Rate:

\$19.15 + tax (includes curbside recycling fee)

Vision & Mission Statement, Guiding Principles, Council Philosophy, and Strategic Goals

Vision Statement adopted by Resolution



City of Friendswood Mission Statement

It is the mission of the Council and staff of the City of Friendswood to provide the highest level of service to our citizens at the greatest value.

City of Friendswood Vision Statement (adopted July 1, 2024)

The Friendswood City Council is dedicated to providing quality public services, fostering a vibrant economic climate, and ensuring robust emergency operations and fiscal responsibility.

Guiding Principles

- ▶ We Will Invest in our Personnel
- ▶ We Will Proactively Address Drainage, Flooding, and Mobility Issues
- ▶ We Will Diversify our Tax Base
- ▶ We Will Enhance Safety
- ▶ We Will Nurture a Strong Sense of Community

Council Philosophy

- ▶ To act in the best interest of the citizens
- ▶ To consistently demonstrate respect to the staff
- ▶ To invest our resources effectively for our future
- ▶ To handle our disagreements/conflicts in a respectful manner that keeps our image positive with the public and each other

Strategic Goals

Communication

- ▶ Build and expand external partnerships
- ▶ Better educate and inform our citizens to increase ownership and involvement in city government
- ▶ Utilize conflict/issue resolution processes

Economic Development

- ▶ Build and expand external partnerships
- ▶ Expand existing vision
- ▶ Systemize regional detention
- ▶ Educate and inform citizens to increase ownership in Economic Development
- ▶ Research economic viability for the future
- ▶ Diversify the tax base

Preservation

- ▶ Build and expand external partnerships
- ▶ Shape future growth to preserve Friendswood's distinctiveness and quality of life
- ▶ Preserve and maintain infrastructure, prioritizing drainage, flooding, and mobility
- ▶ Ensure sound financial stewardship

Partnerships

- ▶ Build and expand external partnerships
- ▶ Remove any distinction of citizenship based upon county location

Public Safety

- ▶ Build and expand external partnerships
- ▶ Ensure a safe environment and robust emergency operations

Organizational Development

- ▶ Leadership
 - Communicate clear messages to citizens and employees about our values and why we are doing what we are doing
 - Build team identity with boards, employees, council, and volunteers
- ▶ Values
 - Communicate TRAQ as the core values to volunteers, citizens, council and all employees
 - Continue to focus on issues—not people

- ▶ Personnel
 - Invest in personnel and develop a plan for staffing levels that result in quality city services and the accomplishment of our mission statement
 - Provide training and development for City employees to meet current and future staff leadership needs
- ▶ Process and Planning
 - Continue strategic planning process to meet future needs
 - Continue to develop plans to increase community involvement throughout the City

Strategic Goal Matrix

Departmental mission and goals which correlate with a City goal are indicated below in blue.

Mayor & Council	City Secretary's Office	City Manager's Office	Finance	Human Resources	Information Technology	City Attorney's Office	Municipal Court	Communications	Police Department	Emergency Services	Community Development	Public Works	Engineering	Library	Parks and Recreation	
																1) Communication
																2) Economic Development
																3) Preservation
																4) Partnerships
																5) Public Safety
																6) Organization Development

City Planning for the Future

Planning Tool	Purpose	Budgetary Impacts
Comprehensive Plan (2008)	Identifies long-range capital and infrastructure needs in the following: ► Existing & Future Land Use ► Major Thoroughfares ► Utility Systems ► Community Facilities ► Parks and Open Space ► Community Facilities and Drainage Element	The City's operational and capital budgets increase as a result of projects identified in the Comprehensive Plan. ► Property tax revenue expected to increase as available land is developed. ► State funding may be available to the City for major thoroughfare development. ► One-time capital expenditures are included in the budget based on streets, facilities, parks and utility infrastructure improvement needs identified in the plan. ► Tax rate increases may be needed to support identified projects.
Master Drainage Plan* (1993; updated in 2007)	Identifies long-range improvement needs for City drainage or storm water run-off and water quality	The City's operational and capital budgets increase as a result of projects identified in the Master Drainage Plan. ► Tax rates may increase or bond issuances may occur to support drainage infrastructure improvements needs.
Master Streetlight Plan (1994)	Provides an inventory of City owned streetlights with replacement schedule based on expected useful life.	Based on funding availability, the annual capital operating budget may increase due to streetlight replacement needs. ► General Fund revenue sources could be used to support streetlight replacements.
Information Technology Master Plan (2000) Technology Strategic Plan (2011-2012)	Identifies needs and replacement of the City's technology resources (hardware and software)	The City's operational and capital budgets increase as a result of projects identified in the Information Technology Master and/or Strategic Plans. ► Capital lease financing options, General and Enterprise Fund revenue sources could be used to support for IT capital expenses.
Ground Water Reduction Plan (2001)	Provides estimated water consumption patterns, recommendations for water conservation methods, water rate structures to support capital improvements needed Based on the Harris-Galveston Coastal Subsidence District regulations on groundwater withdrawal reduction requirements	As funds are available, the City's enterprise fund operational and capital budgets increase due to improvement projects included in the plan. ► Capital project funding options could include revenue bond issuances, increase utility user fees.
Main Street Implementation Plan (2004)	Identifies land development options including land parcels within the City's downtown area Refines and details a potential conceptual plan for town center development	Funding for the downtown improvements would be funded by business owners/developers in the City's downtown area. The City's operating budget would have limited impact from projects.

City Planning for the Future (continued)

Planning Tool	Purpose	Budgetary Impacts
Emergency Operations Plan (updated 2024)	Details the City's emergency management program by providing the framework for coordinating and integrating all activities necessary to build, sustain, and improve capabilities to prevent, protect against, mitigate, respond to, and recover from threatened or actual natural, technological, or human-caused disasters.	The EOP is necessary to coordinate emergency response between all City Departments, the FWVFD, and other local partners. The EOP designates responsibilities for various response functions. The EOP also qualifies the City for the Emergency Management Performance Grant (EMPG) and other pre and post disaster grant funding.
Galveston County Hazard Mitigation Plan (updated 2022) Harris County Hazard Mitigation Plan (updated 2020) Continuity of Operations COOP (2016)	Hazard mitigation planning enables action to reduce loss of life and property, lessening the impact of disasters and creating a more resilient community. The COOP plan identifies how the City will respond to adverse events that affect City facilities, equipment, or staff. The plan identifies essential functions within the City and prioritizes them. The City's pandemic plan is a component of the COOP.	A FEMA-approved Hazard Mitigation Plan allows the City to qualify for certain types of non-emergency disaster assistance, including funding for mitigation projects. Depending on availability, City funding may be utilized to respond to a COOP or pandemic type event. The COOP plan does not directly affect federal or State grant opportunities.
Utility Master Plan (2008 update)	Provides service maps of the City's existing water and sewer systems Defines un-served or under-served areas in the City for utility service expansion or upgrades Includes estimated construction cost associated with potential projects	Based on funding availability and service level needs, utility capital projects are included in the City's operating and capital budget. ► Water & sewer user fees, utility impact fees, revenue bonds potential funding sources for utility capital projects.
Pavement Master Plan (2018)	Provides an inventory, evaluation and assessment of the City's roadways Helps determine the best timing for street rehabilitation or replacement projects to maintain acceptable service levels.	Based on funding availability, street improvement projects identified in the plan are included in the City's annual operating and capital budget. ► General obligation bond issuance to fund street projects is an option that could impact the City's tax rate.
Capital Improvements Plan* (2017)	Identifies the City's capital expenditure needs, outlines costs and potential funding sources over a 5-year period	Operating and capital budgets would include funding or debt service requirements and operating costs of new projects and infrastructure improvements included in the CIP.
Parks and Open Space Master Plan* (Currently being updated for 2025)	Establishes a 10-year guide for parks and facilities capital improvements Based on National Recreation and Parks Association (NRPA) standards for cities of Friendswood's size and population	Based on service level expectations and available funds, capital improvements and associated operational costs identified in the Plan are included in the City's operational and capital budgets.
Economic Development Marketing Plan and Strategic Plan (2015)	Targets and encourages business and industries whose creation, expansion or relocation to Friendswood will stimulate the City's economy	Operating budget includes funding for marketing and advertising costs identified in the Plans to meet the City's economic development goals.

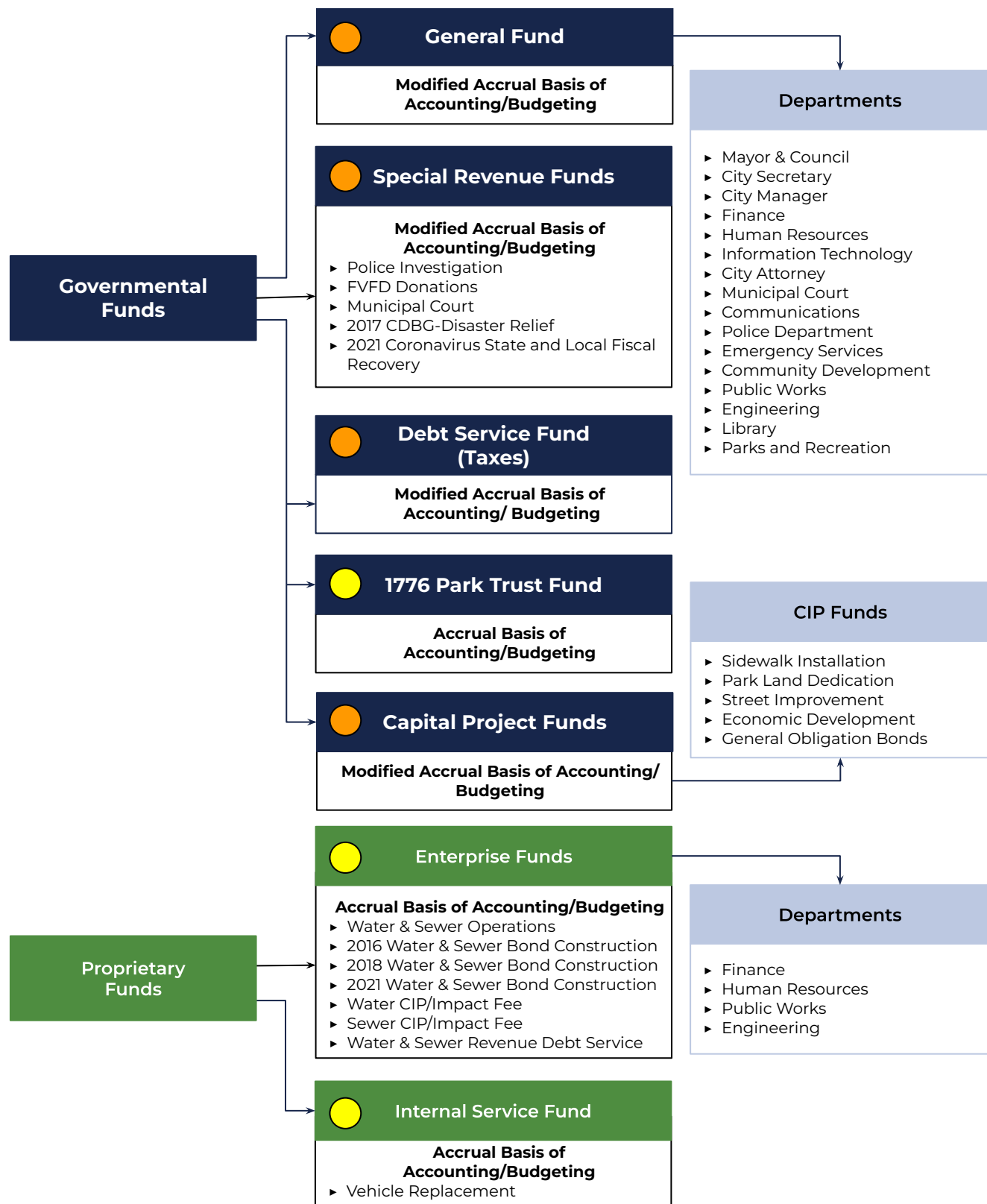
City Planning for the Future (continued)

Planning Tool	Purpose	Budgetary Impacts
Friendswood Downtown District Improvement Plan (2018)	Improving and funding downtown district projects including but not limited to streets, targeted infrastructure, paved sidewalks, pedestrian amenities including lighting, benches, signage, and other related public improvements, and the maintenance and operations expenses of such projects.	Improvement projects are based on funding availability from the one-eighth (1/8) of one-cent Type B sales tax.
Design Criteria Manual (2021)	The City's Design Criteria Manual is updated periodically for the most current and comprehensive standards covering the design, construction, and installation of public infrastructure related improvements within the City of Friendswood.	The City's Design Criteria Manual has been updated to reflect the new higher standards recently adopted in the updated Flood Ordinance adopted by Council on December 7, 2020.
Library Long-Range Strategic Plan (2023-2028)	Provides citizen survey results and Library Planning Committee input calling for the expansion or relocation of the City's existing Library facility Addresses library service recommended to meet the needs of Friendswood's growing population	Additional operational costs and debt service payments will be included in the City's future operating budgets.
Multi-Year Financial Plan (2025-2029)	Projects the City's General Fund operating budget revenues and expenditures over a 5-year period Forecasts the impact of existing and potential debt service on the City's operating budget	Year 1 of the multi-year financial plan is the basis for the City's annual operating budget Projections included in the plan are adjusted during annual budget development based on service level expectations and current economic factors
City Operating Budget (2024-2025)	Functions as an annual financial, operations, communications and policy guide for carrying out the City's mission of service to its citizens	Revenue and expenditures required to meet the City's established goals make up the City's annual operating budget

*Currently being updated

➤ Financial Structure, Policy, and Process



**Basis of Budgeting and Accounting:**

Accrual basis – transactions affecting the fund are recorded or recognized when they occur; rather than when the actual cash is received or payment is made.

Modified Accrual basis – transactions affecting the fund are recorded or recognized when they become “measurable” and “available” to finance expenditures of the current accounting period.

Fund Definitions

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Fund accounting is used by state and local governments to control and manage money for particular purposes and to ensure finance-related legal requirements. The City uses two fund types – governmental and proprietary. The City's audited financial statements include all funds noted in the budget document and classify them by major and nonmajor funds.

Governmental Funds

The City maintains several governmental funds. All governmental funds are budgeted and are presented separately. Each fund schedule includes revenues and expenditures for FY23 actual; FY24 Original and Amended budgets as well as year-end estimates for FY24; and the FY25 Proposed Budget. The General Fund, Bond Construction Funds, and the Coronavirus State and Local Recovery Fund are considered to be major funds for financial reporting purposes. The other funds are non-major funds. The funds and a short description are listed below. Additional detailed information about each fund is presented prior to each fund schedule.

General Fund

The General Fund is a governmental fund used to account for the resources used to finance the fundamental operations of the City. It is the basic fund of the City and covers all activities for which a separate fund has not been established. Governmental activities include most of the City's basic services, (general government, public safety, community development, public works, engineering, library, and parks and recreation.) The basis of budgeting for the General Fund is modified accrual and is the same as the basis of accounting used in the Annual Comprehensive Financial Report.

Special Revenue Funds

Special Revenue Funds are governmental funds used to account for the proceeds of specific revenue sources that are legally restricted to financing specific purposes. The basis of budgeting for all Special Revenue Funds is the modified accrual method and is the same as the basis of accounting used in the Annual Comprehensive Financial Report. There are seven Special Revenue Funds.

- Police Investigation Funds
- FVFD Donation Fund
- Municipal Court Fund
- 2017 Community Development Block Grant-Disaster Relief (Harris County)
- 2017 Community Development Block Grant-Disaster Relief (Galveston County)
- 2021 Coronavirus State and Local Fiscal Recovery

Tax Debt Service Fund

The Tax Debt Service Fund is a governmental fund used to account for property taxes levied for payment of principal and interest on general long-term debt of the City. The basis of budgeting for the Tax Debt Service Fund is the modified accrual method and is the same as the basis of accounting reported in the Annual Comprehensive Financial Report.

Capital Project Funds

Capital Project Funds are governmental funds used to account for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds). The Bond Construction Funds are presented as one Capital Projects Fund in the Annual Comprehensive Financial Report. However, the City budgets each of the components (2015-2017 General Obligation Bonds, 2020 General Obligation Bonds, 2021 General Obligation Bonds, and 2023 General Obligation Bonds) as a separate Capital Projects Fund. The basis of budgeting for the Capital Project Funds is the modified accrual method and is the same as the basis of accounting used in the Annual Comprehensive Financial Report. There are nine budgeted capital project funds.

- 2015-2017 General Obligation Bond Funds
- 2020 General Obligation Bond Fund
- 2021 General Obligation Bond Fund
- 2023 General Obligation Bond Fund
- Sidewalk Installation Fund
- Park Land Dedication Fund
- Streets Maintenance Fund
- Economic Development Fund

1776 Park Trust Fund

This fund was established in fiscal year 1979-80 to account for 1776 Park assets held by the City in a trustee capacity. The 1776 Park land was donated to the City, along with \$10,000. The funds are invested and the interest earned is used to maintain and/or make improvements to the park. The basis of accounting in the 1776 Park Trust Fund is accrual. The basis of budgeting is accrual with the following exceptions: capital equipment and improvements are budgeted as an expense and reclassified for reporting purposes and depreciation is not budgeted.

Proprietary Funds

The City maintains two types of proprietary funds. The City uses the Enterprise fund for water and sewer operations. The enterprise fund reports the same functions presented as business-type activities. The second proprietary fund is the Internal Service Fund. This fund is used to account for fleet management services. The funds and a short description follow. Additional detailed information about each fund is presented prior to each fund schedule.

Enterprise Fund

The Enterprise Fund is used to budget for the acquisition, operation and maintenance of governmental facilities and services that are entirely or predominantly self-supporting by user charges. The business-type activities of the Enterprise Fund include the City's water and sewer system. The Enterprise Fund is maintained in seven separate funds in the City's accounting system, but presented as one Enterprise Fund in the Annual Comprehensive Financial Report. However, the City budgets each of the seven components as separate Water and Sewer funds. The accrual basis of accounting is used for reporting purposes in the Annual Comprehensive Financial Report. The basis of budgeting also uses the accrual method with several exceptions listed in the Financial Summaries section. The budgeted Water and Sewer Funds include:

- Water and Sewer Operation Fund
- 2016 Water and Sewer Bond Construction Fund
- 2018 Water and Sewer Bond Construction Fund
- 2021 Water and Sewer Bond Construction Fund
- Water CIP/Impact Fee Fund

- Sewer CIP/Impact Fee Fund
- Water and Sewer Revenue Debt Service Fund

Internal Service Fund

This internal service fund was established in fiscal year 2001-02 and is used to account for acquisition and replacement of City vehicles costing less than \$50,000 (The fund threshold is currently being updated to reflect current and project vehicle costs). The internal service fund basis of budgeting is accrual basis with exceptions listed in the Financial Summaries section. The budgeted internal service fund includes:

- Vehicle Replacement Fund

The following table correlates the City's fund uses by functioning unit. The shaded boxes in blue indicate the departments which utilize the fund identified.

Fund	Department															
	M/C	CSO	CMO	FIN	HR	IT	CAO	MC	COMM	PD	DES	CDD	PW	ENG	LIB	PR
General Operating																
Police Investigation																
2017 CDBG-DR Harris Co.																
2017 CDBG-DR Galv. Co.																
2021 Coronavirus Recovery																
FVFD Donations																
Municipal Court																
Sidewalk Installation																
Park Land Dedication																
Streets Improvement																
Economic Development Improvements																
Tax Debt Service																
1776 Park Trust																
Capital Project Funds																
Water & Sewer Operating																
Water & Sewer Bonds																
Water CIP/Impact Fees																
Sewer CIP/Impact Fees																
Water & Sewer Revenue Debt																
Vehicle Replacement																

M/C -Mayor & City Council

CSO -City Secretary's Office

CMO -City Manager's Office

FIN -Finance

HR -Human Resources

IT -Information Technology

CAO -City Attorney's Office

MC -Municipal Court

COMM -Communications Dept

PD -Police Dept

DES -Dept of Emergency Services

CDD -Community Development

PW -Public Works

ENG -Engineering

LIB -Library

PR -Parks & Recreation



Financial Policies

These policies are reviewed annually with any revisions needed being presented to City Council for adoption.

The **Financial Management Policy** is reviewed every year. The goal of this policy is to help the City achieve a long-term, stable, and positive, financial condition. The purpose of this policy is to provide guidance for planning and directing the City's daily financial affairs. Revisions to the Financial Management Policy are brought to City Council for approval within a proposed budget.

The last Financial Policy revision was adopted with the August 28, 2023 budget document. The proposed revisions indicated for deletions are in red font and striked through, while additions are in red font.

The **Investment Policy** is reviewed and approved annually. It is brought to City Council for approval outside the budget process. The policy states that the Director of Finance is designated as the Investment Officer of the City and is responsible for the implementation of these policies. The Policy also states how the investment committee is formed and functions. The committee includes three unpaid private sector financial professionals appointed by the City Council to serve staggered three-year terms. The Investment Committee shall serve in an advisory capacity only. The committee meets quarterly.

Financial Management Policy

Introduction

The City of Friendswood assumes an important responsibility to its citizens and customers to carefully account for public funds, to manage City finances wisely and to plan for the adequate funding of services desired by the public.

The main goal of this Policy is to help the City achieve a long-term, stable and positive, financial condition. The City's financial management, as directed by this Policy, is based on the foundation of integrity, prudent stewardship, planning, accountability and full disclosure.

The purpose of the Policy is to provide guidance for planning and directing the City's daily financial affairs. This Policy provides a framework in pursuit of the following objectives.

Financial Objectives

Revenues

- ▶ Design and administer a revenue system that will assure a reliable, equitable and sufficient revenue stream to support desired City services.

Expenditures

- ▶ Identify priority services, establish and define appropriate service levels and administer the expenditure of available resources to assure fiscal stability and the effective and efficient delivery of these services.

Fund Balance/Retained Earnings

- ▶ Maintain the fund balance and retained earnings of the various operating funds at levels sufficient to protect the City's credit worthiness, as well as its financial position, during times of emergency.

Capital Expenditures and Improvements

- ▶ Annually review and monitor the condition of the City's capital equipment and infrastructure, setting priorities for its replacement and renovation based on needs, funding alternatives and availability of resources.

Debt Management

- ▶ Establish guidelines for debt financing that will provide needed capital equipment and infrastructure improvements, while minimizing the impact of debt payments on current and future revenues.

Investments

- ▶ Invest the City's operating cash to ensure its safety, provide necessary liquidity and maximize yield. Return on investment is of least importance compared to the safety and liquidity objectives.

Intergovernmental Relations

- ▶ Coordinate efforts with other governmental agencies to achieve common policy objectives, share the cost of providing governmental services on an equitable basis and support appropriate favorable legislation at the state and federal levels.

Grants

- ▶ Aggressively investigate, pursue and effectively administer federal, state and foundation grants-in-aid, which address the City's current priorities and policy objectives.

Economic Development

- ▶ Initiate, encourage and participate in economic development efforts to create job opportunities and strengthen the local economy and tax base.

Fiscal Monitoring

- ▶ Analyze financial data and prepare reports that reflect the City's financial performance and economic condition.

Accounting, Auditing and Financial Reporting

- ▶ Comply with prevailing federal, state and local statutes and regulations. Conform to generally accepted accounting principles as promulgated by the Governmental Accounting Standards Board (GASB), American Institute of Certified Public Accountants (AICPA) and the Government Finance Officers Association (GFOA).

Internal Control

- ▶ Maintain an environment to provide management with reasonable assurance that assets are safeguarded against loss from unauthorized use or disposition.

Risk Management

- ▶ Prevent and/or reduce financial impact to the City of claims and losses through prevention and transfer of liability.

Budget

- ▶ Develop and maintain a balanced budget (defined as a term signifying budgeted expenditures being offset by budgeted revenues), which presents a clear understanding of goals, service levels and performance standards. The document shall, to the extent possible, be "user-friendly" for citizens.

I. Revenues

The City shall use the following guidelines to design and administer a revenue system that will assure a reliable, equitable and sufficient revenue stream to support desired City services.

Balance and Diversification in Revenue Sources

- ▶ 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 economic conditions, which adversely impact that source.

User Fees

- ▶ For services that benefit specific users, where possible, the City shall establish and collect fees to recover the full direct and indirect cost of those services. City staff shall review user fees on a regular basis to calculate their full cost recovery levels, to compare them to the current fee structure and to recommend adjustments where necessary.

Property Tax Revenues/Tax Rate

- ▶ The City shall endeavor to reduce its reliance on property tax revenues by revenue diversification, implementation and continued use of user fees and economic development. The City shall also strive to stabilize its tax rate and minimize tax rate increases.

Utility/Enterprise Funds User Fees

- ▶ Utility rates and enterprise funds user fees shall be set at levels sufficient to cover operating expenditures, meet debt obligations, provide additional funding for capital improvements and provide adequate levels of working capital.

Administrative Services Charges

- ▶ The City shall prepare a cost allocation plan annually to determine the administrative services charges due the General Fund from enterprise funds for overhead and staff support. Where appropriate, the enterprise funds shall pay the General Fund for direct services rendered.

Revenue Estimates for Budgeting

- ▶ In order 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 in revenues. This approach should reduce the likelihood of actual revenues falling short of budget estimates during the year, which otherwise could result in mid-year service reductions.

Revenue Collection and Administration

- ▶ The City shall maintain high collection rates for all revenues by keeping the revenue system as simple as possible to facilitate payment. In addition, since a revenue source should exceed the cost of producing it, the City shall strive to control and reduce administrative costs. The City shall pursue to the full extent allowed by state law all delinquent taxpayers and others overdue in payments to the City.

II. Expenditures

The City shall use the following guidelines to identify necessary services, establish appropriate service levels and administer the expenditure of available resources to assure fiscal stability and the effective and efficient delivery of services.

Current Funding Basis

- ▶ The City shall operate on a current funding basis. Expenditures shall be budgeted and controlled so as not to exceed current revenues.

Avoidance of Operating Deficits

- ▶ The City shall take immediate corrective action, if at any time during the fiscal year, expenditure and revenue estimates are such that an operating deficit is projected at year- end.

Maintenance of Capital Assets

- ▶ 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 continue acceptable service levels.

Periodic Program Reviews

- ▶ Periodic program review for efficiency and effectiveness shall be performed. Programs not meeting efficiency or effectiveness objectives shall be brought up to required standards, or be subject to reduction or elimination.

Purchasing

- ▶ The City shall make every effort to maximize any discounts offered by creditors/vendors. The City will follow state law and the City of Friendswood Purchasing Manual concerning formal bidding procedures and approval by the City Council. For purchases where competitive bidding is not required, the City shall obtain the most favorable terms and pricing possible.
- ▶ The City Manager, or his designee, shall have the authority to approve and sign contracts and/or purchases for budgeted goods or services that do not exceed the state law bid limitation of \$50,000. Contracts or purchases for items in excess of the state law bid limit shall be placed on a Council agenda for action authorizing the Mayor, or his designee's, signature.

III. Fund Balance/Working Capital/Net Assets

The City shall use the following guidelines to maintain the fund balance and retained earnings of the various operating funds at levels sufficient to protect the City's creditworthiness as well as its financial position from unforeseeable emergencies.

General Fund Unassigned Fund Balance

- ▶ The City shall strive to maintain the General Fund unassigned fund balance at a minimum of 90 days of prior year audited operating expenditures.
- ▶ Any unassigned funds after the fiscal year-end audit will be allowed to accumulate to build this 90-day reserve.
- ▶ After the General Fund has gathered sufficient resources, additional unassigned funds will be allowed to accumulate for future General Fund capital improvements.

Unrestricted Net Position of Other Operating Funds; Water and Sewer Working Capital

- ▶ In other operating funds, the City shall strive to maintain a positive unrestricted net position to provide sufficient reserves for emergencies and revenue shortfalls. The minimum working capital in the Water and Sewer Fund shall be 90 days of prior year audited operating expenses.
- ▶ Any unrestricted funds after the fiscal year-end audit will be allowed to accumulate to build this 90-day reserve.
- ▶ After these funds have gathered sufficient resources, additional unrestricted funds will be allowed to accumulate in working capital for future utility/operating fund capital improvements.

Use of Fund Balance/ Working Capital

- ▶ Fund Balance/ Working Capital may be used in one or a combination of the following ways:
 - Emergencies;
 - One-time expenditures that do not increase recurring operating costs;
 - Major capital purchases; and
 - Start-up expenditures for new programs undertaken at mid-year, provided such action is considered in the context of multiyear projections of program revenues and expenditures.
- ▶ Should such use reduce the balance below the appropriate level set as the objective for that fund, the City shall take action necessary to restore the unassigned fund balance or working capital to acceptable levels within three years.

IV. Capital Expenditures and Improvements

The City shall annually review and monitor the condition of the City's capital equipment and infrastructure, setting priorities for its replacement and renovation based on needs, funding alternatives and availability of resources.

Capital Improvements Planning Program

- ▶ The City shall annually review the Capital Improvements Planning Program (CIP), the current status of the City's infrastructure, replacement and renovation needs and potential new projects and update the program as appropriate. All projects, ongoing and proposed, shall be prioritized based on an analysis of current needs and resource availability. For every project, all operation, maintenance and replacement costs shall be fully costed. The CIP shall also present the City's long-term borrowing plan, debt payment schedules and other debt outstanding or planned, including general obligation bonds, revenue bonds and certificates of obligation.

Replacement of City Vehicles

- ▶ The City shall annually prepare a schedule for the replacement of its vehicles. Within the resources available each fiscal year, the City shall replace these assets according to this schedule.
- ▶ The Vehicle Replacement Fund will purchase all City vehicles. Departments will then make annual contributions to this fund, based on the life expectancy of their equipment, to replace the funds used to purchase vehicles.
- ▶ Heavy equipment that cost more than \$50,000 may be funded by one of the capital expenditure financing methods discussed below.

Capital Expenditures Financing

- ▶ The City recognizes that there are several methods of financing capital items. It can budget the funds from current revenues; take the funds from fund balance/working capital, as allowed by the Fund Balance/working capital Policy; utilize funds from grants; or it can borrow the money through some form of debt instrument. Debt financing includes general obligation bonds, revenue bonds, certificates of obligation and capital lease agreements.

Capitalization Threshold for Tangible Capital Assets

The Government Finance Officers Association (GFOA) recommends that “best practice” guidelines be followed in establishing capitalization thresholds for tangible capital-type items. Accordingly, the following criteria shall be established with the adoption of this policy.

- ▶ Individual items costing \$5,000 or more will be capitalized and depreciated according to Governmental Accounting Standards Board rules. This amount will be adjusted as changes are recommended in GFOA’s “best practices” guidelines.
- ▶ Tangible capital-type items will only be capitalized if they have any estimated useful life of at least five years following the date of acquisition.
- ▶ **Groups of assets purchased together (e.g. computers) whose individual acquisition costs are less than the threshold for an individual asset if those assets in the aggregate are significant will be capitalized. Capitalization thresholds will be applied to individual items rather than to groups of similar items (e.g., desks and tables).**
- ▶ Adequate control procedures at the department level will be established to ensure adequate control over non-capitalized tangible items.

V. Debt Management

The City shall use the following guidelines for debt financing used to provide needed capital equipment and infrastructure improvements, while minimizing the impact of debt payments on current and future revenues.

Use of Debt Financing

- ▶ Debt financing, to include general obligation bonds, revenue bonds, certificates of obligation and capital lease agreements, shall only be used to acquire capital assets.

Amortization of Debt

- ▶ Amortization of debt shall be structured in accordance with a multi-year capital improvement plan. The term of a debt issue will never exceed the useful life of the capital asset being financed.

Affordability Targets

- ▶ The City shall use an objective, analytical approach to determine whether it can afford to assume new debt beyond the amount it retires each year. This process shall compare generally accepted standards of affordability to the current values for the City. These standards shall include debt per capita, debt as a percent of taxable value and debt service payments as a percent of current revenues and current expenditures. The process shall also examine the direct costs and benefits of the proposed expenditures as determined in the City's annual update of the Capital Improvements Planning Program. The decision on whether or not to assume new debt shall be based on these costs and benefits and on the City's ability to afford new debt as determined by the aforementioned standards.

Sale Process

- ▶ The City shall use a competitive bidding process in the sale of debt unless the nature of the issue warrants a negotiated bid.

Rating Agencies Presentation

- ▶ Full disclosure of operations and open lines of communication shall be made available to the rating agencies. City staff, with assistance of financial advisors, shall prepare the necessary materials and presentation to the rating agencies.

Continuing Disclosure

- ▶ The City is committed to continuing disclosure of financial and pertinent credit information relevant to the City's outstanding issues.

Debt Refunding

- ▶ City staff and the financial advisor shall monitor the municipal bond market for opportunities to obtain interest savings by refunding outstanding debt. A proposed refunding of debt, for interest cost savings, should provide a present value benefit as a percent of refunded principal of at least 3%.

Continuing Compliance with Federal Tax Covenants

- ▶ Arbitrage Compliance

Federal income tax laws generally restrict the ability to earn arbitrage in connection with the Obligations. The Responsible Person (as defined below) will review the Closing Documents periodically (at least once a year) to ascertain if an exception to arbitrage compliance applies.

- Procedures applicable to Obligations issued for construction and acquisition purposes. With respect to the investment and expenditure of the proceeds of the Obligations that are issued to finance public improvements or to acquire land or personal property, the Issuer's City Manager (such officer, together with other employees of the Issuer who report to such officer, is collectively, the "Responsible Person") will:
 - Instruct the appropriate person who is primarily responsible for the construction, renovation or acquisition of the facilities financed with the Obligations (the "Project") that (i) binding contracts for the expenditure of at least 5% of the proceeds of the Obligations are entered into within 6 months of the date of closing of the Obligations (the "Issue Date") and that (ii) the Project must proceed with due diligence;
 - Monitor that at least 85% of the proceeds of the Obligations to be used for the construction, renovation or acquisition of the Project are expended within 3 years of the Issue Date;
 - Monitor the yield on the investments purchased with proceeds of the Obligations and restrict the yield of such investments to the yield on the Obligations after 3 years of the Issue Date;

- Monitor all amounts deposited into a sinking fund or funds pledged (directly or indirectly) to the payment of the Obligations, such as the Interest and Sinking Fund, to assure that the maximum amount invested within such applicable fund at a yield higher than the yield on the Obligations does not exceed an amount equal to the debt service on the Obligations in the succeeding 12 month period plus a carryover amount equal to one-twelfth of the principal and interest payable on the Obligations for the immediately preceding 12-month period; and
 - Ensure that no more than 50% of the proceeds of the Obligations are invested in an investment with a guaranteed yield for 4 years or more.
- Procedures applicable to Obligations with a debt service reserve fund. In addition to the foregoing, if the Issuer issues Obligations that are secured by a debt service reserve fund, the Responsible Person will:
- Assure that the maximum amount of any reserve fund for the Obligations invested at a yield higher than the yield on the Obligations will not exceed the lesser of (1) 10% of the principal amount of the Obligations, (2) 125% of the average annual debt service on the Obligations measured as of the Issue Date, or (3) 100% of the maximum annual debt service on the Obligations as of the Issue Date.
- Procedures applicable to Escrow Accounts for Refunding Issues. In addition to the foregoing, if the Issuer issues Obligations and proceeds are deposited to an escrow fund to be administered pursuant to the terms of an escrow agreement, the Responsible Person will:
- Monitor the actions of the escrow agent to ensure compliance with the applicable provisions of the escrow agreement, including with respect to reinvestment of cash balances;
 - Contact the escrow agent on the date of redemption of obligations being refunded to ensure that they were redeemed; and
 - Monitor any unspent proceeds of the refunded obligations to ensure that the yield on any investments applicable to such proceeds are invested at the yield on the applicable obligations or otherwise applied (see Closing Documents).
- Procedures applicable to all Tax-exempt Obligation Issues. For all issuances of Obligations, the Responsible Person will:
- Maintain any official action of the Issuer (such as a reimbursement resolution) stating the Issuer's intent to reimburse with the proceeds of the Obligations any amount expended prior to the Issue Date for the acquisition, renovation or construction of the facilities;
 - Ensure that the applicable information return (e.g., IRS Form 8038-G, 8038-GC, or any successor forms) is timely filed with the IRS; and
 - Assure that, unless excepted from rebate and yield restriction under section 148(f) of the Code, excess investment earnings are computed and paid to the U.S. government at such time and in such manner as directed by the IRS (i) at least every 5 years after the Issue Date and (ii) within 30 days after the date the Obligations are retired.
- Private Business Use
- Generally, to be tax-exempt, only an insignificant amount of the proceeds of each issue of Obligations can benefit (directly or indirectly) private businesses. The Responsible Persons will review the Closing Documents periodically (at least once a year) for the purpose of determining that the use of the facilities financed or refinanced with the proceeds of the Obligations (the "Project") do not violate provisions of federal tax law that pertain to private business use. In addition, the Responsible Persons will:
- Develop procedures or a "tracking system" to identify all property financed with tax-exempt debt;
 - Monitor and record the date on which the Project is substantially complete and available to be used for the purpose intended;

- Monitor and record whether, at any time the Obligations are outstanding, any person, other than the Issuer, the employees of the Issuer, the agents of the Issuer or members of the general public has any contractual right (such as a lease, purchase, management or other service agreement) with respect to any portion of the facilities;
- Monitor and record whether, at any time the Obligations are outstanding, any person, other than the Issuer, the employees of the Issuer, the agents of the Issuer or members of the general public has a right to use the output of the facilities (e.g., water, gas, electricity);
- Monitor and record whether, at any time the Obligations are outstanding, any person, other than the Issuer, the employees of the Issuer, the agents of the Issuer or members of the general public has a right to use the facilities to conduct or to direct the conduct of research;
- Monitor and record whether, at any time the Obligations are outstanding, any person, other than the Issuer, has a naming right for the facilities or any other contractual right granting an intangible benefit;
- Monitor and record whether, at any time the Obligations are outstanding, the facilities are sold or otherwise disposed of; and
- Take such action as is necessary to remediate any failure to maintain compliance with the covenants contained in the Order related to the public use of the Project.

▶ Record Retention

The Responsible Person will maintain or cause to be maintained all records relating to the investment and expenditure of the proceeds of the Obligations and the use of the facilities financed or refinanced thereby for a period ending three (3) years after the complete extinguishment of the Obligations. If any portion of the Obligations is refunded with the proceeds of another series of tax-exempt Obligations, such records shall be maintained until the three (3) years after the refunding Obligations are completely extinguished. Such records can be maintained in paper or electronic format.

▶ Responsible Persons

Each Responsible Person shall receive appropriate training regarding the Issuer's accounting system, contract intake system, facilities management and other systems necessary to track the investment and expenditure of the proceeds and the use of the Project financed or refinanced with the proceeds of the Obligations. The foregoing notwithstanding, each Responsible Person shall report to the Council whenever experienced advisors and agents may be necessary to carry out the purposes of these instructions for the purpose of seeking Council approval to engage or utilize existing advisors and agents for such purposes.

VI. Investments

The City's cash shall be invested in such a manner so as to ensure the absolute safety of principal and interest, to meet the liquidity needs of the City and to achieve the highest possible yield in accordance with the City's Investment Policy. Interest earned from investments shall be distributed to the City's funds from which the money was provided.

VII. Intergovernmental Relations

The City shall coordinate efforts with other governmental agencies to achieve common policy objectives, share the cost of providing government services on an equitable basis and support appropriate favorable legislation at the state and federal levels.

Interlocal Cooperation in Delivery of Services

- ▶ In order to promote the effective and efficient delivery of services, the City shall work with other local jurisdictions to share on an equitable basis the costs of services, to share facilities and to develop joint programs to improve service to its citizens.

Legislative Program

- ▶ The City shall cooperate with other jurisdictions to actively oppose any state or federal regulation or proposal that mandates additional City programs or services and does not provide the funding necessary for implementation.

VIII. Grants

The City shall seek to obtain and effectively administer federal, state, and local grants that address the City's current and future priorities and policy objectives identified by City Council.

- ▶ Allowability of Costs
 - Grant funds must be expended for the programs, activities, and strategies that meet the needs of the citizens served. All applicable requirements of the Federal and grant funds regulations, other applicable laws and regulations, and the Uniform Guidance apply to the use of Federal awards. All costs must be reasonable and necessary to carry out the intent of the award/program.
 - The Department Director or his/her designee shall review invoices to ensure costs meet the following general criteria to be allowable under 2 CFR 200:
 - ▶ Be necessary and reasonable for proper and efficient performance and administration of Federal awards.
 - ▶ Be allocable to Federal awards under the provisions of the Uniform Guidance.
 - ▶ Be authorized or not prohibited under State or local laws or regulations.
 - ▶ Conform to any limitations or exclusions set forth in these principles, Federal laws, terms, and conditions of the Federal award, or other governing regulations as to types or amounts of cost items.
 - ▶ Be consistent with policies, regulations, and procedures that apply uniformly to both Federal awards and other activities of the City.
 - ▶ Be accorded consistent treatment. A cost shall not be assigned to a Federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to the Federal award as an indirect cost.
 - ▶ Except as otherwise provided for in the Uniform Guidance, be determined in accordance with generally accepted accounting principles (GAAP).
 - ▶ Not be included as a cost or used to meet cost sharing or matching requirements of any other Federal award in either the current or a prior period, except as specifically provided by Federal law or regulation. See 2 Code of Federal Regulations (CFR) 200.306(b).
 - ▶ Be the net of all applicable credits.
 - ▶ Be adequately documented. See 2 CFR 200.300 through 200.309.
 - ▶ Cost shall be incurred during the approved budget period. The Federal awarding agency is authorized, at its discretion, to waive prior written approvals to carry forward unobligated balances to subsequent periods pursuant to 2 CFR 200.308 (e)(3).
- ▶ Reasonable Costs
 - A cost is reasonable if, in its nature and amount, it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the cost. The question of reasonableness is particularly important when governmental units or components are predominantly federally funded. In determining reasonableness of a given cost, consideration must be given to:

- ▶ Whether the cost is of a type generally recognized as ordinary and necessary for the operation of the City or the proper and efficient performance of the Federal award.
 - ▶ The restraints or requirements imposed by such factors as: sound business practices; arm's-length bargaining; Federal, state, local, and other laws and regulations; and terms and conditions of the Federal award.
 - ▶ Market prices for comparable goods or services for the geographic area.
 - ▶ Whether the individuals concerned acted with prudence in the circumstances considering their responsibilities to the governmental unit, its employees, the public at large, and the Federal Government.
 - ▶ Significant deviations from the established practices and policies of the City which may unjustifiably increase the Federal award's cost.
- ▶ **Allocable Costs**
- A cost is allocable to a particular Federal award or other cost objective if the goods or services involved are chargeable or assignable to such cost objective in accordance with relative benefits received. This standard is met if the cost:
 - ▶ Is incurred specifically for the Federal award;
 - ▶ Benefits both the Federal award and other work of the governmental unit and can be distributed in proportions that may be approximated using reasonable methods; and
 - ▶ Is necessary to the overall operation of the governmental unit and is assignable in part to the Federal award in accordance with the principles in this subpart.
 - All activities which benefit from the governmental unit's indirect facilities & administrative (F&A) cost, including unallowable activities and donated services by the governmental unit or third parties, will receive an appropriate allocation of indirect costs.
 - Any cost allocable to a particular Federal award or cost objective under the principles provided for in the Uniform Guidance may not be charged to other Federal awards to overcome fund deficiencies, to avoid restrictions imposed by law or terms and conditions of the Federal awards, or for other reasons.
 - ▶ This prohibition would not preclude the governmental unit from shifting costs that are allowable under two or more Federal awards in accordance with existing Federal statutes, regulations, or the terms and conditions of the Federal awards.
 - The City shall recover indirect costs to the maximum amount allowed by the funding source. The City may waive or reduce indirect costs if doing so will significantly increase the effectiveness of the grant.
 - ▶ Where an accumulation of indirect costs will ultimately result in charges to a Federal award, a cost allocation plan will be required.
 - Direct cost allocation principles are applicable:
 - ▶ If a cost benefits two or more projects or activities in proportions that can be determined without undue effort or cost, the cost must be allocated to the projects based on the proportional benefit.
 - ▶ If a cost benefits two or more projects or activities in proportions that cannot be determined because of the interrelationship of the work involved, then, notwithstanding the Uniform Guidance, the costs may be allocated or transferred to benefitted projects on any reasonable documented basis.
 - ▶ Where the purchase of equipment or other capital asset is specifically authorized under a Federal award, the costs are assignable to the Federal award regardless of the use that may be made of the equipment or other capital asset involved when no longer needed for the purpose for which it was originally required. See also 2CFR 200.310 through 200.316 and 200.439.

- ▶ If a contract is subject to Cost Accounting Standards (CAS), costs must be allocated to the contract pursuant to the CAS. To the extent that CAS is applicable, the allocation of costs in accordance with CAS takes precedence over other allocation provisions in this part.

Accounting Control of Purchases and Invoices

- ▶ Invoices shall be submitted to the relevant department head for approval. His or Her review shall include verification of work/quantities completed and to ensure no duplication of work exists. The department representative will consult with appropriate staff, consultants, and agencies to determine eligibility of proposed costs.
- ▶ The Finance ~~division of Administrative Services~~ department shall keep a detailed ledger identifying the budgeted funds for each program as well as a list of all expenditures to determine allowability of costs. Expenditures will be compared to the budget prior to approval to ensure costs are within budgeted amounts.
- ▶ Once approved, invoices shall be provided to ~~Administrative Services~~ the Finance department for processing and submittal to appropriate agency (if applicable) and for issuance of checks or electronic payment consistent with existing financial policies. ~~Administrative Services~~ The Finance department will then send to the appropriate vendor in accordance with the terms of the contract and in accordance with program requirements.
- ▶ All purchases made shall be pursuant to written or electronic authorization from the Department Director or agency whose appropriation will be changed, and no contract or order shall be issued to any seller unless and until ~~Administrative Services~~ the Finance department verifies that there is to the credit of such department or agency a sufficient unencumbered appropriation balance to pay for the supplies, materials, equipment or contractual services for which the contract or purchase order is to be issued.

Grant Review

- ▶ The City shall review all grant submittals requiring an in-kind match requirement to determine their potential impact on the operating budget, and the extent to which they meet the City's policy objectives. If there is a cash match requirement, the source of funding shall be identified and approved prior to application.
- ▶ Prior to submission, all grant requests will be reviewed by ~~Administrative Services~~ the Finance department to ensure the benefits to the City exceed the administrative costs incurred throughout the life of the grant.

Grant Program Termination

- ▶ The City shall terminate grant-funded programs and associated positions as directed by the City Council when grant funds are no longer available, unless alternate funding is identified.

IX. Economic Development

The City shall initiate, encourage and participate in economic development efforts to create job opportunities and strengthen the local economy and tax base.

Commitment to Expansion and Diversification

- ▶ The City shall encourage and participate in economic development efforts to expand Friendswood's economy and tax base, to increase local employment and to invest when there is a defined, specific long-term return. These efforts shall not only focus on new areas, but on established sections of the City where development can generate additional jobs and other economic benefits.

Tax Abatements

- ▶ The City of Friendswood is committed to the promotion of quality development in all parts of the City. On a case-by-case basis, the City will give consideration to providing tax abatement on the increment in value added to a particular property by a specific development proposal, which meets the economic goals and objectives of the City.
- ▶ The tax abatement shall not apply to any portion of the inventory or land value of the project.
- ▶ Tax abatement may be offered on improvements to real property owned by the applicant and/or on new personal property brought to the site by the applicant.
- ▶ Tax abatement will not be ordinarily considered for projects which would be developed without such incentives unless it can be demonstrated that higher development standards or other development and community goals will be achieved through the use of the abatement.

Increase Non-Residential Share of Tax Base

- ▶ The City's economic development program shall seek to expand the non-residential share of the tax base to decrease the tax burden on residential homeowners.

Coordinate Efforts With Other Jurisdictions

- ▶ The City's economic development program shall encourage close cooperation with other local jurisdictions to promote the economic well-being of this area.

X. Fiscal Monitoring

Reports shall be prepared and presented on a regular basis that analyze, evaluate and forecast the City's financial performance and economic condition.

Financial Status and Performance Reports

- ▶ Monthly reports shall be prepared comparing expenditures and revenues to original and amended budgets. Explanatory notes will be included, as needed.

XI. Accounting, Auditing and Financial Reporting

The City shall comply with prevailing local, state and federal regulations. Its accounting practices and financial reporting shall conform to generally accepted accounting principles as promulgated by the Governmental Accounting Standards Board (GASB), American Institute of Certified Public Accountants (AICPA) and the Government Finance Officers Association (GFOA). The City Council shall select an independent firm of certified public accountants to perform an annual audit of its accounting and financial reporting practices.

XII. Internal Control

The Director of **Administrative Services Finance** is responsible for developing citywide, written guidelines on accounting, handling of cash and other financial matters. The Director of **Administrative Services Finance** will assist Department Directors as needed, in tailoring these guidelines into detailed written procedures to fit each department's specific requirements.

Each Department Director is responsible to ensure that good internal controls are followed throughout his or her department, that all guidelines on accounting and internal controls are implemented and that all independent auditor internal control recommendations are addressed.

XIII. Risk Management

The City will utilize a safety program, an employee health program and a risk management program to prevent and/or reduce the financial impact to the City due to claims and losses. Transfer of liability for claims through transfer to other entities through insurance and/or by contract will be utilized where appropriate. Prevention of loss through the safety program and the employee health program will be employed.

XIV. Operating Budget

The City shall establish an operating budget that shall link revenues and expenditures to City Council goals, service and performance standards.

Any transfer of intradepartmental appropriations shall be authorized, in writing, by the City Manager. Transfers from personnel expenditure category line items to non-personnel expenditure category line items of the adopted budget are permitted, with City Manager approval, when the expense for which the transfer is made is directly related to personnel. No transfer of more than \$50,000 shall be authorized by the City Manager without prior approval of the City Council. Written justification shall be attached to each request to the City Manager for a transfer of appropriation and, if authorized, the written justification shall be attached to the City Manager's written authorization. All applicable bidding and purchasing laws shall be followed. New capital projects or projects not otherwise provided for in the budget shall not be funded through transfers.

RESOLUTION NO. R2023-18

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FRIENDSWOOD, TEXAS, APPROVING THE PUBLIC FUNDS MANAGEMENT AND INVESTMENT POLICY IN ACCORDANCE WITH THE PUBLIC FUNDS INVESTMENT ACT; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Public Funds Investment Act (the "Act") provides that the City of Friendswood may purchase, sell, and invest funds under its control in investments authorized by the Act in compliance with investment policies approved by the City Council; and

WHEREAS, pursuant to the Act, the City Council is required to adopt both (i) a written investment policy regarding the investment of its funds and funds under its control and (ii) a separate written investment strategy, describing the investment objectives, for each of the funds or group of funds under its control; and

WHEREAS, the City Council, pursuant to the Act, is also required to review the policy and strategies not less than annually; and

WHEREAS, the City Council last reviewed and approved the City's Public Funds Management and Investment Policy, containing both the written policy and strategies required pursuant to the Act, (the "Policy") on August 7, 2023; and

WHEREAS, the City Council, after reviewing the Policy, desires to approve the same; NOW THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FRIENDSWOOD, STATE OF TEXAS:

Section 1. That the facts and matters set forth in the recitals of this resolution are hereby found to be true and correct.

Section 2. That the City Council of the City of Friendswood, Texas, has reviewed the City's Public Funds Management and Investment Policy. The Policy approved in Section 3 hereof records any changes made by the City Council.

Section 3. That the City Council of the City of Friendswood, Texas, hereby approves the Public Funds Management and Investment Policy of the City of Friendswood, which is attached hereto as Exhibit "A" and incorporated herein for all intents and purposes.

Section 4. That this resolution shall be effective immediately upon its passage and approval.

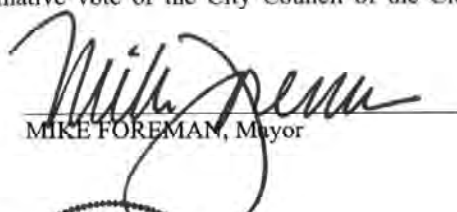
PASSED, APPROVED and ADOPTED by the affirmative vote of the City Council of the City of Friendswood on this the 7th day of August, 2023.

ATTEST:


LETICIA BRYSCH, City Secretary

APPROVED AS TO FORM:


KAREN L. HORNER, City Attorney


MIKE FOREMAN, Mayor



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Exhibit "A"

CITY OF FRIENDSWOOD, TEXAS
INVESTMENT POLICY

August 7, 2023

- I. **Policy** - It is the policy of the City of Friendswood that, giving due regard to the safety and risk of investment, all available funds shall be invested in conformance with these legal and administrative guidelines. The City's portfolio shall be designed and managed in a manner responsive to the highest public trust and consistent with this policy. Investments shall be made in a manner which will provide the maximum security of principal invested through limitations and diversification while meeting the daily cash flow needs of the City. The receipt of a market rate of return will be secondary to the requirements for safety and liquidity. This policy will adopt passive investment strategies designed to minimize administrative expenses while obtaining market-average rates of return and incurring minimal risks. It is the intent of the City to be in complete compliance with local law and the Texas Public Funds Investment Act.

- II. **Scope** - This investment policy applies to all financial assets and funds placed for investment by the City. The City commingles its funds for investment purposes for efficiency and investment opportunity. These funds are defined in the City's Annual Comprehensive Financial Report and include:

General Fund
Special Revenue Funds
Debt Service Funds
Enterprise Funds
Trust and Agency Funds

And any new funds created by the City, unless specifically exempted by the City Council and this policy.

Investment income will be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles. This Investment Policy shall apply to all transactions involving the financial assets and related activity for all the foregoing funds. However, this policy does not apply to the assets administered for the benefit of the City by outside agencies under deferred compensation.

- III. **Objectives** - The investment policy of the City shall be governed by these primary objectives: safety, liquidity and yield. The suitability of each investment decision will be made on the basis of these objectives.
- A. **Safety** - The foremost objective of the investment program shall be to assure the safety of the invested funds. Investments shall be undertaken in a manner that seeks

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to ensure the preservation of capital while minimizing credit rate and interest rate risk. Investment for speculation purposes is prohibited.

1. **Credit Risk and Concentration of Credit Risk** – The City will minimize credit risk, the risk of loss due to the failure of the issuer or backer of the investment, and concentration of credit risk, the risk of loss attributed to the magnitude of investment in a single issuer.
2. **Interest Rate Risk** – The City will manage the risk that the interest earnings and the market value of investments in the portfolio will fall due to changes in general interest rates.
3. **Collateralization** – The City requires collateralization of all uninsured collected balances of invested funds and any accrued interest on funds invested; acceptance, substitution, release and valuation of collateral for City investments shall be in accordance with the Public Funds Collateral Act, Chapter 2257, Texas Government Code.

B. **Liquidity** - Funds will be invested with maturities necessary to maintain sufficient liquidity to provide adequate and timely working funds.

C. **Yield** – Return on investment is of least importance compared to the safety and liquidity objectives described above.

- IV. **Legal Limitations, Responsibilities and Investment Authority** - Authority and parameters for the investment of public funds in Texas are found in the Public Funds Investment Act, Chapter 2256, Texas Government Code (the "Act").

The Interlocal Cooperation Act, Chapter 791, Texas Government Code, authorizes local governments in Texas to participate in investment pools established thereunder. That statute and reference to authorized investment in investment pools in the Act, is primary authority for use of investment pools by political subdivisions of the State of Texas.

- V. **Delegation of Investment Authority** - The Director of Administrative Services is designated as the Investment Officer of the City and is responsible for the implementation of these policies, and for assuring that investment management decisions and activities fully comply herewith. The Investment Officer shall develop and maintain administrative procedures for the operation of the investment program, which are in strict accordance with this investment policy, as approved by the City Council. The Investment Officer and Liaison/Deputy Investment Officer shall comply with training requirements of the Public Funds Investment Act (PFIA). Investment Officer(s) must obtain 10 hours of PFIA training within 12 months of assuming investment responsibilities and 8 hours of PFIA training every two years thereafter. The investment training session shall be provided by an independent source approved by the City Council or Investment Committee. An "independent source" from which investment training shall be obtained shall include a professional organization, an institute of higher learning or any other sponsor, other than a

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Business Organization with whom the City may engage in an investment transaction. The Deputy Director of Administrative Services – Finance shall serve as designated liaison/deputy investment officer in the event circumstances require timely action and the Investment Officer is not available. However, no officer or designee may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Investment Officer and approved by the City Manager.

VI. Standards of Care - To be observed.

As fiduciaries of the City's assets, City Council retains ultimate responsibility of the investment portfolio.

A. **Prudence** The standard of prudence used by the City of Friendswood shall be the "Prudent Person Rule" and shall be applied in the context of managing the overall portfolio. This standard states: "the person designated as Investment Officer shall exercise the judgment and care, under prevailing circumstances, that a prudent person would exercise in the management of the person's own affairs." In determining whether the Investment Officer has exercised prudence with respect to an investment decision, the determination shall be made taking into consideration:

1. The investment of all funds under the City's control, over which the officer had responsibility; and
2. Whether the investment decision was consistent with the written investment policy of the City.

B. **Ethics** - Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. Employees and investment officials shall disclose, in writing, to the Texas Ethics Commission and the City's governing body, any material interests, including personal business relationships, with any financial institution with which it is proposed that the City conduct business. For the purposes of this section, an investment officer has a personal business relationship with a business organization if: (1) the investment officer owns 10% or more of the voting stock or shares of the business organization or owns \$5,000 or more of the fair market value of the business organization; (2) funds received by the investment officer from the business organization exceed 10% of the investment officer's gross income for the previous year; or (3) the investment officer has acquired from the business organization during the previous year investments with a book value of \$2,500 or more for the personal account of the investment officer. In accordance with Texas Government Code 573 and for the purposes of this section, if Investment Officer(s) is related within the second degree by affinity or consanguinity to an individual seeking to transact investment business with the City, the Investment Officer(s) will file a disclosure statement of this fact in writing with the Texas Ethics Commission and the City's governing body.

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C. **Liquidity** - To meet the investment objectives of the City, the maturity of investments shall be targeted to coincide with the cash flow needs of the City. Funds of the City shall be invested in instruments whose maturities do not exceed approved periods as determined by their policy. Unless matched to a specific requirement, the Investment Officer may not invest more than 30% of the portfolio for a period greater than two (2) years. The Investment Officer may not invest in any portion of the portfolio for a period greater than three (3) years.

D. **Diversification** - The investment portfolio shall be diversified to minimize the risk of loss resulting from over-concentration of assets in a specific maturity, specific issuer or specific class of securities. Nevertheless, the City recognizes that in a diversified portfolio, occasional measured interest losses are inevitable, and must be considered within the context of the overall portfolio's investment return. At a minimum, diversification standards by security type and issuer shall be:

<u>Security Type</u>	<u>Maximum % of Portfolio</u>
U.S. Treasuries & securities with the U.S. Government's guarantee	Not To Exceed 75%
U.S. Government Agencies and Instrumentalities	Not To Exceed 75%
Certificates of Deposit	Not To Exceed 75%
Money Market Funds	Not To Exceed 30%
Local Government Investment Pools	Not To Exceed 75%*
*(No more than 50% shall be invested in any single pool.)	

E. **Yield** - The core of investments shall be limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed. The earnings from investments shall be used in a manner that best serves the public trust and interests of the City in compliance with applicable covenants or other legal restrictions.

F. **Safekeeping and Custody** - To protect against potential fraud and embezzlement, the cash and investments of the City of Friendswood shall be secured by the City, or through third party custody and safekeeping procedures as herein designated. The third party custodian shall be required to issue safekeeping receipts to the City listing each specific security, description, maturity, CUSIP number, yield and/or coupon and other pertinent information. Each safekeeping receipt shall clearly indicate that the instrument is held for the City of Friendswood. All safekeeping arrangements shall be documented by the Investment Officer.

All investment transactions shall be executed on "delivery vs. payment" basis to ensure that securities are deposited in the eligible financial institutions prior to the release of funds.

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VII. **Internal Controls** - The City Council shall establish an annual process of independent review by an external auditor. This review shall provide internal control by assuring compliance with policies and procedures. Compliance and management controls of the City's investment policy will be included in this annual review.

VIII. **Investment Committee** - Upon adoption of this policy an Investment Committee shall be established. Members include three unpaid private sector financial professionals (example: banker, broker, CPA) appointed by the City Council to serve staggered three-year terms. The Investment Committee shall serve in an advisory capacity only. The Committee shall perform such duties assigned to it by this Policy and such other duties as may, from time to time, be assigned to it by the City Council.

The Investment Committee shall meet at least quarterly. It may meet more often as desired. Two members may request a meeting. Two members constitute a quorum.

The Investment Committee is charged with the duty of determining general investment strategies for the City and monitoring results. It shall include in its deliberations such topics as economic outlook, investment strategies, portfolio diversification and maturity structure, potential risks to City funds, the target rate of return on the investment portfolio and annual review and approval of authorized depositories, brokers/dealers (Exhibit "B").

IX. **Authorized Investments** - Specific security instruments are authorized under the provisions of the Public Funds Investment Act. The conservative philosophy employed by the City is to choose investments in a manner which ensures safety, while promoting diversity of market sector and maturity. The choice of high-grade government instruments is designed to provide for the safety of principal, return an acceptable yield and assure marketability. City funds may be invested only in the following:

- A. Obligations of the U.S. Government, its agencies and instrumentalities and government sponsoring enterprises (GSEs), not to exceed three (3) years to stated maturities, excluding collateralized mortgage obligations (CMOs).
- B. Certificates of deposit or other financial institution deposits issued by a depository institution that has its main office or a branch office in Texas, guaranteed or insured by the Federal Deposit Insurance Corporation (or its successor), or collateralized, in accordance with Section 2256.010, the Texas Government Code and Chapter 2257 the Public Funds Collateral Act, and not to exceed three (3) years to stated maturity. Both principal and interest earned on the investment will be guaranteed, insured or collateralized as stated.
- C. No-load money market mutual funds that are registered and regulated by the Securities and Exchange Commission subject to the limitations contained in Section 2256.014, Texas Government Code.

- D. Local Government Investment Pools, such as TexPool Investment Pool (TexPool), Lone Star Investment Pool (LSIP) and Texas CLASS investment pool, provided such pools comply with Chapter 2256, Sections .016, .017, .018, .019 and .0204, Texas Government Code.
- E. Commercial Paper in accordance with Section 2256.013, of the Local Government Code. The stated maturity must be 365 days or fewer from the date of its issuance, rated not less than A-1 or P-1 or an equivalent rating by at least two nationally recognized credit rating agencies or one national recognized credit rating agency and is fully secured by an irrevocable letter of credit issued by a bank organized and existing under the laws of the United State or any state.
- X. **Loss of Required Minimum Rating** – Rating status of investments of the City's portfolio will be reviewed quarterly by the Investment Officer(s). All prudent measures, consistent with the City's investment policy, will be exercised to liquidate investments downgraded below the A-1 or P-1 required by this policy.
- XI. **Existing Investment Exemption** – The City is not required to liquidate an investment which was an authorized investment type at the time of purchase.
- XII. **Authorized Financial Dealers and Institutions** – The Investment Officer shall maintain a list of financial institutions authorized to provide investment services. In addition, a list shall also be maintained of approved security broker/dealers selected by credit worthiness who are authorized to provide investment services in the State of Texas. These may include primary dealers or regional dealers that qualify under Securities & Exchange Commission Rule 15C3-1 (uniform net capital rule).

All financial institutions and broker/dealers who desire to become qualified bidders for investment transactions must supply the Investment Officer with the following: audited financial statements, proof of registration with Financial Industry Regulatory Authority (FINRA) and proof of state registration.

A written copy of the investment policy shall be presented to any person offering to engage in an investment transaction with the City. For purposes of this subsection, "a business organization includes investment pools. The qualified representative of the business organization offering to engage in an investment transaction with" the City "shall execute a written instrument" (Exhibit "A") "to the effect that the business organization has: (1) received and reviewed the investment policy of the City; and (2) acknowledged that the business organization has implemented reasonable procedures and controls in an effort to preclude investment transactions conducted between" the City "and the organization that are not authorized by" the City's "investment policy, except to the extent that this authorization is dependent on an analysis of the makeup of" the City's "entire portfolio or requires an interpretation of subjective investment standards."
- XIII. **Competitive Bidding Requirement** - Securities and certificates of deposits may be purchased or sold only after a reasonable review of the offers/bids, to verify that the City

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is receiving fair market value/price for the investment. At least three (3) competitive offers/bids must be obtained prior to purchase or sell of securities and certificates of deposits. Comparison of investment pools will occur to confirm that the City receives fair market value/return on investments.

- XIV. **Methods to Monitor the Market Price of Investments** - The market price of investments acquired with public funds will be monitored through one of the following methods: (1) accessing financial information provided by the safekeeping custodian via communication software; (2) obtaining pricing information as provided in financial publications, such as the Wall Street Journal; and (3) obtaining pricing information from qualified broker/dealers or financial institution representatives. Market value of the City's investments will be reviewed and calculated on a monthly basis. The quarterly investment report will include the market value of the portfolio.
- XV. **Reporting** - The Investment Officer shall prepare and submit to the City Manager and City Council a quarterly report of investment transactions for all funds of the City. Quarterly investment reports will be reviewed annually by an independent auditor. The report shall include all information as required by Section 2256.023 of the Act.
- XVI. **Limitation of Personal Liability** - The Investment Officer and those delegated investment authority under this policy, when acting in accordance with the written procedures and this policy and in accord with the Prudent Person Rule, shall be relieved of personal responsibility and liability in the management of the portfolio provided that deviations from expectations for a specific security's credit risk or market price change or portfolio shifts are reported in a timely manner and that appropriate action is taken to control adverse market effects.
- XVII. **Investment Strategy** - The City of Friendswood shall maintain a portfolio which involves investment strategy considerations, designed to address the unique characteristics of the fund groups represented in the portfolio. The objectives of each fund group must be considered in context of the structure of the overall portfolio.
 - A. **Operating Funds** - Investment strategies for operating funds have as their primary objective to assure that anticipated cash flows are matched with adequate investment liquidity. The secondary objective is to create a portfolio structure which will experience minimal volatility during economic cycles. This may be accomplished by purchasing high quality, short to medium term securities which will complement each other.
 - B. **Capital and Special Projects Funds** - Primary strategy for these fund types is to assure that anticipated cash requirements are matched to ensure adequate liquidity at the time of payment. A portion of investments (at least 10%) should be highly liquid to allow for flexibility and unanticipated project outlays. The stated final maturity date of any security held should not exceed the estimated project completion date.

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- C. **Debt Service Fund** – In accordance with Section 2256.0208, investment strategies for debt service funds will have as their primary objective the assurance of investment liquidity adequate to cover the debt service obligation on the required payment date.
- D. **Overall Short-term Strategy** - The City uses a consolidated cash system for cash and investments where cash is commingled and ownership tracked by equity accounts. From this a considerable amount is available for investment in highly liquid local government investment pools. Interest earnings are apportioned back based on equity in the pool. Use of the pool enables short-term interfund borrowing during the course of the year using "due-to/due-from" accounting methodology. This gives considerable flexibility to the immediate cash needs of an individual fund. In addition, the City's portfolio will have a maximum dollar-weighted average maturity of 3 years or less based on the stated maturity date (if applicable) of each investment.
- E. **Bond Proceeds** - Exclusive of all other City investments, up to 100% of the proceeds from a bond sale may be invested in a separate pooled (LGIP) account, and are not subject to the liquidity and diversification limitations found elsewhere in this policy.
- F. **Performance Benchmarks** – Comparative data such as coupon rates, market price, market value, interest rates and rating agencies will be used to gauge performance of the City's investment portfolio.

XVIII. **Intent** - It is the stated intent of this Policy to adhere by and to be in conformance with the statute known as the Public Funds Investment Act, Chapter 2256, Texas Government Code, as amended by House Bill 2799 enacted by the 75th Texas Legislature. Specific interpretation of a section contrary to this intent shall not void the remaining Policy.

XIX. **Adoption** - This Investment Policy shall be formally adopted by Resolution of the City Council. The Policy shall be reviewed on an annual basis by the City Manager and City Council.

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Exhibit "A"**TEXAS PUBLIC FUNDS INVESTMENT ACT****CERTIFICATION BY BUSINESS ORGANIZATION**

This certification is executed on behalf of the City of Friendswood (the Investor) and _____ (the Business Organization) pursuant to the Public Funds Investment Act, Chapter 2256, Texas Government Code (the Act), in connection with investment transactions conducted between the Investor and the Business Organization.

The undersigned Qualified Representative of the Business Organization hereby certifies on behalf of the Business Organization that:

The undersigned is a Qualified Representative of the Business Organization offering to enter in an investment transaction with the Investor as such terms are used in the Public Funds Investment Act, Chapter 2256, Texas Government Code; and

The Qualified Representative of the Business Organization has received and reviewed the Investment Policy furnished by the Investor; and

The Qualified Representative of the Business Organization has implemented reasonable procedures and controls in an effort to preclude investment transactions conducted between the Business Organization and the Investor that are not authorized by the City of Friendswood's Investment Policy, except to the extent that this authorization is dependent on an analysis of the makeup of the City's entire portfolio or requires an interpretation of subjective investment standards.

Qualified Representative of the Business Organization

Signature: _____

Name: _____

Title: _____

Date: _____

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Exhibit "B"**LIST OF AUTHORIZED DEPOSITORIES AND QUALIFIED BROKERS****AUTHORIZED TO ENGAGE IN INVESTMENT TRANSACTIONS****WITH THE CITY OF FRIENDSWOOD**

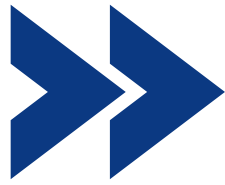
1. BOK Financial Securities, Inc.
2. FHN Financial Capital Markets
3. Hilltop Securities
4. Wells Fargo Brokerage Services, LLC
5. Wells Fargo Bank
6. Lonestar Investment Pool
7. TexPool
8. Texas Class
9. Cantor Fitzgerald & Company

The above list of broker/dealers and financial institutions were approved by the Investment Committee at a regular meeting and are qualified to engage in investment transactions with the City of Friendswood, as required by the Texas Public Funds Investment Act, Chapter 2256, Section .025.

Name: Katina Hampton, Investment Officer

Date: August 7, 2023

Authorized Depositories and Qualified Brokers, Page Solo



Charter Budget Provisions

(excerpt from City of Friendswood Charter)



Charter Budget Provisions

Sec. 8.03. Annual Budget.

1. **Content.** The budget shall provide a complete financial plan of all City funds and activities and, except as required by law or this Charter, shall be in such form as the City Manager deems desirable or the Council may require. A budget message explaining the budget both in fiscal terms and in terms of the work programs shall be submitted with the budget. It shall outline the proposed financial policies of the City for the ensuing fiscal year, describe the important features of the budget, indicate any major changes from the current year in financial policies, expenditures, and revenues, with reasons for such changes. It shall also summarize the City's debt position and include such other material as the manager deems desirable. The budget shall begin with a clear general summary of its contents; shall show in detail all estimated income, the proposed property tax levy, and all proposed expenditures for the ensuing fiscal year, including debt service and an itemized estimate of the expense of conducting each department of the City. The proposed budget expenditures shall not exceed the total of estimated income. The budget shall be so arranged as to comply with state law.
2. **Submission.** On or before the first day of August of each year, the City Manager shall submit to the Council a proposed budget and an accompanying message. The Council shall review the proposed budget and revise as deemed appropriate prior to general circulation for public hearing.
3. **Public notice and hearing.** Any public hearing on the proposed budget shall be held and published in accordance with law.
4. **Amendment before adoption.** After the public hearing, the Council may adopt the budget with or without amendment. In amending the budget, it may add or increase programs or amounts and may delete or decrease any programs or amounts, except expenditures required by law or for debt service or for estimated cash deficit, provided that no amendment to the budget shall increase the authorized expenditures to an amount greater than the total of estimated income plus funds available from prior years.

Budget Process

The City of Friendswood's budget process is an integral part of the City's strategic planning. The budget team moves through the process using the City's core values: **T**rust, **R**espect, **A**ccountability, and **Q**uality or "**TRAQ**" as our guide in decision-making.

The City's Budget and Multi-Year Financial Plan (MYFP) are interrelated. The proposed budget is reflected as year one of the City's 5 year Multi-Year Financial Plan; placing current issues in the forefront of our long- range planning perspective. Annually, during budget development and Multi-Year Financial Plan updating, Department Directors assess the needs of the existing services that City departments provide. Management of the City's budget is a dynamic year-round process which requires reassessment and adjustment based on the needs of our Community.



Budget & Tax Rate (above NNRR) Calendar

Month	Activity	Responsible Party
April 2	Departmental base budgets & decision packages submitted to Budget Office	Dept Directors or Designee
April 9	Budget Team Meeting Present Decision Packages & Forces at Work	Dept. Directors or Designee and Budget Team
April 11	Ranking of Decision Packages due to Budget Office	City Council, City Mgr. and Asst. City Mgr & Budget Team
June 3	Departmental Narratives, Goals & Org. Charts due to Budget Office	Dept Directors or Designee
June 22	Review Key Budget Drivers at City Council Retreat	City Council and City Mgr
July 19	Review Revenue Projections & Preliminary Budget Priorities	Finance and Budget Team*
	Review Decision Packages & align with Proposed Budget	Finance
July 25	Receive certified property values from Galveston Central Appraisal District (GCAD and HCAD)	GCAD and HCAD
	Adjust Proposed Tax Rate (if needed)	Finance
July 29	Deliver Proposed Transmittal Letter & Budget in Brief to City Manager for review	City Manager
July 30	Final Draft of Proposed Transmittal Letter & Budget in Brief due from City Manager to Budget Office	City Manager
July 31	Deliver Proposed Budget to City Council & City Secretary (due date per City Charter is August 1 st)	City Mgr & Finance
Tax Rate – August 1	City Website Posting of No New Revenue & Voter Approval Tax Rates	Finance & PIO & Social Media Specialist
August 5	Proposed Budget work session with City Council	City Council, City Mgr and Budget Team
Tax Rate – August 5	Council action to propose tax rate	City Council
Tax Rate – August 7	PUBLICATION - Notice of Public Hearing on Proposed Tax Rate in Friendswood Reporter News	GCTO, Finance and City Secretary's Office
Tax Rate – August 7	Internet and PEG Channel Notice of Public Hearing on Tax Rate (run continuously August 1 st - September 10 th)	Finance & PIO & Social Media Specialist
August 14	Budget Workshop	City Council, City Mgr, and Budget Team
August 14	Publication of Public Hearing on Proposed Budget in Friendswood Reporter News	Finance and City Secretary's Office
August 22	72 hour notice of Public Hearing on Budget AND Council Meeting to adopt Budget (Open Meetings Notice)	Finance and City Secretary's Office
August 26	SPECIAL COUNCIL MEETING PUBLIC HEARING ON PROPOSED BUDGET, BUDGET ADOPTION	Finance and City Secretary's Office
Tax Rate – September 5	72 hour notice of Public Hearing on Proposed Tax Rate (Open Meetings Notice)	Finance, City Mgr and City Council
September 9	PUBLIC HEARING ON PROPOSED TAX RATE First & Final reading of ordinances adopting Tax Rate	Finance, City Mgr and City Council
September 9	First & Final reading of ordinance adopting tax rate (Vote to adopt tax rate above NNRR AND ratification vote to adopt budget raising total property taxes)	City Council



Financial Summaries

Budget Fund Summary

(All Funds)

	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
Revenues					
Taxes	\$37,891,045	\$39,608,429	\$39,608,429	\$40,040,001	\$42,404,902
Permits and Licenses	855,237	753,524	753,524	882,499	846,968
Intergovernmental Revenues	5,824,400	14,091,795	14,309,609	1,695,214	12,826,661
Charges for Services	21,347,089	20,493,742	20,334,658	21,752,528	23,525,618
Fines	890,518	969,878	969,878	1,083,458	1,021,998
Interest Earned	3,280,754	2,834,082	2,834,082	4,336,077	2,386,063
VRF Reimbursements	998,340	1,112,395	1,112,395	1,112,395	1,155,526
Miscellaneous Receipts	33,016,487	934,286	1,035,223	1,380,610	876,931
Net Use of Fund Balance/Retained Earnings	(24,756,536)	38,043,665	34,552,161	27,103,787	23,128,056
Total Revenues	\$79,347,334	\$118,841,796	\$115,509,959	\$99,386,569	108,172,723
Expenditures					***
General Government	\$9,015,888	\$8,210,930	\$8,558,097	\$8,407,300	\$9,199,251
Public Safety	17,528,561	18,575,817	19,384,087	18,640,047	20,853,895
Community Development	1,293,280	1,544,944	1,539,044	1,440,079	1,481,710
Public Works	11,424,658	12,452,959	15,391,465	15,994,296	15,545,110
Engineering	1,132,802	1,265,858	1,271,833	1,164,356	1,328,627
Parks and Recreation	5,292,194	5,715,517	6,163,022	6,301,728	5,997,440
Library	1,445,736	1,484,828	1,512,157	1,487,806	1,495,438
Vehicle Replacement Fund	953,297	422,420	682,626	654,136	777,500
Capital Improvements	20,952,173	57,753,573	49,592,678	33,882,546	40,223,375
Debt Service	10,308,745	11,414,950	11,414,950	11,414,275	11,270,377
Total Expenditures	\$79,347,334	\$118,841,796	\$115,509,959	\$99,386,569	\$108,172,723

*

**

Totals above exclude interfund transfers.

* Amended budget includes prior year encumbrances.

** Year end expenditure estimate reflects the depletion of several capital improvement funds at project completion.

*** Net income reflects use of fund balance or retained earnings for operating expenditures.

FY25 net uses of Fund Balance/Retained Earnings totaling \$23,128,056 for operation and capital expenditures.

Revenues and Expenditures by Fund

	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
Revenues					
General Fund	\$36,343,692	\$34,785,327	\$34,924,369	\$35,722,424	\$38,559,130
Police Investigation Fund	12,398	4,876	4,876	11,931	4,448
CDBG - DR - Harris County	3,131,817	471,560	471,560	477,023	0
CDBG - DR - Galveston County	627,726	2,745,386	2,745,386	144,372	2,189,277
Coronavirus State & Local Fiscal Recovery	369,439	10,160,005	10,160,005	414,415	10,206,090
FVFD Donation Fund	611,707	205,282	205,282	187,059	161,257
Municipal Court Fund	64,231	55,259	55,259	70,996	63,400
Sidewalk Installation Fund	255	11	11	244	122
Park Land Dedication Fund	62,071	51,003	51,003	72,737	53,137
Streets Improvement Fund	2,561,155	2,409,750	2,409,750	2,546,950	2,546,950
Economic Development Improvements Fund	906,656	850,980	850,980	883,189	883,189
Tax Debt Service Fund	4,650,932	6,149,731	6,149,731	6,228,105	6,032,232
GO Bond Construction Funds	30,795,508	950,000	950,000	1,307,303	300,000
Vehicle Replacement Fund	1,116,517	1,140,945	1,161,570	1,263,084	1,205,785
Water & Sewer Fund	21,392,254	20,035,443	20,035,443	21,697,169	22,117,206
2016 Water & Sewer Bond Construction Fund	64,351	0	0	67,640	0
2018 Water & Sewer Bond Construction Fund	236,179	25,000	25,000	108,285	0
2021 Water & Sewer Bond Construction Fund	574,112	360,000	360,000	524,895	0
Water & Sewer CIP/Impact Fee Funds	492,238	318,925	318,925	445,460	612,943
Water & Sewer Revenue Debt Service Fund	90,224	78,300	78,300	109,042	109,042
1776 Park Trust Fund	408	348	348	459	459
Net Use of Fund Balance/Retained Earnings	(24,756,536)	38,043,665	34,552,161	27,103,787	23,128,056
Total Revenues	\$79,347,334	\$118,841,796	\$115,509,959	\$99,386,569	\$108,172,723
Expenditures					
General Fund	\$38,793,402	\$37,817,128	\$43,120,009	\$41,444,406	\$41,771,311
Police Investigation Fund	70,208	0	6,297	6,297	0
CDBG - DR - Harris County	2,934,264	471,560	474,082	477,023	0
CDBG - DR - Galveston County	636,426	2,622,902	2,622,902	162,347	2,189,277
Coronavirus State & Local Fiscal Recovery	0	10,472,293	10,472,293	0	10,988,278
FVFD Donation Fund	727,887	363,738	385,311	298,999	212,245
Municipal Court Fund	145,665	58,603	70,880	70,880	62,803
Park Land Dedication Fund	24,451	0	34,500	34,500	0
Streets Improvement Fund	774,308	3,727,555	805,342	805,342	3,727,555
Economic Development Improvements Fund	519,618	1,868,800	2,086,185	2,081,791	2,000
Tax Debt Service Fund	4,666,511	6,092,175	6,092,175	6,091,523	5,943,302
GO Bond Construction Funds	5,407,757	27,531,618	12,041,513	9,702,819	18,818,265
Vehicle Replacement Fund	953,297	422,420	682,626	654,136	777,500
Water & Sewer Fund	11,680,911	11,642,754	17,971,220	18,506,905	15,653,112
2016 Water & Sewer Bond Construction Fund	212,955	995,689	1,365,086	1,365,086	0
2018 Water & Sewer Bond Construction Fund	4,386,923	1,444,957	1,779,158	2,184,158	0
2021 Water & Sewer Bond Construction Fund	2,086,651	7,986,829	10,177,605	10,177,605	2,700,000
Water & Sewer Revenue Debt Service Fund	5,326,100	5,322,775	5,322,775	5,322,752	5,327,075
Total Expenditures	\$79,347,334	\$118,841,796	\$115,509,959	\$99,386,569	\$108,172,723

Totals above exclude interfund transfers.

* Amended budget includes prior year encumbrances.

** Year end expenditure estimate reflects the depletion of several capital improvement funds at project completion.

***Net income reflects use of fund balance or retained earnings for operating expenditures.

General Fund

The General Fund accounts for the resources used to finance the fundamental operations of the City. It is the basic fund of the City and covers all activities for which a separate fund has not been established. The basis of budgeting for the General Fund is modified accrual and is the same as the basis of accounting used in the Annual Comprehensive Financial Report.

The principal sources of revenue of the General Fund include:

- ▶ Property Taxes
- ▶ Sales and Use Taxes
- ▶ Franchise Taxes
- ▶ Fines and Forfeitures
- ▶ Permits and Fees
- ▶ Charges for Services

Expenditures include:

- ▶ General Government
 - Mayor & Council
 - City Secretary
 - City Manager
 - Finance
 - Human Resources
 - Information Technology
 - City Attorney
 - Municipal Court
 - Communications
- ▶ Public Safety
 - Police
 - Emergency Services / FVFD
- ▶ Community Development
- ▶ Public Works
 - Streets
 - Drainage
- ▶ Engineering
- ▶ Library
- ▶ Parks and Recreation

General Fund (001)

Fund Summary

	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
Revenues					
Property Tax	\$18,122,796	\$19,111,076	\$19,111,076	\$19,225,597	\$21,879,396
Sales Tax	9,637,022	9,150,001	9,150,001	9,291,919	9,291,919
Franchise	2,235,689	2,112,803	2,112,803	2,185,434	2,090,697
Mixed Drinks	80,506	77,372	77,372	85,569	87,281
Licenses and Permits	855,237	753,524	753,524	882,499	846,968
Intergovernmental Revenues	1,957,125	871,823	1,089,637	1,079,023	641,838
Charges for Services	602,015	808,922	649,838	640,872	1,656,799
Fines and Forfeitures	834,136	920,878	920,878	1,019,641	965,598
Interest Earned	612,944	540,066	540,066	710,615	681,925
Other	874,041	438,862	519,174	595,319	416,709
Asset Disposition	18,181	0	0	5,936	0
Total Revenues	\$35,829,692	\$34,785,327	\$34,924,369	\$35,722,424	\$38,559,130
Expenditures					
Mayor & Council	\$69,303	\$86,519	\$87,519	\$85,025	\$91,719
City Secretary	611,562	635,954	573,608	556,856	430,841
City Manager	1,199,041	937,306	1,014,112	1,011,124	1,210,430
Finance	1,315,728	1,419,021	1,410,281	1,402,755	1,423,907
Human Resources	915,779	1,059,279	1,059,279	995,243	1,227,380
Information Technology	2,941,629	2,183,679	2,287,024	2,263,859	2,352,485
City Attorney	386,785	460,988	439,460	435,334	478,802
Municipal Court	467,021	517,214	522,775	535,884	530,088
Communications	0	0	199,151	187,651	481,555
Police	13,353,589	14,297,533	14,562,767	14,250,169	14,929,725
Emergency Services**	3,376,877	3,914,546	4,429,712	4,084,582	5,711,925
Community Development	1,293,280	1,544,944	1,539,044	1,440,079	1,481,710
Public Works	2,845,918	2,580,086	2,687,002	2,621,114	2,684,223
Engineering	641,204	646,344	652,319	652,395	743,643
Library Services	1,445,736	1,484,828	1,512,157	1,487,806	1,495,438
Parks and Recreation	5,292,194	5,715,517	6,163,022	6,301,728	5,997,440
Total Operations	\$36,155,646	\$37,483,758	\$39,139,232	\$38,311,604	\$41,271,311
Streets	\$409,779	\$333,370	\$2,261,673	\$1,514,356	\$0
Drainage	55,394	0	3,200	3,200	0
Equipment	0	0	0	1,052	0
Facility	2,172,583	0	1,715,904	1,614,194	500,000
Total Improvements	2,637,756	333,370	3,980,777	3,132,802	500,000
Total Expenditures	\$38,793,402	\$37,817,128	\$43,120,009	\$41,444,406	\$41,771,311
Operating Transfers In	\$1,819,800	\$2,698,431	\$2,698,431	\$2,698,431	\$3,212,181
Operating Transfers Out	(16,335)	0	0	0	0
Notes Payable	514,000	0	0	0	0
Increase (Decrease) In Fund Balance	(646,245)	(333,370)	(5,497,209)	(3,023,551)	0
Beginning Fund Balance	\$17,385,087	\$16,738,842	\$16,738,842	\$16,738,842	\$13,715,291
Ending Fund Balance	\$16,738,842	\$16,405,472	\$11,241,633	\$13,715,291	\$13,715,291

* Projected fund balance at September 30, 2024 is \$13.7 million. Of the \$13.7M, approximately \$1.0M is considered non-spendable or restricted leaving a remaining unassigned fund balance of \$12.7 million, which includes a 90-day operating reserve of \$8.7 million as set forth in the City's financial policies.

The reserve is designed "to protect the City's creditworthiness as well as its financial position from unforeseeable emergencies."

The policies state that "additional undesignated funds will be allowed to accumulate in a fund designated for future General Fund capital improvements."

** The FVFD Contract is included in the Emergency Services's Budget. The total contract with FVFD for FY25 is \$1,113,518

Special Revenue Funds

These funds are used to account for the proceeds of specific revenue sources that are legally restricted to financing specific purposes. The basis of budgeting for all Special Revenue Funds is the modified accrual method and is the same as the basis of accounting used in the Annual Comprehensive Financial Report. The following describes the various types of Special Revenue Funds used by the City.

Police Investigation Fund

This fund is used to account for revenues that are restricted to police investigation expenditures.

2017 Community Development Block Grant – Disaster Recovery

This fund is used to account for Community Development Block Grant – Disaster Recovery following Hurricane Harvey. The fund will be closed out at the completion of the project. Funds will be used for the *Harris County* side of the City for the following projects:

Blackhawk Property Acquisition and Rehabilitation (Emergency Shelter)
Forest Bend Detention Pond

2017 Community Development Block Grant – Disaster Recovery

This fund is used to account for Community Development Block Grant – Disaster Recovery following Hurricane Harvey. The fund will be closed out at the completion of the project. Funds will be used for the *Galveston County* side of the City for the following projects:

Utility Relocate at Clear Creek Utility Bridge (Pipe rack project)
Deepwood Flood Control Project
Acquisitions Deepwood Properties
Acquisitions Frenchman's Creek

2021 Coronavirus State and Local Fiscal Recovery Grant

This fund is used to account for federal grant funds related to the fiscal recovery of Coronavirus. The Coronavirus State and Local Fiscal Recovery Funds provide eligible state, local, territorial, and Tribal governments with a substantial infusion of resources to meet pandemic response needs and rebuild a stronger, and more equitable economy as the country recovers. Funds will be used for Water & Sewer Infrastructure projects.

FVFD Donation Fund

This fund is used to account for revenues that are restricted for Fire (and prior EMS) capital outlays and debt repayments. The principal sources of revenues are donations received from residents and proceeds from the sale of capital equipment. The revenues are used to purchase fire trucks, ambulances and other capital equipment for four fire stations and Friendswood volunteer fire fighting and emergency medical services.

Municipal Court Fund

In 1999, the State Legislature authorized a Court Technology and Court Security Fee for Municipal Court fines. In 2019, the State Legislature authorized additional fees for truancy and jury services. Those who pay citations at the Friendswood Municipal Court contribute to this fund. The fees collected can be used to fund court related security, and technology projects, juvenile services and any expenses incurred related to jury services. In 2019 the state consolidated the four fees into the Local Consolidated Fee (LCF) and in 2024 changed the name of the Truancy Prevention fee to Youth Diversion, but it remains part of the LCF.

Police Investigation Funds (101, 102 & 103)

Fund Summary

	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
Revenues					
Federal Government	\$0	\$0	\$0	\$0	\$0
State Government	5,060	0	0	7,483	0
Interest Earned	7,338	4,876	4,876	4,448	4,448
Other	0	0	0	0	0
Total Revenues	\$12,398	\$4,876	\$4,876	\$11,931	\$4,448
Expenditures					
Public Safety					
Special Operations	\$70,208	\$0	\$6,297	\$6,297	\$0
Total Expenditures	\$70,208	\$0	\$6,297	\$6,297	\$0
Other Financing Sources					
Transfers In (Out)	\$0	\$0	\$0	\$0	\$0
Total Other Financing Sources	\$0	\$0	\$0	\$0	\$0
Increase (Decrease) In Fund Balance	\$(57,810)	\$4,876	\$(1,421)	\$5,634	\$4,448
Beginning Fund Balance	\$187,973	\$130,163	\$130,163	\$130,163	\$135,797
Ending Fund Balance	\$130,163	\$135,039	\$128,742	\$135,797	\$140,245

2017 Community Development Block Grant-Disaster Recovery (123) (Harris County) Fund Summary

	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
Revenues					
Federal Government	\$3,131,817	\$471,560	\$471,560	\$477,023	\$0
Interest Earned	0	0	0	0	0
Other	0	0	0	0	0
Total Revenues	\$3,131,817	\$471,560	\$471,560	\$477,023	\$0
Expenditures					
Public Safety	\$0	\$471,560	\$471,560	\$471,560	\$0
Drainage	2,934,264	0	2,522	5,463	0
Total Expenditures	\$2,934,264	\$471,560	\$474,082	\$477,023	\$0
Other Financing Sources					
Transfers In (Out)	\$6,868	\$0	\$0	\$0	\$0
Increase (Decrease) In Fund Balance	204,421	0	(2,522)	0	0
Beginning Fund Balance	(204,421)	0	0	0	0
Ending Fund Balance	\$0	\$0	\$(2,522)	\$0	\$0

*

* This fund was created in FY20 to account for the CDBG-DR Grant funds to be used for facility and drainage projects on the Harris County side of the City. All projects related to this grant are complete.

2017 Community Development Block Grant-Disaster Recovery (124) (Galveston County) Fund Summary

	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
Revenues					
Federal Government	\$626,044	\$2,745,386	\$2,745,386	\$131,685	\$2,181,797
Interest Earned	0	0	0	0	0
Other	1,682	0	0	12,687	7,480
Total Revenues	\$627,726	\$2,745,386	\$2,745,386	\$144,372	\$2,189,277
Expenditures					
Flood Control/Infrastructure	\$163,749	\$2,457,839	\$2,457,839	\$71,257	\$2,181,797
Acquisition And Demolition	472,677	165,063	165,063	91,090	7,480
Total Expenditures	\$636,426	\$2,622,902	\$2,622,902	\$162,347	\$2,189,277
Other Financing Sources					
Transfers In (Out)	\$0	\$0	\$0	\$0	\$0
Increase (Decrease) In Fund Balance	(8,700)	122,484	122,484	(17,975)	0
Beginning Fund Balance	26,675	17,975	17,975	17,975	0
Ending Fund Balance	\$17,975	\$140,459	\$140,459	\$0	\$0

*

* This fund was created in FY20 to account for the CDBG-DR Grant funds to be used for flood control and infrastructure projects on the Galveston side of the City. The remaining funds will be used for the following projects:

Pipe Rack Project	\$1,608,010 (revised numbers submitted as of April 2024 to GLO)
Deepwood Flood Control Project	\$573,787 (revised numbers submitted as of April 2024 to GLO)
Acquisitions (Deepwood Properties)	\$7,480 (remaining rental assistance payments)

2021 Coronavirus State and Local Fiscal Recovery (125) Fund Summary

	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
Revenues					
Federal Government	\$0	\$10,003,026	\$10,003,026	\$0	\$10,003,026
Interest Earned	369,439	156,979	156,979	414,415	203,064
Other	0	0	0	0	0
Total Revenues	\$369,439	\$10,160,005	\$10,160,005	\$414,415	\$10,206,090
Expenditures					
Flood Control	\$0	\$0	\$0	\$0	\$0
Acquisition And Demolition	0	0	0	0	0
Infrastructure	0	10,472,293	10,472,293	0	10,988,278
Total Expenditures	\$0	\$10,472,293	\$10,472,293	\$0	\$10,988,278
Increase (Decrease) In Fund Balance	\$369,439	\$(312,288)	\$(312,288)	\$414,415	\$(782,188)
Beginning Fund Balance	(1,666)	367,773	367,773	367,773	782,188
Ending Fund Balance	\$367,773	\$55,485	\$55,485	\$782,188	\$0

*

* This fund was created in FY21 to account for the Coronavirus State and Local Fiscal Recovery federal grant funds to be used for Water, Sewer or Broadband infrastructure. The identified projects are:

New 24" Waterline - Clear Creek Crossing	\$7,285,026
New Ground Storage Tank at Surface Water Plant #1	\$2,718,000

FVFD Donation Fund (131) Fund Summary

	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
Revenues					
Donations	\$183,494	\$190,000	\$190,000	\$172,986	\$150,000
Interest Earned	17,213	15,282	15,282	14,073	11,257
Misc Revenue	0	0	0	0	0
Total Revenues	\$200,707	\$205,282	\$205,282	\$187,059	\$161,257
Expenditures					
Public Safety	\$0	\$0	\$0	\$0	\$0
Debt Service	223,736	223,738	223,738	223,736	212,245
Capital Outlay	504,151	140,000	161,573	75,263	0
Total Expenditures	\$727,887	\$363,738	\$385,311	\$298,999	\$212,245
Other Financing Sources					
Transfers In (Out)	\$0	\$0	\$0	\$0	\$0
Capital Lease Proceeds	411,000	0	0	0	0
Sale of Capital Assets	0	0	0	0	0
Total Other Financing Sources	\$411,000	\$0	\$0	\$0	\$0
Increase (Decrease) In Fund Balance	\$(116,180)	\$(158,456)	\$(180,029)	\$(111,940)	\$(50,988)
Beginning Fund Balance	\$486,563	\$370,383	\$370,383	\$370,383	\$258,443
Ending Fund Balance	\$370,383	\$211,927	\$190,354	\$258,443	\$207,455

In previous years, donated funds were disbursed to the Friendswood Volunteer Fire Department (FVFD) on a quarterly basis to purchase capital equipment. Beginning in FY20, donated funds are retained by the City and used to purchase capital equipment for use by FVFD.

FY25 Debt Service includes the following:

- 5th of 7 principal & interest payments for a fire truck purchased in FY20
- 6th of 6 principal & interest payments for an ambulance purchased in FY20
- 3rd of 5 principal & interest payments for SCBA tanks purchased in FY23

Municipal Court Fund (150)

Fund Summary

	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
Revenues					
Court Security Fees	\$19,821	\$17,700	\$17,700	\$22,383	\$20,200
Court Technology Fees	16,440	16,000	16,000	18,441	18,000
Court Youth Diversion Fees**	19,727	15,000	15,000	22,543	17,800
Court Jury Services Fees	394	300	300	450	400
Interest Earned	7,849	6,259	6,259	7,179	7,000
Total Revenues	\$64,231	\$55,259	\$55,259	\$70,996	\$63,400
Expenditures					
Court Security Projects	\$8,861	\$13,734	\$13,734	\$13,734	\$15,517
Court Technology Projects	33,295	44,669	46,796	46,596	45,786
Court Youth Diversion Projects**	578	200	200	400	1,500
Court Jury Services Projects	0	0	0	0	0
Capital Outlay Security	92,781	0	0	0	0
Capital Outlay Technology	10,150	0	10,150	10,150	0
Total Expenditures	\$145,665	\$58,603	\$70,880	\$70,880	\$62,803
Operating Transfers Out	\$0	\$0	\$0	\$0	\$0
Increase (Decrease) In Fund Balance	\$(81,434)	\$(3,344)	\$(15,621)	\$116	\$597
Beginning Fund Balance	\$283,301	\$201,867	\$201,867	\$201,867	\$201,983
Ending Fund Balance	\$201,867	\$198,523	\$186,246	\$201,983	\$202,580

*

* As of 6/30/2024, the fund balance equity share of the Municipal Court Fund is approximately:

- Court Security - 45.49%
- Court Technology - 3.98%
- Court Youth Diversion - 49.58%
- Court Jury Services - 0.96%

**As of July 2024, legislature changed the name from Local Truancy Prevention Fund to Youth Diversion Fund effective January 2025.

Tax Debt Service Fund

The Tax Debt Service Fund is used to account for property taxes levied for payment of principal and interest on all general long-term debt of the City. The basis of budgeting for the Tax Debt Service Fund is the modified accrual method and is the same as the basis of accounting reported in the Annual Comprehensive Financial Report.

Debt Limits

As a City Council-City Manager form of government, the City of Friendswood is not limited by law in the amount of debt it may issue. The City's Charter states: "In keeping with the Constitution of the State of Texas and not contrary thereto, the City of Friendswood shall have the power to borrow money on the credit of the City for any public purpose not now or hereafter prohibited by the Constitution and laws of the State of Texas, and shall have the right to issue all tax bonds, revenue bonds, funding and refunding bonds, time warrants and other evidence of indebtedness as now authorized or as may hereafter be authorized to be issued by cities and towns by the laws of the State of Texas." Article 11, Section 5 of the State of Texas Constitution states in part: "but no tax for any purpose shall ever be lawful for any one year, which shall exceed two and one-half percent (2.5%) of the taxable property of such city."

This means the City of Friendswood (as a Home-Rule city) cannot adopt a tax rate greater than \$2.50 per \$100 taxable property value.

This year's proposed budget reflects a tax rate of \$0.5142 per \$100 of net assessed value at 100% collection on a projected net assessed tax base of \$5,401,437,619 adjusted for freeze ceilings.

Per the City's Financial Advisor, using the Texas Attorney General's guideline for home-rule cities, the City's legal debt margin is based on a tax rate of \$1.35 per \$100 of net assessed property value with a projected 100% collection of the tax levy. For FY24, the City's legal debt margin is \$66,963,172. This means the City could issue debt (bonds) up to an amount that generates a maximum annual debt service requirement of \$66,963,172 or less.

Legal Debt Margin Calculation

Data needed for the calculation includes the City's estimated net assessed property valuation (\$5,401,437,619), the Texas Constitution home-rule cities maximum debt service requirement amount (\$67,815,018) and the City's maximum annual debt service requirement amount for existing G.O. debt including capital leases (\$5,956,236).

To determine the City's maximum legal debt service requirement, divide the estimated net assessed value by \$100 and multiply by the Texas Attorney General home-rule maximum tax rate of \$1.35.

$$\$5,401,437,619 / \$100 \times \$1.35 = \$72,919,408$$

The City's maximum annual G.O. debt service requirement for existing G.O. debt of \$6,085,425 is taken from the debt service to maturity schedules found in the Debt & Capital section of the budget document. To determine the City's legal debt margin, subtract the City's maximum annual debt service requirement for existing G.O. debt amount from the City's maximum legal debt service requirement amount. Friendswood's Legal Debt Margin = \$72,919,435 minus \$5,956,236 or **\$66,963,172**

According to the City's Financial Advisor, a debt margin of \$66,963,172 translates into additional debt capacity of about \$1.005 billion in bonds (depending on factors such as the number of sales and the interest rate environment).

Tax Debt Service Fund (201)

Fund Summary

	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
Revenues					
Ad Valorem Taxes	\$4,602,666	\$6,092,175	\$6,092,175	\$6,142,175	\$5,943,302
Delinquent Property Taxes	25	15,000	15,000	12,000	15,000
Interest Earned	43,771	42,556	42,556	73,930	73,930
Total Revenues	\$4,646,462	\$6,149,731	\$6,149,731	\$6,228,105	\$6,032,232
Expenditures					
Debt Service*					
Principal	\$3,086,662	\$3,177,230	\$3,177,230	\$3,177,230	\$3,231,032
Interest	1,576,099	2,908,195	2,908,195	2,908,195	2,704,995
Issue Costs	0	0	0	0	0
Fiscal Agent Fees	3,750	6,750	6,750	6,098	7,275
Total Expenditures	\$4,666,511	\$6,092,175	\$6,092,175	\$6,091,523	\$5,943,302
Other Financing Sources (Uses)					
Bond Proceeds	\$0	\$0	\$0	\$0	\$0
Premium On Bond Issuance	4,470	0	0	0	0
Operating Transfers In (Out)	0	0	0	0	0
Payments To Refunding Bond Escrow Agent	0	0	0	0	0
Total Other Financing Sources (Uses)	\$4,470	\$0	\$0	\$0	\$0
Increase (Decrease) In Fund Balance	\$(15,579)	\$57,556	\$57,556	\$136,582	\$88,930
Beginning Fund Balance	\$46,373	\$30,794	\$30,794	\$30,794	\$167,376
Ending Fund Balance	\$30,794	\$88,350	\$88,350	\$167,376	\$256,306

Debt service payments in this fund include:

- Principal & interest payments on Refunding General Obligation Bonds issued in 2014 for \$2.8 million
- Principal & interest payments on General Obligation Bonds issued in 2015 for \$9.7 million (round 1 of bonds authorized by voters in 2013)
- Principal & interest payments on General Obligation Bonds issued in 2016 for \$8.6 million (round 2 of bonds authorized by voters in 2013)
- Principal & interest payments on General Obligation Bonds issued in 2017 for \$5.6 million (round 3 of bonds authorized by voters in 2013)
- Principal & interest payments on General Obligation Improvement and Refunding Bonds issued in 2020 for \$9.860 million (round 1 of bonds authorized by voters in 2019).
- Principal & interest payments on General Obligation Improvement and Refunding Bonds issued in 2021 for \$16.235 million (round 2 of bonds authorized by voters in 2019).
- Principal & interest payments on General Obligation Improvement and Refunding Bonds issued in 2023 for \$30.0 million (round 3 of bonds authorized by voters in 2019).

Capital Project Funds

Capital Project Funds are governmental funds used to account for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds.) The basis of budgeting for the Capital Project Funds is the modified accrual method and is the same as the basis of accounting used in the Annual Comprehensive Financial Report.

2015 – 2017 General Obligation Bonds Funds

This fund is used to account for the proceeds of the general obligation bonds in the amount of \$24,085,000 approved by voters on November 5, 2013. These bonds were approved to fund the following improvements:

Public Safety Facilities (Fire Stations)	\$ 6,565,000
Library Expansion	2,525,000
Parks Improvements & Land Acquisition	7,285,000
Streets and Thoroughfares	7,710,000
Total	\$ 24,085,000

2020 General Obligation Bond Fund

This fund is used to account for the proceeds of the general obligation bonds (round 1) in the amount of \$8,000,000 approved by voters on November 5, 2019. This bond was approved to fund the following improvements:

Purchase and Renovation of Blackhawk Facility	\$ 2,000,000
Drainage Improvements	6,000,000
Total	\$ 8,000,000

2021 General Obligation Bond Fund

This fund is used to account for the proceeds of the general obligation bonds (round 2) in the amount of \$14,100,000 approved by voters on November 5, 2019. This bond was approved to fund the following improvements:

Replace Station #2 & Upgrade Fire Training Field	\$ 4,100,000
Expand Public Safety Building	5,000,000
Drainage Improvements	5,000,000
Total	\$14,100,000

2023 General Obligation Bond Fund

This fund is used to account for the proceeds of the general obligation bonds (round 3) in the amount of \$30,000,000 approved by voters on November 5, 2019. This bond was approved to fund the following improvements:

Drainage Improvements	\$ 30,000,000
Total	\$30,000,000



Sidewalk Installation Fund

This fund is used to account for receipts from developers to install sidewalks in neighborhood developments. The fund will be closed out at the completion of the project(s).

Park Land Dedication Fund

This fund is used to account for receipts from developers to build or enhance City parks. The receipts remain in the fund until such time as the Parks and Recreation department submits a decision package during the budget preparation process to use the funds for specific park projects or submits a request to the City Manager and City Council for a supplemental appropriation. In September 2012, City Council approved the collection of community park fees only; eliminating the collection of neighborhood park fees. Also in September 2012, City Council authorized full use of fund balance of this fund for development/improvements at Lake Friendswood, Centennial Park, Stevenson Park, Imperial Estates and 1776 Park proposed by the Parks Sub-Committee appointed by City Council.

Streets Improvement Fund

This fund is used to account for revenues collected from the optional additional 3/8 of 1% sales tax for maintenance of the City’s existing streets. The sales tax for street maintenance and improvements was first approved by voters in May 2016 and reauthorized in November 2020 and May 2024. The tax requires voter approval every four years.

Friendswood Downtown Economic Development Improvements Fund

This fund is used to account for revenues collected from the optional additional 1/8 of 1% percent 4B sales tax adopted by voters in May 2016 for improvements in the City’s downtown area.

2016 General Obligation Bond Fund (254)

2017 General Obligation Bond Fund (255)

Fund Summary

	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
Revenues					
Interest Earned	\$15,518	\$0	\$0	\$18,357	\$0
Other	0	0	0	0	0
Total Revenues	\$15,518	\$0	\$0	\$18,357	\$0
Expenditures					
Capital Improvement					
Public Works					
Streets & Drainage	\$0	\$47,158	\$0	\$0	\$322,968
Parks					
Master Plan	6,020	0	44,780	44,780	0
Total Expenditures	\$6,020	\$47,158	\$44,780	\$44,780	\$322,968
Other Financing Sources (Uses)					
Operating Transfers In (Out)	\$0	\$0	\$0	\$0	\$0
Total Other Financing Sources (Uses)	\$0	\$0	\$0	\$0	\$0
Increase (Decrease) In Fund Balance	\$9,498	\$(47,158)	\$(44,780)	\$(26,423)	\$(322,968)
Beginning Fund Balance	\$339,893	\$349,391	\$349,391	\$349,391	\$322,968
Ending Fund Balance	\$349,391	\$302,233	\$304,611	\$322,968	\$0

*

* These funds are used to record expenditures resulting from the General Obligation Bonds authorized in November 2013. The remaining funds will be used for street improvements.

Blackhawk Boulevard Phase II-C \$322,968

2020 General Obligation Bond Fund (256)

Fund Summary

	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
Revenues					
Interest Earned	\$50,010	\$0	\$0	\$6,278	\$0
Total Revenues	\$50,010	\$0	\$0	\$6,278	\$0
Expenditures					
Capital Improvements					
Public Works					
Drainage Improvements	\$0	\$0	\$0	\$0	\$0
Facilities					
Blackhawk Facility	1,777,908	0	74,637	74,637	0
Total Expenditures	\$1,777,908	\$0	\$74,637	\$74,637	\$0
Other Financing Sources (Uses)					
Bond Proceeds	\$0	\$0	\$0	\$0	\$0
Premium On Bond Issuance	0	0	0	0	0
Bond Issue Costs	0	0	0	0	0
Operating Transfers In (Out)	0	0	0	0	0
Total Other Financing Sources (Uses)	\$0	\$0	\$0	\$0	\$0
Increase (Decrease) In Fund Balance	\$(1,727,898)	\$0	\$(74,637)	\$(68,359)	\$0
Beginning Fund Balance	\$1,803,093	\$75,195	\$75,195	\$75,195	\$6,836
Ending Fund Balance	\$75,195	\$75,195	\$558	\$6,836	\$6,836

*

* This fund is used to record expenditures resulting from round one of the General Obligations Bonds authorized in November 2019. Remaining funds will be used towards additional projects or transferred to the Debt Service Fund to pay down debt.

2021 General Obligation Bond Fund (257) Fund Summary

	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
Revenues					
Interest Earned	\$183,046	\$50,000	\$50,000	\$185,851	\$50,000
Total Revenues	\$183,046	\$50,000	\$50,000	\$185,851	\$50,000
Expenditures					
Capital Improvements					
Public Works					
Drainage Improvements	\$1,104,805	\$2,338,693	\$2,392,755	\$54,062	\$2,386,038
Facilities					
New Fire Station & Training Field	1,822,437	0	66,657	66,657	0
Public Safety Building Expansion	380,453	0	26,175	26,175	0
Total Expenditures	\$3,307,695	\$2,338,693	\$2,485,587	\$146,894	\$2,386,038
Other Financing Sources (Uses)					
Increase (Decrease) In Fund Balance	\$(3,124,649)	\$(2,288,693)	\$(2,435,587)	\$38,957	\$(2,336,038)
Beginning Fund Balance	\$6,009,728	\$2,885,079	\$2,885,079	\$2,885,079	\$2,924,036
Ending Fund Balance	\$2,885,079	\$596,386	\$449,492	\$2,924,036	\$587,998

*

* This fund was set up to record expenditures resulting from round two of the General Obligation Bonds authorized in November 2019. The remaining bonds will be used for the following:

Deepwood Flood Control	\$2,386,038
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2023 General Obligation Bond Fund (258) Fund Summary

	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
Revenues					
Interest Earned	\$230,800	\$900,000	\$900,000	\$1,096,817	\$250,000
Total Revenues	\$230,800	\$900,000	\$900,000	\$1,096,817	\$250,000
Expenditures					
Capital Improvements					
Public Works					
Drainage Improvements	\$0	\$25,145,767	\$9,436,509	\$9,436,508	\$16,109,259
Total Expenditures	\$0	\$25,145,767	\$9,436,509	\$9,436,508	\$16,109,259
Other Financing Sources (Uses)					
Bond Proceeds	\$29,775,000	\$0	\$0	\$0	0
Premium On Bond Issuance	541,134	0	0	0	0
Bond Issue Costs	(316,134)	0	0	0	0
Operating Transfers In (Out)	0	0	0	0	0
Total Other Financing Sources (Uses)	\$30,000,000	\$0	\$0	\$0	\$0
Increase (Decrease) In Fund Balance	\$30,230,800	\$(24,245,767)	\$(8,536,509)	\$(8,339,691)	\$(15,859,259)
Beginning Fund Balance	\$0	\$30,230,800	\$30,230,800	\$30,230,800	\$21,891,109
Ending Fund Balance	\$30,230,800	\$5,985,033	\$21,694,291	\$21,891,109	\$6,031,850

*

* This fund was set up to record expenditures resulting from round two of the General Obligation Bonds authorized in November 2019. The bonds will be used for the following:

Whitcomb Inline/Offline Detention	\$14,609,259
Master Drainage Plan	\$1,000,000
Lower CC & Dickinson Bayou Studies	\$500,000

Sidewalk Installation Fund (160)

Fund Summary

	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
Revenues					
Revenue	\$0	\$0	\$0	\$0	\$0
Interest Earned	255	11	11	244	122
Total Revenues	\$255	\$11	\$11	\$244	\$122
Expenditures					
Operating Transfers In (Out)	\$0	\$0	\$0	\$0	\$0
Capital Improvements	0	0	0	0	0
Total Expenditures	\$0	\$0	\$0	\$0	\$0
Increase (Decrease) In Fund Balance	\$255	\$11	\$11	\$244	\$122
Beginning Fund Balance	\$5,859	\$6,114	\$6,114	\$6,114	\$6,358
Ending Fund Balance	\$6,114	\$6,125	\$6,125	\$6,358	\$6,480

*

* Fund utilized to record revenue collected from developers and expenditures related to sidewalk development in Friendswood.

Park Land Dedication Fund (164)

Fund Summary

	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
Revenues					
Community Park Fees	\$60,600	\$50,000	\$50,000	\$69,600	\$50,000
Other Program Fees	0	0	0	0	0
Interest Earned	1,471	1,003	1,003	3,137	3,137
Total Revenues	\$62,071	\$51,003	\$51,003	\$72,737	\$53,137
Expenditure					
Operating Transfers In (Out)	\$0	\$0	\$0	\$0	\$0
Operating Equipment	4,093	0	0	0	0
Capital Improvements	20,358	0	34,500	34,500	0
Total Expenditures	\$24,451	\$0	\$34,500	\$34,500	\$0
Increase (Decrease) In Fund Balance	\$37,620	\$51,003	\$16,503	\$38,237	\$53,137
Beginning Fund Balance	\$34,662	\$72,282	\$72,282	\$72,282	\$110,519
Ending Fund Balance	\$72,282	\$123,285	\$88,785	\$110,519	\$163,656

*

*This fund is used to account for receipts from developers to build or enhance City parks. There are no planned projects for FY25.

Streets Improvement Fund (170)

Fund Summary

	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
Revenues					
Sales Taxes	\$2,409,256	\$2,287,500	\$2,287,500	\$2,322,980	\$2,322,980
Interest Earned	151,899	122,250	122,250	223,970	223,970
Total Revenues	\$2,561,155	\$2,409,750	\$2,409,750	\$2,546,950	\$2,546,950
Expenditures					
Operating Transfers In (Out)	\$0	\$0	\$0	\$0	\$0
Capital Improvements	774,308	3,727,555	805,342	805,342	3,727,555
Total Expenditures	\$774,308	\$3,727,555	\$805,342	\$805,342	\$3,727,555
Increase (Decrease) In Fund Balance	\$1,786,847	\$(1,317,805)	\$1,604,408	\$1,741,608	\$(1,180,605)
Beginning Fund Balance	\$3,543,855	\$5,330,702	\$5,330,702	\$5,330,702	\$7,072,310
Ending Fund Balance	\$5,330,702	\$4,012,897	\$6,935,110	\$7,072,310	\$5,891,705

*

* Fund established in FY17 to record sales tax revenue collected for City streets maintenance and improvements. The following project is scheduled for FY25:

Blackhawk Boulevard Phase II-C	\$3,727,555
--------------------------------	-------------

City of Friendswood's sales tax rate increased from 7.75% to 8.25% with voter approval in May 2016. The 1/2 cent sales tax rate increase is distributed in the following manner:

\$0.00375 for Streets maintenance and improvements

\$0.00125 for Economic Development improvements in the City's downtown area

The sales tax for street maintenance and improvements requires voter approval every four years. An election was held in May 2024 and the voters reauthorized the sales tax for street maintenance and improvements for another four years expiring in May 2028

Friendswood Downtown Economic Development Improvement Fund (175)

Fund Summary

	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
Revenues					
Sales Taxes	\$803,085	\$762,502	\$762,502	\$774,327	\$774,327
Interest Earned	103,571	88,478	88,478	108,862	108,862
Total Revenues	\$906,656	\$850,980	\$850,980	\$883,189	\$883,189
Expenditures					
Operating Transfers In (Out)	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000
Administrative Expenses	0	2,000	2,000	0	2,000
Capital Improvements	519,618	1,866,800	2,084,185	2,081,791	0
Total Expenditures	\$535,618	\$1,884,800	\$2,102,185	\$2,097,791	\$18,000
Increase (Decrease) In Fund Balance	\$371,038	\$(1,033,820)	\$(1,251,205)	\$(1,214,602)	\$865,189
Beginning Fund Balance	\$2,931,622	\$3,302,660	\$3,302,660	\$3,302,660	\$2,088,058
Ending Fund Balance	\$3,302,660	\$2,268,840	\$2,051,455	\$2,088,058	\$2,953,247

*

* Fund established in FY17 to record sales tax revenue collected for economic development improvements of the City's downtown area. There are no planned projects for FY25.

City of Friendswood's sales tax rate increased from 7.75% to 8.25% with voter approval in May 2016. The 1/2 cent sales tax rate increase is distributed in the following manner:

\$0.00125 for Economic Development improvements in the City's downtown area

\$0.00375 for Streets maintenance and improvements

1776 Park Trust Fund

This fund was established in fiscal year 1979-80 to account for 1776 Park assets held by the City in a trustee capacity. The 1776 Park land was donated to the City, along with \$10,000. The funds are invested and the interest earned is used to maintain the park.

The 1776 Park Trust Fund basis of accounting is accrual. The basis of budgeting is accrual with the following exceptions:

- ▶ Capital equipment and improvements are budgeted as an expense and reclassified for reporting purposes.
- ▶ Depreciation is not budgeted.

1776 Park Trust Fund (701) Fund Summary

	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
Other Financing Sources					
Interest Earned	\$408	\$348	\$348	\$459	\$459
Total Other Financing Sources	\$408	\$348	\$348	\$459	\$459
Non-Operating Expenses					
1776 Park Improvements	\$0	\$0	\$0	\$0	\$0
Total Expenditures	\$0	\$0	\$0	\$0	\$0
Increase (Decrease) In Fund Balance	\$408	\$348	\$348	\$459	\$459
Beginning Fund Balance	\$11,093	\$11,501	\$11,501	\$11,501	\$11,960
Ending Fund Balance	\$11,501	\$11,849	\$11,849	\$11,960	\$12,419

*

* Of the fund balance total, \$10,000 is principal amount donated to the City when this fund was established.

Enterprise Funds

The Enterprise Funds are used to budget for the acquisition, operation and maintenance of governmental facilities and services that are entirely or predominantly self-supporting by user charges. The operations of the water and sewer system are budgeted in several funds but are accounted for in one Enterprise Fund in the Annual Comprehensive Financial Report to reflect the results of operations similar to private enterprise.

The accrual basis of accounting is used for reporting purposes in the Annual Comprehensive Financial Report, whereby revenues are recognized in the period in which they are earned and expenses are recognized in the period in which they are incurred. The basis of budgeting also uses the accrual basis with the following exceptions:

- ▶ Capital equipment and improvements are budgeted as an expense and reclassified for reporting purposes
- ▶ Depreciation is not budgeted
- ▶ Debt Principal payments are budgeted as an expense and reclassified for reporting purposes
- ▶ Bond issuance costs are budgeted for the full amount in the year of the bond sale and reclassified for reporting purposes
- ▶ Interfund transfers between the Enterprise Funds are budgeted as income and expense and reclassified for reporting purposes

The budgeted Enterprise Funds include:

- ▶ Water and Sewer Operation Fund
- ▶ 2016 Water and Sewer Bond Construction Fund
- ▶ 2018 Water and Sewer Bond Construction Fund
- ▶ 2021 Water and Sewer Bond Construction Fund
- ▶ Water CIP/Impact Fee Fund
- ▶ Sewer CIP/Impact Fee Fund
- ▶ Water and Sewer Revenue Debt Service Fund

Water and Sewer Operation Fund

The Water and Sewer Operation Fund is used to budget income and expenses directly related to operations of the water and sewer system. The basis of budgeting is the accrual basis with the following exceptions:

- ▶ Capital equipment and improvements are budgeted as an expense and reclassified for reporting purposes
- ▶ Depreciation is not budgeted
- ▶ Interfund transfers between the Enterprise Funds are budgeted as income and expense and reclassified for reporting purposes

Water and Sewer Bonds Construction Funds

The Water and Sewer Bond Construction Funds are used to account for proceeds from the sale of water and sewer revenue bonds for system improvements. The basis of budgeting uses the accrual basis with the following exceptions:

- ▶ Capital equipment and improvements are budgeted as an expense and reclassified for reporting purposes
- ▶ Depreciation is not budgeted
- ▶ Interfund transfers between the Enterprise Funds are budgeted as income and expense and reclassified for reporting purposes

Water and Sewer CIP/Impact Fee Funds

The Water and Sewer CIP/Impact Fee Funds are used to account for impact fees assessed and collected on new development. The impact fees are transferred to the Water and Sewer Revenue Debt Service Fund to make principal and interest payments on the water and sewer revenue debt issued to construct new water system improvements. The basis of budgeting also uses the accrual basis with the following exceptions:

- ▶ Interfund transfers between the Enterprise Funds are budgeted as income and expense and reclassified for reporting purposes

Water CIP/Impact Fee Fund

The Water CIP/Impact Fee Fund is used to account for impact fees assessed and collected on new development. The impact fees are transferred to the Water and Sewer Revenue Debt Service Fund to make principal and interest payments on the Water Revenue Debt issued to construct new water system improvements.

Sewer CIP/Impact Fee Fund

The Sewer CIP/Impact Fee Fund is used to account for impact fees assessed and collected on new development. The impact fees are transferred to the Water and Sewer Revenue Debt Service Fund to make principal and interest payments on the Sewer Revenue Debt issued to construct new sewer system improvements.

Water and Sewer Revenue Debt Service Fund

The Water and Sewer Revenue Debt Service Fund is used to account for payment of principal and interest on all enterprise fund long-term debt of the City. The basis of budgeting uses the accrual basis with the following exceptions:

- ▶ Debt Principal payments are budgeted as an expense and reclassified for reporting purposes
- ▶ Bond issuance costs are budgeted for the full amount in the year of the bond sale and reclassified for reporting purposes
- ▶ Interfund transfers between the Enterprise Funds are budgeted as income and expense and reclassified for reporting purposes

Water and Sewer Operating Fund (401)

Fund Summary

	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
Operating Revenues					
Water Revenues	\$10,479,062	\$9,557,321	\$9,557,321	\$10,568,102	\$10,885,145
Sewer Revenues	9,516,765	9,568,474	9,568,474	9,817,706	10,112,236
Administrative Fees	462,116	458,700	458,700	518,899	483,700
Sales of Water Meters	44,270	30,000	30,000	40,000	30,000
Miscellaneous	304,462	8,724	8,724	155,379	9,042
Total Revenues	\$20,806,675	\$19,623,219	\$19,623,219	\$21,100,086	\$21,520,123
Operating Expenses					
Finance	\$732,168	\$583,207	\$621,010	\$608,073	\$648,477
Human Resources - Insurance	216,763	267,160	267,160	254,616	258,764
Public Works					
Administration	333,545	364,195	364,795	349,799	427,103
Water Utilities	895,427	994,365	1,013,267	979,870	1,037,008
Sewer Utilities	605,172	669,266	680,611	657,314	721,704
Water Operations**	3,285,248	3,612,700	3,798,557	4,422,943	6,231,513
Sewer Operations	3,134,705	3,804,071	6,418,257	6,577,824	4,156,427
Utility Customer Service	324,643	428,276	428,976	385,432	287,132
Engineering	491,598	619,514	619,514	511,961	584,984
Total Expenditures	\$10,019,269	\$11,342,754	\$14,212,147	\$14,747,832	\$14,353,112
Operating Income	\$10,787,406	\$8,280,465	\$5,411,072	\$6,352,254	\$7,167,011
Non-Operating Revenues (Expenses)					
Interest Earned	\$481,225	\$412,224	\$412,224	\$597,083	\$597,083
Other Non-Operating Revenue	104,354	0	0	0	0
Capital Improvements	(1,661,642)	(300,000)	(3,759,073)	(3,759,073)	(1,300,000)
Transfers (out)	(6,479,900)	(8,005,206)	(8,022,160)	(8,022,160)	(8,073,256)
Total Non-Operating	\$(7,555,963)	\$(7,892,982)	\$(11,369,009)	\$(11,184,150)	\$(8,776,173)
Net Income/(Loss)	\$3,231,443	\$387,483	\$(5,957,937)	\$(4,831,896)	\$(1,609,162)
Beginning Working Capital	\$14,612,731	\$17,844,174	\$17,844,174	\$17,844,174	\$13,012,278
Ending Working Capital	\$17,844,174	\$18,231,657	\$11,886,237	\$13,012,278	\$11,403,116

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* The projected working capital at September 30, 2024 is \$13.0 million. The balance includes a 90-day operating reserve of \$2.5 million, as set forth in the City's financial policies. The reserve is designed "to protect the City utility fund's creditworthiness as well as its financial position from unforeseeable emergencies." The policies state "additional undesignated funds will be allowed to accumulate in a fund designated for future utility/operating capital improvements."

**Increase in current year budget is related to the partial funding of City of Houston Cash Call # 6 for the 42" SETL in the water operations budget

Water and Sewer Fund retained earnings designations/commitments are as follows:

City of Houston Raw Water System Buy-In	\$3,500,000
Contingency for Possible Future 36" and 42" Distribution Line Repairs	\$100,000

2016 Water and Sewer Bond Construction Fund (420) Fund Summary

	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
Non-Operating Revenues					
Interest Earned	\$64,351	\$0	\$0	\$67,640	\$0
Transfers From W&S Revenue Debt	0	0	0	0	0
Bond Proceeds	0	0	0	0	0
Miscellaneous	0	0	0	0	0
Total Revenues	\$64,351	\$0	\$0	\$67,640	\$0
Capital Financing Activities					
Capital Improvements					
Public Works					
Distribution System Improvements (Water)	\$212,955	\$995,689	\$942,853	\$942,853	\$0
Collection System Improvements (Sewer)	0	0	422,233	422,233	0
Total Expenditures	\$212,955	\$995,689	\$1,365,086	\$1,365,086	\$0
Non-Operating Expenses					
Transfers In (Out)	\$0	\$0	\$0	\$0	\$0
Total Non-Operating Expenses	\$0	\$0	\$0	\$0	\$0
Increase (Decrease) In Fund Balance	\$(148,604)	\$(995,689)	\$(1,365,086)	\$(1,297,446)	\$0
Beginning Fund Balance	\$1,472,944	\$1,324,340	\$1,324,340	\$1,324,340	\$26,894
Ending Fund Balance	\$1,324,340	\$328,651	\$(40,746)	\$26,894	\$26,894

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* 2016 Water & Sewer Bond Construction Fund established upon the issuance of the 2016 Water & Sewer Revenue bonds. Remaining funds will be either used for additional projects or transferred to the Water and Sewer Revenue Debt Service Fund to pay down debt.

2018 Water and Sewer Bond Construction Fund (421)

Fund Summary

	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
Non-Operating Revenues					
Interest Earned	\$236,179	\$25,000	\$25,000	\$108,285	\$0
Bond Proceeds	0	0	0	0	0
Premium on Bonds	0	0	0	0	0
Total Revenues	\$236,179	\$25,000	\$25,000	\$108,285	\$0
Capital Financing Activities					
Capital Improvements					
Public Works					
Buildings	\$2,106,576	\$0	\$173,295	\$173,295	\$0
Distribution System Improvements (Water)	617,510	0	44,464	44,464	0
Collection System Improvements (Sewer)	1,662,837	1,444,957	1,561,399	1,966,399	0
Total Expenditures	\$4,386,923	\$1,444,957	\$1,779,158	\$2,184,158	\$0
Non-Operating Expenses					
Bond Issue Costs	\$0	\$0	\$0	\$0	\$0
Transfers Out	0	0	0	0	0
Total Non-Operating Expenses	\$0	\$0	\$0	\$0	\$0
Increase (Decrease) In Fund Balance	\$(4,150,744)	\$(1,419,957)	\$(1,754,158)	\$(2,075,873)	\$0
Beginning Fund Balance	\$6,283,483	\$2,132,739	\$2,132,739	\$2,132,739	\$56,866
Ending Fund Balance	\$2,132,739	\$712,782	\$378,581	\$56,866	\$56,866

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* 2018 Water & Sewer Bond Construction Fund established upon the issuance of the 2018 Water & Sewer Revenue bonds. Remaining funds will be either used for additional projects or transferred to the Water and Sewer Revenue Debt Service Fund to pay down debt.

2021 Water and Sewer Bond Construction Fund (422) Fund Summary

	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
Non-Operating Revenues					
Interest Earned	\$574,112	\$360,000	\$360,000	\$524,895	\$0
Bond Proceeds	0	0	0	0	0
Premium on Bonds	0	0	0	0	0
Total Revenues	\$574,112	\$360,000	\$360,000	\$524,895	\$0
Capital Financing Activities					
Capital Improvements					
Public Works					
Distribution System Improvements (Water)	\$2,046,651	\$3,519,775	\$5,107,358	\$5,107,358	\$2,700,000
Collection System Improvements (Sewer)	40,000	4,467,054	5,070,247	5,070,247	0
Total Expenditures	\$2,086,651	\$7,986,829	\$10,177,605	\$10,177,605	\$2,700,000
Non-Operating Expenses					
Bond Issue Costs	\$0	\$0	\$0	\$0	\$0
Transfers Out	0	0	0	0	0
Total Non-Operating Expenses	\$0	\$0	\$0	\$0	\$0
Increase (Decrease) In Fund Balance	\$(1,512,539)	\$(7,626,829)	\$(9,817,605)	\$(9,652,710)	\$(2,700,000)
Beginning Fund Balance	\$14,068,259	\$12,555,720	\$12,555,720	\$12,555,720	\$2,903,010
Ending Fund Balance	\$12,555,720	\$4,928,891	\$2,738,115	\$2,903,010	\$203,010

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* 2021 Water & Sewer Bond Construction Fund established upon the issuance of the 2021 Water & Sewer Revenue bonds. Below is a list of water and sewer projects with estimated costs that will be funded with the remaining funds:

City of Houston - 42" Southeast Transmission Line Cash Call # 8 \$2,700,000

Remaining funds will be either used for additional projects or transferred to the Water and Sewer Revenue Debt Service Fund to pay down debt.

Water CIP/Impact Fee Fund (480)

Fund Summary

	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
Non-Operating Revenues					
Impact Fees	\$165,147	\$105,525	\$105,525	\$150,197	\$192,625
Interest Earned	1,613	400	400	3,810	4,475
Miscellaneous	0	0	0	0	0
Total Non-Operating Revenues	\$166,760	\$105,925	\$105,925	\$154,007	\$197,100
Non-Operating Expenses					
Transfers Out	\$200,000	\$0	\$0	\$0	\$150,000
Total Non-Operating Expenses	\$200,000	\$0	\$0	\$0	\$150,000
Increase (Decrease) In Fund Balance	\$(33,240)	\$105,925	\$105,925	\$154,007	\$47,100
Beginning Fund Balance	\$67,721	\$34,481	\$34,481	\$34,481	\$188,488
Ending Fund Balance	\$34,481	\$140,406	\$140,406	\$188,488	\$235,588

*

*The increase in Fund Balance is a result of no transfers being made to cover Water and Sewer Revenue debt payments in FY24. All debt payments were made by the Water and Sewer operating fund in FY24.

Sewer CIP/Impact Fee Fund (580)

Fund Summary

	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
Non-Operating Revenues					
Impact Fees	\$322,538	\$211,500	\$211,500	\$285,025	\$408,813
Interest Earned	2,940	1,500	1,500	6,428	7,030
Miscellaneous	0	0	0	0	0
Total Non-Operating Revenues	\$325,478	\$213,000	\$213,000	\$291,453	\$415,843
Non-Operating Expenses					
Transfers Out	\$450,000	\$0	\$0	\$0	\$300,000
Total Non-Operating Expenses	\$450,000	\$0	\$0	\$0	\$300,000
Increase (Decrease) In Fund Balance	\$(124,522)	\$213,000	\$213,000	\$291,453	\$115,843
Beginning Fund Balance	\$169,989	\$45,467	\$45,467	\$45,467	\$336,920
Ending Fund Balance	\$45,467	\$258,467	\$258,467	\$336,920	\$452,763

*

*The increase in Fund Balance is a result of no transfers being made to cover Water and Sewer Revenue debt payments in FY24. All debt payments were made by the Water and Sewer operating fund in FY24.

Water and Sewer Revenue Debt Service Fund (490)

Fund Summary

	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
Non-Operating Revenues					
Interest Earned	\$90,224	\$78,300	\$78,300	\$109,042	\$109,042
Transfers In	5,326,100	5,322,775	5,322,775	5,322,775	5,327,075
Total Revenues	\$5,416,324	\$5,401,075	\$5,401,075	\$5,431,817	\$5,436,117
Non-Operating Expenses					
Debt Service					
Principal	\$3,225,000	\$3,345,000	\$3,345,000	\$3,345,000	\$3,485,000
Interest	2,096,600	1,973,275	1,973,275	1,973,275	1,837,125
Issuance Costs	0	0	0	0	0
Fiscal Agent Fees	4,500	4,500	4,500	4,477	4,950
Transfers Out	0	0	0	0	0
Total Expenditures	\$5,326,100	\$5,322,775	\$5,322,775	\$5,322,752	\$5,327,075
Increase (Decrease) In Fund Balance	\$90,224	\$78,300	\$78,300	\$109,065	\$109,042
Beginning Fund Balance	\$2,840,992	\$2,931,216	\$2,931,216	\$2,931,216	\$3,040,281
Ending Fund Balance	\$2,931,216	\$3,009,516	\$3,009,516	\$3,040,281	\$3,149,323

Vehicle Replacement Fund

This internal service fund was established in fiscal year 2001-02 with startup funds, in the amount of \$120,188, from the General Fund which were repaid in fiscal years 2002-03 and 2003-04. Ownership of all City vehicles was transferred from the departments to the Vehicle Replacement Fund with the following exclusions:

1. Vehicles purchased for use by the Friendswood Volunteer Fire Department
2. Vehicles costing in excess of \$50,000

Criteria used to determine the replacement schedule is vehicle type, usage type, average annual mileage and maintenance costs. Replacement schedule is as follows:

Life (Years)	Vehicle Types
3 - 4	Police Patrol Vehicles
6-8	Police Non-Patrol
10	Cars, Light Trucks, SUVs
15	Heavy Duty Trucks, Vans, Coaches

Since the plan's inception in 2001-02, vehicle replacement costs have increased with some exceeding the \$50,000 threshold for inclusion in the plan. As a result, the Vehicle Replacement Plan and Vehicle Replacement Fund are under review for necessary revisions.

The Vehicle Replacement Fund basis of budgeting is accrual basis with the following exceptions:

- ▶ Capital equipment and improvements are budgeted as an expense and reclassified for reporting purposes
- ▶ Depreciation is not budgeted
- ▶ Interfund transfers between the Enterprise Funds are budgeted as income and expense and reclassified for reporting purposes

Vehicle Replacement Fund (301)

Fund Summary

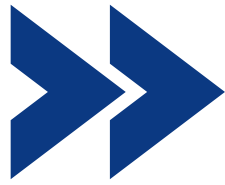
	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
Operating Revenue					
Department Lease Revenues	\$998,340	\$1,112,395	\$1,112,395	\$1,112,395	\$1,155,526
Transfer From Other Funds	9,467	0	16,954	16,954	0
Asset Disposition	48,375	0	0	79,805	0
Insurance Reimbursements	32,531	0	20,625	20,625	0
Miscellaneous	2,693	0	0	0	0
Interest Earned	34,578	28,550	28,550	50,259	50,259
Total Revenues	\$1,125,984	\$1,140,945	\$1,178,524	\$1,280,038	\$1,205,785
Operating Expenses					
Vehicle Replacement Plan					
Vehicles & Equipment	\$953,297	\$422,420	\$682,626	\$654,136	\$777,500
Non-Operating Expenses					
Transfers Out	0	0	0	0	0
Total Expenditures	\$953,297	\$422,420	\$682,626	\$654,136	\$777,500
Operating Income	\$172,687	\$718,525	\$495,898	\$625,902	\$428,285
Beginning Retained Earnings	\$3,275,993	\$3,448,680	\$3,448,680	\$3,448,680	\$4,074,582
Ending Retained Earnings	\$3,448,680	\$4,167,205	\$3,944,578	\$4,074,582	\$4,502,867

*

* The net value of the assets (vehicles & equipment in the fleet) included in retaining earnings is approximately \$2,585,712.

This year's budget includes the following vehicle replacements:

- 7 Police Department (1-CID, 6-Patrol)
- 2 Public Works (1-Streets, 1-Sewer Utilities)



Revenue Summary Chart and Schedules by Fund



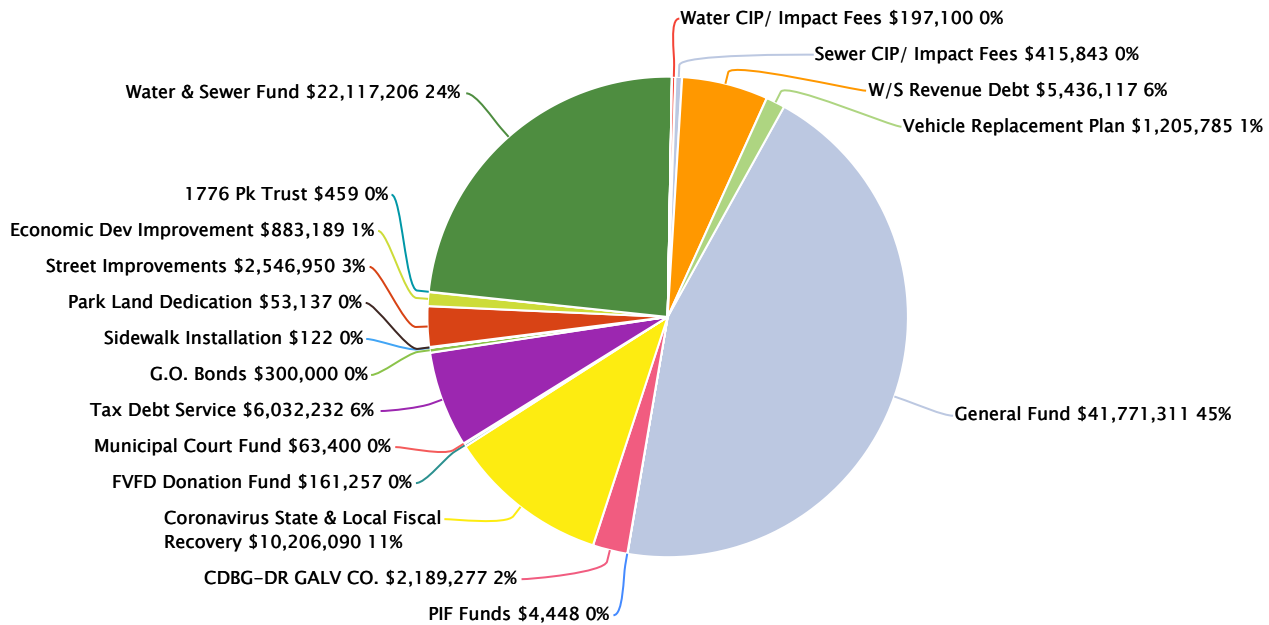
Revenue Summary Chart by Fund

The proposed revenue budget for fiscal year 2024-25 reflects a conservative approach, using prior year actual estimates as the basis for most revenue sources projections and anticipated impact of utility rate design changes.

FY25 Proposed Budget Revenues - All Funds

\$93,583,923

(includes inter-fund transfers)



Revenue Schedules

001 - General Fund

Account Description	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
Current Property Taxes	\$18,110,506	\$19,061,076	\$19,061,076	\$19,177,619	\$21,829,396
Delinquent Property Taxes	12,290	50,000	50,000	47,978	50,000
Sales Tax	9,637,022	9,150,001	9,150,001	9,291,919	9,291,919
TNMPCO Franchise	1,144,020	1,108,800	1,108,800	1,139,298	1,139,298
HL&P Franchise	139,194	142,911	142,911	142,011	142,011
Municipal Row Access Fees	33,161	35,400	35,400	47,926	47,926
Entex Franchise	323,225	331,313	331,313	277,478	277,478
Cable Franchise	387,247	392,669	392,669	377,367	377,367
PEG Fees	98,206	0	0	94,737	0
Waste Connections TX Franchise	110,636	101,710	101,710	106,617	106,617
Mixed Drink Tax	80,506	77,372	77,372	85,569	87,281
Taxes	\$30,076,013	\$30,451,252	\$30,451,252	\$30,788,519	\$33,349,293
Wrecker Permits	\$100	\$95	\$95	\$100	\$100
Alcoholic Beverage Permit	9,700	14,000	14,000	9,484	11,747
Peddler Permits	105	0	0	10	0
Noise Ordinance Permit	90	0	0	0	0
Animal Establishment Permit	0	0	0	25	0
App Fee-Well Drill Permit	0	0	0	500	0
After Hours Inspection	200	100	100	200	100
Building Permits	480,957	403,648	403,648	553,782	465,387
Electric Permits	53,868	49,335	49,335	28,469	57,549
Plumbing Permits	43,392	45,714	45,714	23,178	49,649
Development Permits	175	300	300	2,633	200
Air Conditioning Permits	31,900	29,948	29,948	18,980	32,890
Plan Inspection Fees	167,084	123,204	123,204	179,117	148,389
Re Inspection Fees	980	1,600	1,600	2,427	1,471
Sign Permits	10	0	0	130	0
Alarm Permits	60,873	79,757	79,757	56,351	72,056
Banner Permit Fee	275	250	250	150	250
Animal Licenses	580	644	644	440	657
Metricom Inc Agreement	4,948	4,929	4,929	6,523	6,523
Licenses And Permits	\$855,237	\$753,524	\$753,524	\$882,499	\$846,968
Bureau Of Justice Grants	5,695	0	0	3,180	0
FEMA Grants	164,121	0	0	0	0
Homeland Security Grants	11,158	0	0	0	0
Tx State Library Grants	4,017	0	0	0	0
Criminal Justice Division	69,070	76,908	76,908	69,864	76,908
Law Enforcement Training	4,038	4,275	9,989	10,401	4,275
Emergency Mgmt Division	0	0	0	0	0
Local Governments	40,204	90,709	90,709	85,313	96,712
Harris County	1,200,000	0	187,500	187,500	0
Frwd Volunteer Fire Department	0	0	0	0	0
Friendswood ISD	424,196	664,531	689,131	687,365	463,943
Clear Creek ISD	34,626	35,400	35,400	35,400	0
Intergovernmental	\$1,957,125	\$871,823	\$1,089,637	\$1,079,023	\$641,838
Credit Card Fees	\$48,252	\$53,870	\$53,870	\$57,427	\$49,080
EMS Billing	0	0	0	0	1,000,035
Facility Security Fees	34,178	36,952	36,952	34,738	38,440

Revenue Schedules

001 - General Fund (continued)

Account Description	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
Plat Fees	6,900	13,200	13,200	16,267	13,022
Commercial Site Plan	2,500	2,444	2,444	8,000	5,167
Rezoning Fees	2,600	2,100	2,100	1,867	1,889
Subdivision Variance Fee	0	0	0	0	0
Vacation Of Easement/R-O-W	0	300	300	0	300
Zoning Compliance Cert	2,775	3,275	3,275	2,800	3,108
Construction Plan Review	3,000	4,000	4,000	0	4,000
Bid Spec Documents	0	0	0	48	0
Animal Cntrl/Shelter Fees	38	50	50	0	0
Animal Adoption Fees	450	500	500	67	100
Swimming Pool Fees	81,256	78,795	78,795	77,729	77,729
Recreation Program/Events	12,715	23,000	23,000	23,000	23,000
Amphitheater Rental Fees	331	500	500	0	500
Concession Agreements	1,199	899	899	300	300
Lake Friendswood Fees	325	0	0	250	0
Sports Complex Fees	15,224	14,315	14,315	12,084	12,084
Stevenson Park Fees	125	100	100	430	100
Pavilion Fees	32,223	31,273	31,273	34,199	34,199
Gazebo Fees	725	750	750	600	600
Leavesley Park Fees	23,636	24,492	24,492	30,482	30,482
Activity User Fee	600	460	460	4,675	458
Non-Residential Fee	3,275	3,150	3,150	3,075	3,075
League Fees-Adult	38,767	37,295	37,295	36,753	36,753
Summer Day Camp	156,720	380,134	205,050	151,050	228,108
Aerobic Class Fees	25,719	26,412	26,412	22,635	22,635
Other Fees	1,465	0	0	300	0
Library Fees	1,921	0	0	1,965	0
Other Program Fees	22,125	22,690	22,690	24,064	24,064
Booth Fees	14,895	16,040	16,040	14,500	14,895
Fun Run Receipts/Donation	18,926	24,926	24,926	16,220	24,926
Sponsorship Fees	49,150	7,000	23,000	37,900	7,000
Parks & Rec Fees	0	0	0	27,447	750
Charges For Services	\$602,015	\$808,922	\$649,838	\$640,872	\$1,656,799
Court Fines And Fees	\$677,795	\$743,726	\$743,726	\$875,757	\$789,342
Warrantless Arrest (Af)	20,415	24,863	24,863	25,386	25,371
Warrantless Arrest (Capwar)	47,233	42,431	42,431	42,837	45,924
Child Safety (CS)	2,256	2,085	2,085	2,916	2,686
Traffic Fee (TFC)	6,029	7,843	7,843	6,871	7,827
Harris Co Child Safety	12,150	12,383	12,383	11,467	12,542
Administrative Fee - DPTS	1,793	2,014	2,014	1,730	2,138
10% Tp-Court Adm ⁽³⁵⁾	7,846	9,472	9,472	9,076	11,134
40% Tp - City Funds ⁽³⁵⁾	939	3,357	3,357	855	1,758
Jury Fee \$3	3	0	0	0	0
State Traffic (5% City)	4,006	5,113	5,113	4,441	5,157
City'S 10% CJF	1	0	0	0	0
Consolidated Court Cost-10% Adm	38,847	33,673	33,673	30,801	34,720
Library	7,927	7,000	7,000	7,504	7,504

Revenue Schedules

001 - General Fund (continued)

Account Description	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
False Alarms	6,896	26,918	26,918	0	19,495
Fines	\$834,136	\$920,878	\$920,878	\$1,019,641	\$965,598
Investments	\$39,794	\$62,491	\$62,491	\$72,721	\$69,785
Texpool	100,956	97,802	97,802	118,204	113,432
Texas Class	20,056	19,534	19,534	23,206	22,269
Tx Class GOVT	350,563	328,381	328,381	448,307	430,207
Checking Accounts	30,673	31,858	31,858	48,177	46,232
Marking Invest To Market	70,902	0	0	0	0
Interest Revenue	\$612,944	\$540,066	\$540,066	\$710,615	\$681,925
Tower Rental Fees	63,416	139,795	139,795	99,243	99,243
GASB 87-Lease Revenue	66,817	0	0	0	0
Lease Revenue	0	0	0	0	0
Misc Receipts	3,803	0	815	16,254	0
Opioid Abatement	44,052	0	0	8,570	0
Dispatching Services	14,000	0	0	0	0
Intermodal Permit Funds	2,952	0	0	6,204	0
Admin Fee-Child Support	857	1,040	1,040	940	940
Recycling Receipts	239	685	2,937	2,388	605
Refuse Admin Fee	241,206	240,175	240,175	262,152	262,152
Admin Fees-Misc Receipts	1,967	1,416	1,416	1,799	1,852
Late Fee-Alarm Permit	100	80	80	20	80
Return Check Fee	0	0	0	0	0
Reimbursements	214,964	5,000	5,000	5,175	5,000
Insurance	65,685	0	31,524	58,028	0
PY Insurance Reimb	3,998	0	0	0	0
Prior Period Expenditures	11,994	0	0	24,303	0
Purchasing Rebates	23,703	25,000	25,000	23,962	25,000
Prior Year Revenue	(1,801)	0	0	(606)	0
Documents	3,615	671	671	4,593	1,837
Donations	87,039	5,000	50,721	49,379	0
Sr Program Donations	25,435	20,000	20,000	32,915	20,000
Miscellaneous Receipts	\$874,041	\$438,862	\$519,174	\$595,319	\$416,709
Trans from W&S Fund	\$1,803,800	\$2,682,431	\$2,682,431	\$2,682,431	\$3,196,181
Trans from FDEDC Fund	16,000	16,000	16,000	16,000	16,000
Gain/Loss on Sale of Fixed Assets	7,400	0	0	0	0
Sale of City Property	10,781	0	0	5,936	0
Capital Lease Proceeds	514,000	0	0	0	0
Other Financing Sources	\$2,351,981	\$2,698,431	\$2,698,431	\$2,704,367	\$3,212,181
General Fund Total Revenues	\$38,163,492	\$37,483,758	\$37,622,800	\$38,420,855	\$41,771,311

Revenue Schedules

Other Funds

Account Description	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
101 - Police Seizure Federal					
Investments	\$804	\$270	\$270	\$194	\$194
Texpool	487	180	180	245	245
Texas Class	97	60	60	48	48
TX Class GOVT	1,623	900	900	915	915
Checking Accounts	150	60	60	95	95
Marking Invest to Market	255	0	0	0	0
Interest Revenue	\$3,416	\$1,470	\$1,470	\$1,497	\$1,497
Total Police Seizure Federal	\$3,416	\$1,470	\$1,470	\$1,497	\$1,497
102 - Police Seizure State					
Seized Revenues-State	\$5,060	\$0	\$0	\$6,307	\$0
Seized Revenues - County	0	0	0	1,176	0
Intergovernmental Revenue	\$5,060	\$0	\$0	\$7,483	\$0
Investments	\$528	\$326	\$326	\$328	\$328
Texpool	417	386	386	550	550
Texas Class	83	77	77	108	108
TX Class GOVT	1,623	1,847	1,847	915	915
Checking Accounts	122	121	121	213	213
Marking Invest to Market	295	0	0	0	0
Interest Revenue	\$3,068	\$2,757	\$2,757	\$2,114	\$2,114
Total Police Seizure State	\$8,128	\$2,757	\$2,757	\$9,597	\$2,114
103 - Federal Treasury					
Investments	\$163	\$96	\$96	\$87	\$87
Texpool	123	115	115	141	141
Texas Class	24	23	23	28	28
TX Class GOVT	422	379	379	527	527
Checking Accounts	36	36	36	54	54
Marking Invest to Market	86	0	0	0	0
Interest Revenue	\$854	\$649	\$649	\$837	\$837
Total Federal Treasury	\$854	\$649	\$649	\$837	\$837
123 - 2017 Community Development Block Grant-Disaster Recovery (Harris Co.) Fund					
Federal Government	\$3,131,817	\$471,560	\$471,560	\$477,023	\$0
Intergovernmental Revenue	\$3,131,817	\$471,560	\$471,560	\$477,023	\$0
Trans from General Fund	\$6,868	\$0	\$0	\$0	\$0
Other Financing Sources	\$6,868	\$0	\$0	\$0	\$0
Total 2017 CDBG-DR (Harris Co.) Fund	\$3,138,685	\$471,560	\$471,560	\$477,023	\$0
124 - 2017 Community Development Block Grant-Disaster Recovery (Galveston Co.) Fund					
Federal Government	\$626,044	\$2,745,386	\$2,745,386	\$131,685	\$2,181,797
Intergovernmental Revenue	\$626,044	\$2,745,386	\$2,745,386	\$131,685	\$2,181,797
Lease Revenue	\$1,682	\$0	\$0	\$12,687	\$7,480
Total 2017 CDBG-DR (Galveston Co.) Fund	\$627,726	\$2,745,386	\$2,745,386	\$144,372	\$2,189,277
125 - 2021 Coronavirus State and Local Fiscal Recovery					
Federal Government	\$0	\$10,003,026	\$10,003,026	\$0	\$10,003,026
Intergovernmental Revenue	\$0	\$10,003,026	\$10,003,026	\$0	\$10,003,026
Investments	\$24,862	\$19,402	\$19,402	\$42,950	\$21,046

Revenue Schedules

Other Funds (continued)

Account Description	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
Texpool	61,264	28,635	28,635	69,800	34,202
Texas Class	12,185	5,733	5,733	13,715	6,720
TX Class GOVT	210,336	94,230	94,230	260,958	127,870
Checking Accounts	17,971	8,979	8,979	26,992	13,226
Marking Invest to Market	42,821	0	0	0	0
Interest Revenue	\$369,439	\$156,979	\$156,979	\$414,415	\$203,064
Total Coronavirus State and Local Fiscal Recovery	\$369,439	\$10,160,005	\$10,160,005	\$414,415	\$10,206,090
131 - FVFD Donation Fund					
Investments	\$1,051	\$1,646	\$1,646	\$1,639	\$1,311
Texpool	2,904	2,843	2,843	2,354	1,883
Texas Class	578	569	569	463	370
TX Class GOVT	9,921	9,327	9,327	8,687	6,949
Checking Accounts	861	897	897	930	744
Marking Invest to Market	1,898	0	0	0	0
Interest Revenue	\$17,213	\$15,282	\$15,282	\$14,073	\$11,257
Donations	\$183,494	\$190,000	\$190,000	\$172,986	\$150,000
Miscellaneous Receipts	\$183,494	\$190,000	\$190,000	\$172,986	\$150,000
Capital Lease Proceeds	411,000	0	0	0	0
Other Financing Sources	\$411,000	\$0	\$0	\$0	\$0
Total FVFD Donation Fund	\$611,707	\$205,282	\$205,282	\$187,059	\$161,257
150 - Municipal Court Fund					
Bldg Security Fund	\$19,821	\$17,700	\$17,700	\$22,383	\$20,200
Technology Fund	16,440	16,000	16,000	18,441	18,000
Youth Diversion Fees	19,727	15,000	15,000	22,543	17,800
Jury Service Fees	394	300	300	450	400
Municipal Court Fees	\$56,382	\$49,000	\$49,000	\$63,817	\$56,400
Investments	\$485	\$718	\$718	\$827	\$835
Texpool	1,347	583	583	1,313	1,155
Texas Class	269	265	265	258	227
TX Class GOVT	4,539	4,272	4,272	4,273	4,336
Checking Accounts	403	421	421	508	447
Marking Invest to Market	806	0	0	0	0
Interest Revenue	\$7,849	\$6,259	\$6,259	\$7,179	\$7,000
Total Municipal Court Fund	\$64,231	\$55,259	\$55,259	\$70,996	\$63,400
160 - Sidewalk Install Fund					
Investments	\$6	\$2	\$2	\$25	\$13
Texpool	48	2	2	41	21
Texas Class	10	1	1	8	4
TX Class GOVT	152	5	5	154	76
Checking Accounts	14	1	1	16	8
Marking Invest to Market	25	0	0	0	0
Interest Revenue	\$255	\$11	\$11	\$244	\$122
Total Sidewalk Install Fund	\$255	\$11	\$11	\$244	\$122
164 - Park Land Dedication Fund					
Community Parks	\$0	\$50,000	\$50,000	\$0	\$50,000

Revenue Schedules

Other Funds (continued)

Account Description	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
PARK Fees-Effective FY13	60,600	0	0	69,600	0
Park Fees	\$60,600	\$50,000	\$50,000	\$69,600	\$50,000
Investments	\$81	\$150	\$150	\$286	\$287
Texpool	238	175	175	534	535
Texas Class	47	35	35	105	105
TX Class GOVT	839	588	588	2,005	2,005
Checking Accounts	67	55	55	207	205
Marking Invest to Market	199	0	0	0	0
Interest Revenue	\$1,471	\$1,003	\$1,003	\$3,137	\$3,137
Total Park Land Dedication Fund	\$62,071	\$51,003	\$51,003	\$72,737	\$53,137
170 - Street Improvements Fund					
Sales Tax	\$2,409,256	\$2,287,500	\$2,287,500	\$2,322,980	\$2,322,980
Taxes	\$2,409,256	\$2,287,500	\$2,287,500	\$2,322,980	\$2,322,980
Investments	\$10,513	\$16,221	\$16,221	\$21,719	\$21,719
Texpool	24,776	21,907	21,907	37,861	37,861
Texas Class	4,920	4,381	4,381	7,439	7,439
TX Class GOVT	86,028	72,852	72,852	142,276	142,276
Checking Accounts	7,225	6,889	6,889	14,675	14,675
Marking Invest to Market	18,437	0	0	0	0
Interest Revenue	\$151,899	\$122,250	\$122,250	\$223,970	\$223,970
Total Street Improvements Fund	\$2,561,155	\$2,409,750	\$2,409,750	\$2,546,950	\$2,546,950
175 - Economic Development District Fund					
Sales Tax	\$803,085	\$762,502	\$762,502	\$774,327	\$774,327
Taxes	\$803,085	\$762,502	\$762,502	\$774,327	\$774,327
Investments	\$6,824	\$13,656	\$13,656	\$11,486	\$11,486
Texpool	17,110	15,565	15,565	18,424	18,424
Texas Class	3,401	3,116	3,116	3,621	3,621
TX Class GOVT	58,913	51,273	51,273	68,391	68,391
Checking Accounts	4,990	4,868	4,868	6,940	6,940
Marking Invest to Market	12,333	0	0	0	0
Interest Revenue	\$103,571	\$88,478	\$88,478	\$108,862	\$108,862
Total Economic Development District Fund	\$906,656	\$850,980	\$850,980	\$883,189	\$883,189
201 - Tax Debt Service Fund					
Current Property Taxes	\$4,602,666	\$6,092,175	\$6,092,175	\$6,142,175	\$5,943,302
Delinquent Property Taxes	25	15,000	15,000	12,000	15,000
Taxes	\$4,602,691	\$6,107,175	\$6,107,175	\$6,154,175	\$5,958,302
Investments	\$2,971	\$5,033	\$5,033	\$7,694	\$7,694
Texpool	7,031	7,469	7,469	12,119	12,119
Texas Class	1,397	1,489	1,489	2,376	2,376
TX Class GOVT	24,997	25,807	25,807	45,856	45,856
Checking Accounts	2,391	2,758	2,758	5,885	5,885
Marking Invest to Market	4,984	0	0	0	0
Interest Revenue	\$43,771	\$42,556	\$42,556	\$73,930	\$73,930

Revenue Schedules

Other Funds (continued)

Account Description	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
Premium	4,470	0	0	0	0
Other Financing Sources	\$4,470	\$0	\$0	\$0	\$0
Total Tax Debt Service Fund	\$4,650,932	\$6,149,731	\$6,149,731	\$6,228,105	\$6,032,232
254 - 2016 G.O. Bond (Round 2) Fund					
Texas Class	\$2,676	\$0	\$0	\$2,394	\$0
Interest Revenue	\$2,676	\$0	\$0	\$2,394	\$0
Total 2016 G.O. Bond (Round 2) Fund	\$2,676	\$0	\$0	\$2,394	\$0
255 - 2017 G.O. Bond (Round 3) Fund					
TX Class GOVT	12,842	0	0	15,963	0
Interest Revenue	\$12,842	\$0	\$0	\$15,963	\$0
Total 2017 G.O. Bond (Round 3) Fund	\$12,842	\$0	\$0	\$15,963	\$0
256 - 2020 G.O. Improvement & Refunding Bond Fund					
TX Class GOVT	\$50,010	\$0	\$0	\$6,278	\$0
Interest Revenue	\$50,010	\$0	\$0	\$6,278	\$0
Total 2020 G.O. Improvement & Refunding Bond Fund	\$50,010	\$0	\$0	\$6,278	\$0
257 - 2021 G.O. Improvement & Refunding Bond Fund					
TX Class GOVT	\$183,046	\$50,000	\$50,000	\$185,851	\$50,000
Interest Revenue	\$183,046	\$50,000	\$50,000	\$185,851	\$50,000
Total 2021 G.O. Improvement & Refunding Bond Fund	\$183,046	\$50,000	\$50,000	\$185,851	\$50,000
258 - 2023 G.O. Improvement Bond Fund					
TX Class GOVT	\$230,800	\$900,000	\$900,000	\$1,096,817	\$250,000
Interest Revenue	\$230,800	\$900,000	\$900,000	\$1,096,817	\$250,000
Bond Proceeds	\$29,775,000	\$0	\$0	\$0	\$0
Premium	541,134	0	0	0	0
Other Financing Sources	\$30,546,934	\$900,000	\$900,000	\$1,096,817	\$250,000
Total 2023 G.O. Improvement Bond Fund	\$30,546,934	\$900,000	\$900,000	\$1,096,817	\$250,000
301 - Vehicle Replacement Fund					
Investments	\$2,275	\$588	\$588	\$4,857	\$4,857
Texpool	5,760	5,248	5,248	8,490	8,490
Texas Class	1,145	1,051	1,051	1,668	1,668
TX Class GOVT	19,795	17,244	17,244	31,952	31,952
Checking Accounts	1,683	1,644	1,644	3,292	3,292
Marking Invest to Market	3,920	2,775	2,775	0	0
Interest Revenue	\$34,578	\$28,550	\$28,550	\$50,259	\$50,259
Lease Revenue	\$998,340	\$1,112,395	\$1,112,395	\$1,112,395	\$1,155,526
MISC Receipts	2,693	0	0	0	0
Insurance	32,531	0	20,625	20,625	0
Trans from General Fund	9,467	0	0	0	0
Trans from W/S Fund	0	0	16,954	16,954	0
Gain/Loss on Sale of Fixed Assets	48,375	0	0	79,805	0
Other Financing Sources	\$1,091,406	\$1,112,395	\$1,149,974	\$1,229,779	\$1,155,526
Total Vehicle Replacement Fund	\$1,125,984	\$1,140,945	\$1,178,524	\$1,280,038	\$1,205,785

Revenue Schedules

Other Funds (continued)

Account Description	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
401 - Water & Sewer (W&S) Fund					
FEMA Grants	\$79,646	\$0	\$0	\$0	\$0
Local Grants	24,708	0	0	0	0
Intergovernmental Revenue	\$104,354	\$0	\$0	\$0	\$0
Credit Card Fees	\$200,962	\$192,000	\$192,000	\$221,026	\$220,000
Single FMLY Res	7,480,753	6,699,348	6,699,348	7,452,655	7,676,235
Single Commercial	725,293	696,256	696,256	764,306	787,235
Multi FMLY Res	696,015	752,337	752,337	641,644	660,893
Multi Commercial	113,247	110,196	110,196	109,665	112,955
Sprinkler Only	1,290,378	1,152,417	1,152,417	1,394,723	1,436,565
Other	173,376	146,767	146,767	205,109	211,262
Single FMLY Res	8,325,765	8,366,290	8,366,290	8,647,647	8,907,076
Single Commercial	543,083	525,247	525,247	580,071	597,473
Multi FMLY Res	529,510	572,986	572,986	481,510	495,956
Multi Commercial	76,973	75,488	75,488	64,386	66,317
Other	41,434	28,463	28,463	44,092	45,414
Charges for Services	\$20,196,789	\$19,317,795	\$19,317,795	\$20,606,834	\$21,217,381
Investments	\$31,793	\$62,033	\$62,033	\$61,692	\$61,692
Texpool	79,672	72,725	72,725	100,775	100,775
Texas Class	15,837	14,555	14,555	19,801	19,801
TX Class GOVT	274,568	240,079	240,079	375,476	375,476
Checking Accounts	23,323	22,832	22,832	39,339	39,339
Marking Invest to Market	56,032	0	0	0	0
Interest Revenue	\$481,225	\$412,224	\$412,224	\$597,083	\$597,083
MISC Receipts	\$295,010	\$0	\$0	\$0	\$0
Admin Fee-Child Support	201	0	0	174	0
Admin Fees	221,548	220,000	220,000	248,242	220,000
Same Day Service Fee	7,650	7,000	7,000	4,501	4,500
Disconnect/Reconnect Fee	25,325	35,000	35,000	39,168	35,000
Tampering Fee	1,800	2,000	2,000	1,334	1,500
Pulled Meter Fees	800	200	200	200	200
Broken Lock Fee	120	0	0	0	0
Meter Replacement Fee	0	0	0	846	0
Rebate-Subsidence District	8,724	8,724	8,724	9,042	9,042
Return Check Fee	3,710	2,500	2,500	3,408	2,500
Prior Year Expenditures	728	0	0	146,337	0
Sale of Water Meters	44,270	30,000	30,000	40,000	30,000
Miscellaneous Receipts	\$609,886	\$305,424	\$305,424	\$493,252	\$302,742
Total Water & Sewer Fund	\$21,392,254	\$20,035,443	\$20,035,443	\$21,697,169	\$22,117,206
420 - 2016 W&S Bond Construction Fund					
TX Class GOVT	64,351	0	0	67,640	0
Interest Revenue	\$64,351	\$0	\$0	\$67,640	\$0
Total 2016 W&S Bond Construction Fund	\$64,351	\$0	\$0	\$67,640	\$0

Revenue Schedules

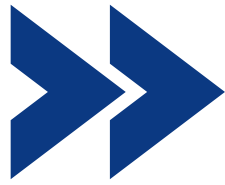
Other Funds (continued)

Account Description	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
421 - 2018 W&S Bond Construction Fund					
TX Class GOVT	236,179	25,000	25,000	108,285	0
Interest Revenue	\$236,179	\$25,000	\$25,000	\$108,285	\$0
Total 2018 W&S Bond Construction Fund	\$236,179	\$25,000	\$25,000	\$108,285	\$0
422 - 2021 W&S Bond Construction Fund					
TX Class GOVT	\$574,112	\$360,000	\$360,000	\$524,895	\$0
Interest Revenue	\$574,112	\$360,000	\$360,000	\$524,895	\$0
Total 2021 W&S Bond Construction Fund	\$574,112	\$360,000	\$360,000	\$524,895	\$0
480 - Water CIP/Impact Fee Fund					
CW Impact Fees	\$165,147	\$105,525	\$105,525	\$150,197	\$192,625
Charges for Services	\$165,147	\$105,525	\$105,525	\$150,197	\$192,625
Investments	\$110	\$128	\$128	\$306	\$400
Texpool	280	89	89	643	700
Texas Class	56	38	38	126	125
TX Class GOVT	929	137	137	2,489	3,000
Checking Accounts	83	8	8	246	250
Marking Invest to Market	155	0	0	0	0
Interest Revenue	\$1,613	\$400	\$400	\$3,810	\$4,475
Total Water CIP/Impact Fee Fund	\$166,760	\$105,925	\$105,925	\$154,007	\$197,100
490 - W&S Revenue Debt Service Fund					
Investments	\$5,255	\$9,841	\$9,841	\$12,123	\$12,123
Texpool	15,533	14,509	14,509	18,510	18,510
Texas Class	3,099	2,918	2,918	3,638	3,638
TX Class GOVT	52,321	46,270	46,270	67,187	67,187
Checking Accounts	4,704	4,762	4,762	7,584	7,584
Marking Invest to Market	9,312	0	0	0	0
Interest Revenue	\$90,224	\$78,300	\$78,300	\$109,042	\$109,042
Trans from W&S Fund	\$4,676,100	\$5,322,775	\$5,322,775	\$5,322,775	\$4,877,075
Trans from Water CIP/Impact Fee Fund	200,000	0	0	0	150,000
Trans from Sewer CIP/Impact Fee Fund	450,000	0	0	0	300,000
Other Financing Sources	\$5,326,100	\$5,322,775	\$5,322,775	\$5,322,775	\$5,327,075
Total W&S Revenue Debt Service Fund	\$5,416,324	\$5,401,075	\$5,401,075	\$5,431,817	\$5,436,117
580 - Sewer CIP/Impact Fee Fund					
CW Impact Fees	\$322,538	\$211,500	\$211,500	\$285,025	\$408,813
Charges for Services	\$322,538	\$211,500	\$211,500	\$285,025	\$408,813
Investments	\$99	\$24	\$24	\$480	\$500
Texpool	607	368	368	1,088	1,100
Texas Class	123	75	75	214	210
TX Class GOVT	1,800	922	922	4,231	4,800
Checking Accounts	181	111	111	415	420
Marking Invest to Market	130	0	0	0	0
Interest Revenue	\$2,940	\$1,500	\$1,500	\$6,428	\$7,030
Total Sewer CIP/Impact Fee Fund	\$325,478	\$213,000	\$213,000	\$291,453	\$415,843

Revenue Schedules

Other Funds (continued)

Account Description	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
701 - 1776 Park Trust Fund					
Investments	\$26	\$42	\$42	\$48	\$48
Texpool	68	64	64	77	77
Texas Class	14	13	13	15	15
TX Class GOVT	233	209	209	289	289
Checking Accounts	20	20	20	30	30
Marking Invest to Market	47	0	0	0	0
Interest Revenue	\$408	\$348	\$348	\$459	\$459
Total 1776 Park Trust Fund	\$408	\$348	\$348	\$459	\$459



General and Administrative Transfers



Transfers to Other Funds

	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
General Fund					
Vehicle Replacement Fund	\$9,467	\$0	\$0	\$0	\$0
2017 CDBG-DR Grant Fund	6,868	0	0	0	0
Total	\$16,335	\$0	\$0	\$0	\$0
Friendswood Downtown Economic Development Improvement Fund					
General Fund	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000
Total	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000
Vehicle Replacement Plan Fund					
General Fund	\$0	\$0	\$0	\$0	\$0
Total	\$0	\$0	\$0	\$0	\$0
Water & Sewer Operating Fund					
General Fund	\$1,803,800	\$2,682,431	\$2,682,431	\$2,682,431	\$3,196,181
Vehicle Replacement Fund	0	0	16,954	16,954	0
W&S Revenue Debt Service Fund	4,676,100	5,322,775	5,322,775	5,322,775	4,877,075
Total	\$6,479,900	\$8,005,206	\$8,022,160	\$8,022,160	\$8,073,256
Water CIP/Impact Fee Fund					
W&S Revenue Debt Service Fund	\$200,000	\$0	\$0	\$0	\$150,000
Total	\$200,000	\$0	\$0	\$0	\$150,000
Sewer CIP/Impact Fee Fund					
W&S Revenue Debt Service Fund	\$450,000	\$0	\$0	\$0	\$300,000
Total	\$450,000	\$0	\$0	\$0	\$300,000
Total Transfers to Other Funds	\$7,162,235	\$8,021,206	\$8,038,160	\$8,038,160	\$8,539,256

Transfers from Other Funds

	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
General Fund					
Friendswood Downtown Economic Development Improvement Fund	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000
W&S Operating Fund	1,803,800	2,682,431	2,682,431	2,682,431	3,196,181
Total	\$1,819,800	\$2,698,431	\$2,698,431	\$2,698,431	\$3,212,181
2017 CDBG(DR) - Harris County					
General Fund	\$6,868	\$0	\$0	\$0	\$0
Total	\$6,868	\$0	\$0	\$0	\$0
Vehicle Replacement Fund					
General Fund	\$9,467	\$0	\$0	\$0	\$0
W&S Operating Fund	0	0	16,954	16,954	0
Total	\$9,467	\$0	\$16,954	\$16,954	\$0
Water & Sewer Operating Fund					
Water & Sewer Revenue Debt Service Fund					
W&S Operating Fund	\$4,676,100	\$5,322,775	\$5,322,775	\$5,322,775	\$4,877,075
Water CIP/Impact Fee Fund	200,000	0	0	0	150,000
Sewer CIP/Impact Fee Fund	450,000	0	0	0	300,000
Total	\$5,326,100	\$5,322,775	\$5,322,775	\$5,322,775	\$5,327,075
Total Transfers From Other Funds	\$7,162,235	\$8,021,206	\$8,038,160	\$8,038,160	\$8,539,256



TM



Debt Service and Capital Improvements



Summary of Debt Service Funds

	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
General Obligation Bonds	\$3,366,756	\$4,808,466	\$4,808,916	\$4,808,366	\$4,980,738
Refunding Bonds	2,985,975	2,966,300	2,965,625	2,965,500	2,969,800
Revenue Bonds	2,884,525	2,884,825	2,885,050	2,885,050	2,886,100
Other Tax Debt	755,355	755,359	755,359	755,359	433,739
Total	\$9,992,611	\$11,414,950	\$11,414,950	\$11,414,275	\$11,270,377

Debt Service Funds Overview

The Tax Debt Service Fund is used to account for property taxes levied for payment of principal and interest on all general long-term debt of the City. The basis of budgeting for the Tax Debt Service Fund is the modified accrual method and is the same as the basis of accounting reported in the Annual Comprehensive Financial Report (ACFR).

The Water and Sewer Revenue Debt Service Fund is used to account for payment of principal and interest on all enterprise fund long-term debt of the City issued for utility capital improvements. Accrual basis of budgeting and accounting are used in the Water & Sewer Revenue Debt Service Fund with the following exceptions: debt principal payments are budgeted as expenses, bond issuance costs are for the full amount in the bond sale year, interfund transfers between Enterprise Funds are budgeted as income and expense. The expenses are reclassified for reporting purposes in the ACFR.

In FY 2010-11, the City refinanced its 2001 Series Water & Sewer Revenue Bonds as Series 2010B General Obligation Bonds. In FY 2019-20, the City refinanced the Series 2010B General Obligation Bonds as a portion of the 2020 General Obligation Improvement Bonds. Debt service payments on this portion of the 2020 General Obligation Improvement Bonds will be supported by the Water & Sewer Fund. This refinancing strategy did not alter the maturity date of the outstanding debt and resulted in a significant rate difference that will lower the interest amount due over the life of the bonds.

In FY 2014-15, the City refinanced its 2006 Series Water & Sewer Revenue Bonds as a portion of the Series 2014 General Obligation Bonds. Debt service payments on the Series 2014 Bonds will be supported by the Water & Sewer Fund. This refinancing strategy did not alter the maturity date of the outstanding debt and resulted in a significant rate difference that will lower the interest amount due over the life of the bonds.

In FY 2015-16, the City refinanced the remainder of its 2006 Series Water & Sewer Revenue Bonds as a portion of the Series 2016 General Obligation Bonds and refinanced a portion of its 2009 Series Water & Sewer Revenue Bonds as a portion of the Series 2016A General Obligation Bonds. Debt service payments on the Series 2014, 2016 and 2016A Bonds will be supported by the Water & Sewer Fund. This refinancing strategy did not alter the maturity date of the outstanding debt and resulted in a significant rate difference that will lower the interest amount due over the life of the bonds.

City of Friendswood Legal Debt Margin Information

As a City Council - City Manager form of government, the City of Friendswood is not limited by law in the amount of debt it may issue. The City's Charter states: "In keeping with the Constitution of the State of Texas and not contrary thereto, the City of Friendswood shall have the power to borrow money on the credit of the City for any public purpose not now or hereafter prohibited by the Constitution and laws of the State of Texas, and shall have the right to issue all tax bonds, revenue bonds, funding and refunding bonds, time warrants and other evidence of indebtedness as now authorized or as may hereafter be authorized to be issued by cities and towns by the laws of the State of Texas."

Article 11, Section 5 of the State of Texas Constitution states in part: “but no tax for any purpose shall ever be lawful for any one year, which shall exceed two and one-half percent (2.5%) of the taxable property of such city”. This means the City of Friendswood (as a Home Rule city) cannot adopt a tax rate greater than \$2.50 per \$100 taxable property valuation.

Per the City's Financial Advisor using the Texas Attorney General's guideline for home rule cities, the City's legal debt margin is based on a tax rate of

\$1.35 per \$100 of net assessed property value with projected 100% collection of the tax levy. For 2024-25, the City's legal debt margin is \$66,963,172. This means the City could issue debt (bonds) up to an amount that generates a maximum annual debt service requirement of less than \$66,963,172

Legal Debt Margin Calculation

By way of reference, the Home Rule Cities calculation of the legal debt margin for the City of Friendswood is below: Estimated net assessed value:

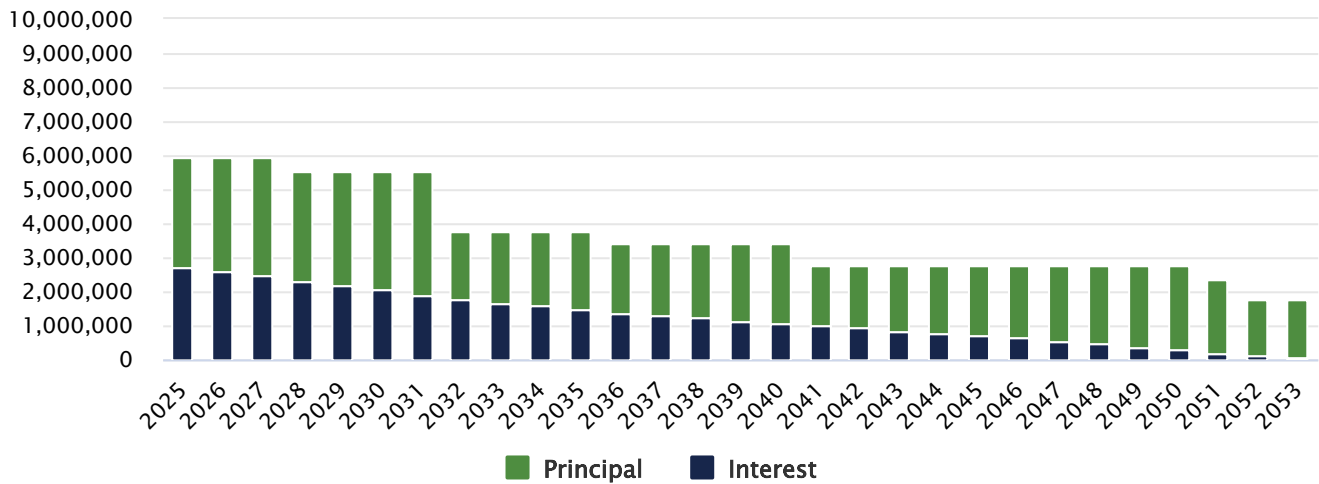
\$5,401,437,619

For Texas Constitution Legal Debt Margin for Friendswood:

Divide the estimated net assessed value by \$100 and multiply by the Texas Attorney General home rule tax rate of \$1.35. Then, subtract the maximum annual debt service requirement amount for existing General Obligation (G.O.) debt.

\$72,919,408	City of Friendswood's Maximum Legal Debt Service Requirement (based on tax rate of \$1.35 per \$100 value)
5,956,236	City of Friendswood's maximum annual debt service requirement for existing G.O. debt (will occur in fiscal year 2029)
\$66,963,172	City of Friendswood's FY24 Debt Margin

According to the City's Financial Advisor, a debt margin of \$66,963,172 translates into additional debt capacity of approximately \$1.005 billion in bonds (depending on factors such as the number of sales and the interest environment).



Year	Principal	Interest	Total *
2025	3,231,032	2,704,995	5,936,027
2026	3,369,297	2,583,930	5,953,227
2027	3,503,028	2,453,208	5,956,236
2028	3,210,000	2,312,388	5,522,388
2029	3,345,000	2,179,613	5,524,613
2030	3,485,000	2,039,594	5,524,594
2031	3,640,000	1,880,344	5,520,344
2032	2,005,000	1,748,394	3,753,394
2033	2,100,000	1,656,494	3,756,494
2034	2,190,000	1,563,269	3,753,269
2035	2,285,000	1,468,794	3,753,794
2036	2,015,000	1,380,494	3,395,494
2037	2,100,000	1,298,619	3,398,619
2038	2,180,000	1,218,669	3,398,669
2039	2,255,000	1,140,444	3,395,444
2040	2,340,000	1,058,638	3,398,638
2041	1,790,000	984,003	2,774,003
2042	1,855,000	916,163	2,771,163
2043	1,925,000	846,603	2,771,603
2044	1,995,000	775,928	2,770,928
2045	2,070,000	701,685	2,771,685
2046	2,150,000	623,638	2,773,638
2047	2,230,000	542,444	2,772,444
2048	2,315,000	457,978	2,772,978
2049	2,400,000	370,181	2,770,181
2050	2,495,000	278,835	2,773,835
2051	2,180,000	190,369	2,370,369
2052	1,660,000	112,219	1,772,219
2053	1,735,000	37,953	1,772,953
Total	\$70,053,357	\$35,525,886	\$105,579,243

*Excludes fiscal agent fees associated with the outstanding bonds

Tax Debt Service Fund Summary (201)

	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
General Obligation Bonds					
Principal	\$1,920,000	\$2,005,000	\$2,005,000	\$2,005,000	\$2,340,000
Interest	1,444,506	2,798,966	2,798,966	2,798,966	2,635,788
Issuance Cost	0	0	0	0	0
Paying Agent Fees	2,250	4,500	4,950	4,400	4,950
Total	\$3,366,756	\$4,808,466	\$4,808,916	\$4,808,366	\$4,980,738
Refunding Bonds					
Principal	\$480,000	\$480,000	\$480,000	\$480,000	\$500,000
Interest	64,400	47,600	47,600	47,600	28,000
Issuance Cost	0	0	0	0	0
Paying Agent Fees	0	750	300	198	825
Total	\$544,400	\$528,350	\$527,900	\$527,798	\$528,825
Other Tax Debt					
Principal	\$686,662	\$692,230	\$692,230	\$692,230	\$391,032
Interest	67,193	61,629	61,629	61,629	41,207
Issuance Cost	0	0	0	0	0
Paying Agent Fees	1,500	1,500	1,500	1,500	1,500
Total	\$755,355	\$755,359	\$755,359	\$755,359	\$433,739
Certificates of Obligation					
Principal	\$0	\$0	\$0	\$0	\$0
Interest	0	0	0	0	0
Issuance Cost	0	0	0	0	0
Paying Agent Fees	0	0	0	0	0
Total	\$0	\$0	\$0	\$0	\$0
Total Tax Debt Service Fund	\$4,666,511	\$6,092,175	\$6,092,175	\$6,091,523	\$5,943,302

Debt Service

Tax Debt Service Fund Account Listing

	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
93-16 Principal - 2014 Refunding Go Bonds	480,000	480,000	480,000	480,000	500,000
93-17 Principal - 2015 Go Bonds	505,000	520,000	520,000	520,000	535,000
93-18 Principal - 2016 Go Bonds	125,000	130,000	130,000	130,000	130,000
93-20 Principal - 2017 Go Bonds	410,000	420,000	420,000	420,000	435,000
93-48 Principal - 2020 Go Bonds	215,000	235,000	235,000	235,000	240,000
93-50 Principal - 2021 Go Bonds	665,000	700,000	700,000	700,000	735,000
	0	0	0	0	265,000
Bond and Go Principal	\$2,400,000	\$2,485,000	\$2,485,000	\$2,485,000	\$2,840,000
93-77 Principal - 20 Capital Equipment	206,668	210,967	210,967	210,967	0
93-85 Principal - 23 Ambulance	105,678	95,514	95,514	95,514	99,764
93-97 Principal - 21 Blackhawk Server Equipment	99,927	103,046	103,046	103,046	0
93-99 Principal - 22 Capital Equipment	274,389	282,703	282,703	282,703	291,268
Other Debt Principal	\$686,662	\$692,230	\$692,230	\$692,230	\$391,032
93-16 Interest - 2014 Refunding Go Bonds	64,400	47,600	47,600	47,600	28,000
93-17 Interest - 2015 Go Bonds	171,031	155,656	155,656	155,656	141,169
93-18 Interest - 2016 Go Bonds	318,850	316,300	316,300	316,300	313,050
93-20 Interest - 2017 Go Bonds	147,525	136,100	136,100	136,100	123,275
93-48 Interest - 2020 Go Bonds	344,275	333,025	333,025	333,025	321,150
93-50 Interest - 2021 Go Bonds	462,825	435,525	435,525	435,525	406,825
93-51 Interest - 2023 Go Bonds	0	1,422,360	1,422,360	1,422,360	1,330,319
Bond and Go Interest	\$1,508,906	\$2,846,566	\$2,846,566	\$2,846,566	\$2,663,788
93-77 Interest - 20 Capital Equipment	8,687	4,388	4,388	4,388	0
93-85 Interest - 23 Ambulance	8,005	18,172	18,172	18,172	13,920
93-97 Interest - 21 Blackhawk Server Equipment	6,335	3,216	3,216	3,216	0
93-97 Interest - 22 Capital Equipment	44,166	35,853	35,853	35,853	27,287
Other Debt Interest	\$67,193	\$61,629	\$61,629	\$61,629	\$41,207
93-16 Fiscal Fees - 14 Refunding Go Bonds	0	750	300	198	825
93-17 Fiscal Fees - 15 Go Bonds	750	750	825	825	825
93-18 Fiscal Fees - 16 Go Bonds	0	750	825	275	825
93-20 Fiscal Fees - 17 Go Bonds	0	750	825	825	825
93-48 Fiscal Fees - 20 Go Bonds	750	750	825	825	825
93-50 Fiscal Fees - 21 Go Bonds	750	750	825	825	825
93-51 Fiscal Fees - 23 Go Bonds	0	750	825	825	825
93-85 Fiscal Fees - 22 Ambulance	1,500	1,500	1,500	1,500	1,500
Fiscal Agent Fees	\$3,750	\$6,750	\$6,750	\$6,098	\$7,275
Total for Tax Debt Service Fund	\$4,666,511	\$6,092,175	\$6,092,175	\$6,091,523	\$5,943,302

Tax Debt Service Fund

Summary Schedule of Tax Debt Service to Maturity

Year	Principal	Interest	Total
2025	\$3,231,032	\$2,704,995	\$5,936,027
2026	3,369,297	2,583,930	5,953,227
2027	3,503,028	2,453,208	5,956,236
2028	3,210,000	2,312,388	5,522,388
2029	3,345,000	2,179,613	5,524,613
2030	3,485,000	2,039,594	5,524,594
2031	3,640,000	1,880,344	5,520,344
2032	2,005,000	1,748,394	3,753,394
2033	2,100,000	1,656,494	3,756,494
2034	2,190,000	1,563,269	3,753,269
2035	2,285,000	1,468,794	3,753,794
2036	2,015,000	1,380,494	3,395,494
2037	2,100,000	1,298,619	3,398,619
2038	2,180,000	1,218,669	3,398,669
2039	2,255,000	1,140,444	3,395,444
2040	2,340,000	1,058,638	3,398,638
2041	1,790,000	984,003	2,774,003
2042	1,855,000	916,163	2,771,163
2043	1,925,000	846,603	2,771,603
2044	1,995,000	775,928	2,770,928
2045	2,070,000	701,685	2,771,685
2046	2,150,000	623,638	2,773,638
2047	2,230,000	542,444	2,772,444
2048	2,315,000	457,978	2,772,978
2049	2,400,000	370,181	2,770,181
2050	2,495,000	278,835	2,773,835
2051	2,180,000	190,369	2,370,369
2052	1,660,000	112,219	1,772,219
2053	1,735,000	37,953	1,772,953
Total	\$70,053,357	\$35,525,886	\$105,579,243

Schedule of 2014 General Obligation Refund Bonds

By Maturity Date

Year	Principal	Interest	Total
2025	\$500,000	\$28,000	\$528,000
2026	450,000	9,000	459,000
Total	\$950,000	\$37,000	\$987,000

Schedule of 2015 General Obligation Bonds

By Maturity Date

Year	Principal	Interest	Total
2025	\$535,000	\$141,169	\$676,169
2026	605,000	126,919	731,919
2027	1,025,000	105,903	1,130,903
2028	1,055,000	77,944	1,132,944
2029	1,085,000	48,519	1,133,519
2030	1,120,000	16,800	1,136,800
Total	\$5,425,000	\$517,254	\$5,942,254

Schedule of 2016 General Obligation Bonds

By Maturity Date

Year	Principal	Interest	Total
2025	\$130,000	\$313,050	\$443,050
2026	140,000	308,300	448,300
2027	900,000	283,000	1,183,000
2028	940,000	237,000	1,177,000
2029	990,000	188,750	1,178,750
2030	1,035,000	138,125	1,173,125
2031	2,245,000	56,125	2,301,125
Total	\$6,380,000	\$1,524,350	\$7,904,350

Schedule of 2017 General Obligation Bonds

By Maturity Date

Year	Principal	Interest	Total
2025	\$435,000	\$123,275	\$558,275
2026	445,000	110,075	555,075
2027	470,000	94,000	564,000
2028	495,000	74,700	569,700
2029	515,000	54,500	569,500
2030	540,000	33,400	573,400
2031	565,000	11,300	576,300
Total	\$3,465,000	\$501,250	\$3,966,250

Schedule of 2020 General Obligation Bonds

By Maturity Date

Year	Principal	Interest	Total
2025	\$240,000	\$321,150	\$561,150
2026	260,000	308,650	568,650
2027	235,000	296,275	531,275
2028	245,000	284,275	529,275
2029	255,000	271,775	526,775
2030	265,000	258,775	523,775
2031	285,000	245,025	530,025
2032	515,000	227,600	742,600
2033	535,000	206,600	741,600
2034	560,000	184,700	744,700
2035	580,000	161,900	741,900
2036	420,000	144,000	564,000
2037	430,000	131,250	561,250
2038	445,000	118,125	563,125
2039	460,000	104,550	564,550
2040	470,000	90,600	560,600
2041	240,000	79,950	319,950
2042	250,000	72,600	322,600
2043	255,000	65,025	320,025
2044	265,000	57,225	322,225
2045	275,000	49,125	324,125
2046	280,000	40,800	320,800
2047	290,000	32,250	322,250
2048	300,000	23,400	323,400
2049	310,000	14,250	324,250
2050	320,000	4,800	324,800
Total	\$8,985,000	\$3,794,675	\$12,779,675

Schedule of 2021 General Obligation Bonds

By Maturity Date

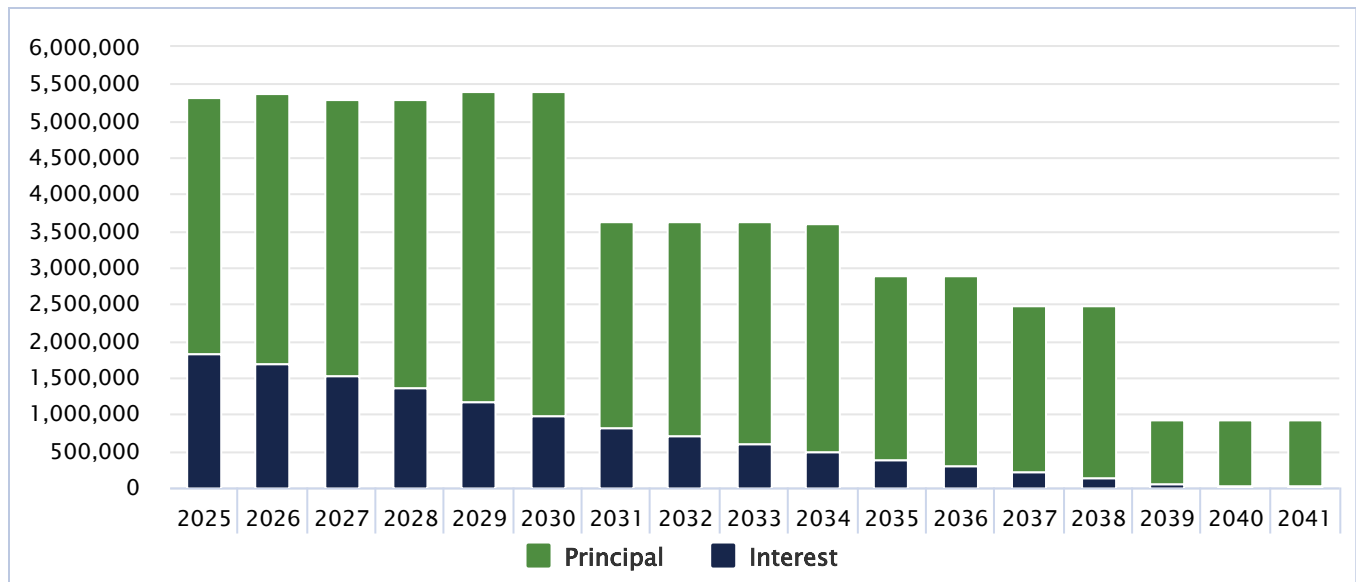
Year	Principal	Interest	Total
2025	\$735,000	\$406,825	\$1,141,825
2026	770,000	376,725	1,146,725
2027	185,000	357,625	542,625
2028	195,000	350,025	545,025
2029	200,000	342,125	542,125
2030	210,000	333,925	543,925
2031	220,000	325,325	545,325
2032	535,000	310,225	845,225
2033	560,000	288,325	848,325
2034	575,000	268,500	843,500
2035	595,000	250,950	845,950
2036	615,000	232,800	847,800
2037	635,000	214,050	849,050
2038	655,000	194,700	849,700
2039	675,000	174,750	849,750
2040	700,000	154,125	854,125
2041	465,000	136,650	601,650
2042	475,000	122,550	597,550
2043	495,000	109,547	604,547
2044	505,000	97,672	602,672
2045	515,000	85,560	600,560
2046	530,000	73,150	603,150
2047	540,000	60,444	600,444
2048	550,000	47,500	597,500
2049	565,000	34,259	599,259
2050	575,000	20,722	595,722
2051	585,000	6,947	591,947
Total	\$13,860,000	\$5,376,001	\$19,236,001

Schedule of 2023 General Obligation Bonds By Maturity Date

Year	Principal	Interest	Total
2025	\$265,000	\$1,330,319	\$1,595,319
2026	295,000	1,316,319	1,611,319
2027	270,000	1,302,194	1,572,194
2028	280,000	1,288,444	1,568,444
2029	300,000	1,273,944	1,573,944
2030	315,000	1,258,569	1,573,569
2031	325,000	1,242,569	1,567,569
2032	955,000	1,210,569	2,165,569
2033	1,005,000	1,161,569	2,166,569
2034	1,055,000	1,110,069	2,165,069
2035	1,110,000	1,055,944	2,165,944
2036	980,000	1,003,694	1,983,694
2037	1,035,000	953,319	1,988,319
2038	1,080,000	905,844	1,985,844
2039	1,120,000	861,144	1,981,144
2040	1,170,000	813,913	1,983,913
2041	1,085,000	767,403	1,852,403
2042	1,130,000	721,013	1,851,013
2043	1,175,000	672,031	1,847,031
2044	1,225,000	621,031	1,846,031
2045	1,280,000	567,000	1,847,000
2046	1,340,000	509,688	1,849,688
2047	1,400,000	449,750	1,849,750
2048	1,465,000	387,078	1,852,078
2049	1,525,000	321,672	1,846,672
2050	1,600,000	253,313	1,853,313
2051	1,595,000	183,422	1,778,422
2052	1,660,000	112,219	1,772,219
2053	1,735,000	37,953	1,772,953
Total	\$29,775,000	\$23,691,996	\$53,466,996

Obligations Under Capital Leases

Year	Principal	Interest	Total
2025	\$391,032	\$41,207	\$432,239
2026	404,297	27,942	432,239
2027	418,028	14,211	432,239
Total	\$1,213,357	\$83,360	\$1,296,717



Year	Principal	Interest	Total *
2025	\$3,485,000	\$1,837,125	\$5,322,125
2026	3,685,000	1,687,950	5,372,950
2027	3,760,000	1,528,000	5,288,000
2028	3,930,000	1,362,225	5,292,225
2029	4,220,000	1,180,400	5,400,400
2030	4,420,000	983,300	5,403,300
2031	2,790,000	828,200	3,618,200
2032	2,900,000	717,900	3,617,900
2033	3,010,000	606,800	3,616,800
2034	3,120,000	493,300	3,613,300
2035	2,495,000	390,325	2,885,325
2036	2,585,000	296,475	2,881,475
2037	2,275,000	207,250	2,482,250
2038	2,355,000	122,875	2,477,875
2039	860,000	67,050	927,050
2040	890,000	40,800	930,800
2041	915,000	13,725	928,725
Total	\$47,695,000	\$12,363,700	\$60,058,700

*Excludes fiscal agent fees associated with the outstanding bonds

Water and Sewer Revenue Debt Service Fund Summary (490)

	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
Revenue Bonds					
Principal	\$1,510,000	\$1,575,000	\$1,575,000	\$1,575,000	\$1,645,000
Interest	1,372,275	1,307,575	1,307,575	1,307,575	1,238,625
Issuance Cost	0	0	0	0	0
Paying Agent Fees	2,250	2,250	2,475	2,475	2,475
Total	\$2,884,525	\$2,884,825	\$2,885,050	\$2,885,050	\$2,886,100
Refunding Bonds					
Principal	\$1,715,000	\$1,770,000	\$1,770,000	\$1,770,000	\$1,840,000
Interest	724,325	665,700	665,700	665,700	598,500
Issuance Cost	0	0	0	0	0
Paying Agent Fees	2,250	2,250	2,025	2,002	2,475
Total	\$2,441,575	\$2,437,950	\$2,437,725	\$2,437,702	\$2,440,975
Other Tax Debt					
Principal	\$0	\$0	\$0	\$0	\$0
Interest	0	0	0	0	0
Issuance Cost	0	0	0	0	0
Paying Agent Fees	0	0	0	0	0
Total	\$0	\$0	\$0	\$0	\$0
Certificates of Obligation					
Principal	\$0	\$0	\$0	\$0	\$0
Interest	0	0	0	0	0
Issuance Cost	0	0	0	0	0
Paying Agent Fees	0	0	0	0	0
Total	\$0	\$0	\$0	\$0	\$0
Total W/S Debt Service Fund	\$5,326,100	\$5,322,775	\$5,322,775	\$5,322,752	\$5,327,075

Debt Service Water and Sewer Fund Account Listing

	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
93-14 Principal - 10 Refund Go Bonds (2001 W&S)	\$0	\$0	\$0	\$0	\$0
93-16 Principal - 14 Refund Go Bonds (2006 W&S)	905,000	930,000	930,000	930,000	975,000
93-18 Principal - 16 Refund Go Bonds (2006 W&S)	325,000	330,000	330,000	330,000	340,000
93-19 Principal - 16A Refund Go Bonds (2009 W&S)	485,000	510,000	510,000	510,000	525,000
93-48 Principal - 20 Refund Go Bonds (2001 W&S)	0	0	0	0	0
93-49 Principal - 21 W&S Bonds	490,000	510,000	510,000	510,000	530,000
93-54 Principal - 16 W&S Bonds	245,000	250,000	250,000	250,000	260,000
93-55 Principal - 18 W&S Bonds	775,000	815,000	815,000	815,000	855,000
Bond Principal	\$3,225,000	\$3,345,000	\$3,345,000	\$3,345,000	\$3,485,000
93-14 Interest - 10 Refund Go Bonds (2001 W&S)	\$0	\$0	\$0	\$0	\$0
93-16 Interest - 14 Refund Go Bonds (2006 W&S)	173,775	141,600	141,600	141,600	103,500
93-18 Interest - 16 Refund Go Bonds (2006 W&S)	281,850	275,300	275,300	275,300	266,900
93-19 Interest - 16A Refund Go Bonds (2009 W&S)	268,700	248,800	248,800	248,800	228,100
93-48 Interest - 20 Refund Go Bonds (2001 W&S)	0	0	0	0	0
93-49 Interest - 21 W&S Bonds	438,800	418,800	418,800	418,800	398,000
93-54 Interest - 16 W&S Bonds	156,150	151,200	151,200	151,200	144,800
93-55 Interest - 18 W&S Bonds	777,325	737,575	737,575	737,575	695,825
Bond Interest	\$2,096,600	\$1,973,275	\$1,973,275	\$1,973,275	\$1,837,125
93-14 Fiscal Fees - 10 Refund Go Bonds (2001 W&S)	\$0	\$0	\$0	\$0	\$0
93-16 Fiscal Fees - 14 Refund Go Bonds (2006 W&S)	750	750	650	627	825
93-18 Fiscal Fees - 16 Refund Go Bonds (2006 W&S)	750	750	550	550	825
93-19 Fiscal Fees - 16A Refund Go Bonds (2009 W&S)	750	750	825	825	825
93-49 Fiscal Fees - 21 W&S Bonds	750	750	825	825	825
93-54 Fiscal Fees - 16 W&S Bonds	750	750	825	825	825
93-55 Fiscal Fees - 18 W&S Bonds	750	750	825	825	825
Fiscal Agent Fees	\$4,500	\$4,500	\$4,500	\$4,477	\$4,950
93-49 Issue Costs - 2021 W&S Bonds	\$0	\$0	\$0	\$0	\$0
95-10 Issue Costs - Other Financing Uses	0	0	0	0	0
Issue Costs	\$0	\$0	\$0	\$0	\$0
Total for Water and Sewer Debt Fund	\$5,326,100	\$5,322,775	\$5,322,775	\$5,322,752	\$5,327,075

Water and Wastewater Revenue Debt Service

Summary Schedule of Revenue Debt Service to Maturity

Year	Water Principal	Waste Water Principal	Water Interest	Waste Water Interest	Water Total	Waste Water Total	Total
2025	\$2,805,900	\$679,100	\$1,358,248	\$478,877	\$4,164,148	\$1,157,977	\$5,322,125
2026	2,980,500	704,500	1,238,604	449,346	4,219,104	1,153,846	5,372,950
2027	3,019,050	740,950	1,110,884	417,116	4,129,934	1,158,066	5,288,000
2028	3,155,800	774,200	977,454	384,771	4,133,254	1,158,971	5,292,225
2029	3,413,600	806,400	829,463	350,937	4,243,063	1,157,337	5,400,400
2030	3,577,500	842,500	669,202	314,098	4,246,702	1,156,598	5,403,300
2031	1,909,250	880,750	550,547	277,653	2,459,797	1,158,403	3,618,200
2032	1,986,000	914,000	475,407	242,493	2,461,407	1,156,493	3,617,900
2033	2,060,600	949,400	400,084	206,716	2,460,684	1,156,116	3,616,800
2034	2,133,400	986,600	323,771	169,529	2,457,171	1,156,129	3,613,300
2035	1,468,350	1,026,650	259,481	130,844	1,727,831	1,157,494	2,885,325
2036	1,519,350	1,065,650	205,849	90,626	1,725,199	1,156,276	2,881,475
2037	1,577,500	697,500	150,212	57,038	1,727,712	754,538	2,482,250
2038	1,632,450	722,550	92,511	30,364	1,724,961	752,914	2,477,875
2039	679,400	180,600	52,970	14,080	732,370	194,680	927,050
2040	703,100	186,900	32,232	8,568	735,332	195,468	930,800
2041	722,850	192,150	10,843	2,882	733,693	195,032	928,725
Total	\$35,344,600	\$12,350,400	\$8,737,762	\$3,625,938	\$44,082,362	\$15,976,338	\$60,058,700

Schedule of 2006 Waterworks and Wastewater System

(Refinanced as a Portion of the Series 2014 General Obligation Bonds)

Debt Supported by Waterworks and Sewer System

By Maturity Date

Year	100% Water Principal	Waste Water Principal	Water Interest	Waste Water Interest	Water Total	Waste Water Total	Total
2025	\$975,000	\$0	\$103,500	\$0	\$1,078,500	\$0	\$1,078,500
2026	0	0	84,000	0	84,000	0	84,000
2027	1,025,000	0	63,500	0	1,088,500	0	1,088,500
2028	1,075,000	0	21,500	0	1,096,500	0	1,096,500
Total	\$3,075,000	\$0	\$272,500	\$0	\$3,347,500	\$0	\$3,347,500

Schedule of 2006 Waterworks and Wastewater System

(Refinanced as a Portion of the Series 2016 General Obligation Bonds)

Debt Supported by Waterworks and Sewer System

By Maturity Date

Year	Water Principal	Waste Water Principal	Water Interest	Waste Water Interest	Water Total	Waste Water Total	Total
2025	\$340,000	\$0	\$266,900	\$0	\$606,900	\$0	\$606,900
2026	1,420,000	0	233,400	0	1,653,400	0	1,653,400
2027	365,000	0	195,875	0	560,875	0	560,875
2028	380,000	0	177,250	0	557,250	0	557,250
2029	1,635,000	0	126,875	0	1,761,875	0	1,761,875
2030	1,720,000	0	43,000	0	1,763,000	0	1,763,000
Total	\$5,860,000	\$0	\$1,043,300	\$0	\$6,903,300	\$0	\$6,903,300

Schedule of 2016 Waterworks and Wastewater System

By Maturity Date

Year	Water Principal	Waste Water Principal	Water Interest	Waste Water Interest	Water Total	Waste Water Total	Total
2025	\$0	\$260,000	\$0	\$144,800	\$0	\$404,800	\$404,800
2026	0	265,000	0	135,600	0	400,600	400,600
2027	0	280,000	0	124,700	0	404,700	404,700
2028	0	290,000	0	114,750	0	404,750	404,750
2029	0	300,000	0	104,400	0	404,400	404,400
2030	0	310,000	0	92,200	0	402,200	402,200
2031	0	325,000	0	79,500	0	404,500	404,500
2032	0	335,000	0	66,300	0	401,300	401,300
2033	0	350,000	0	52,600	0	402,600	402,600
2034	0	365,000	0	38,300	0	403,300	403,300
2035	0	380,000	0	23,400	0	403,400	403,400
2036	0	395,000	0	7,900	0	402,900	402,900
Total	\$0	\$3,855,000	\$0	\$984,450	\$0	\$4,839,450	\$4,839,450

Schedule of 2009 Waterworks and Wastewater System

(A Portion Refinanced as the Series 2016A General Obligation Bonds)

Debt Supported by Waterworks and Sewer System

By Maturity Date

Year	Water Principal	Waste Water Principal	Water Interest	Waste Water Interest	Water Total	Waste Water Total	Total
2025	\$525,000	\$0	\$228,100	\$0	\$753,100	\$0	\$753,100
2026	550,000	0	206,600	0	756,600	0	756,600
2027	570,000	0	184,200	0	754,200	0	754,200
2028	590,000	0	161,000	0	751,000	0	751,000
2029	620,000	0	136,800	0	756,800	0	756,800
2030	640,000	0	114,800	0	754,800	0	754,800
2031	640,000	0	92,400	0	732,400	0	732,400
2032	665,000	0	66,300	0	731,300	0	731,300
2033	695,000	0	39,100	0	734,100	0	734,100
2034	720,000	0	12,600	0	732,600	0	732,600
Total	\$6,215,000	\$0	\$1,241,900	\$0	\$7,456,900	\$0	\$7,456,900

Schedule of 2018 Waterworks and Wastewater System

By Maturity Date

Year	Water Principal	Waste Water Principal	Water Interest	Waste Water Interest	Water Total	Waste Water Total	Total
2025	\$547,200	\$307,800	\$445,328	\$250,497	\$992,528	\$558,297	\$1,550,825
2026	576,000	324,000	417,248	234,702	993,248	558,702	1,551,950
2027	604,800	340,200	387,728	218,097	992,528	558,297	1,550,825
2028	636,800	358,200	356,688	200,637	993,488	558,837	1,552,325
2029	668,800	376,200	324,048	182,277	992,848	558,477	1,551,325
2030	704,000	396,000	289,728	162,972	993,728	558,972	1,552,700
2031	736,000	414,000	257,408	144,792	993,408	558,792	1,552,200
2032	768,000	432,000	227,328	127,872	995,328	559,872	1,555,200
2033	796,800	448,200	196,032	110,268	992,832	558,468	1,551,300
2034	828,800	466,200	163,520	91,980	992,320	558,180	1,550,500
2035	864,000	486,000	129,664	72,936	993,664	558,936	1,552,600
2036	899,200	505,800	94,400	53,100	993,600	558,900	1,552,500
2037	937,600	527,400	57,664	32,436	995,264	559,836	1,555,100
2038	972,800	547,200	19,456	10,944	992,256	558,144	1,550,400
Total	\$10,540,800	\$5,929,200	\$3,366,240	\$1,893,510	\$13,907,040	\$7,822,710	\$21,729,750

Schedule of 2021 Waterworks and Wastewater System By Maturity Date

Year	Water Principal	Waste Water Principal	Water Interest	Waste Water Interest	Water Total	Waste Water Total	Total
2025	\$418,700	\$111,300	\$314,420	\$83,580	\$733,120	\$194,880	\$928,000
2026	434,500	115,500	297,356	79,044	731,856	194,544	926,400
2027	454,250	120,750	279,581	74,319	733,831	195,069	928,900
2028	474,000	126,000	261,016	69,384	735,016	195,384	930,400
2029	489,800	130,200	241,740	64,260	731,540	194,460	926,000
2030	513,500	136,500	221,674	58,926	735,174	195,426	930,600
2031	533,250	141,750	200,739	53,361	733,989	195,111	929,100
2032	553,000	147,000	181,779	48,321	734,779	195,321	930,100
2033	568,800	151,200	164,952	43,848	733,752	195,048	928,800
2034	584,600	155,400	147,651	39,249	732,251	194,649	926,900
2035	604,350	160,650	129,817	34,508	734,167	195,158	929,325
2036	620,150	164,850	111,449	29,626	731,599	194,476	926,075
2037	639,900	170,100	92,548	24,602	732,448	194,702	927,150
2038	659,650	175,350	73,055	19,420	732,705	194,770	927,475
2039	679,400	180,600	52,970	14,080	732,370	194,680	927,050
2040	703,100	186,900	32,232	8,568	735,332	195,468	930,800
2041	722,850	192,150	10,843	2,882	733,693	195,032	928,725
Total	\$9,653,800	\$2,566,200	\$2,813,822	\$747,978	\$12,467,622	\$3,314,178	\$15,781,800



Capital Improvement Program

(Adopted by Council at the May 1, 2017
Council meeting; Resolution R2017-13)

Friendswood_Budget_
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The Capital Improvement Budget is currently under review, it will be included in this section upon adoption.

Departmental Information



Department Summary

Expenditure by Department

Department	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget	% Change from FY24 to FY25
Mayor and Council	\$69,303	\$86,519	\$87,519	\$85,025	\$91,719	6.0%
City Secretary's Office	611,562	635,954	573,608	556,856	430,841	-32.3%
City Manager's Office	1,199,041	937,306	1,014,112	1,011,124	1,210,430	29.1%
Finance	2,047,896	2,002,228	2,031,291	2,010,828	2,072,384	3.5%
Human Resources	1,132,542	1,326,439	1,326,439	1,249,859	1,486,144	12.0%
Information Technology	2,941,629	2,183,679	2,287,024	2,263,859	2,352,485	7.7%
City Attorney	386,785	460,988	439,460	435,334	478,802	3.9%
Municipal Court	467,021	517,214	522,775	535,884	530,088	2.5%
Communications	0	0	199,151	187,651	481,555	0.0%
Police	13,353,589	14,297,533	14,562,767	14,250,169	14,929,725	4.4%
Emergency Services	3,376,877	3,914,546	4,429,712	4,084,582	5,711,925	45.9%
Community Development	1,293,280	1,544,944	1,539,044	1,440,079	1,481,710	-4.1%
Public Works	11,424,658	12,452,959	15,391,465	15,994,296	15,545,110	24.8%
Engineering	1,132,802	1,265,858	1,271,833	1,164,356	1,328,627	5.0%
Library	1,445,736	1,484,828	1,512,157	1,487,806	1,495,438	0.7%
Parks & Recreation	5,292,194	5,715,517	6,163,022	6,301,728	5,997,440	4.9%
Department Total	\$46,174,915	\$48,826,512	\$53,351,379	\$53,059,436	\$55,624,423	13.9%

Expenditure by Classification

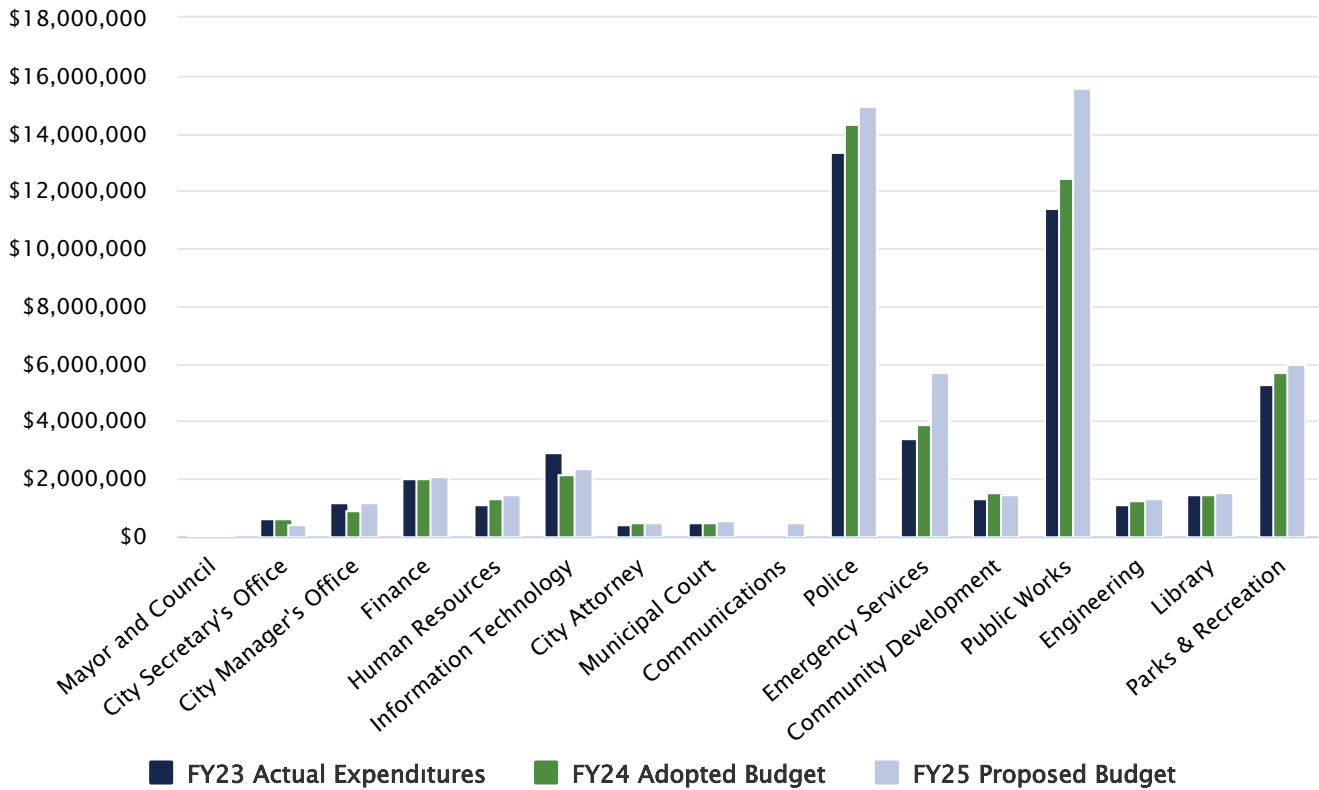
Classification	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget	% Change from FY24 to FY25
Personnel & Benefits	\$26,436,830	\$28,334,872	\$28,298,557	\$27,838,197	\$32,043,004	13.1%
Supplies	1,731,265	1,774,700	1,927,137	1,836,992	2,068,786	16.6%
Maintenance	1,750,583	2,391,070	3,012,050	2,755,924	2,344,978	-1.9%
Services	13,844,130	15,428,411	18,132,446	18,373,103	15,603,385	1.1%
Capital Outlay	1,911,413	190,784	1,274,514	1,560,153	393,425	106.2%
Other	500,694	706,675	706,675	695,067	3,170,845	348.7%
Classification Total	\$46,174,915	\$48,826,512	\$53,351,379	\$53,059,436	\$55,624,423	13.9%

Full-Time Equivalents By Departments

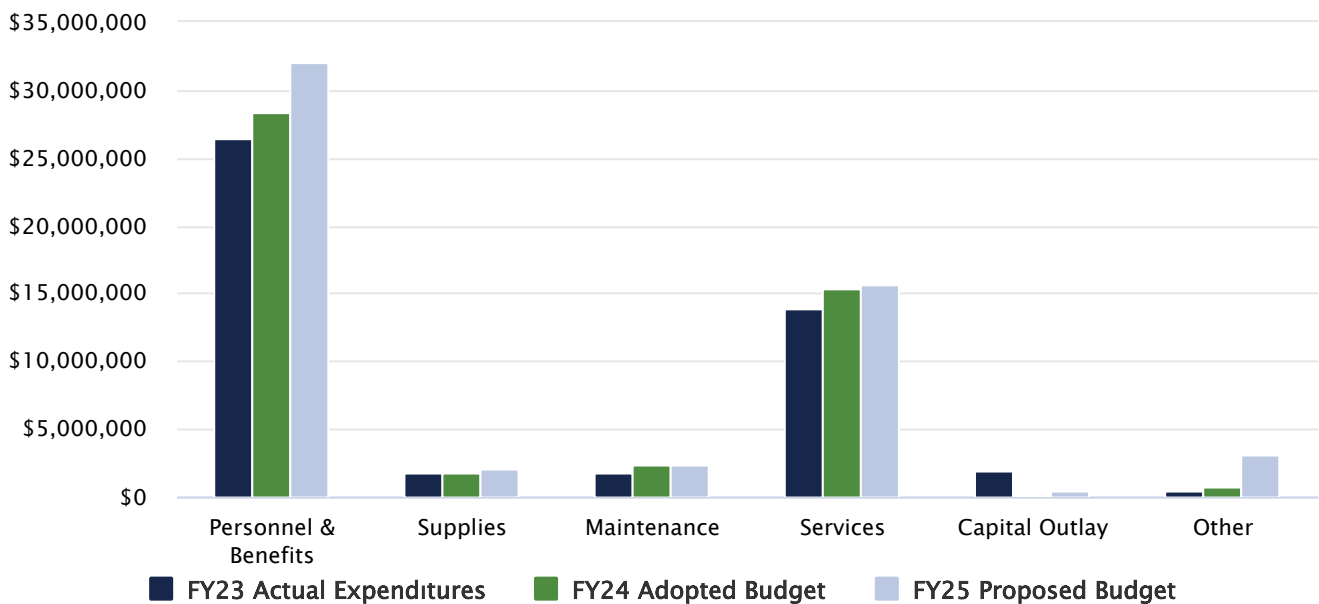
DEPARTMENT	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget	% Change from FY24 to FY25
City Secretary	4.00	4.00	3.00	3.00	3.00	-25.0%
City Manager	4.00	4.00	4.00	4.00	4.00	0.0%
Finance	12.00	12.00	11.00	11.00	11.00	-8.3%
Human Resources	5.00	5.00	5.00	5.00	5.00	0.0%
Information Technology	6.00	7.50	7.50	7.50	7.50	0.0%
City Attorney	2.15	2.15	3.15	3.20	2.20	2.3%
Municipal Court	4.60	4.60	4.60	4.60	4.60	0.0%
Communications	0.00	0.00	3.00	3.00	3.00	0.0%
Police	90.40	92.00	91.00	91.00	89.60	-2.6%
Emergency Services	7.38	8.38	8.38	8.45	27.99	234.0%
Community Development	11.70	12.20	12.20	12.50	12.50	2.5%
Public Works	46.30	47.30	47.30	47.00	50.00	5.7%
Engineering	8.45	9.45	9.45	9.45	9.45	0.0%
Library Services	15.62	15.62	15.62	15.32	15.32	-1.9%
Parks And Recreation	25.30	25.30	25.30	25.60	26.60	5.1%
Personnel Total	242.90	249.50	250.50	250.62	271.76	8.9%

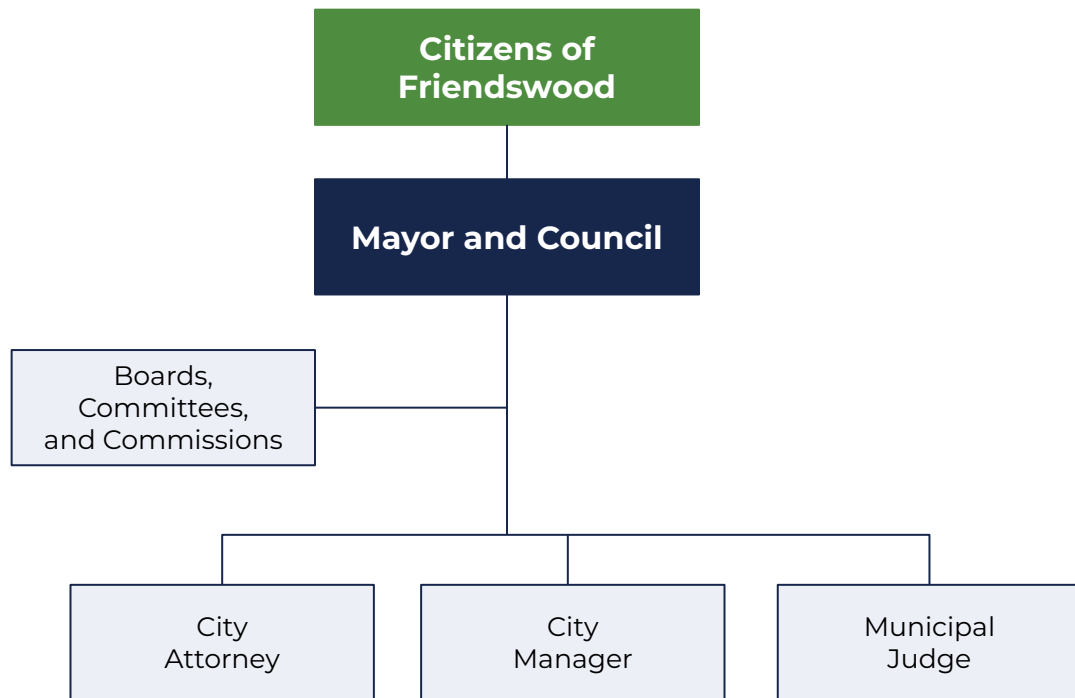
Emergency Medical Services staff transition to City employees

Expenditures by Department



Expenditures by Classification





Mayor and Council

Vision Statement (adopted July 1, 2024)

The Friendswood City Council is dedicated to providing quality public services, fostering a vibrant economic climate, and ensuring robust emergency operations and fiscal responsibility.

Mission Statement

It is the mission of the Council and staff of the City of Friendswood to provide the highest level of service to our citizens at the greatest value.

Current Operations

The Mayor and City Councilmembers serve as the elected representatives of the citizens of Friendswood. The Council establishes programs, policies, and priorities for safe, efficient, and equitable operation of the City. The most significant programs are set during the annual budget review process. The Mayor and Councilmembers are volunteers who serve without compensation. Principal budget appropriations in this portion of the budget are associated with education and efforts to promote Friendswood interests.

Departmental Goals and Performance Measures by Division

Mayor and Council Division Goals:

- ▶ To hold meetings in compliance with all applicable laws to establish overarching goals and policies for the safe, efficient, and effective operations of the City.
- ▶ To engage and educate residents and participate in community events.
- ▶ To represent the City and its interest with outside agencies and organizations.

Supports the City's Strategic Goals:

1-Communication, 2-Economic Development, 3-Preservation, 4-Partnerships, 5-Public Safety, and 6-Organizational Development.

Mayor and Council	FY22 Actual	FY23 Actual	FY24 Budget	FY24 Forecast	FY25 Proposed
Inputs					
Division Expenditures	\$86,760	\$69,303	\$86,519	\$85,025	\$91,719
# of Population-estimated	42,187	42,656	42,656	43,020	43,020
Outputs					
# of Meetings Held	17	17	17	15	16
# of Community Events and Meetings	N/A	116	160	147	105
Measures of Efficiency					
Division Expenditures per capita	\$2.06	\$1.62	\$2.03	\$1.98	\$2.13

Department Summary

Expenditure by Division

Division	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget	% Change in Budget from FY24 to FY25
GOVERNING BODY	\$69,303	\$86,519	\$87,519	\$85,025	\$91,719	6.0%
DEPARTMENT TOTAL	\$69,303	\$86,519	\$87,519	\$85,025	\$91,719	6.0%

Expenditure by Classification

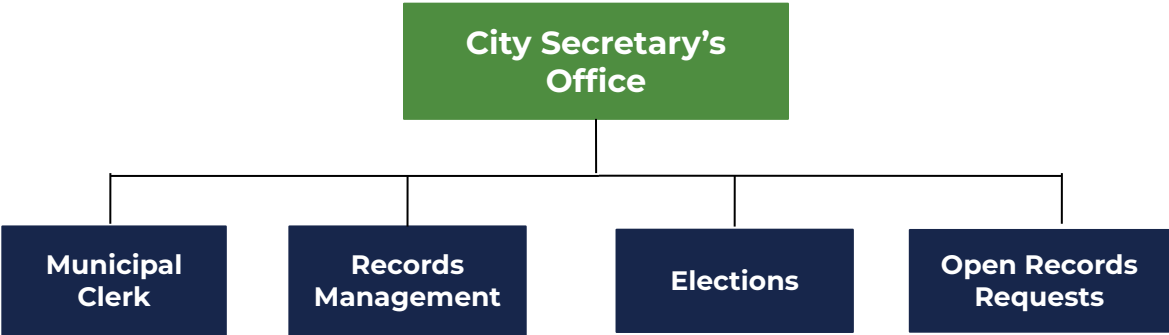
Classification	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget	% Change in Budget from FY24 to FY25
SUPPLIES	9,570	12,680	12,680	12,400	12,980	2.4%
SERVICES	59,733	73,839	74,839	72,625	78,739	6.6%
CLASSIFICATION TOTAL	\$69,303	\$86,519	\$87,519	\$85,025	\$91,719	6.0%

Full-Time Equivalents by Division

Division	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget	% Change in Budget from FY24 to FY25
GOVERNING BODY	0	0	0	0	0	0.0%
PERSONNEL TOTAL	0	0	0	0	0	0.0%

0101 - Governing Body

Account Number	Account Name	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
50 - SUPPLIES						
001-0101-411.5200	PERSONNEL SUPPLIES	\$108	\$500	\$500	\$400	\$500
001-0101-411.5400	OPERATING SUPPLIES	5,938	9,680	9,680	9,500	9,980
001-0101-411.5800	OPERATING EQUIPMENT<\$5000	3,524	2,500	2,500	2,500	2,500
	TOTAL SUPPLIES	\$9,570	\$12,680	\$12,680	\$12,400	\$12,980
70 - SERVICES						
001-0101-411.7400	OPERATING SERVICES	\$7,610	\$9,754	\$9,754	\$7,900	\$10,714
001-0101-411.7510	TRAINING	3,544	6,830	6,830	6,500	7,130
001-0101-411.7520	TRAVEL EXPENSES & REIMBURSEMENTS	3,054	7,930	7,930	7,900	8,200
001-0101-411.7530	MEMBERSHIPS	31,483	32,225	32,225	32,225	32,525
001-0101-411.7910	COMMUNITY EVENTS/PROGRAMS	14,042	17,100	18,100	18,100	20,170
	TOTAL SERVICES	\$59,733	\$73,839	\$74,839	\$72,625	\$78,739
80 - CAPITAL OUTLAY						
0101 - GOVERNING BODY		\$69,303	\$86,519	\$87,519	\$85,025	\$91,719



Mission Statement

The City Secretary's Office (the "Department") provides information and exceptional support to the City of Friendswood, its citizens, elected officials, staff, and other interested parties in accordance with Federal and State Law, the Charter of the City of Friendswood and all other related rules, regulations, policies, and procedures.

3 Pillars of the City Secretary's Office



Current Operations

In FY 2025 the duties of City Secretary are included with an Assistant City Manager, and the remainder of the staff are (1) Deputy City Secretary, (2) Records Specialist and (3) an Administrative Assistant. Assistant City Manager/City Secretary reports to the City Manager and is responsible for maintaining official City records, administering elections, assisting citizens and departments in search for information, responding to requests for public information, issuing various permits, coordinating the appointments of elected and appointed officials, processing recordations, publications and codifications and serving as the City's records manager, elections administrator and public information officer in accordance with Local, State and Federal laws.

Municipal Clerk

In the next year, the Department will continue to analyze and implement best practices related to the software programs it administers that are related to the administration of open records, open meetings, and records management. Additionally, the Department will focus on (1) complete the update of the City's policy and administrative rules related to the Records Management Program; (2) complete the creation and implementation of the City's new city-wide electronic contract management system; (3) undertake the City's General Election related to the positions of Councilmember Position Nos. Four (4) and Six (6); and (4) to continue the enhancement of services for both internal and external customers through continuous process improvement, analysis and outreach.

Departmental Accomplishments in FY 2023-24

1. Eliminated the recurring costs of maintaining an off-site storage facility through the continued migration of vital records into electronic format, ongoing records dispositions, and the use of the new records room located in the Blackhawk Facility.
2. In collaboration with the City's IT and CDD Departments, completed the integration of the City's property records maintained in Laserfiche with the City's GIS program.
3. Successfully completed in compliance with all applicable local, state, and federal laws, the City's Special Election related to the reauthorization of the City's Street Maintenance Local Sales and Use Tax for another four (4) years.
4. Staff successfully applied for and received over \$2,115 in scholarships to assist in funding the professional certification costs of two employees.
5. Successfully added one additional school, for a total of four, to participate in the Council for a Day Program.
6. Completed the review and update of the Department's operations and staffing to include all job descriptions.
7. Completed the update to multiple standard operating procedures including but not limited to processing of Alcohol Pre-qualifications packets, appointment and re-appointments for boards, commissions, and committees, posting and publication requirements for public hearings, public notices, and competitive bidding processes.

Highlights of the Budget

The Department's budget is compromised in large part for staff, the operational monies include internal and external training, supplies and outside services for records dispositions, elections, transcription services for minutes, codification, recordations, and publications, which are mostly dependent on the workload, tasks, and projects housed and/or originating in other departments.

The Department will focus its training on mastering its main areas of responsibility to include: (1) Secretary of State Election Law Seminar, (2) Attorney General Open Government Training, and (3) Laserfiche Electronic Records Management. The Department will also conduct multiple in-house training related to records management and public information requests in order to educate key city staff on these processes, procedures, and responsibilities. The Department will also focus on (1) completing the Texas Municipal Clerks Association's Certification for three employees to increase their knowledge and expertise for succession planning, (2) Records Management Certification Program for the Records Specialist to increase knowledge related to the maintenance and disposition of city records, and (3) supporting the education goals of two employees via education reimbursements for attaining their bachelor's degrees.

The Department is submitting an increased budget for FY 2024-25; primarily due to increases related to recordations, codifications, publications, transcriptions, and most importantly elections; including those services provided by the counties and translations. However, the amounts related to election services do not include the costs associated with a runoff election, should one be required. Also, included in the budget increase is the addition of another employee, for a total of (2) employees participating in the City's employee education refund program.

The following forces at work and/or decision package(s) were submitted in the FY 2024-25 proposed budget.

Decision Packages not included with the FY2024-25 Proposed Budget:

Description	Type	Amount
	General Fund	\$24,823
Temporary Records Technician (part-time)	-	-

Departmental Goals and Performance Measures

Goals:

1. Plan and undertake process improvements both internally and in coordination with other departments to ensure effective, efficient, and customer-focused solutions for processes and procedures under the purview of the City Secretary.
2. Process all meetings, agendas, agenda packets and minutes in compliance with the Texas Open Meetings Act and provide support and training to staff as needed.
3. Plan and administer updates to the City’s Records Management Policy and Program and best practices across the organization regarding the city-wide Electronic Records Retention and the Disposition Program with Laserfiche as the records management program.
4. Process public information requests in compliance with the Texas Public Information Act and the City’s Public Information Request Policy and provide technological and policy support and training to all end users.
5. Plan and administer the City’s general election and any special elections as deemed necessary by City Council.
6. Provide administrative and operational support to the City Manager, City Council, City Attorney, and all city departments to promote operational excellence.
7. Coordinate and process oath/statements and related paperwork and training for all City elected/appointed officials, board, commission, and committee members in compliance with State Law.

Supports the City’s Strategic Goals: 1-Communication and 6-Organizational Development

Objectives:

1. Continue to review, update, and implement policies and related administrative rules or Standard Operating Procedures for Records Management, Public Information Requests, Appointment Policy, Council Rules of Procedure and Agenda Management.
2. Coach, mentor, and train staff for operational excellence and to enhance services for both internal and external customers and create a succession plan.
3. Coordinate with Harris County and Galveston County in administering the City’s General Election for the positions of Councilmember Nos. Four (4) and Six (6).
4. Update, promote and support the City’s Records Management Program to all City Departments to include training, technical support, and the disposition of records in accordance with State Law and the City’s Records Management Policy.
5. Complete the implementation of the Laserfiche Software Agreement, Addendum No. Three for the creation and implementation of the City’s contract management system.
6. Complete the organization and migration of all commercial plans and as-builds into Laserfiche for quick and efficient access.
7. Complete the implementation of the City’s EMS online records request program and system.

Municipal Clerk	FY22 Actual	FY23 Actual	FY24 Budget	FY24 Forecast	FY25 Proposed
Inputs					
# of full time equivalents	3.0	4.0	4.0	3.0	3.0
Division Expenditures	\$421,834	\$611,562	\$635,954	\$556,856	\$430,841
Outputs					
# of Public Information Requests Processed	967	829	1000	925	932
# Records Dispositions (boxes)	159	304	250	157	237
# of Electronic Files Purged	0	397	0	2641	3038
# of pages scanned into Laserfiche	187,752	141,175	150,000	131,850	159,642
# of Alcohol Permits issued	15	17	17	17	16
# of Recordations	5	7	7	25	10
# of Bids/RFPs/RFQS processed	24	18	25	10	20
# of Contracts processed	46	85	100	124	77
# of Ordinances processed	37	50	40	40	43
# of Resolutions processed	38	45	40	40	41
# of Agendas and Public Notices	168	137	160	101	155
# of Publications	28	40	30	30	33
# of Administered City elections	1	1	2	1	1
# of Appointed official paperwork processed	N/A	30	30	35	30
# of Pages for minutes	165	283	291	243	271
# of Process Improvements	2	2	10	6	5
# of City-wide training	0	0	0	0	2
Measures of Efficiency					
Division Expenditures per capita	\$10.00	\$14.34	\$14.91	\$12.94	\$10.01
Monthly Operational Cost	\$35,153	\$50,964	\$52,996	\$46,405	\$35,903

Department Summary

Expenditure by Division

Division	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget	% Change in Budget from FY24 to FY25
MUNICIPAL CLERK	\$611,562	\$635,954	\$573,608	\$556,856	\$430,841	-32.3%
DEPARTMENT TOTAL	\$611,562	\$635,954	\$573,608	\$556,856	\$430,841	-32.3%

Expenditure by Classification

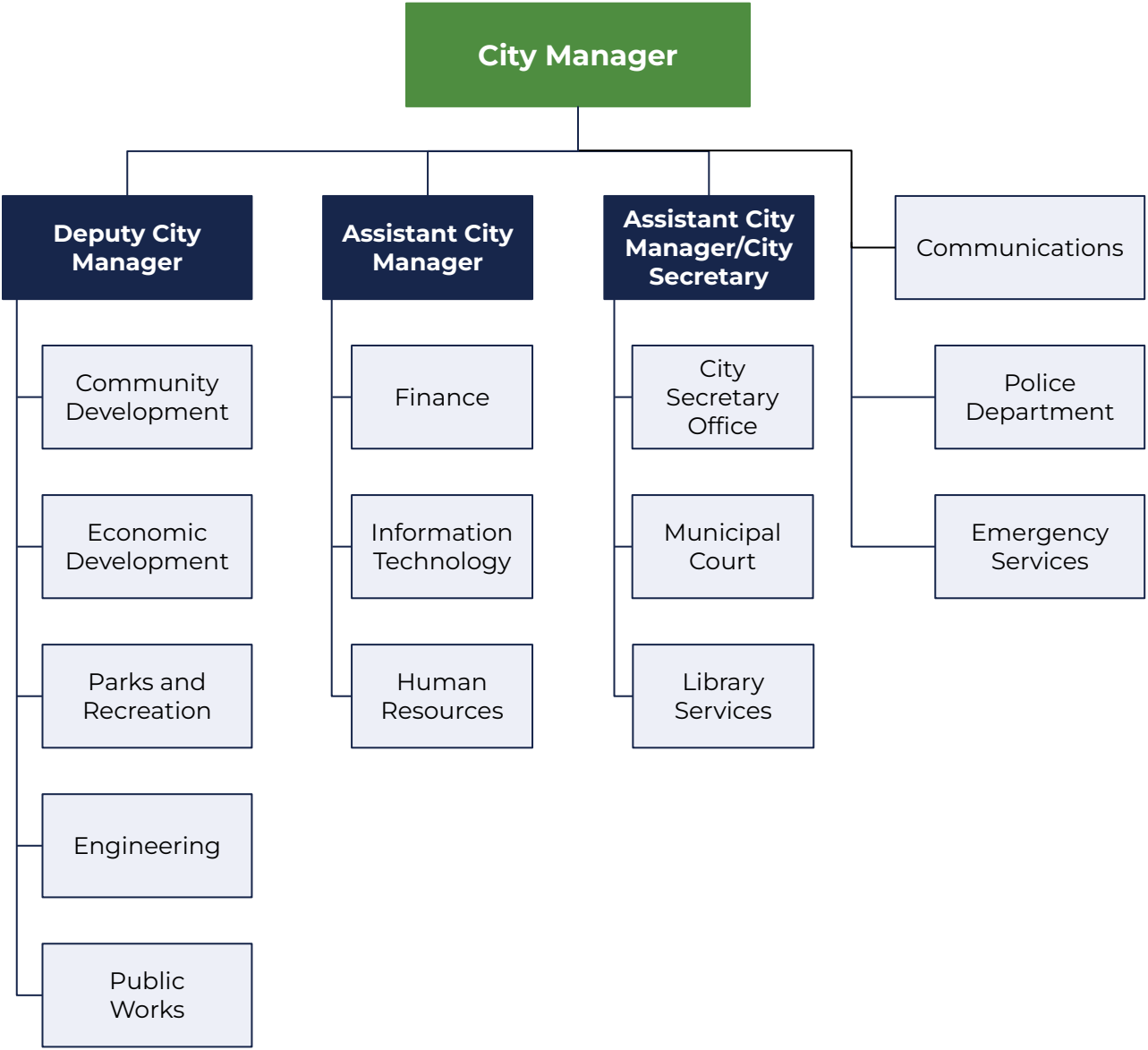
Classification	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget	% Change in Budget from FY24 to FY25
PERSONNEL & BENEFITS	\$492,796	\$493,128	\$429,967	\$413,849	\$279,251	-43.4%
SUPPLIES	7,913	6,950	8,119	7,540	6,950	0.0%
SERVICES	110,853	135,876	135,522	135,467	144,640	6.4%
CLASSIFICATION TOTAL	\$611,562	\$635,954	\$573,608	\$556,856	\$430,841	-32.3%

Full-Time Equivalents by Division

Division	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget	% Change in Budget from FY24 to FY25
MUNICIPAL CLERK	4.00	4.00	3.00	3.00	3.00	-25.0%
PERSONNEL TOTAL	4.00	4.00	3.00	3.00	3.00	-25.0%

0201 - Municipal Clerk

Account Number	Account Name	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
40 - PERSONNEL & BENEFITS						
001-0201-411.4110	FULLTIME SALARIES & WAGES	\$325,871	\$368,496	\$301,443	\$301,000	\$200,745
001-0201-411.4130	OVERTIME PAY	7,304	2,757	2,757	2,750	2,877
001-0201-411.4131	HOLIDAY HRS WORKED	180	0	0	0	0
001-0201-411.4143	LONGEVITY PAY	313	360	360	240	300
001-0201-411.4145	INCENTIVE-CERTIFICATE PAY	2,720	4,920	4,920	3,500	3,960
001-0201-411.4190	TERMINATION PAYOUTS	41,112	0	0	0	0
001-0201-411.4220	PART-TIME WAGES W/O BENEFITS	0	0	20,000	6,000	0
001-0201-411.4710	SOCIAL SECURITY/MEDICARE	27,822	27,993	24,601	24,600	15,699
001-0201-411.4720	TMRS RETIREMENT	62,617	64,707	52,640	52,600	34,706
001-0201-411.4810	HEALTH/DENTAL INSURANCE	21,755	20,262	20,262	20,260	18,938
001-0201-411.4820	LIFE INSURANCE	911	1,086	876	875	600
001-0201-411.4830	DISABILITY INSURANCE	1,333	1,581	1,285	1,280	878
001-0201-411.4840	WORKERS COMP INSURANCE	372	371	325	324	246
001-0201-411.4850	EAP SERVICES	203	232	205	200	158
001-0201-411.4890	FLEX PLAN ADMINISTRATION	283	363	293	220	144
TOTAL PERSONNEL & BENEFITS		\$492,796	\$493,128	\$429,967	\$413,849	\$279,251
50 - SUPPLIES						
001-0201-411.5200	PERSONNEL SUPPLIES	\$58	\$300	\$40	\$40	\$300
001-0201-411.5400	OPERATING SUPPLIES	4,044	5,900	5,900	5,500	5,900
001-0201-411.5800	OPERATING EQUIPMENT<\$5000	3,811	750	2,179	2,000	750
TOTAL SUPPLIES		\$7,913	\$6,950	\$8,119	\$7,540	\$6,950
70 - SERVICES						
001-0201-411.7350	SURETY BONDS	\$0	\$156	\$71	\$71	\$156
001-0201-411.7400	OPERATING SERVICES	4,392	7,656	6,901	6,900	7,200
001-0201-411.7401	POSTAL/COURIER SERVICES	1,031	1,554	1,554	1,500	1,554
001-0201-411.7411	PROFESSIONAL/CODE SERVICE	2,663	9,000	6,176	6,176	12,000
001-0201-411.7491	ADVERTISING/PUBLIC NOTICE	9,560	8,000	13,644	13,644	9,500
001-0201-411.7510	TRAINING	4,314	8,760	10,910	10,910	13,380
001-0201-411.7520	TRAVEL EXPENSES & REIMBURSEMENTS	6,199	8,850	12,775	12,775	8,850
001-0201-411.7530	MEMBERSHIPS	773	900	835	835	1,000
001-0201-411.7800	CONTRACT SERVICES	81,921	91,000	82,656	82,656	91,000
TOTAL SERVICES		\$110,853	\$135,876	\$135,522	\$135,467	\$144,640
0201 - MUNICIPAL CLERK		\$611,562	\$635,954	\$573,608	\$556,856	\$430,841



Mission Statement

The City Manager provides for the general administration of the City carrying out the City Council's policies and objectives. All City programs, services, and operations are directed and coordinated by the City Manager. There are a total of four full-time employees in the department.

Current Operations

Administration

This division encompasses the City Manager's core administrative and oversight functions and organizational development and planning. Staff provides wide-range administrative support activities for the City Manager including policy research, program analysis, Council agenda development, departmental records coordination, project administration, general public information, and management of citizen requests for service.

The Economic Development responsibilities are assigned to the Deputy City Manager and the Director of Community Development as aspects of both positions are responsible for developing and administering programs to retain and attract businesses that are compatible with our community's vision and values to provide Friendswood a more stable economic future by expanding the city's commercial tax base.

Staff continues to administer programs to assist with business prospect recruitment, marketing, and retention. The Coordinator also serves as liaison between City staff, business leaders, and economic development organizations.

Staff support also provides for the City's Community and Economic Development Committee (CEDC) and the Friendswood Downtown Economic Development Corporation (FDEDC).

Highlights of the Budget

The FY 2024-25 Budget continues to fund important citywide communications programs, including the expanding the City's social media platforms and the Public-Educational-Governmental (PEG) access channel. In correlation with each department, the City Manager's Office's activities are intended to achieve the City's overall strategic goals. Fiscal Year 2024 achievements are mentioned within each department's section.

In addition, the City has a history of placing an emphasis on developing and mentoring our most important piece of infrastructure – our Staff. The City Manager's Office places great importance in the growth, development, and leadership skills of our employees, and to that end, this is the twelfth straight year that we have budgeted funds for Staff development services. Which is especially important as we have had a reduction in the number of staff and current staff has taken on more responsibilities. This is also evident as a significant restructure took place in 2024 with the creation of new positions as well as bringing two new departments online, Communications as well as Municipal Court.

The staff responsible for economic development participates in regional, state, and national site visits, trade shows, and conferences to promote commercial development to the city. To maximize our resources, the City continues to participate in regional economic development partnerships that advocate and pursue issues that are important for retaining and strengthening the economic base and business climate of our area.

2024-2025 Departmental Goals and Performance Measures by Division

City Manager Administration:

Goals:

- ▶ Provide professional management and leadership that support the success of the organization.
- ▶ Deliver responsive, quality customer service to the City Council, citizens, and other agencies

Supports the City's Strategic Goals:

1-Communications, 4-Partnerships, and 6-Organizational Development

Objectives:

- ▶ Conduct strategic planning activities
- ▶ Ensure that departmental work plans are supportive of City Council goals
- ▶ Prepare information on City services, events, and policies for outside agencies as requested.
- ▶ Promote interaction and collaboration with Friendswood citizens and civic associations

City Manager Administration	FY22 Actual	FY23 Actual	FY24 Budget	FY24 Forecast	FY25 Proposed
Inputs					
# of full time equivalents (FTE)	4.0	4.0	4.0	4.0	4.0
Division Expenditures	\$802,937	\$823,104	\$872,486	\$972,064	\$1,170,970
Outputs					
# of Long-Range Planning Sessions Conducted with City Council	2	2	2	2	2
# of Long-Range Planning Projects by Staff	2	2	2	2	2
# of Senior Staff development initiatives	1	1	1	1	1
# of Council meetings attended	15	15	16	16	16
# of Association meetings attended by Staff	15	15	15	15	15
Measures of Efficiency					
Monthly Operational Cost	\$66,911	\$68,592	\$72,707	\$81,005	\$97,581
Division Expenditures per capita	\$19.03	\$19.30	\$20.45	\$22.60	\$27.22

Economic Development Division:

Goals:

- ▶ To advance an economic development program that upholds community values, builds on investments made in the community, and supports the expectations of the City's level of service

Supports the City's Strategic Goals:

1- Communication, 2-Economic Development, 4-Partnerships, and 6-Organizational Development

Objectives:

- ▶ Identify and recruit businesses interested in relocating to, expanding in, or starting a new business in the City of Friendswood
- ▶ Continue to strengthen and build relationships with brokers, developers, site selection consultants, and the regional economic development network
- ▶ Provide support and information to the CEDC in preparing and attending committee meetings and carrying out their initiatives

Economic Development	FY22 Actual	FY23 Actual	FY24 Budget	FY24 Forecast	FY25 Proposed
Inputs					
FTE	0.0	0.0	0.0	0.0	0.0
Division Expenditures	\$32,209	\$375,937	\$64,820	\$39,060	\$39,460
Outputs					
Chamber & Regional Partnership meetings attended	18	24	10	10	10
Trade Shows attended	3	1	1	1	1
Quarterly Electronic Newsletter distribution to potential business prospects, developers, and brokers	6,700	7,400	0*	0*	0*
New Businesses, Expansions, & Remodels in the Downtown Neighborhood Empowerment Zone (NEZ#1)	32	35	30	30	30
Business Prospect Inquiries**	120	135	75	110	75
Friendswood Civilian Labor Force/ Unemployment Rate	19,000 / 7.5%	19,620 / 3.2%	19,445 / 4.1%	19,445 / 4.1%	19,445 / 4.1%
CEDC meetings attended	7	7	11	11	11
Measures of Efficiency					
Monthly Operational Cost	\$2,684	\$31,328	\$5,402	\$3,255	\$3,288
Division Expenditures per capita	\$0.76	\$8.81	\$1.52	\$0.91	\$0.92

*Information is available on the City's website and there is no longer a need to send electronically

**As the City approaches build-out, new business inquiries have slowed and are waiting for substantial office and retail space availability.

Department Summary

Expenditure by Division

Division	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget	% Change in Budget from FY24 to FY25
ADMINISTRATION	\$823,104	\$872,486	\$972,592	\$972,064	\$1,170,970	34.2%
ECONOMIC DEVELOPMENT	375,937	64,820	41,520	39,060	39,460	-39.1%
DEPARTMENT TOTAL	\$1,199,041	\$937,306	\$1,014,112	\$1,011,124	\$1,210,430	29.1%

Expenditure by Classification

Classification	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget	% Change in Budget from FY24 to FY25
PERSONNEL & BENEFITS	\$780,379	\$812,356	\$923,542	\$928,579	\$1,109,695	36.6%
SUPPLIES	12,515	26,780	21,679	17,179	18,380	-31.4%
SERVICES	406,147	98,170	68,891	65,366	82,355	-16.1%
CLASSIFICATION TOTAL	\$1,199,041	\$937,306	\$1,014,112	\$1,011,124	\$1,210,430	29.1%

Full-Time Equivalents by Division

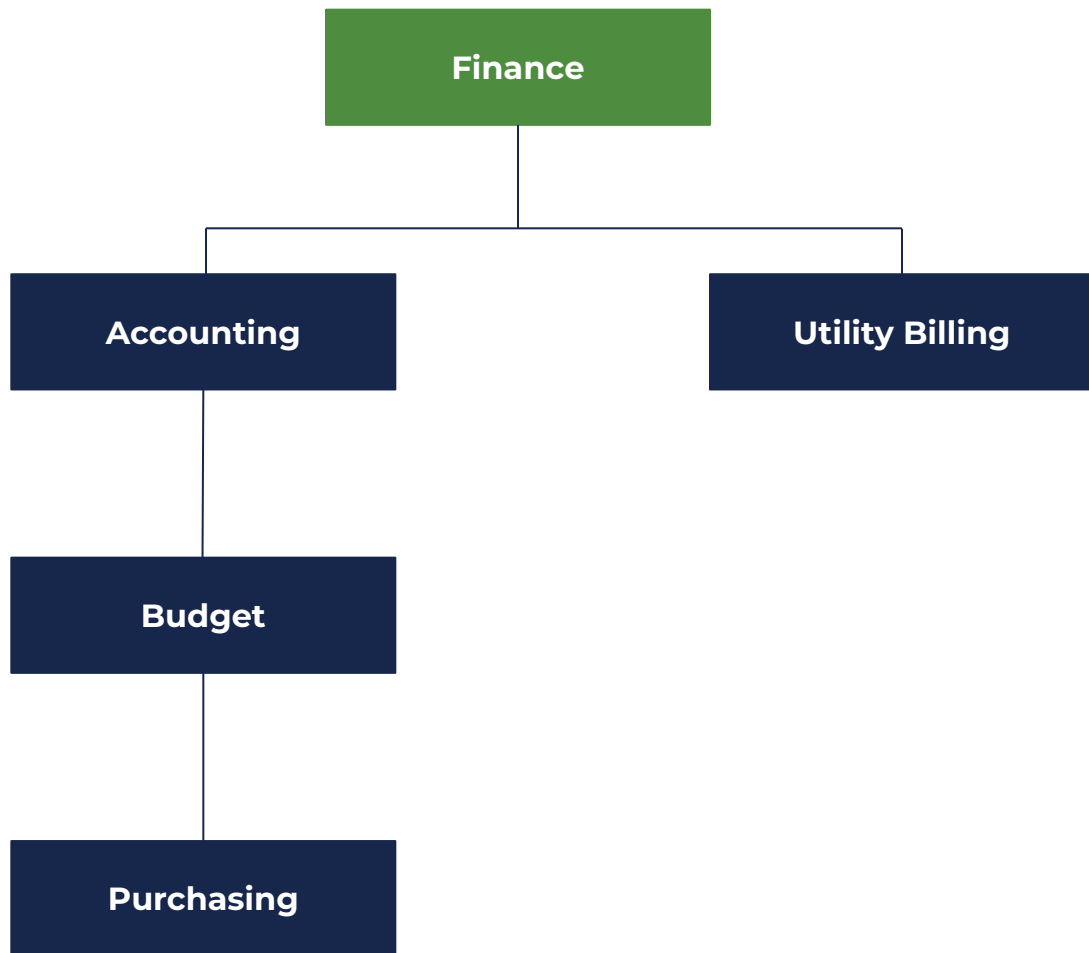
Division	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget	% Change in Budget from FY24 to FY25
ADMINISTRATION	4.00	4.00	4.00	4.00	4.00	0.0%
PERSONNEL TOTAL	4.00	4.00	4.00	4.00	4.00	0.0%

0301 - Administration

Account Number	Account Name	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
40 - PERSONNEL & BENEFITS						
001-0301-413.4110	FULLTIME SALARIES & WAGES	\$577,941	\$597,582	\$695,901	\$695,901	\$861,386
001-0301-413.4143	LONGEVITY PAY	2,505	2,745	2,745	2,745	2,670
001-0301-413.4710	SOCIAL SECURITY/MEDICARE	38,646	39,844	48,014	48,013	54,174
001-0301-413.4720	TMRS RETIREMENT	96,269	103,166	116,958	116,958	144,254
001-0301-413.4810	HEALTH/DENTAL INSURANCE	60,090	63,857	53,862	59,048	39,690
001-0301-413.4820	LIFE INSURANCE	1,622	1,732	2,008	2,008	2,493
001-0301-413.4830	DISABILITY INSURANCE	2,416	2,521	2,944	2,944	3,648
001-0301-413.4840	WORKERS COMP INSURANCE	572	591	686	685	1,020
001-0301-413.4850	EAP SERVICES	232	232	232	232	210
001-0301-413.4890	FLEX PLAN ADMINISTRATION	86	86	192	45	150
TOTAL PERSONNEL & BENEFITS		\$780,379	\$812,356	\$923,542	\$928,579	\$1,109,695
50 - SUPPLIES						
001-0301-413.5200	PERSONNEL SUPPLIES	\$0	\$400	\$400	\$400	\$400
001-0301-413.5221	5 STAR FUNCTION SUPPLIES	7,439	8,900	7,799	7,799	8,000
001-0301-413.5400	OPERATING SUPPLIES	4,929	7,480	7,480	7,480	7,480
001-0301-413.5800	OPERATING EQUIPMENT<\$5000	0	5,000	5,000	1,500	1,500
TOTAL SUPPLIES		\$12,368	\$21,780	\$20,679	\$17,179	\$17,380
70 - SERVICES						
001-0301-413.7221	5 STAR FUNCTION SERVICES	\$5,748	\$4,600	\$7,201	\$7,201	\$7,200
001-0301-413.7400	OPERATING SERVICES	79	2,630	2,630	1,000	1,000
001-0301-413.7401	POSTAL/COURIER SERVICES	65	0	0	65	75
001-0301-413.7421	FRIENDSWOOD NEWSLETTER	0	1,000	0	0	0
001-0301-413.7492	SPECIAL EVENTS	0	500	500	0	500
001-0301-413.7510	TRAINING	1,204	6,820	5,020	5,020	6,495
001-0301-413.7520	TRAVEL EXPENSES & REIMBURSEMENTS	2,950	4,580	3,300	3,300	8,000
001-0301-413.7530	MEMBERSHIPS	2,221	2,300	2,950	2,950	4,485
001-0301-413.7612	TELEPHONE/COMMUNICATIONS	458	680	680	680	900
001-0301-413.7800	CONTRACT SERVICES	17,632	15,240	6,090	6,090	15,240
TOTAL SERVICES		\$30,357	\$38,350	\$28,371	\$26,306	\$43,895
0301 - ADMINISTRATION		\$823,104	\$872,486	\$972,592	\$972,064	\$1,170,970

0303 - Economic Development

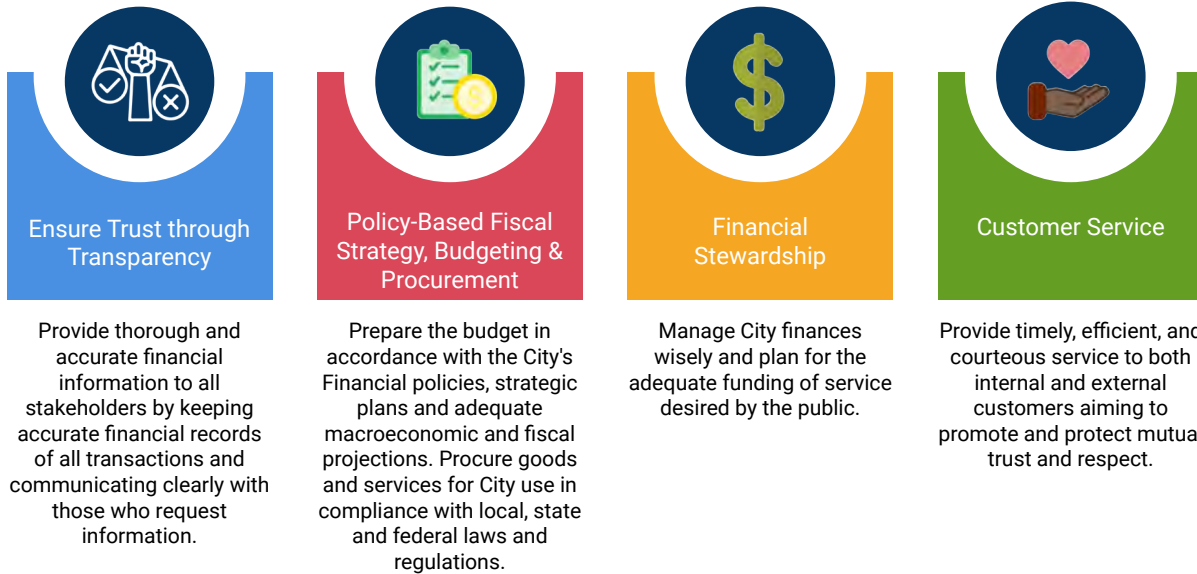
Account Number	Account Name	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
50 - SUPPLIES						
001-0303-419.5400	OPERATING SUPPLIES	\$147	\$5,000	\$1,000	\$0	\$1,000
	TOTAL SUPPLIES	\$147	\$5,000	\$1,000	\$0	\$1,000
70 - SERVICES						
001-0303-419.7400	OPERATING SERVICES	\$5,790	\$6,600	\$6,600	\$6,600	\$6,600
001-0303-419.7401	POSTAL/COURIER SERVICES	0	200	200	0	200
001-0303-419.7491	ADVERTISING/PUBLIC NOTICE	0	18,000	0	0	0
001-0303-419.7510	TRAINING	0	3,090	0	0	1,690
001-0303-419.7520	TRAVEL EXPENSES & REIMBURSEMENTS	0	3,800	0	0	2,500
001-0303-419.7530	MEMBERSHIPS	0	1,260	1,260	0	600
001-0303-419.7800	CONTRACT SERVICES	20,000	26,870	32,460	32,460	26,870
001-0303-419.7921	PRGM 380 ECON DEV GRANTS	350,000	0	0	0	0
	TOTAL SERVICES	\$375,790	\$59,820	\$40,520	\$39,060	\$38,460
0303 - ECONOMIC DEVELOPMENT		\$375,937	\$64,820	\$41,520	\$39,060	\$39,460



Department Mission

The goal of the Finance Department is to provide leadership and support in all financial matters of the City, internal and support services to other City departments, and direct services to external customers. The Finance Department seeks to provide excellent and efficient service and prudent management of the City's financial affairs.

4 Pillars of Finance



Current Operations

Finance provides the following services:

- **Accounting** is responsible for the City's day-to-day operations of all financial activities including accounts payable, payroll, revenue collection, debt management, financial reporting, and grant reporting. The division ensures adherence to accounting standards, Charter requirements, and State law. Finance staff, working with external auditors, performs the annual audit and prepares the Annual Comprehensive Financial Report.
- **Budgeting** is responsible for developing and managing the City's adopted budget.
- **Treasury Management** is responsible for managing the City's resources to achieve its strategic and operational objectives. With oversight of the City's Investment Committee, the Director of Finance serves as the City's Investment Officer and is responsible for the implementation of the City's Investment Policy and for assuring that investment management decisions and activities fully comply.
- **Purchasing** is responsible for generating purchase orders daily and ensuring compliance with local, state, and federal regulations in the City's procurement of goods and services. Working in conjunction with City departments, the Purchasing Coordinator develops bid/proposal specifications, maintains service contracts/agreements, oversees the P-card program and properly disposes of assets that have surpassed useful life cycles.
- **Utility Billing** is responsible for coordinating utility billing, collection and customer information functions, and processing payments for the alarm permit/fines program.

Departmental Accomplishments in FY 2023-2024

- ▶ Earned the City's 36th GFOA Award for Excellence in Financial Reporting
- ▶ Earned the City's 21st GFOA Distinguished Budget Presentation Award
- ▶ Enhanced the City's Monthly Financial Report by implementing the cloud-based software (Gravity)
- ▶ Completed the implementation of the Advanced Metering Infrastructure (AMI) system
- ▶ Completed the implementation of Neptune 360 software program for electronic water meter reading
- ▶ Completed the implementation of WaterSmart software program for customer self-service access to AMI data
- ▶ Updated the City's Investment Policy
- ▶ Earned the Investment Policy Certificate of Distinction from the Government Treasurers' Organization of Texas (GTOT) for the City's Investment Policy
- ▶ Updated the City's Purchasing Policy
- ▶ Completed a Utility Cost of Service and Rate Study

Major Departmental Goals for FY 2024-2025:

- ▶ Earn GFOA's Certificate of Achievement for Excellence in Financial Reporting for the 37th consecutive year
- ▶ Earn GFOA's Distinguished Budget Award special recognition for performance measures and capital project section of the FY24 budget document
- ▶ Continue to expand the procurement card program
- ▶ Implement an interactive voice recording system for the Utility Billing office to enhance customer service
- ▶ Payroll onboarding for EMS personnel
- ▶ Update the Investment Policy
- ▶ Issue Water and Sewer Revenue Bonds to cover cost of projects to begin Fiscal Year 2025

Supports the City's Strategic Goals:

1-Communication, 2-Economic Development, 4-Partnerships, 5-Public Safety, and 6-Organizational Development

Finance & Other Admin Functions*	FY22 Actual	FY23 Actual	FY24 Budget	FY24 Forecast	FY25 Proposed
Inputs					
# of full time equivalents*	12.0	12.0	12.0	11.0	11.0
Division Expenditures*	\$1,668,554	\$2,047,896	\$2,002,228	\$2,010,828	\$2,072,384
Outputs					
Number of Prepared ACFR	1	1	1	1	1
Number of monthly financial reports prepared	12	12	12	12	12
Number of proposed & adopted budget documents prepared	2	2	2	2	2
# of A/P check runs	71	71	75	72	75
# of A/P paper checks issued/EFT	2,210/ 2,246	1,818/ 2,418	2,200/ 2,400	1,865/ 2,723	2,200/ 2,400
# of P-Card transactions / spend total	5,049/ \$1,001,099	5,801/ \$1,374,154	7,554/ \$1,526,287	6,126/ \$1,362,738	6,182/ \$1,575,145
Utility bills generated	79,915	78,293	80,700	79,012	79,612
Number of False Alarms billed	258	90	1000	259	259
Measures of Effectiveness					
% of EFT issued over total payments	50%	50%	48%	59%	48%
GFOA Awards earned	34	35	36	36	37
% of Financial Reports delivered monthly by 15 th	58%	67%	100%	75%	92%
GFOA Budget Awards earned	19	20	21	21	22
% Proposed & adopted budgets delivered by charter requirement dates	100%	100%	100%	100%	100%
% of bi-monthly billings produced by the 15 th & 30 th /31 st of each month (4 utility cycles – 13,670 accounts)	100%	100%	100%	100%	100%
Measures of Efficiency					
Monthly operational cost*	\$139,046	\$170,658	\$166,852	\$167,569	\$172,699
Division Expenditures per capita	\$39.55	\$48.01	\$46.94	\$46.74	\$48.17

*Includes Finance divisions within the General Fund and Water & Sewer Fund.

Department Summary

Expenditure by Division

Division	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget	% Change in Budget from FY24 to FY25
FINANCE	\$1,315,728	\$1,419,021	\$1,410,281	\$1,402,755	\$1,423,907	0.3%
UTILITY BILLING (W/S)	732,168	583,207	621,010	608,073	648,477	11.2%
DEPARTMENT TOTAL	\$2,047,896	\$2,002,228	\$2,031,291	\$2,010,828	\$2,072,384	3.5%

Expenditure by Classification

Classification	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget	% Change in Budget from FY24 to FY25
PERSONNEL & BENEFITS	\$1,557,470	\$1,422,242	\$1,379,718	\$1,359,261	\$1,312,150	-7.7%
SUPPLIES	15,224	17,575	21,996	20,358	13,290	-24.4%
MAINTENANCE	446	780	1,105	1,096	1,480	89.7%
SERVICES	474,756	550,023	616,864	630,113	733,856	33.4%
OTHER	0	11,608	11,608	0	11,608	0.0%
CLASSIFICATION TOTAL	\$2,047,896	\$2,002,228	\$2,031,291	\$2,010,828	\$2,072,384	3.5%

Full-Time Equivalents by Division

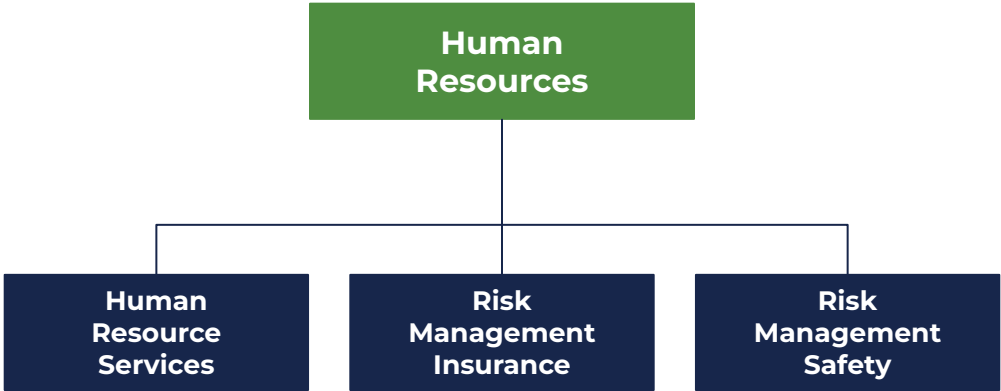
Division	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget	% Change in Budget from FY24 to FY25
FINANCE - (GF)	8.00	8.00	7.00	7.00	7.00	-12.5%
FINANCE - (WS)	4.00	4.00	4.00	4.00	4.00	0.0%
PERSONNEL TOTAL	12.00	12.00	11.00	11.00	11.00	-8.3%

0401 - Finance

Account Number	Account Name	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
40 - PERSONNEL & BENEFITS						
001-0401-415.4110	FULLTIME SALARIES & WAGES	\$754,132	\$780,527	\$752,798	\$752,700	\$702,910
001-0401-415.4130	OVERTIME PAY	2,522	2,009	2,009	1,855	1,060
001-0401-415.4143	LONGEVITY PAY	4,432	4,400	4,400	4,400	3,855
001-0401-415.4145	INCENTIVE-CERTIFICATE PAY	16,975	18,300	18,300	18,300	14,700
001-0401-415.4190	TERMINATION PAYOUTS	2,379	0	0	0	0
001-0401-415.4220	PART-TIME WAGES W/O BENEFITS	851	0	0	0	0
001-0401-415.4710	SOCIAL SECURITY/MEDICARE	56,861	59,325	57,131	57,100	53,525
001-0401-415.4720	TMRS RETIREMENT	129,433	138,380	129,436	129,400	120,626
001-0401-415.4810	HEALTH/DENTAL INSURANCE	66,959	73,999	70,673	64,865	59,838
001-0401-415.4820	LIFE INSURANCE	2,113	2,323	2,243	2,243	2,085
001-0401-415.4830	DISABILITY INSURANCE	3,114	3,382	3,265	3,282	3,050
001-0401-415.4840	WORKERS COMP INSURANCE	772	792	755	773	853
001-0401-415.4850	EAP SERVICES	455	465	438	419	368
001-0401-415.4890	FLEX PLAN ADMINISTRATION	576	541	471	319	231
TOTAL PERSONNEL & BENEFITS		\$1,041,574	\$1,084,443	\$1,041,919	\$1,035,656	\$963,101
50 - SUPPLIES						
001-0401-415.5200	PERSONNEL SUPPLIES	\$876	\$570	\$570	\$570	\$690
001-0401-415.5400	OPERATING SUPPLIES	6,356	6,360	6,360	6,360	6,360
001-0401-415.5800	OPERATING EQUIPMENT<\$5000	4,477	1,000	4,328	4,328	1,000
TOTAL SUPPLIES		\$11,709	\$7,930	\$11,258	\$11,258	\$8,050
70 - SERVICES						
001-0401-415.7120	AUDIT SERVICES	\$30,588	\$36,435	\$42,903	\$42,903	\$42,400
001-0401-415.7140	CONSULTING SERVICES	0	5,100	11,866	11,866	9,550
001-0401-415.7400	OPERATING SERVICES	4,924	4,241	4,241	4,241	4,241
001-0401-415.7401	POSTAL/COURIER SERVICES	1,250	2,500	2,500	1,500	2,500
001-0401-415.7431	TAX APPRAISAL SERVICES	159,850	189,626	189,626	189,626	230,530
001-0401-415.7432	TAX COLLECTION SERVICES	6,659	6,750	6,750	6,789	7,060
001-0401-415.7435	COUNTY TAX OFFICE IN CH	5,000	5,000	5,000	5,000	5,000
001-0401-415.7436	PROPERTY INCORPORATION/ ANNEXATION AGREEMENT	2,206	2,500	7,172	7,171	68,000
001-0401-415.7491	ADVERTISING/PUBLIC NOTICE	288	1,500	1,500	1,500	1,500
001-0401-415.7510	TRAINING	10,196	18,351	15,023	15,023	19,790
001-0401-415.7520	TRAVEL EXPENSES & REIMBURSEMENTS	11,720	16,750	16,550	16,000	18,550
001-0401-415.7530	MEMBERSHIPS	2,054	2,265	2,265	2,265	2,255
001-0401-415.7800	CONTRACT SERVICES	26,897	35,000	51,078	51,078	40,540
001-0401-415.7802	CREDIT CARD FEES	813	630	630	879	840
TOTAL SERVICES		\$262,445	\$326,648	\$357,104	\$355,841	\$452,756
0401 - FINANCE		\$1,315,728	\$1,419,021	\$1,410,281	\$1,402,755	\$1,423,907

0401 - Finance Utility Billing (W&S)

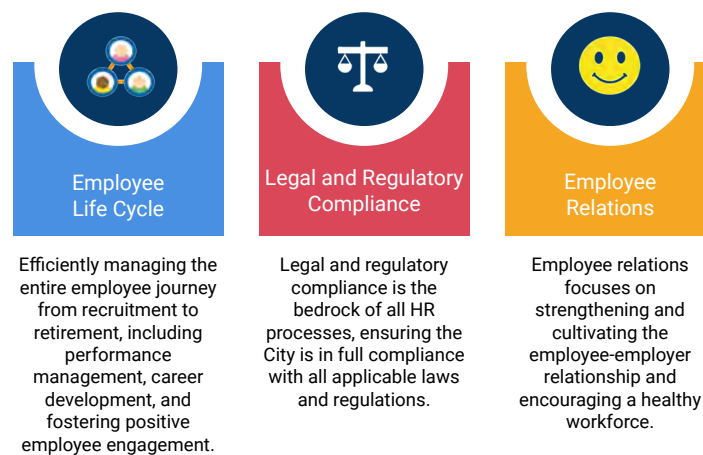
Account Number	Account Name	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
40 - PERSONNEL & BENEFITS						
401-0401-415.4110	FULLTIME SALARIES & WAGES	\$211,577	\$222,098	\$222,098	\$216,409	\$230,489
401-0401-415.4130	OVERTIME PAY	1,437	3,548	3,548	2,073	3,699
401-0401-415.4143	LONGEVITY PAY	3,330	1,885	1,885	1,880	2,155
401-0401-415.4145	INCENTIVE-CERTIFICATE PAY	1,300	900	900	900	900
401-0401-415.4190	TERMINATION PAYOUTS	4,701	0	0	0	0
401-0401-415.4220	PART-TIME WAGES W/O BENEFITS	2,566	0	0	0	0
401-0401-415.4710	SOCIAL SECURITY/MEDICARE	16,002	16,191	16,191	15,640	16,841
401-0401-415.4720	TMRS RETIREMENT	225,929	39,256	39,256	36,975	39,608
401-0401-415.4725	OPEB EXPENSE	(8,069)	0	0	0	0
401-0401-415.4810	HEALTH/DENTAL INSURANCE	54,836	51,507	51,507	47,523	52,967
401-0401-415.4820	LIFE INSURANCE	600	649	649	627	685
401-0401-415.4830	DISABILITY INSURANCE	878	945	945	918	1,002
401-0401-415.4840	WORKERS COMP INSURANCE	221	225	225	218	280
401-0401-415.4850	EAP SERVICES	227	232	232	212	210
401-0401-415.4890	FLEX PLAN ADMINISTRATION	361	363	363	230	213
TOTAL PERSONNEL & BENEFITS		\$515,896	\$337,799	\$337,799	\$323,605	\$349,049
50 - SUPPLIES						
401-0401-415.5200	PERSONNEL SUPPLIES	\$144	\$200	\$200	\$200	\$240
401-0401-415.5400	OPERATING SUPPLIES	2,606	4,000	4,000	2,760	4,000
401-0401-415.5800	OPERATING EQUIPMENT<\$5000	765	5,445	6,538	6,140	1,000
TOTAL SUPPLIES		\$3,515	\$9,645	\$10,738	\$9,100	\$5,240
60 - MAINTENANCE						
401-0401-415.6800	EQUIPMENT MAINTENANCE	\$446	\$780	\$1,105	\$1,096	\$1,480
TOTAL MAINTENANCE		\$446	\$780	\$1,105	\$1,096	\$1,480
70 - SERVICES						
401-0401-415.7120	AUDIT SERVICES	\$20,391	\$22,625	\$25,305	\$25,305	\$22,320
401-0401-415.7400	OPERATING SERVICES	622	1,150	1,150	1,146	1,300
401-0401-415.7401	POSTAL/COURIER SERVICES	46,289	48,300	48,300	45,119	52,000
401-0401-415.7510	TRAINING	350	3,330	3,330	1,599	3,330
401-0401-415.7520	TRAVEL EXPENSES & REIMBURSEMENTS	1,730	5,820	5,820	2,408	5,820
401-0401-415.7530	MEMBERSHIPS	0	160	160	0	160
401-0401-415.7710	SOFTWARE LICENSE FEES	2,406	3,150	3,150	3,150	3,150
401-0401-415.7800	CONTRACT SERVICES	6,475	6,840	40,545	40,545	7,020
401-0401-415.7802	CREDIT CARD FEES	134,048	132,000	132,000	155,000	186,000
TOTAL SERVICES		\$212,311	\$223,375	\$259,760	\$274,272	\$281,100
90 - OTHER						
401-0401-415.9830	PROVISION FOR UNCOLL A/R	\$0	\$11,608	\$11,608	\$0	\$11,608
TOTAL OTHER		\$0	\$11,608	\$11,608	\$0	\$11,608
0401 - FINANCE		\$732,168	\$583,207	\$621,010	\$608,073	\$648,477



Department Mission

Human Resources: It is the mission of Human Resources to create, encourage, and maintain an environment that supports, develops, and sustains the well-being of the City of Friendswood's employees. We do this by being a knowledgeable, approachable, professional resource in providing quality services in the areas of employee relations, benefits, recruitment and retention, organizational development, compensation, and human resource information management. We develop and communicate sound policies and procedures that balance the needs of employees and the needs of the city while ensuring compliance with federal and state law. We provide strategic leadership, modeling excellence, honesty, integrity, and teamwork. The Human Resources Department policies foster the way for diversity and inclusion of all employees. We deliver our services in support of the city's mission of excellence, leadership, and service.

3 Pillars of Human Resources



Risk Management: To protect the assets of the City of Friendswood from unnecessary and controllable losses by providing a safe and healthy workplace for our employees to function while simultaneously eliminating hazards to the public on city property. The primary goal of as a resource, Risk Management will assist departments in managing risk and reducing the frequency, severity, and associated cost of claims, through continuous education, communication, and safety oversight when requested.

3 Pillars of Risk Management



Current Operations

Human Resources is responsible for all human resource functions which includes personnel recruitment and retention, compensation, EEO compliance, employee benefits, training and development, new employee orientation, personnel policy interpretation and updates.

Risk Management is responsible for risk management functions, which include employee safety including safety training, accident investigation, and liability, and property insurance claims.

Departmental Accomplishments in FY 2023-2024

- ▶ Implemented sexual harassment and FMLA training
- ▶ In collaboration with multiple departments, implemented a fitness incentive program

Highlights of the Budget

The following forces at work and/or decision package(s) were submitted in the FY 2024-25 proposed budget.

Forces at Work (FAW) included with the FY2024-25 Proposed Budget:

Description	Type	Amount
	General Fund	\$25,220
Windstorm Insurance Increase (3%)	-	-
	General Fund	\$20,768
Auto Liability Insurance Increase (7%)	-	-
	General Fund	\$16,431
Real & Personal Property Insurance Increase (13%)	Water & Sewer Fund	13,444
	General Fund	\$104,764
Health Insurance Increase (5%)	Water & Sewer Fund	18,401
	General Fund	\$29,899
Workers Compensation Increase	Water & Sewer Fund	3,375

Decision Packages included with the FY2024-25 Proposed Budget:

Description	Type	Amount
	General Fund	\$888,603
Salary Adjustments / Merit 4.0%	Water & Sewer Fund	109,579

Decision Packages not included with the FY2024-25 Proposed Budget:

Description	Type	Amount
	General Fund	\$95,244
Benefit Specialist (+1.0 FTE)	-	-

Major Departmental Goals for FY 2024-2025

- ▶ Continue developing a more robust wellness program suitable for all employees, including mental, financial, and physical health
- ▶ Establish and implement comprehensive supervisor training

Supports the City's Strategic Goals:

1-Communication, 2-Economic Development, 4-Partnerships, 5-Public Safety, and 6- Organizational Development

Human Resources	FY22 Actual	FY23 Actual	FY24 Budget	FY24 Forecast	FY25 Proposed
Inputs					
City's total # of full-time equivalents*	241.70	242.9	249.5	250.62	271.76
# of full time equivalents	4.0	4.0	4.0	4.0	4.0
Division Expenditures	\$424,297	\$447,278	\$491,594	\$446,556	\$588,885
Outputs					
# of Job Requisitions Processed	56	40	60	50	60
Total # of applications processed	4,636	6,000	5,000	4,000	5,000
# of criminal background checks completed	64	70	70	60	70
# of employees trained during new hire orientation	43	30	50	50	50
Total # of new hire orientation sessions held	4	5	6	6	6
# of Wellness Programs for the year	0	4	3	1	3
Measures of Effectiveness					
Percentage of employees that participated in wellness program to total number of employees	0%	40%	30%	40%	50%
Percentage of employees participating in the EAP Program	6.8%	6.0%	6%	8%	9%
Measures of Efficiency					
Employee Turnover Rate	12.1%	12.0 %	12.0%	11.5%	12.0%
Monthly operational cost	\$35,358	\$37,273	\$40,966	\$37,213	\$49,074
Division expenditures per City's total full time equivalents	\$1,756	\$1,841	\$1,970	\$1,782	\$2,167

*The authorized number of FTE's are being reported in their respective departments.

Insurance (General Fund & Water & Sewer)

Information being reported to show activity over past three years. Report Loss Values as of June 30, 2024.

Inputs			FY22 Actual	FY23 Actual	FY24 Budget	FY24 Forecast	FY25 Proposed
Division Expenditures			\$442,029	\$500,237	\$617,005	\$602,863	\$658,770

Fund Year	Reported Claims		Total Loss Net of Recoveries	Member Deductibles	Pool Net Loss	Claims with Value	Contribution	Loss Ratio
Cyber Liability & Data Breach								
2023/2024	0	Incurred	0	0	0			
		Paid	0	0	0	0	242	0.00%
		Outstanding	0	0	0			
2022/2023	0	Incurred	0	0	0			
		Paid	0	0	0	0	87	0.00%
		Outstanding	0	0	0			
2021/2022	0	Incurred	0	0	0			
		Paid	0	0	0	0	53	0.00%
		Outstanding	0	0	0			
Workers' Compensation								
2023/2024	3	Incurred	25,253	0	25,253			
		Paid	19,205	0	19,205	3	73,144	34.50%
		Outstanding	6,048	0	6,048			
2022/2023	15	Incurred	116,839	0	116,839			
		Paid	78,425	0	78,425	8	146,320	79.90%
		Outstanding	38,414	0	38,414			
2021/2022	9	Incurred	1,612,768	0	1,612,768			
		Paid	274,822	0	274,822	5	122,727	1314.10%
		Outstanding	1,337,946	0	1,337,946			
General Liability								
2023/2024	6	Incurred	105,000	5,000	100,000			
		Paid	0	0	0	2	7,362	1358.20%
		Outstanding	105,000	5,000	100,000			
2022/2023	17	Incurred	3,729	3,729	0			
		Paid	3,729	3,729	0	3	11,658	0.00%
		Outstanding	0	0	0			
2021/2022	16	Incurred	16,026	6,483	9,543			
		Paid	16,026	6,483	9,543	4	10,518	90.70%
		Outstanding	0	0	0			
Law Enforcement								
2023/2024	0	Incurred	0	0	0			
		Paid	0	0	0	0	25,106	0.00%
		Outstanding	0	0	0			
2022/2023	0	Incurred	0	0	0			
		Paid	0	0	0	0	37,224	0.00%
		Outstanding	0	0	0			
2021/2022	2	Incurred	1,798	1,798	0			
		Paid	1,798	1,798	0	2	36,578	0.00%
		Outstanding	0	0	0			

Fund Year	Reported Claims		Total Loss Net of Recoveries	Member Deductibles	Pool Net Loss	Claims with Value	Contribution	Loss Ratio
Errors and Omissions								
2023/2024	2	Incurred	0	0	0			
		Paid	0	0	0	0	17,200	0.00%
		Outstanding	0	0	0			
2022/2023	0	Incurred	0	0	0			
		Paid	0	0	0	0	27,456	0.00%
		Outstanding	0	0	0			
2021/2022	0	Incurred	0	0	0			
		Paid	0	0	0	0	24,815	0.00%
		Outstanding	0	0	0			
Auto								
2023/2024	2	Incurred	100,252	500	99,752			
		Paid	20,252	500	19,752	2	66,059	151.00%
		Outstanding	80,000	0	80,000			
2022/2023	12	Incurred	126,017	1500	124,517			
		Paid	96,017	1,500	94,517	11	101,402	122.80%
		Outstanding	30,000	0	30,000			
2021/2022	10	Incurred	134,696	1,000	133,696			
		Paid	58,696	1,000	57,696	9	96,331	138.80%
		Outstanding	76,000	0	76,000			
Property								
2023/2024	3	Incurred	8,453	0	8,453			
		Paid	8,453	0	8,453	1	112,048	7.50%
		Outstanding	0	0	0			
2022/2023	2	Incurred	10,533	0	10,533			
		Paid	10,533	0	10,533	3	199,994	5.30%
		Outstanding	0	0	0			
2021/2022	3	Incurred	0	0	0			
		Paid	0	0	0	0	168,085	0.00%
		Outstanding	0	0	0			
Fidelity & Crime								
2023/2024	0	Incurred	0	0	0			
		Paid	0	0	0	0	3,014	0.00%
		Outstanding	0	0	0			
2022/2023	0	Incurred	0	0	0			
		Paid	0	0	0	0	6,029	0.00%
		Outstanding	0	0	0			
2021/2022	0	Incurred	0	0	0			
		Paid	0	0	0	0	6,029	0.00%
		Outstanding	0	0	0			

	FY22 Actual	FY23 Actual	FY24 Budget	FY24 Forecast	FY25 Proposed
Risk Management					
Inputs					
City's total # of full-time equivalents	241.65	242.90	249.50	250.62	271.76
# of full time equivalents	1.0	1.0	1.0	1.0	1.0
Division Expenditures	\$177,867	\$185,027	\$217,840	\$200,440	\$238,489
Outputs					
# of employees attending safety meetings	93	525	625	212	625
Total # of safety meetings and programs conducted	3	0	26	8	26
Total # of work-related reportable incidents	2	9	2	2	2
Measures of Effectiveness					
Total accidents per 1000 hours worked	N/A	N/A	0.004	0.004	0.004
Total Workdays Lost per 1000 hours*	N/A	N/A	0.100	0.399	0.100
Percent of valid test results indicating no drugs*	N/A	N/A	16.000	9.00	12.00
Percent of valid test results indicating no alcohol*	N/A	N/A	8.000	3.00	4.00
Workers Comp Experience Modifier	0.30	0.30	0.30	0.66	0.30
Measures of Efficiency					
Monthly operational cost	\$13,492	\$15,419	\$18,153	\$16,703	\$19,874
Division expenditures per City's total full time equivalents	\$687	\$762	\$873	\$800	\$878

*n/a – Data not available.

Department Summary

Expenditure by Division

Division	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget	% Change in Budget from FY24 to FY25
HUMAN RESOURCES	\$447,278	\$491,594	\$491,594	\$446,556	\$588,885	19.8%
INSURANCE	283,474	349,845	349,845	348,247	400,006	14.3%
INSURANCE (W/S)	216,763	267,160	267,160	254,616	258,764	-3.1%
RISK MANAGEMENT	185,027	217,840	217,840	200,440	238,489	9.5%
DEPARTMENT TOTAL	\$1,132,542	\$1,326,439	\$1,326,439	\$1,249,859	\$1,486,144	12.0%

Expenditure by Classification

Classification	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget	% Change in Budget from FY24 to FY25
PERSONNEL & BENEFITS	\$542,825	\$550,172	\$550,172	\$524,844	\$638,454	16.0%
SUPPLIES	21,786	26,985	28,713	27,213	40,285	49.3%
SERVICES	567,931	749,282	747,554	697,802	807,405	7.8%
CLASSIFICATION TOTAL	\$1,132,542	\$1,326,439	\$1,326,439	\$1,249,859	\$1,486,144	12.0%

Full-Time Equivalents by Division

Division	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget	% Change in Budget from FY24 to FY25
HUMAN RESOURCES	4.00	4.00	4.00	4.00	4.00	0.0%
RISK MANAGEMENT	1.00	1.00	1.00	1.00	1.00	0.0%
PERSONNEL TOTAL	5.00	5.00	5.00	5.00	5.00	0.0%

0610 - Human Resources

Account Number	Account Name	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
40 - PERSONNEL & BENEFITS						
001-0610-415.4110	FULLTIME SALARIES & WAGES	\$247,371	\$252,959	\$252,959	\$230,000	\$317,969
001-0610-415.4120	PART-TIME WAGES	38,517	35,777	35,777	39,673	37,615
001-0610-415.4130	OVERTIME PAY	1,728	3,420	3,420	2,000	3,569
001-0610-415.4143	LONGEVITY PAY	480	685	685	706	740
001-0610-415.4145	INCENTIVE-CERTIFICATE PAY	1,600	2,400	2,400	2,400	2,400
001-0610-415.4190	TERMINATION PAYOUTS	0	0	0	5,200	0
001-0610-415.4710	SOCIAL SECURITY/MEDICARE	21,954	22,409	22,409	21,025	27,604
001-0610-415.4720	TMRS RETIREMENT	48,048	50,737	50,737	46,597	60,485
001-0610-415.4810	HEALTH/DENTAL INSURANCE	21,426	17,726	17,726	14,418	15,313
001-0610-415.4820	LIFE INSURANCE	706	749	749	685	937
001-0610-415.4830	DISABILITY INSURANCE	1,031	1,090	1,090	1,002	1,371
001-0610-415.4840	WORKERS COMP INSURANCE	285	291	291	275	428
001-0610-415.4850	EAP SERVICES	174	174	174	142	158
001-0610-415.4880	UNEMPLOYMENT COMPENSATION	4,352	0	0	0	0
001-0610-415.4890	FLEX PLAN ADMINISTRATION	65	65	65	126	81
TOTAL PERSONNEL & BENEFITS		\$387,737	\$388,482	\$388,482	\$364,249	\$468,670
50 - SUPPLIES						
001-0610-415.5200	PERSONNEL SUPPLIES	\$71	\$450	\$450	\$450	\$500
001-0610-415.5223	STAFF DEV PROG SUPPLIES	519	3,750	3,750	3,750	4,000
001-0610-415.5400	OPERATING SUPPLIES	2,296	5,700	5,700	5,700	7,400
001-0610-415.5800	OPERATING EQUIPMENT<\$5000	378	1,800	3,528	3,528	2,100
TOTAL SUPPLIES		\$3,264	\$11,700	\$13,428	\$13,428	\$14,000
70 - SERVICES						
001-0610-415.7120	AUDIT SERVICES	\$0	\$2,500	\$2,500	\$0	\$2,500
001-0610-415.7140	CONSULTING SERVICES	0	2,500	2,500	1,500	2,500
001-0610-415.7212	MEDICAL EXAMINATIONS	22,049	21,307	21,307	21,307	25,260
001-0610-415.7220	PERSONNEL EVENTS/PROGRAMS	10,338	9,800	9,800	9,800	10,000
001-0610-415.7223	STAFF DEV PROG SERVICES	4,713	6,400	6,400	6,400	8,000
001-0610-415.7400	OPERATING SERVICES	10	7,080	7,080	7,080	7,080
001-0610-415.7401	POSTAL/COURIER SERVICES	75	370	370	100	370
001-0610-415.7491	ADVERTISING/PUBLIC NOTICE	0	350	350	0	350
001-0610-415.7496	CRIMINAL HISTORY SERVICES	1,186	8,090	8,090	2,500	8,090
001-0610-415.7497	RECRUITMENT ADVERTISING	0	500	500	0	500
001-0610-415.7510	TRAINING	6,116	13,475	11,747	7,000	14,625
001-0610-415.7520	TRAVEL EXPENSES & REIMBURSEMENTS	8,563	13,500	13,500	8,002	15,400
001-0610-415.7530	MEMBERSHIPS	638	1,590	1,590	1,590	7,590
001-0610-415.7612	TELEPHONE/COMMUNICATIONS	0	350	350	0	350
001-0610-415.7800	CONTRACT SERVICES	2,589	3,600	3,600	3,600	3,600
TOTAL SERVICES		\$56,277	\$91,412	\$89,684	\$68,879	\$106,215
0610 - HUMAN RESOURCES		\$447,278	\$491,594	\$491,594	\$446,556	\$588,885

0611 - Insurance (General Fund)

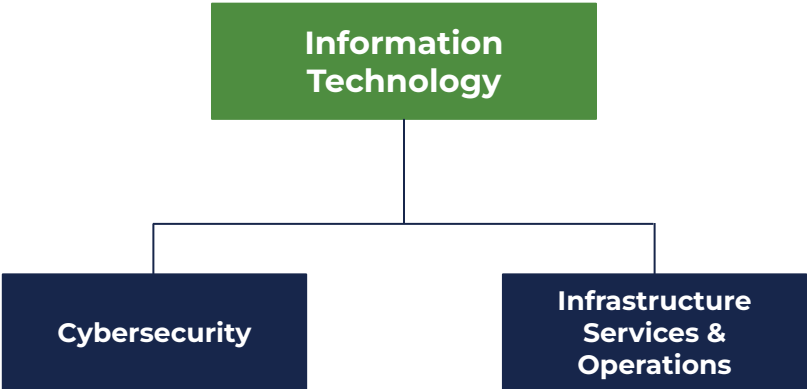
Account Number	Account Name	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
70 - SERVICES						
001-0611-415.7300	PD SURVIVING SPOUSE INSURANCE	\$7,950	\$9,240	\$9,240	\$9,240	\$9,240
001-0611-415.7313	MOBILE EQUIPMENT	6,558	5,789	5,789	6,946	7,200
001-0611-415.7321	GENERAL LIABILITY	6,855	8,084	8,084	8,658	9,000
001-0611-415.7323	PUBLIC OFFICIAL	16,319	19,434	19,434	20,227	21,250
001-0611-415.7324	CRIME & ACCIDENT COVERAGE	5,133	5,087	5,087	5,465	7,130
001-0611-415.7331	WINDSTORM	139,314	182,009	182,009	182,009	207,231
001-0611-415.7332	REAL & PERSONAL PROPERTY	99,321	113,082	113,082	113,082	131,835
001-0611-415.7333	FLOOD	1,162	1,170	1,170	1,170	1,170
001-0611-415.7350	SURETY BONDS	862	1,450	1,450	1,450	1,450
001-0611-415.7380	PRIOR YEAR INSURANCE	0	4,500	4,500	0	4,500
TOTAL SERVICES		\$283,474	\$349,845	\$349,845	\$348,247	\$400,006
0611 - INSURANCE (General Fund)		\$283,474	\$349,845	\$349,845	\$348,247	\$400,006

0611 - Insurance (Water & Sewer Fund)

Account Number	Account Name	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
70 - SERVICES						
401-0611-415.7313	MOBILE EQUIPMENT	\$4,372	\$5,789	\$5,789	\$4,631	\$4,800
401-0611-415.7321	GENERAL LIABILITY	4,570	5,389	5,389	5,772	6,000
401-0611-415.7323	PUBLIC OFFICIAL	10,763	12,590	12,590	13,484	13,900
401-0611-415.7324	CRIME & ACCIDENT COVERAGE	861	822	822	917	1,300
401-0611-415.7331	WINDSTORM	113,984	148,878	148,878	136,121	123,650
401-0611-415.7332	REAL & PERSONAL PROPERTY	81,263	92,522	92,522	92,521	107,944
401-0611-415.7333	FLOOD	950	1,170	1,170	1,170	1,170
TOTAL SERVICES		\$216,763	\$267,160	\$267,160	\$254,616	\$258,764
0611 - INSURANCE (Water & Sewer Fund)		\$216,763	\$267,160	\$267,160	\$254,616	\$258,764

0612 - Risk Management

Account Number	Account Name	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
40 - PERSONNEL & BENEFITS						
001-0612-415.4110	FULLTIME SALARIES & WAGES	\$103,614	\$107,437	\$107,437	\$107,437	\$113,373
001-0612-415.4143	LONGEVITY PAY	1,240	1,300	1,300	1,300	1,360
001-0612-415.4145	INCENTIVE-CERTIFICATE PAY	3,900	3,900	3,900	3,900	3,900
001-0612-415.4710	SOCIAL SECURITY/MEDICARE	7,452	7,939	7,939	7,938	8,358
001-0612-415.4720	TMRS RETIREMENT	18,037	19,357	19,357	19,356	19,806
001-0612-415.4810	HEALTH/DENTAL INSURANCE	19,839	20,676	20,676	19,682	21,882
001-0612-415.4820	LIFE INSURANCE	295	325	325	303	342
001-0612-415.4830	DISABILITY INSURANCE	432	473	473	444	501
001-0612-415.4840	WORKERS COMP INSURANCE	107	111	111	108	140
001-0612-415.4850	EAP SERVICES	58	58	58	53	53
001-0612-415.4890	FLEX PLAN ADMINISTRATION	114	114	114	74	69
TOTAL PERSONNEL & BENEFITS		\$155,088	\$161,690	\$161,690	\$160,595	\$169,784
50 - SUPPLIES						
001-0612-415.5200	PERSONNEL SUPPLIES	\$10	\$2,500	\$2,500	\$1,000	\$2,500
001-0612-415.5400	OPERATING SUPPLIES	891	4,285	4,285	4,285	15,285
001-0612-415.5800	OPERATING EQUIPMENT<\$5000	17,621	8,500	8,500	8,500	8,500
TOTAL SUPPLIES		\$18,522	\$15,285	\$15,285	\$13,785	\$26,285
70 - SERVICES						
001-0612-415.7212	MEDICAL EXAMINATIONS	\$849	\$6,325	\$6,325	\$2,000	\$6,325
001-0612-415.7220	PERSONNEL EVENTS/PROGRAMS	8,915	18,250	18,250	18,250	19,600
001-0612-415.7510	TRAINING	813	6,870	6,870	3,000	7,060
001-0612-415.7520	TRAVEL EXPENSES & REIMBURSEMENTS	75	8,410	8,410	1,800	8,410
001-0612-415.7530	MEMBERSHIPS	765	1,010	1,010	1,010	1,025
TOTAL SERVICES		\$11,417	\$40,865	\$40,865	\$26,060	\$42,420
0612 - RISK MANAGEMENT		\$185,027	\$217,840	\$217,840	\$200,440	\$238,489

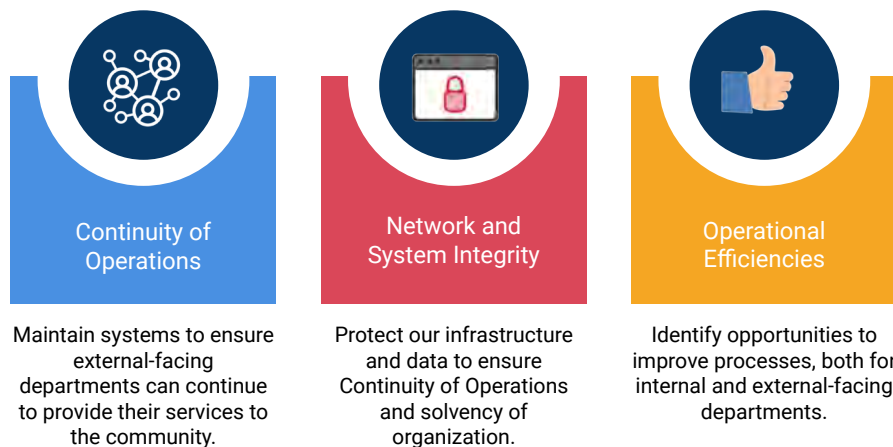


Department Mission

Information Technology (IT) is responsible for developing reliable, secure, innovative, and integrated technology solutions that are City organizational priorities and public needs driven. The IT Department provides the knowledge and resources to help all city departments solve business problems, collaborate with city departments, serve citizens effectively and move the city's vision forward. IT provides timely and efficient systems support to all departments by maximizing technology related resources, maintaining a current standard of hardware and software, offering technical guidance, and strategic planning for future system solutions. IT continues to research a broad range of new services and technology projects where innovations are expected to improve service delivery or provide new or enhanced public services more efficiently. IT delivers EPIC (Excellent, Proactive, Impactful, Customer-focused) technology services to enhance the community experience. In support of the mission, we will:

- Partner with internal and external stakeholders to understand their information technology needs.
- Provide leadership and planning for the effective and strategic use of emerging technologies.
- Ensure the confidentiality, integrity, and availability of data.
- Demonstrate technical and operational excellence through a commitment to professionalism and continuous improvement.
- Maintain the highest level of protection of Information Technology assets and reduce overall threats.

3 Pillars of Information Technology



Current Operations

Information Technology (IT) provides vision, leadership, strategic-planning and innovative technology that is secure, reliable, and integrated technology solutions that are aligned with the City's strategic plan, while delivering excellence in customer service. Current services provided by the IT department include:

- Provide and support a secure centralized network, telephony, and computer technology.
- Support and maintain software applications and the data infrastructure enabling effective business analysis.
- Mitigate risk of loss to the city's information and computer resources and develop security policies and guidelines.

Departmental Accomplishments in FY 2023-2024

- Successful deployment of updated records management solution
- Successful deployment of Cityworks PLL
- Completion of technology refresh
- Renovation for Blackhawk facility
- Renovation for PSB
- Renovation for Fire Station 2
- Replacement solution for discontinued copper phone lines
- Build out of IT infrastructure needs within the Blackhawk facility to renovate the building.
- Completion of the programming for the redundant internet connection housed at city hall.

Highlights of the Budget

The following forces at work and/or decision package(s) were submitted in the FY 2024-25 proposed budget.

Decision Packages not included with the FY2024-25 Proposed Budget:

Description	Type	Amount
	General Fund	\$17,000
Cloud Backup Service	-	-

Major Departmental Goals for FY 2024-2025:

- ▶ Discover and define Smart City initiatives for Friendswood
- ▶ Renovation of council chambers
- ▶ DR/BC (Disaster Recovery/Business Continuity) server enhancement.
- ▶ Implement Cyber Incident Response Plan.
- ▶ Cyber Security Public Training for Cyber Security Awareness Month in October.
- ▶ Formulating the deployment of NIST Best Practices for Cybersecurity
- ▶ Standardized IT Policies and Procedures.
- ▶ Enhanced User Security Awareness Training and Cybersecurity training.
- ▶ Maintaining the IT infrastructure to accommodate new technology.
- ▶ Implement and test Disaster Recovery plans for servers.
- ▶ Development of an internal ISOC/NOC (information security operations center/network operations center) for IT.

Supports the City's Strategic Goals:

1-Communication, 2-Economic Development, 4-Partnerships, 5-Public Safety, and 6-Organizational Development

Information Technology	FY22 Actual	FY23 Actual	FY24 Budget	FY24 Forecast	FY25 Proposed
Inputs					
City's total full time equivalents	241.70	242.9	249.5	250.6	271.8
# of full time equivalents	6.0	6.0	7.5	7.5	7.5
Division Expenditures	\$1,825,172	\$2,941,629	\$2,183,679	\$2,263,859	\$2,352,485
Outputs					
# of users supported	280	280	300	300	300
# of work orders closed	5369	5,100	5200	5000	5,000
# of PC's/laptops/iPads supported	420	420	450	450	450
# of servers supported	50	50	55	55	55
# of printers/scanners supported	55/50	55/50	55/55	55/55	55/55
# of applications supported	60+	60+	60+	60+	60+
# of networks supported	45 net/ subnet	45 net/ subnet	45 net/ subnet	45 net/ subnet	45 net/ subnet
Measures of Effectiveness					
% of Server, software, network availability during normal business hours	99.9%	99.9%	99.9%	99.9%	99.9%
% of support hours	55%	55%	50%	50%	50%
% of project hours	45%	45%	50%	50%	50%
Average time to close work orders (hours)	90 hours	90 hours	110 hours	110 hours	110 hours
Measures of Efficiency					
Average # of work order request closed per month	447	425	433	433	433
Division expenditures per full time employee	\$447	\$8,072	\$8,752	\$8,752	\$8,752
Division expenditures per capita	\$43.26	\$46.48	\$51.19	\$51.19	\$51.19
Monthly Operational Cost	\$152,098	\$245,136	\$181,973	\$188,655	\$196,040

Department Summary

Expenditure by Division

Division	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget	% Change in Budget from FY24 to FY25
INFORMATION TECHNOLOGY	\$2,941,629	\$2,183,679	\$2,287,024	\$2,263,859	\$2,352,485	7.7%
DEPARTMENT TOTAL	\$2,941,629	\$2,183,679	\$2,287,024	\$2,263,859	\$2,352,485	7.7%

Expenditure by Classification

Classification	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget	% Change in Budget from FY24 to FY25
PERSONNEL & BENEFITS	\$773,820	\$958,231	\$958,231	\$942,020	\$925,747	-3.4%
SUPPLIES	72,647	83,730	56,244	56,244	73,700	-12.0%
MAINTENANCE	35,992	65,630	65,630	65,630	68,130	3.8%
SERVICES	1,130,216	1,057,088	1,143,144	1,136,190	1,241,708	17.5%
CAPITAL OUTLAY	928,954	19,000	63,775	63,775	43,200	127.4%
CLASSIFICATION TOTAL	\$2,941,629	\$2,183,679	\$2,287,024	\$2,263,859	\$2,352,485	7.7%

Full-Time Equivalents by Division

Division	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget	% Change in Budget from FY24 to FY25
INFORMATION TECHNOLOGY	6.00	7.50	7.50	7.50	7.50	0.0%
PERSONNEL TOTAL	6.00	7.50	7.50	7.50	7.50	0.0%

0716 - Information Technology

Account Number	Account Name	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
40 - PERSONNEL & BENEFITS						
001-0716-419.4110	FULLTIME SALARIES & WAGES	\$531,198	\$656,003	\$656,003	\$656,002	\$655,493
001-0716-419.4130	OVERTIME PAY	13,302	11,370	11,370	11,370	11,833
001-0716-419.4131	HOLIDAY HRS WORKED	93	0	0	100	0
001-0716-419.4143	LONGEVITY PAY	3,330	3,150	3,150	3,950	2,610
001-0716-419.4145	INCENTIVE-CERTIFICATE PAY	6,000	11,400	11,400	11,400	5,700
001-0716-419.4149	CELL PHONE ALLOWANCE	4,824	4,800	4,800	4,800	6,000
001-0716-419.4190	TERMINATION PAYOUTS	9,180	0	0	11,347	0
001-0716-419.4710	SOCIAL SECURITY/MEDICARE	41,933	49,981	49,981	49,980	50,380
001-0716-419.4720	TMRS RETIREMENT	94,190	118,013	118,013	118,013	113,799
001-0716-419.4810	HEALTH/DENTAL INSURANCE	64,235	96,287	96,287	68,347	72,493
001-0716-419.4820	LIFE INSURANCE	1,509	1,979	1,979	1,829	1,967
001-0716-419.4830	DISABILITY INSURANCE	2,059	2,879	2,879	2,701	2,904
001-0716-419.4840	WORKERS COMP INSURANCE	1,502	1,771	1,771	1,714	2,097
001-0716-419.4850	EAP SERVICES	339	436	436	380	394
001-0716-419.4890	FLEX PLAN ADMINISTRATION	126	162	162	87	77
TOTAL PERSONNEL & BENEFITS		\$773,820	\$958,231	\$958,231	\$942,020	\$925,747
50 - SUPPLIES						
001-0716-419.5200	PERSONNEL SUPPLIES	\$60	\$240	\$240	\$240	\$350
001-0716-419.5400	OPERATING SUPPLIES	1,857	7,350	7,350	7,350	7,250
001-0716-419.5800	OPERATING EQUIPMENT<\$5000	37,225	41,140	18,865	18,865	31,100
001-0716-419.5820	SECURITY CAMERA EQUIPMENT	33,505	35,000	29,789	29,789	35,000
TOTAL SUPPLIES		\$72,647	\$83,730	\$56,244	\$56,244	\$73,700
60 - MAINTENANCE						
001-0716-419.6700	COMPUTER EQUIP MAINT	\$35,992	\$65,630	\$65,630	\$65,630	\$68,130
TOTAL MAINTENANCE		\$35,992	\$65,630	\$65,630	\$65,630	\$68,130
70 - SERVICES						
001-0716-419.7400	OPERATING SERVICES	0	25,000	17,641	17,000	25,000
001-0716-419.7510	TRAINING	10,555	23,880	23,880	17,829	27,675
001-0716-419.7520	TRAVEL EXPENSES & REIMBURSEMENTS	6,137	9,600	9,600	9,343	9,600
001-0716-419.7530	MEMBERSHIPS	175	180	180	175	200
001-0716-419.7710	SOFTWARE LICENSE FEES	36,168	27,800	27,800	27,800	28,700
001-0716-419.7720	SOFTWARE SUPPORT SERVICES	995,925	851,818	940,022	940,022	924,123
001-0716-419.7730	INTERNET/WIRELESS SERVICE	77,148	91,810	91,810	91,810	174,010
001-0716-419.7800	CONTRACT SERVICES	4,108	27,000	32,211	32,211	52,400
TOTAL SERVICES		\$1,130,216	\$1,057,088	\$1,143,144	\$1,136,190	\$1,241,708
80 - CAPITAL OUTLAY						
001-0716-419.8400	CAPITAL OPERATING EQUIP	\$26,736	\$0	\$0	\$0	\$0
001-0716-419.8800	CAPITAL EQUIPMENT	\$902,218	\$19,000	\$63,775	\$63,775	\$43,200
TOTAL CAPITAL OUTLAY		\$928,954	\$19,000	\$63,775	\$63,775	\$43,200
0716 - INFORMATION TECHNOLOGY		\$2,941,629	\$2,183,679	\$2,287,024	\$2,263,859	\$2,352,485



Mission Statement

The mission of the City Attorney’s Office is to provide quality legal services while zealously representing the City, its officers, and employees and striving to achieve that which is in the best interest of the City and its citizens.

3 Pillars of the City Attorney's Office



Highlights of the Budget

The following forces at work and/or decision package(s) were submitted in the FY 2024-25 proposed budget.

Decision Packages not included with the FY2024-25 Proposed Budget:

Description	Type	Amount
	General Fund	\$50,000
Legal Services/Litigation Deductibles/Damages	-	-

2023-2024 Departmental Goals and Performance Measures

To provide dependable legal advice relating to the operations of the City in the following key areas:

- litigation and litigation support
- contract drafting, negotiations, and interpretations
- ordinance/resolution review/preparation
- employment issues
- public utility and other regulatory matters
- acquisition and sale of property
- election affairs
- liability risk identification
- legal compliance issues.

Supports the City's Strategic Goals:

1-Communication, 2-Economic Development, 3-Preservation, 4-Partnerships, 5-Public Safety, and 6-Organizational Development

City Attorney	FY22 Actual	FY23 Actual	FY24 Budget	FY24 Forecast	FY25 Proposed
Inputs					
# of full time equivalents	0.00	2.15	2.15	3.20	2.20
Department Expenditures	\$0	\$386,785	\$460,988	\$435,334	\$478,802
Outputs					
# of letter/briefs sent to Attorney General	0	70	100	60	55
# of Contracts Prepared/Reviewed	0	85	150	150	140
# of Ordinances Prepared/Reviewed	0	50	40	30	30
# of Resolutions Prepared/Reviewed	0	45	50	35	35
# of Proclamations Prepared/Reviewed	0	34	0	35	35
Measures of Efficiency					
Monthly Operational Cost	\$0	\$32,232	\$38,416	\$36,278	\$39,900
Department Expenditures per capita	\$0	\$9.07	\$10.81	\$10.12	\$11.13

Department Summary

Expenditure by Division

Division	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget	% Change in Budget from FY24 to FY25
CITY ATTORNEY DEPT	\$386,785	\$460,988	\$439,460	\$435,334	\$478,802	3.9%
DEPARTMENT TOTAL	\$386,785	\$460,988	\$439,460	\$435,334	\$478,802	3.9%

Expenditure by Classification

Classification	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget	% Change in Budget from FY24 to FY25
PERSONNEL & BENEFITS	\$356,262	\$359,059	\$337,509	\$363,457	\$403,778	12.5%
SUPPLIES	2,677	1,411	1,433	1,432	1,215	-13.9%
SERVICES	27,846	100,518	100,518	70,445	73,809	-26.6%
CLASSIFICATION TOTAL	\$386,785	\$460,988	\$439,460	\$435,334	\$478,802	3.9%

Full-Time Equivalents by Division

Division	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget	% Change in Budget from FY24 to FY25
CITY ATTORNEY	2.15	2.15	3.15	3.20	2.20	2.3%
PERSONNEL TOTAL	2.15	2.15	3.15	3.20	2.20	2.3%

0801 - City Attorney Dept

Account Number	Account Name	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
40 - PERSONNEL & BENEFITS						
001-0801-411.4110	FULLTIME SALARIES & WAGES	\$236,954	\$245,009	\$225,009	\$225,009	\$266,831
001-0801-411.4130	OVERTIME PAY	0	2,180	2,180	1,117	2,271
001-0801-411.4143	LONGEVITY PAY	630	800	800	917	170
001-0801-411.4145	INCENTIVE-CERTIFICATE PAY	1,800	1,800	1,800	600	0
001-0801-411.4190	TERMINATION PAYOUTS	0	0	0	4,889	0
001-0801-411.4220	PART-TIME WAGES W/O BENEFITS	42,779	31,524	31,524	57,650	62,381
001-0801-411.4710	SOCIAL SECURITY/MEDICARE	19,635	19,378	17,848	22,115	23,555
001-0801-411.4720	TMRS RETIREMENT	39,706	42,926	42,926	43,091	44,955
001-0801-411.4810	HEALTH/DENTAL INSURANCE	12,554	13,144	13,144	5,745	1,129
001-0801-411.4820	LIFE INSURANCE	680	721	721	738	777
001-0801-411.4830	DISABILITY INSURANCE	994	1,049	1,049	1,080	1,137
001-0801-411.4840	WORKERS COMP INSURANCE	279	277	257	312	392
001-0801-411.4850	EAP SERVICES	116	116	116	112	105
001-0801-411.4890	FLEX PLAN ADMINISTRATION	135	135	135	82	75
TOTAL PERSONNEL & BENEFITS		\$356,262	\$359,059	\$337,509	\$363,457	\$403,778
50 - SUPPLIES						
001-0801-411.5400	OPERATING SUPPLIES	\$1,130	\$1,411	\$1,433	\$1,432	\$1,215
001-0801-411.5800	OPERATING EQUIPMENT<\$5000	1,547	0	0	0	0
TOTAL SUPPLIES		\$2,677	\$1,411	\$1,433	\$1,432	\$1,215
70 - SERVICES						
001-0801-411.7110	LEGAL SERVICES	\$11,277	\$50,000	\$50,000	\$25,000	\$50,000
001-0801-411.7400	OPERATING SERVICES	236	2,025	2,025	1,600	1,625
001-0801-411.7401	POSTAL/COURIER SERVICES	2,100	2,970	2,970	2,100	2,100
001-0801-411.7510	TRAINING	2,914	3,750	3,750	3,220	3,220
001-0801-411.7520	TRAVEL EXPENSES & REIMBURSEMENTS	1,737	4,985	4,985	3,520	3,520
001-0801-411.7530	MEMBERSHIPS	1,160	1,525	1,525	1,525	1,550
001-0801-411.7540	PUBLICATIONS	7,966	8,783	8,783	7,000	11,314
001-0801-411.7612	TELEPHONE/COMMUNICATIONS	456	480	480	480	480
001-0801-411.7800	CONTRACT SERVICES	0	26,000	26,000	26,000	0
TOTAL SERVICES		\$27,846	\$100,518	\$100,518	\$70,445	\$73,809
0801 - CITY ATTORNEY DEPT		\$386,785	\$460,988	\$439,460	\$435,334	\$478,802



Municipal Court

INTRODUCTION
& OVERVIEW

FINANCIAL STRUCTURE,
POLICY & PROCESS

FINANCIAL
SUMMARIES

DEBT SERVICE
& CAPITAL IMPROVEMENTS

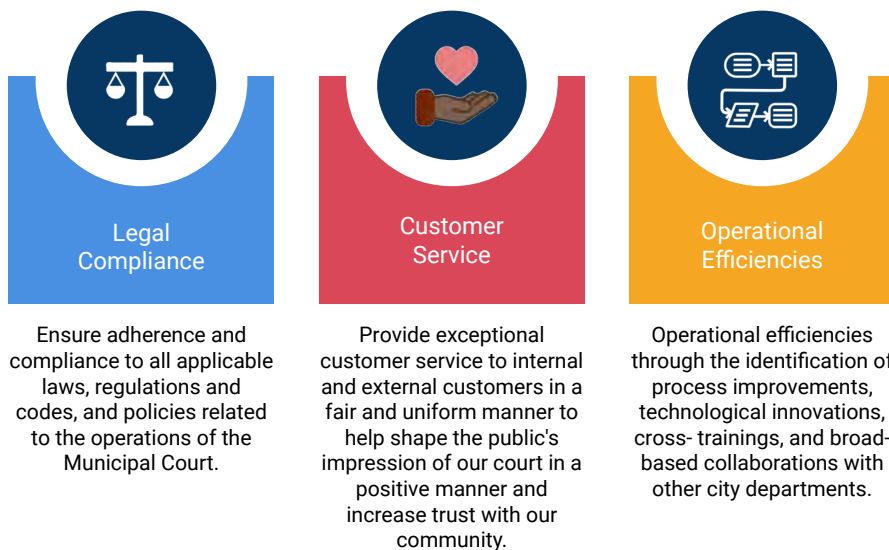
DEPARTMENTAL
INFORMATION

SUPPLEMENTAL
INFORMATION

Department Mission

The Friendswood Municipal Court (the “Court”) provides a fair and impartial judicial system for the timely adjudication of misdemeanor offenses within the jurisdiction of the City of Friendswood, in compliance with all applicable laws and regulations while providing exceptional service to internal and external customers.

3 Pillars of Municipal Court



Current Operations

Effective May 6, 2024, the Court was realigned from being a division of the Administrative Services/ Finance Department to a stand-alone department named the Municipal Court Department. As its own department, the Court now has its own operations, finances, and budget, with the Court Administrator now being the Director of the Municipal Court Department. The Court reports directly to an Assistant City Manager and has a staff of four (4) full-time employees.

The Court is responsible for bringing fair, timely, and impartial conclusions to all misdemeanor cases filed within the jurisdiction of the Friendswood Municipal Court in the City by maintaining accurate records of all court cases filed and disposed of, as well as processing payments and serving warrants. With the exception of holidays, Municipal Court sessions are Wednesday evenings and periodic Wednesday mornings of each month. The court keeps a schedule that minimizes the delay in setting court dates and promotes efficient operations.

In the upcoming year, the Court will review, analyze, and implement updates and changes to its processes and procedures in order to accommodate legislative changes from the last legislative session and implement best practices. Additionally, the Court will undertake the review and analysis of its operations and staffing to identify current and future needs, including job descriptions update, succession planning and efficiencies.

Departmental Accomplishments in FY 2023-2024

- ▶ Completed Court Renovation Project.
- ▶ Updates and changes in procedures to accommodate legislative changes.

Highlights of the Budget

The most impactful change to the Court's budget is related to the May 6, 2024, reorganization, which created the Municipal Court Department. The Court will focus on creating its departmental structure, while continuing its operations excellence in collaboration with internal and external stakeholders.

Major Departmental Goals for FY 2024-2025:

- ▶ Continue to provide a fair, impartial system for the timely processing of offenses filed within the jurisdiction of the Court.
- ▶ Implement new, more efficient payment software to increase both customer service and court efficiencies.
- ▶ Develop and implement Youth Diversion programs in compliance with new state mandates.
- ▶ Explore options for the implementation of a system for the automation of jury service to allow for increased ease and efficiency via an online jury participation and enrollment system.

Supports the City's Strategic Goals:

1-Communication, 4-Partnerships, 5-Public Safety, and 6-Organizational Development

Objectives:

- ▶ Continue compliance with all legally mandated processes, systems, and reporting.
- ▶ Continue to modify and update standard operating procedure as changes are made.
- ▶ Continue ongoing professional training for staff; i.e., Texas Court Clerks Association, CJIS, etc.

Municipal Court	FY22 Actual	FY23 Actual	FY24 Budget	FY24 Forecast	FY25 Proposed
Inputs					
# of full time equivalents	5.6	4.6	4.6	4.6	4.6
Division Expenditures	\$465,654	\$467,021	\$517,214	\$535,884	\$530,088
Outputs					
Revenue generated	\$925,025	\$807,163	\$874,577	\$1,000,670	\$926,057
# of cases filed with court	6,611	8,000	5,500	5,000	5,500
# of cases disposed	5,032	5,500	6,000	6,000	6,000
# of warrants issued	1,945	1,200	1,800	1,800	1,200
# of warrants cleared (court staff)*	1,738	750	1,000	1,680	1,000
# of warrants served (police dept)	552	200	500	200	500
Total # of warrants outstanding	4,884	3,700	5,800	5,600	5,800
# of Municipal Court sessions held	68	64	70	70	70
Measures of Effectiveness					
% of warrants cleared	25%**	25%**	35%	35%	35%
Measures of Efficiency					
Monthly operational cost	\$38,805	\$38,918	\$43,101	\$44,657	\$44,174
Division expenditures per capita	\$11.04	\$10.95	\$12.13	\$12.46	\$12.32

*Warrants cleared include a large number of warrants cleared in accordance with new legislation allowing warrants older than 15 years to be purged.

** Unable to jail unless emergency due to Covid-19.

Department Summary

Expenditure by Division

Division	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget	% Change in Budget from FY24 to FY25
MUNICIPAL COURT	\$467,021	\$517,214	\$522,775	\$535,884	\$530,088	2.5%
DEPARTMENT TOTAL	\$467,021	\$517,214	\$522,775	\$535,884	\$530,088	2.5%

Expenditure by Classification

Classification	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget	% Change in Budget from FY24 to FY25
PERSONNEL & BENEFITS	\$439,278	\$477,509	\$483,070	\$497,914	\$477,243	-0.1%
SUPPLIES	4,928	10,180	8,340	8,340	13,080	28.5%
SERVICES	22,815	29,525	31,365	29,630	39,765	34.7%
CLASSIFICATION TOTAL	\$467,021	\$517,214	\$522,775	\$535,884	\$530,088	2.5%

Full-Time Equivalents by Division

Division	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget	% Change in Budget from FY24 to FY25
MUNICIPAL COURT	4.60	4.60	4.60	4.60	4.60	0.0%
PERSONNEL TOTAL	4.60	4.60	4.60	4.60	4.60	0.0%

0409,0901 - Municipal Court

Account Number	Account Name	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
40 - PERSONNEL & BENEFITS						
001-0409-412.4110	FULLTIME SALARIES & WAGES	\$236,996	\$256,806	\$261,245	\$261,244	\$0
001-0409-412.4130	OVERTIME PAY	2,717	4,018	4,018	4,017	0
001-0409-412.4143	LONGEVITY PAY	1,505	1,745	1,745	16,110	0
001-0409-412.4145	INCENTIVE-CERTIFICATE PAY	11,700	12,120	12,120	12,120	0
001-0409-412.4190	TERMINATION PAYOUTS	0	0	0	1,621	0
001-0409-412.4220	PART-TIME WAGES W/O BENEFITS	80,217	89,268	89,268	89,267	0
001-0409-412.4710	SOCIAL SECURITY/MEDICARE	24,660	27,247	27,587	27,586	0
001-0409-412.4720	TMRS RETIREMENT	41,947	47,205	47,945	47,945	0
001-0409-412.4810	HEALTH/DENTAL INSURANCE	37,230	36,477	36,477	35,746	0
001-0409-412.4820	LIFE INSURANCE	674	793	808	685	0
001-0409-412.4830	DISABILITY INSURANCE	986	1,154	1,180	1,003	0
001-0409-412.4840	WORKERS COMP INSURANCE	328	358	359	326	0
001-0409-412.4850	EAP SERVICES	232	232	232	207	0
001-0409-412.4890	FLEX PLAN ADMINISTRATION	86	86	86	37	0
001-0901-412.4110	FULLTIME SALARIES & WAGES	0	0	0	0	264,905
001-0901-412.4130	OVERTIME PAY	0	0	0	0	4,197
001-0901-412.4143	LONGEVITY PAY	0	0	0	0	1,520
001-0901-412.4145	INCENTIVE-CERTIFICATE PAY	0	0	0	0	5,520
001-0901-412.4220	PART-TIME WAGES W/O BENEFITS	0	0	0	0	90,171
001-0901-412.4710	SOCIAL SECURITY/MEDICARE	0	0	0	0	26,523
001-0901-412.4720	TMRS RETIREMENT	0	0	0	0	46,102
001-0901-412.4810	HEALTH/DENTAL INSURANCE	0	0	0	0	35,690
001-0901-412.4820	LIFE INSURANCE	0	0	0	0	797
001-0901-412.4830	DISABILITY INSURANCE	0	0	0	0	1,166
001-0901-412.4840	WORKERS COMP INSURANCE	0	0	0	0	418
001-0901-412.4850	EAP SERVICES	0	0	0	0	210
001-0901-412.4890	FLEX PLAN ADMINISTRATION	0	0	0	0	24
TOTAL PERSONNEL & BENEFITS		\$439,278	\$477,509	\$483,070	\$497,914	\$477,243
50 - SUPPLIES						
001-0409-412.5200	PERSONNEL SUPPLIES	\$275	\$680	\$680	\$680	\$0
001-0409-412.5400	OPERATING SUPPLIES	4,653	6,000	6,000	6,000	0
001-0409-412.5800	OPERATING EQUIPMENT<\$5000	0	3,500	1,660	1,660	0
001-0901-412.5200	PERSONNEL SUPPLIES	0	0	0	0	680
001-0901-412.5400	OPERATING SUPPLIES	0	0	0	0	6,000
001-0901-412.5800	OPERATING EQUIPMENT<\$5000	0	0	0	0	6,400

0409,0901 - Municipal Court (continued)

Account Number	Account Name	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
TOTAL SUPPLIES		\$4,928	\$10,180	\$8,340	\$8,340	\$13,080
70 - SERVICES						
001-0409-412.7400	OPERATING SERVICES	\$0	\$1,000	\$1,000	\$750	\$0
001-0409-412.7401	POSTAL/COURIER SERVICES	3,489	4,200	4,200	4,200	0
001-0409-412.7510	TRAINING	1,526	2,485	2,485	2,000	0
001-0409-412.7520	TRAVEL EXPENSES & REIMBURSEMENTS	1,437	3,800	3,800	2,800	0
001-0409-412.7530	MEMBERSHIPS	396	540	540	540	0
001-0409-412.7800	CONTRACT SERVICES	3,214	3,500	5,340	5,340	0
001-0409-412.7802	CREDIT CARD FEES	12,753	14,000	14,000	14,000	0
001-0901-412.7400	OPERATING SERVICES	0	0	0	0	1,000
001-0901-412.7401	POSTAL/COURIER SERVICES	0	0	0	0	4,200
001-0901-412.7510	TRAINING	0	0	0	0	4,985
001-0901-412.7520	TRAVEL EXPENSES & REIMBURSEMENTS	0	0	0	0	4,500
001-0901-412.7530	MEMBERSHIPS	0	0	0	0	540
001-0901-412.7800	CONTRACT SERVICES	0	0	0	0	10,540
001-0901-412.7802	CREDIT CARD FEES	0	0	0	0	14,000
TOTAL SERVICES		\$22,815	\$29,525	\$31,365	\$29,630	\$39,765
80 - CAPITAL OUTLAY						
0409,0901 - MUNICIPAL COURT		\$467,021	\$517,214	\$522,775	\$535,884	\$530,088

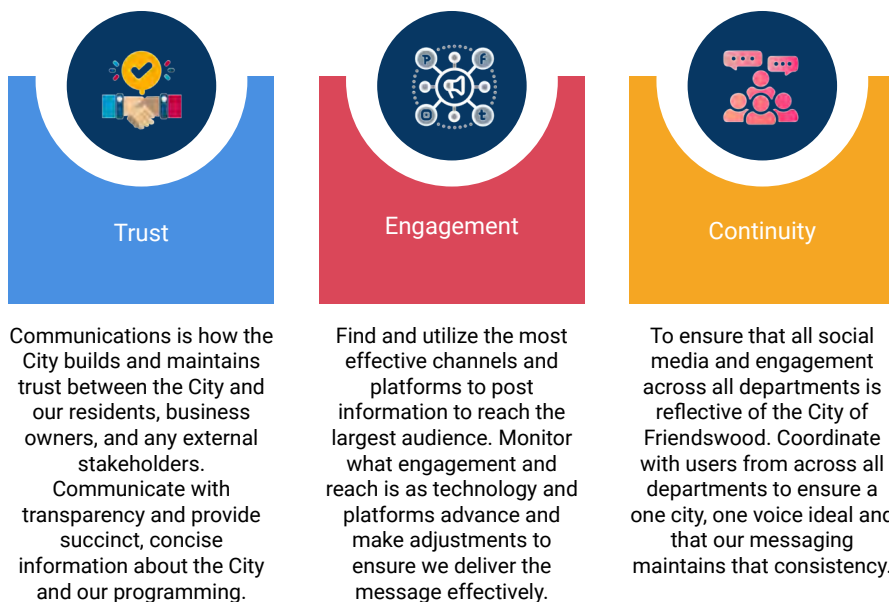


Communications

Mission Statement

The Communications department coordinates the planning and organizing of comprehensive public information, media relations, social media, and marketing campaigns pertaining to programs sponsored by the City of Friendswood. There are a total of three full-time employees in the department.

3 Pillars of Communications



Current Operations

This department encompasses the City Manager's communication management and organizational development and planning. Staff provides wide-range administrative support activities for the City Manager including policy research, program analysis, Council agenda development, departmental records coordination, project administration, general public information, and management of citizen requests for service.

Highlights of the Budget

The FY 2024-25 Budget continues to fund important citywide communications programs, including the expanding the City's social media platforms and the Public-Educational-Governmental (PEG) access channel.

This year will mark the seventeenth year that the City's PEG channel is utilized, and the fifteenth full year that City Council and Board, Commission and Committee meetings will be televised on the channel which has been very helpful as the pandemic heavily impacted resident's ability to attend the meetings.

As this is a new department, we will be using this year to gather information to see what metrics will be the most useful as we build this department and expand its functions. The performance metrics from previous years were reported in the City Manager's Departmental narrative and are reported here for convenience.

The following forces at work and/or decision package(s) were submitted in the FY 2024-25 proposed budget.

Decision Packages not included with the FY2024-25 Proposed Budget:

Description	Type	Amount
	General Fund	\$10,000
Social Media Posts	-	-

2024-2025 Departmental Goals and Performance Measures

Goals:

- Support vital community connections with our citizens, neighborhood and civic associations, and news media

Supports the City's Strategic Goals:

1-Communications, 4-Partnerships, and 6-Organizational Development

Objective A:

- Conduct strategic planning activities
- Ensure that departmental work plans are supportive of City Council goals
- Prepare information on City services, events, and policies for outside agencies as requested.
- Promote interaction and collaboration with Friendswood citizens and civic associations
- Enhance communication by proactively sharing timely, accurate information about City services, initiatives, and issues by expanding our social media presence and receiving immediate feedback from users and residents.

Objective B:

- Actively distribute information and gather feedback about City policies, services, and events by utilizing social media outlets and monitoring response and feedback.

Communications Administration	FY22 Actual	FY23 Actual	FY24 Budget	FY24 Forecast	FY25 Proposed
Inputs					
# of full time equivalents (FTE)	0.0	0.0	0.0	3.0	3.0
Division Expenditures	\$0	\$0	\$0	\$187,651	\$481,555
Objective A*					
Annual page views on the City's website	400,000	418,871	420,100	422,000	400,200
Agendas	3,500	3,044	3,200	3,500	4,000
General City (Library, Emergency Notice)	12,250	18,038	18,500	19,000	12,500
Law enforcement	8,900	8,045	8,200	8,500	8,500
Legal Notices	1,600	1,542	1,650	1,750	1,800
Objective B*					
City Meetings Broadcast on PEG channel	100	43	43	45	45
Community videos produced	70	75	100	100	100
Number of Facebook "Likes"	19,757	20,349	20,000	22,000	23,000
Number of Twitter followers**	5,289	5,493	0	0	0
Number of Instagram Followers	2,645	2,851	2,500	3,000	3,200
Measures of Efficiency					
Monthly Operational Cost	\$0	\$0	\$0	\$15,638	\$40,130
Division Expenditures per capita	\$0.00	\$0.00	\$0.00	\$4.36	\$11.19

*The metrics reported in FY22, FY23 and FY24 Budget were reported in the City Manager's Departmental narrative section in previous budget years but are reported here for convenience as part of the Communications Department formation.

** Twitter (X) is no longer a preferred method of communication due to the platform's instability as it moves towards a paid service.

Department Summary

Expenditure by Division

Division	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget	% Change in Budget from FY24 to FY25
COMMUNICATIONS DEPT	\$0	\$0	\$199,151	\$187,651	\$481,555	0.0%
DEPARTMENT TOTAL	\$0	\$0	\$199,151	\$187,651	\$481,555	0.0%

Expenditure by Classification

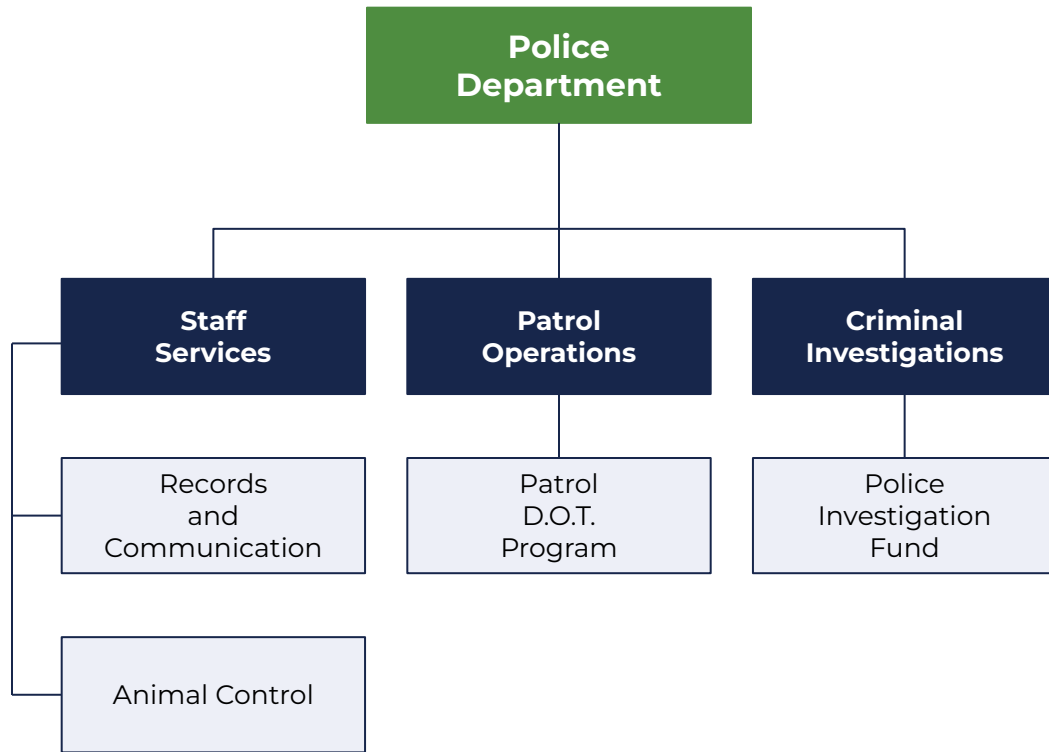
Classification	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget	% Change in Budget from FY24 to FY25
PERSONNEL & BENEFITS	\$0	\$0	\$169,071	\$168,571	\$436,590	0.0%
SUPPLIES	0	0	13,000	2,000	25,800	0.0%
SERVICES	0	0	8,080	8,080	19,165	0.0%
CAPITAL OUTLAY	0	0	9,000	9,000	0	0.0%
CLASSIFICATION TOTAL	\$0	\$0	\$199,151	\$187,651	\$481,555	0.0%

Full-Time Equivalents by Division

Division	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget	% Change in Budget from FY24 to FY25
COMMUNICATIONS	0	0	3.00	3.00	3.00	0.0%
PERSONNEL TOTAL	0	0	3.00	3.00	3.00	0.0%

1001 - Communications Dept

Account Number	Account Name	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
40 - PERSONNEL & BENEFITS						
001-1001-419.4110	FULLTIME SALARIES & WAGES	\$0	\$0	\$120,069	\$120,069	\$306,547
001-1001-419.4143	LONGEVITY PAY	0	0	0	0	1,805
001-1001-419.4149	CELL PHONE ALLOWANCE	0	0	500	0	0
001-1001-419.4710	SOCIAL SECURITY/MEDICARE	0	0	9,119	9,119	22,100
001-1001-419.4720	TMRS RETIREMENT	0	0	21,585	21,585	51,479
001-1001-419.4810	HEALTH/DENTAL INSURANCE	0	0	16,577	16,577	51,927
001-1001-419.4820	LIFE INSURANCE	0	0	359	359	890
001-1001-419.4830	DISABILITY INSURANCE	0	0	609	609	1,302
001-1001-419.4840	WORKERS COMP INSURANCE	0	0	121	121	364
001-1001-419.4850	EAP SERVICES	0	0	81	81	158
001-1001-419.4890	FLEX PLAN ADMINISTRATION	0	0	51	51	18
TOTAL PERSONNEL & BENEFITS		\$0	\$0	\$169,071	\$168,571	\$436,590
50 - SUPPLIES						
001-1001-419.5200	PERSONNEL SUPPLIES	\$0	\$0	\$0	\$0	\$300
001-1001-419.5400	OPERATING SUPPLIES	0	0	13,000	2,000	13,000
001-1001-419.5800	OPERATING EQUIPMENT<\$5000	0	0	0	0	12,500
TOTAL SUPPLIES		\$0	\$0	\$13,000	\$2,000	\$25,800
70 - SERVICES						
001-1001-419.7400	OPERATING SERVICES	\$0	\$0	\$0	\$0	\$2,080
001-1001-419.7401	POSTAL/COURIER SERVICES	0	0	0	0	75
001-1001-419.7510	TRAINING	0	0	2,300	2,300	8,270
001-1001-419.7520	TRAVEL EXPENSES & REIMBURSEMENTS	0	0	2,780	2,780	4,780
001-1001-419.7530	MEMBERSHIPS	0	0	0	0	960
001-1001-419.7800	CONTRACT SERVICES	0	0	3,000	3,000	3,000
TOTAL SERVICES		\$0	\$0	\$8,080	\$8,080	\$19,165
80 - CAPITAL OUTLAY						
001-1001-419.8800	CAPITAL EQUIPMENT	\$0	\$0	\$9,000	\$9,000	\$0
TOTAL CAPITAL OUTLAY		\$0	\$0	\$9,000	\$9,000	\$0
1001 - COMMUNICATIONS DEPT		\$0	\$0	\$199,151	\$187,651	\$481,555



Mission Statement

The Friendswood Police Department is organized, equipped, and trained to provide responsive service in a community-police partnership. The Department focuses all available resources to promote community safety, suppress crime, ensure the safe, orderly movement of traffic, and protect the constitutional rights of all persons.

3 Pillars of the Police Department



Fiscal Year 2024 Accomplishments

Friendswood continues to be one of the safest cities in Texas with a crime rate of 6.45 crimes per 1,000 residents as reported in 2023. The City of Friendswood continues to enjoy and has been ranked again by several entities as one of the Safest Cities in Texas and the United States. Not only is this a testament to the dedication and hard work of the police department, but the citizens of Friendswood as well. This is a shared success. The department continues to provide a consistent level of fair and unbiased public service regardless of the obstacles faced.

The Department actively seeks alternative revenue streams to maintain and improve service levels to City residents. Grant funding and special partnerships enable the Police Department to finance programs and services that benefit the community. Current programs and partnerships include the Crime Victim Assistance program, Bulletproof Vest Partnership, cost sharing programs with Clear Creek Independent School District and Friendswood Independent School District for school safety programs.

The Friendswood Police Department budget is driven by approximately 83% personnel costs and 17% non-salary expenses. Cuts to our budget mean the potential loss of personnel and the reduction / elimination of proven programs dealing with quality-of-life issues and the ability to maintain proactive police services.

During FY 2024, the Department continued to expand camera coverage to City park facilities and upgraded Motorola in-car video and body-worn cameras.

Current Operations

The purpose of intelligence-led community policing is to provide rapid police services, criminal investigations, and collaborative problem solving initiatives for the community.

- **First Response**-This activity is mandated by Art. 2.13, Code of Criminal Procedure (CCP). Provides emergency response to 9-1-1 calls, enforce traffic and criminal laws and address problems related to order maintenance and quality of life. Provide preventative patrol and police services designed to respond to calls for service and to suppress criminal activity.
- **Traffic Enforcement**-Mandated by Ch. 543 of the Transportation Code. The purpose is to investigate accidents, analyze collisions, target enforcement efforts, and coordinate multiple agencies to facilitate traffic management in order to improve traffic safety. Included in this category is the Commercial Vehicle Inspection program.
- **Detain and House Prisoners**-Detain prisoners in locked cells while awaiting a magistrate or transfer to another jail facility. Fingerprint and photograph prisoners. Inventory, secure and store prisoners' personal property until release or transfer. Document activities including monitoring meals, intake, and release of prisoners, secure all fines and bonds collected from prisoners and deposit them to Municipal Court.
- **Animal Control**-Mandated by Ch 10, Friendswood Code of Ordinances. The primary function and intent of the animal control division is protection of the health, safety, and welfare of the citizens of the City by controlling the animal population and establishing uniform rules and regulations for the control and eradication of rabies.

Criminal Investigations

The purpose of criminal investigations is to provide investigative support that requires a particularly high level of expertise. This service is provided to police officers, victims, external members of the criminal justice agencies, and the public, to protect victims and the public.

- **Centralized Investigations**-This is a core activity mandated by Art. 2.13, CCP. The Department has pooled its investigative resources into one division that conducts criminal investigations (homicide, robbery, child abuse, family violence, deviant crimes, forgery and other financial crimes, juvenile investigations and auto theft); sex offender registration and recovery of stolen property.
- **Field Support Unit** – Identify and target organized criminal activity and groups committing offenses that display specific patterns. Use a flexible operating schedule to adapt to the needs of the department and the community in response to known or suspected criminal activity. Provide targeted enforcement in neighborhoods and other areas affected by crime to suppress criminal activity and improve safety for residents. Use specialized investigative techniques and equipment to address known or suspected criminal activity.
- **Forensic Services**-These services are critical to the police investigator and to the successful prosecution of criminal cases. It includes fingerprint identification, crime laboratory, evidence control, crime scene investigation, and photography and evidence collection.
- **Victim Services**-This activity is mandated by Ch. 56, CCP. Provide assistance to crime victims and provide community education and referral programs related to crime victim issues.

Operations Support

Operations support provides intake and processing of police calls for service. It provides fleet, equipment and facility maintenance services so that police services can be delivered effectively. Information resources are also provided along with administrative and fiscal support to police department employees so they can perform their jobs safely and efficiently. In addition, professional development and training are provided to employees so that they can perform their duties in accordance with department values. Specialized critical incident management is also included in this functional area.

- Communications - Mandated by Ch. 77, Health and Safety Code. Serve as primary call taker for all emergency calls for Police, Fire, and EMS. Take call information and dispatch units to calls for service. Input information into the computer aided dispatch system. Receive and send information such as driver license checks, vehicle registrations, and officer location to the field units as necessary.
- Emergency Services - Includes the specially trained and equipped teams of officers for tactical and hostage negotiations support. These highly trained officers are responsible for formulating and executing action plans to manage critical incidents.
- Community Partnerships - Assist in crime prevention and problem-solving, work with residents and businesses to solve problems that lead to crime, and community liaison to improve communication and understanding of police operations. A program in this category includes the school resource officers.
- Administration - Manage all police programs to maximize efficiency and provide effective delivery of services. Manage the budget for the department, ensuring that the department is fiscally responsible. Maintain open communication with other departments and governmental agencies. Coordinate investigation of internal and external complaints of alleged police personnel misconduct of both sworn officers and civilians. Manage records and provide reports to the public, other law enforcement agencies, and City Hall. Coordinate special projects and plan for the future growth of the department in size and service. Coordinate, manage, and research all existing and new grants available for the department. Prepare and submit grant pre approval requests to the City Council before applying for grants.
- Recruitment and Training – The program seeks qualified police officers and non-sworn applicants, conducts initial screening interviews to determine if basic requirements are satisfied, tests applicants for basic skills, and compatible behavior traits, and conducts background investigations. Trains and monitors employees so that the department has highly qualified and competent staff members to meet the expectations of the public.
- Internal Affairs - Activity is mandated by Sec. 143.312, Local Government Code. Includes investigation of potential policy violations in a timely manner and provides feedback to the public to maintain trust and confidence in the internal affairs investigations process.
- Public Information - Coordinate and provide departmental information to the public including press releases, releases of suspect descriptions, crime alerts, and interact with the public at community events. Provide copies of recorded events in response to public information or court requests.
- Vehicle and Equipment Maintenance - Provide maintenance and support of City vehicles and equipment for the department to ensure dependable transportation and operations. Manage fleet and all equipment used for police services on a 24-hour, seven day a week schedule.

Highlights of the Budget

The Fiscal Year 2024 budget for the police department addresses requirements to maintain current operations. The Friendswood Police Department has an authorized strength of 67 police officers and a total workforce of 92 employees. The Department is supported by an annual budget of over 14 million dollars. In 2023, the Department responded to 15,399 calls for service and handled 992 Group A offenses. The Department issued 5,607 citations and investigated 505 traffic accidents.

The Crime Victim Liaison position has been partially funded by a federal Victims of Crime Act grant managed by the Governor's office for the past 20+ years. The last application for continued funding was filed in early 2024 and we will hear a funding decision in September 2024. Other grant applications seeking new dispatch console furniture and new rifle-rated ballistic shields are awaiting review.

The budget includes funding for replacement vehicles from the Vehicle Replacement Fund. Based on an annual mileage of 25,000 per year, there will be a need to replace six marked patrol vehicles and one investigation vehicle. At the time of replacement, each vehicle has over 100,000 miles and/or maintenance costs associated with keeping the vehicle suitable for service are high.

The Department will begin the accreditation process to ensure that the best practices and protocols established for police agencies are followed. This will require collaboration as the Department explores new policing strategies that enable a response more efficiently and effectively to the needs of the community.

The budget includes an investment in the quality of our public safety services with the introduction of two additional sergeant positions and transition to 12-hour shifts. This model has been shown to reduce overtime costs and improve officers' job satisfaction due to longer breaks between shifts.

In FY 2025, the Friendswood Police Department will continue to develop effective programs and improve training opportunities for all sworn and professional support staff following the changing needs of our community and the standards of the profession. Our commitment to protecting and serving our community requires that we properly and efficiently equip, train, and deploy our officers. This is a substantial investment in time and other resources, but we must provide the level of policing that the community expects and deserves. It also serves to keep our officers and our citizens safe, while managing civil liabilities and other risks associated with a department that operates in a high-risk environment 24/7. To support the police department's mission, the Department has aligned its goals with the focus areas as listed in Friendswood's Strategic Goals. These include Communication, Economic Development, Preservation, Partnerships, Public Safety, and Organizational Development.

The following forces at work and/or decision package(s) were submitted in the FY 2024-25 proposed budget.

Forces at Work (FAW) included with the FY2024-25 Proposed Budget:

Description	Type	Amount
	General Fund	\$138,940
12-Hour Shifts + Vehicle	-	-
	General Fund	\$65,000
Police Policy Accreditation	-	-
	General Fund	\$91,582
Crossing Guard Elimination (reduction in revenues)	-	-
	General Fund	\$18,534
CCISD School Crossing Guard Agreement	-	-

Decision Packages included with the FY2024-25 Proposed Budget:

Description	Type	Amount
	General Fund	\$0
Temporary Records Specialist, FY25-FY26	-	-
<i>This position is a temporary transfer from the City Attorney office at \$89,624</i>		

Decision Packages not included with the FY2024-25 Proposed Budget:

Description	Type	Amount
	General Fund	\$91,858
PD Records Specialist (+1.0 FTE)	-	-

2024-2025 Departmental Goals and Performance Measures

Goal #1: Ensure Friendswood is a safe community to work and live in (Focus Areas: 1 – Communication, 3 – Preservation, 5 – Public Safety, and 6 – Organizational Development)

Strategy #1: The Department will provide effective law enforcement services to the citizens of Friendswood by responding quickly and effectively to critical incidents that threaten the safety of citizens in the City of Friendswood.

- **Method #1:** Have officers available to respond to all calls for service 24 hours a day, 365 days a year. Officers will respond to incidents or threats of active shooter-terrorist and other major threats to life and property, including hurricanes, natural disasters, hazardous materials incidents, etc.
- **Method #2:** Maintain appropriate and effective staffing levels to provide the needed services to the residents of Friendswood.
- **Method #3:** Maintain an excellent training program. Professional training is required to manage risk, preserve lives, protect property, and meet the ever-changing demands of the job and expectations of the community.

Goal #2: Address and reduce the propensity of crime in Friendswood. (Focus Areas: 1 – Communication, 5 – Public Safety, and 6 – Organizational Development)

Strategy #1: Deter crime and disorder while addressing the fear they create, through a combination of law enforcement activities and innovative crime prevention programs.

- **Method #1:** Develop partnerships with other law enforcement agencies to ensure a team approach to combating current crime trends.
- **Method #2:** Seed and apply best practices for investigatory actions.
- **Method #3:** Adhere to best practices when dealing with evidentiary protocols.
- **Method #4:** Improve applications of technology and related training to meet the demands of an increasingly sophisticated population as well as to effectively investigate high-tech crimes.
- **Method #5:** Work with members of the community in a collaborative effort to solve crimes regardless of the severity.
- **Method #6:** Ensure accurate and thorough follow-up investigations are completed promptly.

Goal #3: Improve the quality of life for those who reside and travel through Friendswood. (Focus Areas: 1 – Communication, 3 – Preservation, 5 – Public Safety, and 6 – Organizational Development)

Strategy #1: Respond and address quality of life issues including neighbor disputes, animal complaints, disturbance of the peace, parking, abandoned vehicles, traffic complaints, etc.

- **Method #1:** Conduct appropriate levels of traffic enforcement, and implement traffic calming measures to ensure the safe and efficient movement of both vehicular and pedestrian traffic.
- **Method #2:** Utilize community observations, input, and data-gathering to address concerns.
- **Method #3:** Utilize neighbor mediation to address various issues and concerns within the community to provide an equitable and favorable outcome to all involved parties.

Goal #4: Maintain a diverse workforce. (Focus Areas: 1 – Communication, 5 – Public Safety, and 6 – Organizational Development)

Strategy #1: Strive to maintain a diverse workforce that represents the community.

- **Method #1:** Recruit the most talented and diverse staff of officers and civilians.
- **Method #2:** Maintain a rigorous selection and training program designed to prepare officers for stressors of policing including but not limited to the following: Use of force, de-escalation, firearms proficiencies, less-lethal weapons systems, first-aid, fair and impartial policing, criminal procedure, ethics, dealing with mental health and risk management.
- **Method #3:** Broaden recruiting and advertising activities to attract the most qualified candidates.

Goal #5: Seek to discuss, address, and solve issues that are important to members of the community. (Focus Areas: 1 – Communication, 3 – Preservation, 5 – Public Safety, and 6 – Organizational Development)

Strategy #1: Partner with community stakeholders to address various issues and concerns of the community as a whole.

- **Method #1:** Build continuous trust, transparency, and accountability.
- **Method #2:** Work with various community groups to ensure that all members of our community feel as though they are being treated fairly, especially those in our minority communities.

Goal #6: Communicate effectively with the community. (Focus Areas: 1 – Communication, 5 – Public Safety, and 6 – Organizational Development)

Strategy #1: Provide the community with accurate and relevant information promptly as it pertains to matters of public safety.

- **Method #1:** Work directly with our professional staff, City Administration, local, State, and Federal leaders.
- **Method #2:** Utilize technology that best facilitates these types of communication when needed.

Supports the City's Strategic Goals:

1-Communication, 5-Public Safety, and 6-Organizational Development

Police Department	FY22 Actual	FY23 Actual	FY24 Budget	FY24 Forecast	FY25 Proposed
Inputs					
Total # of full time sworn peace officer positions*	65	66	67	67	67
Total # of full time equivalents in Police Dept	90.38	90.40	92.00	91.00	89.60
Department Expenditures	\$12,651,787	\$13,353,589	\$14,297,533	\$14,250,169	\$14,929,725
Outputs					
Total # of Arrests	1,051	840	1,000	1,000	1,000
# of Police Calls for Service	16,227	15,399	17,000	24,500	24,500
# of Domestic Animals Impounded	376	294	400	350	350
Measures of Effectiveness					
Crime Rate	6.27	6.45	10.0	10.0	10.0
# of Traffic Accidents	496	505	465	400	400
# of Animal Adoptions	195	152	180	150	150
Measures of Efficiency					
Average Response Time	7:50	6:30	8:00	8:00	8:00
#minutes from request to arrival – Priority 1	4:43	4:44	5:00	5:00	5:00
Monthly Operating Costs	\$1,054,316	\$1,112,799	\$1,191,461	\$1,187,514	\$1,244,144
Department Expenditures per Capita	\$299.90	\$313.05	\$335.18	\$331.25	\$347.04

*1.56 officers per 1000 residents required by Council directive as of November 2022

Department Summary

Expenditure by Division

Division	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget	% Change in Budget from FY24 to FY25
PATROL	\$8,046,195	\$8,662,361	\$8,721,578	\$8,723,539	\$9,196,943	6.2%
POLICE/COMMUNICATIONS	1,249,696	1,401,339	1,448,848	1,405,142	1,552,228	10.8%
POLICE/ADMINISTRATION	1,304,424	1,213,106	1,403,094	1,333,768	1,278,477	5.4%
PATROL-DOT PROGRAM	137,758	143,542	145,326	153,644	162,523	13.2%
CRIMINAL INVESTIGATIONS	2,123,181	2,368,886	2,335,212	2,135,103	2,189,010	-7.6%
ANIMAL CONTROL	492,335	508,299	508,709	498,973	550,544	8.3%
DEPARTMENT TOTAL	\$13,353,589	\$14,297,533	\$14,562,767	\$14,250,169	\$14,929,725	4.4%

Expenditure by Classification

Classification	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget	% Change in Budget from FY24 to FY25
PERSONNEL & BENEFITS	\$11,233,405	\$12,022,448	\$11,934,534	\$11,800,819	\$12,355,584	2.8%
SUPPLIES	461,121	537,850	565,517	532,154	567,850	5.6%
MAINTENANCE	340,578	533,457	580,747	451,376	494,250	-7.3%
SERVICES	1,224,428	1,203,778	1,353,074	1,336,925	1,418,816	17.9%
CAPITAL OUTLAY	94,057	0	128,895	128,895	93,225	0.0%
CLASSIFICATION TOTAL	\$13,353,589	\$14,297,533	\$14,562,767	\$14,250,169	\$14,929,725	4.4%

Full-Time Equivalents by Division

Division	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget	% Change in Budget from FY24 to FY25
ADMINISTRATION	5.00	5.00	5.00	5.00	5.00	0.0%
COMMUNICATIONS	14.60	14.60	14.60	14.60	15.60	6.8%
PATROL	50.80	52.40	53.40	54.40	52.00	-0.8%
DOT PATROL	1.00	1.00	1.00	1.00	1.00	0.0%
CRIMINAL INVESTIGATIONS	15.00	15.00	13.00	12.00	12.00	-20.0%
ANIMAL CONTROL	4.00	4.00	4.00	4.00	4.00	0.0%
PERSONNEL TOTAL	90.40	92.00	91.00	91.00	89.60	-2.6%

2101 - Police/Administration

Account Number	Account Name	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
40 - PERSONNEL & BENEFITS						
001-2101-421.4110	FULLTIME SALARIES & WAGES	\$676,529	\$689,760	\$689,760	\$689,759	\$683,398
001-2101-421.4130	OVERTIME PAY	15,655	17,183	17,183	20,592	17,890
001-2101-421.4131	HOLIDAY HRS WORKED	2,239	4,595	4,595	4,500	4,781
001-2101-421.4143	LONGEVITY PAY	7,565	7,865	7,865	7,737	7,875
001-2101-421.4145	INCENTIVE-CERTIFICATE PAY	20,100	20,275	20,275	19,900	20,700
001-2101-421.4149	CELL PHONE ALLOWANCE	844	840	840	840	840
001-2101-421.4190	TERMINATION PAYOUTS	0	0	0	22,700	0
001-2101-421.4710	SOCIAL SECURITY/MEDICARE	51,312	52,290	52,290	52,377	53,129
001-2101-421.4720	TMRS RETIREMENT	119,894	127,258	127,258	123,164	122,789
001-2101-421.4810	HEALTH/DENTAL INSURANCE	61,211	74,886	74,886	66,249	81,185
001-2101-421.4820	LIFE INSURANCE	1,903	2,136	2,136	1,852	2,122
001-2101-421.4830	DISABILITY INSURANCE	2,455	3,110	3,110	2,709	3,105
001-2101-421.4840	WORKERS COMP INSURANCE	7,748	7,725	7,725	7,891	9,934
001-2101-421.4850	EAP SERVICES	289	291	291	259	263
001-2101-421.4890	FLEX PLAN ADMINISTRATION	200	200	200	97	93
TOTAL PERSONNEL & BENEFITS		\$967,944	\$1,008,414	\$1,008,414	\$1,020,626	\$1,008,104
50 - SUPPLIES						
001-2101-421.5200	PERSONNEL SUPPLIES	\$2,996	\$2,500	\$2,500	\$472	\$2,500
001-2101-421.5301	FUEL	8,692	8,510	8,510	8,510	8,510
001-2101-421.5400	OPERATING SUPPLIES	10,263	17,000	17,000	12,000	18,750
001-2101-421.5800	OPERATING EQUIPMENT<\$5000	6,212	2,500	22,840	22,840	2,500
TOTAL SUPPLIES		\$28,163	\$30,510	\$50,850	\$43,822	\$32,260
60 - MAINTENANCE						
001-2101-421.6300	VEHICLE MAINTENANCE	\$3,380	\$16,500	\$16,500	\$7,000	\$16,500
001-2101-421.6600	FACILITY MAINTENANCE	6,501	11,000	19,000	9,000	13,000
001-2101-421.6620	CONTINGENCY	0	54,207	54,207	0	20,000
TOTAL MAINTENANCE		\$9,881	\$81,707	\$89,707	\$16,000	\$49,500
70 - SERVICES						
001-2101-421.7140	CONSULTING SERVICES	\$5,000	\$16,250	\$16,250	\$16,250	\$29,250
001-2101-421.7311	VEHICLE INSURANCE	1,837	2,380	2,380	2,380	3,971
001-2101-421.7322	LAW ENFORCEMENT	1,997	2,700	2,700	2,697	2,705
001-2101-421.7400	OPERATING SERVICES	1,291	5,655	11,684	11,684	10,690
001-2101-421.7401	POSTAL/COURIER SERVICES	315	1,100	1,100	500	1,100
001-2101-421.7510	TRAINING	922	1,550	1,350	1,350	3,875
001-2101-421.7520	TRAVEL EXPENSES & REIMBURSEMENTS	1,114	1,430	3,130	3,130	3,950
001-2101-421.7530	MEMBERSHIPS	0	0	0	0	852
001-2101-421.7540	PUBLICATIONS	0	200	200	0	200
001-2101-421.7612	TELEPHONE/COMMUNICATIONS	42,908	50,320	50,320	50,320	56,130
001-2101-421.7710	SOFTWARE LICENSE FEES	0	0	0	0	65,000
001-2101-421.7800	CONTRACT SERVICES	197,121	0	118,800	118,800	0
001-2101-421.7830	RENTAL	281	3,000	2,000	2,000	3,000
001-2101-421.7831	VEHICLE LEASE-INTERNAL	12,590	7,890	7,890	7,890	7,890
TOTAL SERVICES		\$265,376	\$92,475	\$217,804	\$217,001	\$188,613

2101 - Police/Administration (continued)

Account Number	Account Name	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
80 - CAPITAL OUTLAY						
001-2101-421.8800	CAPITAL EQUIPMENT	\$33,060	\$0	\$36,319	\$36,319	\$0
TOTAL CAPITAL OUTLAY		\$33,060	\$0	\$36,319	\$36,319	\$0
2101 - POLICE/ADMINISTRATION		\$1,304,424	\$1,213,106	\$1,403,094	\$1,333,768	\$1,278,477

2110 - Police/Communications

Account Number	Account Name	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
40 - PERSONNEL & BENEFITS						
001-2110-421.4110	FULLTIME SALARIES & WAGES	\$688,824	\$744,964	\$744,964	\$775,753	\$877,199
001-2110-421.4130	OVERTIME PAY	115,827	89,463	89,463	89,463	94,618
001-2110-421.4131	HOLIDAY HRS WORKED	27,746	28,638	28,638	28,638	29,787
001-2110-421.4143	LONGEVITY PAY	6,724	5,390	5,390	5,270	6,345
001-2110-421.4145	INCENTIVE-CERTIFICATE PAY	24,975	28,150	28,150	28,150	31,450
001-2110-421.4149	CELL PHONE ALLOWANCE	702	840	840	840	840
001-2110-421.4190	TERMINATION PAYOUTS	700	0	0	0	0
001-2110-421.4220	PART-TIME WAGES W/O BENEFITS	20,722	88,824	88,824	20,527	46,061
001-2110-421.4710	SOCIAL SECURITY/MEDICARE	65,022	73,251	73,251	73,250	80,502
001-2110-421.4720	TMRS RETIREMENT	143,560	154,226	154,226	154,266	173,669
001-2110-421.4810	HEALTH/DENTAL INSURANCE	104,034	115,456	115,456	115,455	130,609
001-2110-421.4820	LIFE INSURANCE	1,946	2,589	2,589	2,588	3,000
001-2110-421.4830	DISABILITY INSURANCE	2,848	3,767	3,767	3,767	4,389
001-2110-421.4840	WORKERS COMP INSURANCE	1,122	1,998	1,998	1,997	1,665
001-2110-421.4850	EAP SERVICES	716	756	756	755	789
001-2110-421.4890	FLEX PLAN ADMINISTRATION	750	742	742	741	405
TOTAL PERSONNEL & BENEFITS		\$1,206,218	\$1,339,054	\$1,339,054	\$1,301,460	\$1,481,328
50 - SUPPLIES						
001-2110-421.5200	PERSONNEL SUPPLIES	\$2,148	\$6,600	\$6,968	\$6,600	\$6,600
001-2110-421.5400	OPERATING SUPPLIES	2,103	2,700	2,700	2,700	2,700
001-2110-421.5800	OPERATING EQUIPMENT<\$5000	1,438	3,000	3,000	3,000	3,000
TOTAL SUPPLIES		\$5,689	\$12,300	\$12,668	\$12,300	\$12,300
60 - MAINTENANCE						
001-2110-421.6800	EQUIPMENT MAINTENANCE	\$25,025	\$25,000	\$72,100	\$72,100	\$26,500
TOTAL MAINTENANCE		\$25,025	\$25,000	\$72,100	\$72,100	\$26,500
70 - SERVICES						
001-2110-421.7212	MEDICAL EXAMINATIONS	\$1,500	\$1,000	\$1,000	\$1,000	\$1,200
001-2110-421.7350	SURETY BONDS	355	400	400	400	400
001-2110-421.7400	OPERATING SERVICES	3,935	7,720	7,761	7,760	10,070
001-2110-421.7401	POSTAL/COURIER SERVICES	0	500	500	0	500
001-2110-421.7510	TRAINING	4,198	9,675	8,675	5,822	14,110
001-2110-421.7520	TRAVEL EXPENSES & REIMBURSEMENTS	1,573	2,100	3,100	3,100	4,600
001-2110-421.7530	MEMBERSHIPS	322	1,220	1,220	1,200	1,220
001-2110-421.7611	ELECTRICITY	881	2,370	2,370	0	0
TOTAL SERVICES		\$12,764	\$24,985	\$25,026	\$19,282	\$32,100
2110 - POLICE/COMMUNICATIONS		\$1,249,696	\$1,401,339	\$1,448,848	\$1,405,142	\$1,552,228

2120 - Patrol

Account Number	Account Name	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
40 - PERSONNEL & BENEFITS						
001-2120-421.4110	FULLTIME SALARIES & WAGES	\$3,906,280	\$4,177,489	\$4,129,904	\$4,129,903	\$4,539,475
001-2120-421.4130	OVERTIME PAY	545,413	532,548	532,548	532,547	553,866
001-2120-421.4131	HOLIDAY HRS WORKED	135,437	131,716	131,716	189,456	136,974
001-2120-421.4132	FACILITY SECURITY OVERTIME PAY	41,236	36,952	36,952	36,952	38,440
001-2120-421.4143	LONGEVITY PAY	22,999	25,060	25,060	24,913	27,010
001-2120-421.4145	INCENTIVE-CERTIFICATE PAY	188,183	211,525	211,525	211,525	211,160
001-2120-421.4146	SIGNING BONUSES	0	0	0	7,500	0
001-2120-421.4149	CELL PHONE ALLOWANCE	3,727	3,780	3,780	3,780	4,200
001-2120-421.4190	TERMINATION PAYOUTS	2,511	0	0	4,333	0
001-2120-421.4220	PART-TIME WAGES W/O BENEFITS	80,384	96,981	96,981	83,694	0
001-2120-421.4710	SOCIAL SECURITY/MEDICARE	360,084	358,498	358,498	372,028	380,641
001-2120-421.4720	TMRS RETIREMENT	803,217	879,712	879,712	879,712	897,214
001-2120-421.4810	HEALTH/DENTAL INSURANCE	552,009	637,380	637,380	617,000	643,251
001-2120-421.4820	LIFE INSURANCE	10,775	14,765	14,765	13,353	15,896
001-2120-421.4830	DISABILITY INSURANCE	15,657	21,484	21,484	19,612	23,250
001-2120-421.4840	WORKERS COMP INSURANCE	51,852	54,972	54,972	54,438	73,370
001-2120-421.4850	EAP SERVICES	2,800	2,961	2,961	2,961	2,732
001-2120-421.4890	FLEX PLAN ADMINISTRATION	1,910	2,023	2,023	1,169	1,068
TOTAL PERSONNEL & BENEFITS		\$6,724,474	\$7,187,846	\$7,140,261	\$7,184,876	\$7,548,547
50 - SUPPLIES						
001-2120-421.5200	PERSONNEL SUPPLIES	\$70,613	\$76,000	\$82,885	\$76,000	\$82,100
001-2120-421.5301	FUEL	156,166	175,830	175,830	163,098	178,830
001-2120-421.5400	OPERATING SUPPLIES	38,376	67,900	70,160	70,160	64,050
001-2120-421.5800	OPERATING EQUIPMENT<\$5000	65,344	62,950	59,354	59,354	63,000
TOTAL SUPPLIES		\$330,499	\$382,680	\$388,229	\$368,612	\$387,980
60 - MAINTENANCE						
001-2120-421.6300	VEHICLE MAINTENANCE	\$194,847	\$166,500	\$177,645	\$177,645	\$182,400
001-2120-421.6400	OPERATING MAINTENANCE	0	3,000	3,000	1,200	3,000
001-2120-421.6800	EQUIPMENT MAINTENANCE	66,819	181,900	162,945	146,728	155,350
TOTAL MAINTENANCE		\$261,666	\$351,400	\$343,590	\$325,573	\$340,750
70 - SERVICES						
001-2120-421.7212	MEDICAL EXAMINATIONS	\$2,000	\$2,250	\$2,250	\$2,250	\$5,000
001-2120-421.7311	VEHICLE INSURANCE	35,733	46,258	45,324	45,324	57,246
001-2120-421.7322	LAW ENFORCEMENT	24,000	32,650	32,650	32,650	33,790
001-2120-421.7340	ANIMAL MORTALITY INS	4,481	2,435	2,435	2,434	2,435
001-2120-421.7400	OPERATING SERVICES	20,542	23,600	29,838	26,880	47,800
001-2120-421.7401	POSTAL/COURIER SERVICES	378	1,000	1,000	700	1,000
001-2120-421.7497	RECRUITMENT ADVERTISING	0	600	760	756	2,000
001-2120-421.7498	JUDGMENTS & DAMAGE CLAIMS	4,072	5,500	5,500	4,000	5,500
001-2120-421.7510	TRAINING	40,929	31,600	38,823	38,823	34,560
001-2120-421.7520	TRAVEL EXPENSES & REIMBURSEMENTS	5,112	8,300	7,800	7,800	13,000
001-2120-421.7530	MEMBERSHIPS	330	1,580	1,580	1,580	1,580

2120 - Patrol (continued)

Account Number	Account Name	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
001-2120-421.7540	PUBLICATIONS	0	0	0	0	500
001-2120-421.7612	TELEPHONE/COMMUNICATIONS	0	0	0	0	110
001-2120-421.7710	SOFTWARE LICENSE FEES	242	500	4,800	4,543	8,500
001-2120-421.7800	CONTRACT SERVICES	0	0	0	0	18,534
001-2120-421.7830	RENTAL	0	0	0	0	1,800
001-2120-421.7831	VEHICLE LEASE-INTERNAL	547,740	584,162	584,162	584,162	593,086
TOTAL SERVICES		\$685,559	\$740,435	\$756,922	\$751,902	\$826,441
80 - CAPITAL OUTLAY						
001-2120-421.8300	VEHICLES	\$0	\$0	\$0	\$0	\$93,225
001-2120-421.8800	CAPITAL EQUIPMENT	43,997	0	92,576	92,576	0
TOTAL CAPITAL OUTLAY		\$43,997	\$0	\$92,576	\$92,576	\$93,225
2120 - PATROL		\$8,046,195	\$8,662,361	\$8,721,578	\$8,723,539	\$9,196,943

2125 - Patrol-Dot Program

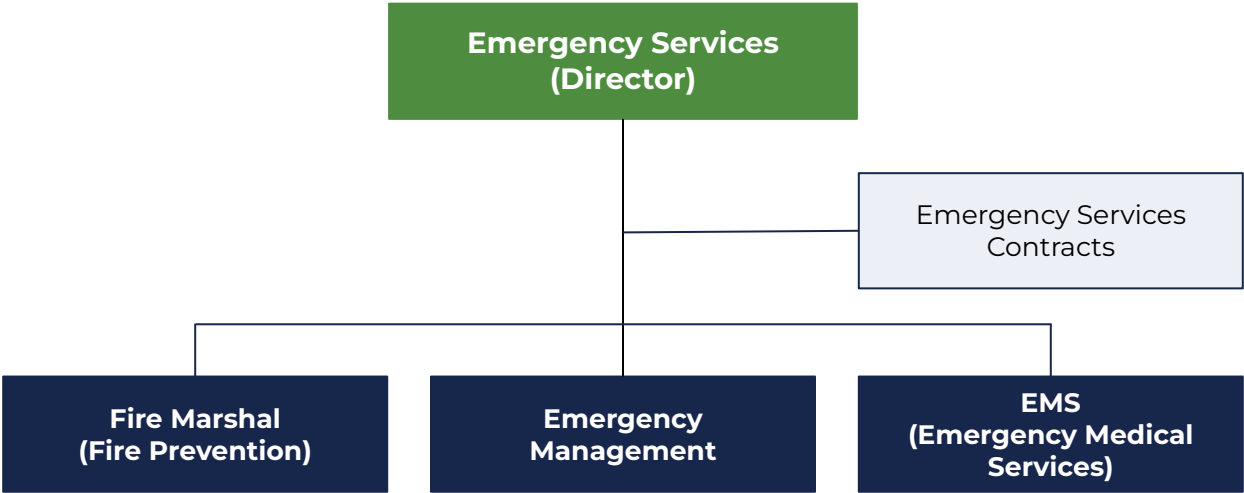
Account Number	Account Name	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
40 - PERSONNEL & BENEFITS						
001-2125-421.4110	FULLTIME SALARIES & WAGES	\$75,860	\$78,863	\$78,863	\$78,862	\$80,558
001-2125-421.4130	OVERTIME PAY	6,193	1,710	1,710	9,410	1,795
001-2125-421.4131	HOLIDAY HRS WORKED	1,717	0	0	4,705	0
001-2125-421.4143	LONGEVITY PAY	205	265	265	265	325
001-2125-421.4145	INCENTIVE-CERTIFICATE PAY	3,650	3,600	3,600	2,600	3,900
001-2125-421.4710	SOCIAL SECURITY/MEDICARE	6,621	6,370	6,370	7,186	6,529
001-2125-421.4720	TMRS RETIREMENT	14,534	14,511	14,511	15,834	14,454
001-2125-421.4810	HEALTH/DENTAL INSURANCE	7,846	8,224	8,224	7,841	8,701
001-2125-421.4820	LIFE INSURANCE	213	244	244	224	250
001-2125-421.4830	DISABILITY INSURANCE	312	355	355	327	365
001-2125-421.4840	WORKERS COMP INSURANCE	944	900	900	1,015	1,169
001-2125-421.4850	EAP SERVICES	58	58	58	53	53
001-2125-421.4890	FLEX PLAN ADMINISTRATION	22	22	22	8	6
TOTAL PERSONNEL & BENEFITS		\$118,175	\$115,122	\$115,122	\$128,330	\$118,105
50 - SUPPLIES						
001-2125-421.5200	PERSONNEL SUPPLIES	\$90	\$1,000	\$1,000	\$1,000	\$1,500
001-2125-421.5301	FUEL	4,538	5,060	5,060	5,060	5,060
001-2125-421.5400	OPERATING SUPPLIES	1,303	2,750	2,750	1,900	3,500
001-2125-421.5800	OPERATING EQUIPMENT<\$5000	0	1,500	1,500	1,000	1,500
TOTAL SUPPLIES		\$5,931	\$10,310	\$10,310	\$8,960	\$11,560
60 - MAINTENANCE						
001-2125-421.6300	VEHICLE MAINTENANCE	\$4,884	\$4,850	\$4,850	\$3,500	\$5,500
TOTAL MAINTENANCE		\$4,884	\$4,850	\$4,850	\$3,500	\$5,500
70 - SERVICES						
001-2125-421.7311	VEHICLE INSURANCE	\$0	\$0	\$934	\$934	\$1,230
001-2125-421.7400	OPERATING SERVICES	206	800	800	700	1,500
001-2125-421.7510	TRAINING	0	250	250	250	750
001-2125-421.7520	TRAVEL EXPENSES & REIMBURSEMENTS	42	3,090	3,090	1,000	3,090
001-2125-421.7530	MEMBERSHIPS	0	600	600	600	600
001-2125-421.7612	TELEPHONE/COMMUNICATIONS	0	0	850	850	900
001-2125-421.7831	VEHICLE LEASE-INTERNAL	8,520	8,520	8,520	8,520	19,288
TOTAL SERVICES		\$8,768	\$13,260	\$15,044	\$12,854	\$27,358
2125 - PATROL-DOT PROGRAM		\$137,758	\$143,542	\$145,326	\$153,644	\$162,523

2130 - Criminal Investigations

Account Number	Account Name	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
40 - PERSONNEL & BENEFITS						
001-2130-421.4110	FULLTIME SALARIES & WAGES	\$1,218,091	\$1,247,291	\$1,218,648	\$1,179,046	\$1,112,469
001-2130-421.4130	OVERTIME PAY	54,264	125,988	125,988	54,882	131,047
001-2130-421.4131	HOLIDAY HRS WORKED	994	5,728	5,728	2,232	5,949
001-2130-421.4143	LONGEVITY PAY	12,604	12,775	12,775	12,765	12,510
001-2130-421.4145	INCENTIVE-CERTIFICATE PAY	46,775	48,300	48,300	48,300	40,500
001-2130-421.4149	CELL PHONE ALLOWANCE	5,129	5,280	4,780	4,780	4,080
001-2130-421.4150	CLOTHING ALLOWANCE	7,308	7,200	7,200	7,200	6,400
001-2130-421.4190	TERMINATION PAYOUTS	2,682	0	0	0	0
001-2130-421.4710	SOCIAL SECURITY/MEDICARE	99,150	107,571	105,306	95,631	96,540
001-2130-421.4720	TMRS RETIREMENT	223,567	249,623	244,254	216,545	219,198
001-2130-421.4810	HEALTH/DENTAL INSURANCE	141,710	150,437	147,181	136,592	144,387
001-2130-421.4820	LIFE INSURANCE	3,354	4,190	4,089	3,314	3,788
001-2130-421.4830	DISABILITY INSURANCE	4,920	6,099	5,977	4,849	5,541
001-2130-421.4840	WORKERS COMP INSURANCE	12,155	13,190	13,161	11,678	15,597
001-2130-421.4850	EAP SERVICES	789	813	786	693	631
001-2130-421.4890	FLEX PLAN ADMINISTRATION	478	487	470	186	135
TOTAL PERSONNEL & BENEFITS		\$1,833,970	\$1,984,972	\$1,944,643	\$1,778,693	\$1,798,772
50 - SUPPLIES						
001-2130-421.5200	PERSONNEL SUPPLIES	\$3,192	\$7,500	\$7,500	\$5,000	\$8,250
001-2130-421.5301	FUEL	30,602	37,550	37,550	37,550	37,550
001-2130-421.5400	OPERATING SUPPLIES	13,408	15,500	15,500	14,000	18,000
001-2130-421.5800	OPERATING EQUIPMENT<\$5000	7,546	7,750	7,750	7,750	9,500
TOTAL SUPPLIES		\$54,748	\$68,300	\$68,300	\$64,300	\$73,300
60 - MAINTENANCE						
001-2130-421.6300	VEHICLE MAINTENANCE	\$30,847	\$56,000	\$56,000	\$24,620	\$51,500
001-2130-421.6800	EQUIPMENT MAINTENANCE	2,350	2,500	2,500	2,583	4,000
TOTAL MAINTENANCE		\$33,197	\$58,500	\$58,500	\$27,203	\$55,500
70 - SERVICES						
001-2130-421.7311	VEHICLE INSURANCE	\$12,421	\$16,080	\$16,080	\$16,080	\$17,980
001-2130-421.7322	LAW ENFORCEMENT	5,990	8,100	8,100	8,100	8,110
001-2130-421.7400	OPERATING SERVICES	78,999	92,050	98,130	98,130	101,250
001-2130-421.7401	POSTAL/COURIER SERVICES	321	500	500	450	500
001-2130-421.7510	TRAINING	5,817	8,845	8,845	8,845	7,625
001-2130-421.7520	TRAVEL EXPENSES & REIMBURSEMENTS	1,195	7,067	7,067	7,067	6,740
001-2130-421.7530	MEMBERSHIPS	1,740	1,810	1,810	1,810	1,810
001-2130-421.7612	TELEPHONE/COMMUNICATIONS	6,023	11,500	11,500	11,500	13,000
001-2130-421.7710	SOFTWARE LICENSE FEES	3,000	3,000	3,575	4,763	5,100
001-2130-421.7831	VEHICLE LEASE-INTERNAL	68,760	108,162	108,162	108,162	99,323
TOTAL SERVICES		\$184,266	\$257,114	\$263,769	\$264,907	\$261,438
80 - CAPITAL OUTLAY						
001-2130-421.8300	VEHICLES	\$17,000	\$0	\$0	\$0	\$0
TOTAL CAPITAL OUTLAY		\$17,000	\$0	\$0	\$0	\$0
2130 - CRIMINAL INVESTIGATIONS		\$2,123,181	\$2,368,886	\$2,335,212	\$2,135,103	\$2,189,010

2150 - Animal Control

Account Number	Account Name	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
40 - PERSONNEL & BENEFITS						
001-2150-441.4110	FULLTIME SALARIES & WAGES	\$218,940	\$237,293	\$237,293	\$223,939	\$245,783
001-2150-441.4130	OVERTIME PAY	41,195	27,484	27,484	41,487	28,598
001-2150-441.4131	HOLIDAY HRS WORKED	112	1,133	1,133	200	1,168
001-2150-441.4143	LONGEVITY PAY	2,624	2,235	2,235	2,275	1,925
001-2150-441.4145	INCENTIVE-CERTIFICATE PAY	1,950	1,500	1,500	2,100	2,100
001-2150-441.4149	CELL PHONE ALLOWANCE	1,338	1,260	1,260	1,260	1,260
001-2150-441.4190	TERMINATION PAYOUTS	3,315	0	0	4,178	0
001-2150-441.4710	SOCIAL SECURITY/MEDICARE	19,089	19,508	19,508	20,052	20,202
001-2150-441.4720	TMRS RETIREMENT	44,688	46,555	46,555	46,722	46,885
001-2150-441.4810	HEALTH/DENTAL INSURANCE	43,248	43,503	43,503	38,421	45,437
001-2150-441.4820	LIFE INSURANCE	601	781	781	629	810
001-2150-441.4830	DISABILITY INSURANCE	890	1,137	1,137	920	1,185
001-2150-441.4840	WORKERS COMP INSURANCE	4,128	4,148	4,148	4,295	5,015
001-2150-441.4850	EAP SERVICES	218	232	232	195	210
001-2150-441.4890	FLEX PLAN ADMINISTRATION	288	271	271	161	150
TOTAL PERSONNEL & BENEFITS		\$382,624	\$387,040	\$387,040	\$386,834	\$400,728
50 - SUPPLIES						
001-2150-441.5200	PERSONNEL SUPPLIES	\$1,047	\$2,000	\$2,000	\$2,000	\$3,000
001-2150-441.5301	FUEL	6,085	10,250	10,250	9,250	10,250
001-2150-441.5400	OPERATING SUPPLIES	25,144	18,500	18,910	18,910	33,500
001-2150-441.5800	OPERATING EQUIPMENT<\$5000	3,815	3,000	4,000	4,000	3,700
TOTAL SUPPLIES		\$36,091	\$33,750	\$35,160	\$34,160	\$50,450
60 - MAINTENANCE						
001-2150-441.6300	VEHICLE MAINTENANCE	\$5,925	\$12,000	\$12,000	\$7,000	\$16,500
TOTAL MAINTENANCE		\$5,925	\$12,000	\$12,000	\$7,000	\$16,500
70 - SERVICES						
001-2150-441.7212	MEDICAL EXAMINATIONS	\$350	\$1,800	\$800	\$800	\$1,800
001-2150-441.7311	VEHICLE INSURANCE	1,752	2,269	2,269	2,269	2,536
001-2150-441.7400	OPERATING SERVICES	7,265	11,380	11,380	9,000	13,780
001-2150-441.7410	ADOPTION RELATED SERVICES	33,809	32,500	32,500	32,500	35,000
001-2150-441.7498	JUDGMENTS & DAMAGE CLAIMS	0	500	500	0	500
001-2150-441.7510	TRAINING	1,471	3,400	3,400	3,400	4,400
001-2150-441.7520	TRAVEL EXPENSES & REIMBURSEMENTS	3,255	3,100	3,100	3,100	4,100
001-2150-441.7530	MEMBERSHIPS	100	200	200	200	200
001-2150-441.7802	CREDIT CARD FEES	333	1,000	1,000	350	1,000
001-2150-441.7831	VEHICLE LEASE-INTERNAL	19,360	19,360	19,360	19,360	19,550
TOTAL SERVICES		\$67,695	\$75,509	\$74,509	\$70,979	\$82,866
2150 - ANIMAL CONTROL		\$492,335	\$508,299	\$508,709	\$498,973	\$550,544



Mission Statement

To provide efficient, effective, and professional fire and life safety services, emergency management, and emergency medical services to the Friendswood community.

Current Operations

Administrative Division

The Department of Emergency Services (DES) Administrative Division directs and coordinates three operational divisions: Fire Prevention and Investigation, Emergency Management, and Emergency Medical Services. In addition, the Division serves as the contract administrator for fire suppression and emergency billing.

The Administrative Division consists of the Director of Emergency Services and the Administrative Assistant to the Director.

Fire Marshal's Office (Fire Prevention and Investigation Division)

The Fire Marshal's Office (FMO) enforces the fire and life safety codes as adopted by City Council. This includes annual fire and life safety inspections of commercial, industrial, educational, and multi-family residential occupancies, reviews of new building and site plans, and design approval of fire alarm and sprinkler systems. FMO provides fire and life safety education programs by request.

In addition, the FMO investigates fires, hazardous materials incidents, and environmental incidents. These investigations include determination of origin and cause. Criminal charges are pursued when appropriate. Citations may be issued for fire and life safety code violations, including illegal use of fireworks and fire lane violations.

The Director of Emergency Services, Chief of Fire Prevention and Investigations, and four Deputy Fire Marshals are certified peace officers, arson investigators, fire inspectors, and instructors. Part-time inspectors are certified fire inspectors. FMO staff serve as court security officers for the Municipal Court.

Office of Emergency Management (Emergency Management Division)

The Office of Emergency Management (OEM) manages the emergency management program for the City. Before, during, and after disasters, OEM coordinates with local, state, and federal response and recovery partners. This includes maintaining pre-disaster contracts for debris removal, debris monitoring, logistics, catering, and mass notifications and managing pre-disaster, public assistance, mitigation, and homeland security grants.

OEM maintains, exercises, and implements the City's Comprehensive Emergency Operations Plan (EOP), Debris Management Plan, Pandemic Plan, and the Continuity of Operations Plan (COOP). The OEM participates in regional planning efforts, including the Galveston County Hazard Mitigation Plan and the Harris County Multi-Hazard Mitigation Action Plan.

To maintain compliance with the National Incident Management System (NIMS), OEM staff members develop, deliver, and facilitate training courses for emergency management operations and response procedures for all city staff members and elected officials. OEM also develops and provides preparedness materials and presentations for the public by request.

In accordance with state law and city ordinance, the Emergency Management Director is the Mayor. The Mayor has appointed the Director of Emergency Services to serve as the Emergency Management Coordinator.

Emergency Medical Services Division (Emergency Medical Services)

The Emergency Medical Services' (EMS) transition from a division of the Friendswood Volunteer Fire Department to a division of the City's Department of Emergency Services will be complete on October 1, 2024, at 12:01 a.m.

Emergency Medical Services (EMS) provides rapid pre-hospital care in accordance with Texas Department of State Health Services (TDSHS) requirements for emergency medical providers. EMS operates two – 24/7 staffed ambulances, from Fire Stations #1 and #4. EMS staff triage, treat, and transport patients to appropriate medical facilities for further care. In addition, EMS provides public education programs to promote first aid, life safety, and public health in the community.

EMS staffing consists of the Chief of Emergency Medical Services, one Administrative Assistant, three Captains, six Paramedic IIs, and six Paramedic I full-time equivalents (FTEs).

Contract Services

Contract administration includes capital planning, capital purchasing, inventory management, emergency access system management, communication system management, contract renewals, short- and long- term financial planning, inquiry resolution, and coordination meetings.

Fire Suppression

The Friendswood Volunteer Fire Department (FVFD) Inc. is the contractor for fire suppression. The FVFD is responsible for responding to fire related calls, vehicle accidents, and medical first response. The FVFD operates and manages equipment and volunteer personnel for four fire stations, including a paid part-time day crew from Fire Station #1.

Medical Billing

Emergicon Emergency Medical Billing is the contractor for invoicing and collecting revenue for the City's ambulance fees. Emergicon remits the revenue collected net of the 6% contracted collection fee.

FVFD Contract Services	FY22 Actual	FY23 Actual	FY24 Budget	FY24 Forecast	FY25 Proposed
Inputs					
Fire Contract Service Expenditures	\$1,140,000	\$1,225,308	\$1,297,303	\$1,297,303	\$1,113,518
EMS Contract Service Expenditures	1,718,832	1,718,832	1,022,840	1,022,840	0
EMS Billings*	(900,000)	(900,000)	(900,000)	(900,000)	0
Outputs – Fire					
# of Fire Incidents	715	965	800	850	800
Outputs – EMS					
# of EMS Incidents	3,743	3,743	3,750	3,675	3,875
# of EMS Transports	1,932	1,932	2,175	2,205	2,325
Measures of Efficiency					
Net Division expenditures per capita	\$46.43	\$47.92	\$33.29	\$33.01	\$25.88

*Quarterly payments of the contract amount will be reduced by the total estimated revenue FVFD receives from EMS Billings.

Accomplishments in Fiscal Year 2024 as of April 30, 2024

- ▶ Completed 488 annual fire and life safety inspections of commercial, industrial, educational, and multi-family residential occupancies.
- ▶ Completed demolition of eight Deepwood properties under Community Development Block Grant-Disaster Recovery (CDBG-DR).
- ▶ Completed transfer of the 3.3074-acre Frenchman's Creek Homeowners Association property to the City as a donation.
- ▶ Completed transfer of the three Galveston County Frenchman's Creek properties to the City. Galveston County completed the acquisitions and building demolitions prior to the transfer by Interlocal Agreement.

- ▶ Instructed and informed the public in aspects of fire safety and prevention, along with emergency preparedness training, and EMS through awareness and education programs. Provided a total of 10 public education classes with 619 attendees.
- ▶ Reviewed, updated, and submitted 1 Annex of the City's Emergency Operation Plan (EOP) to the state.
- ▶ EMS received their Texas Department of State Health Services Provider License which allows them to operate an ambulance in the State of Texas.
- ▶ EMS Chief Lisa Camp was awarded a Vanguard Award by the American Ambulance Association for her achievements as a woman trailblazer in the EMS community.

Grants:

- ▶ 2017 Community Development Block Grant – Disaster Recovery (CDBG-DR). The City was awarded \$2,762,650 for Galveston County Acquisitions. Following a last payment request, the project will proceed with closeout.
- ▶ 2017 FEMA Public Assistance. The City continues to recover from Hurricane Harvey. An improved work amendment request for the Lift Station 1 & 17 project was submitted to TDEM in February 2024. Many of the small lift station projects are ongoing.
- ▶ 2023 Urban Area Security Initiative (UASI) awarded the City \$7,989 in FY2024 to fund EMS training equipment for the Tactical Combat Casualty Care (TCCC) course. As of April 2024, equipment was transferred to EMS and the grant was closed.

Highlights of the Budget

The following forces at work and/or decision package(s) were submitted in the FY 2024-25 proposed budget.

Forces at Work (FAW) included with the FY2024-25 Proposed Budget:

Description	Type	Amount
	General Fund	\$1,937,772
EMS Onboarding	-	-
	General Fund	-\$183,786
FVFD Fire Contract Reduction	-	-
	General Fund	-\$1,022,840
EMS Contract Elimination	-	-

Decision Packages not included with the FY2024-25 Proposed Budget:

Description	Type	Amount
	General Fund	\$194,467
Full-time Paramedic Conversion (+3.0 FTE)	-	-
	General Fund	223,728
Deputy Fire Marshal II + Vehicle (+1.0 FTE)	-	-



2024-2025 Departmental Goals and Performance Measures

Major Departmental Goals:

- ▶ Maintain the Class 3 Public Protection Classification (PPC®) rating from the Insurance Services Office (ISO) that the City has held since 2003.
- ▶ Conduct thorough annual fire and life safety inspections of commercial, industrial, educational, and multi-family residential occupancies.
- ▶ Participate in the Design Review Committee (DRC) meetings to address developer and contractor questions during the conceptual stages of the development process.
- ▶ Review and complete all submitted plan reviews within two working days.
- ▶ Instruct, educate, and inform the public in aspects of fire safety and prevention, along with emergency preparedness training, through awareness and educational programs.
- ▶ Review or update the emergency preparedness planning documents within a five-year cycle per FEMA and Texas Department of Emergency Management (TDEM) guidelines.
- ▶ Maintain state and federal mandated continuing education training requirements for employees.
- ▶ Review and update the city's Continuity of Operations Plan (COOP).
- ▶ Complete the closeout of the CDBG-DR acquisitions project.

Supports the City's Strategic Goals:

1-Communication, 4-Partnerships, 5- Public Safety, and 6-Organizational Development

Department of Emergency Services	FY22 Actual	FY23 Actual	FY24 Budget	FY24 Forecast	FY25 Proposed
Inputs					
Administrative Division					
# of full time equivalents	6.2	6.4	7.4	7.4	2.0
Division Expenditures	\$1,066,479	\$1,149,945	\$1,396,739	\$1,366,590	\$629,151
Fire Prevention Division					
# of full time equivalents	6.2	0.0	0.0	0.1	3.5
Division Expenditures	\$0	\$0	\$0	\$0	\$611,205
Emergency Management Division					
# of full time equivalents	1.0	1.0	1.0	1.0	2.0
Division Expenditures	\$168,246	\$186,527	\$197,664	\$191,273	\$395,046
Emergency Medical Services Division (including FVFD Contract)					
# of full time equivalents	0.0	0.0	0.0	0.0	20.5
Division Expenditures	\$1,718,832	\$2,040,405	\$2,320,143	\$2,526,719	\$4,076,523
Outputs					
# of Total of All Inspections Conducted	1,315	983	1,300	980	1,100
# of Building Plans Reviewed	402	324	400	380	400
# of DRC's Meetings Attended	33	41	35	30	35
# of Life Safety/Fire Code Complaints Investigated	7	7	10	10	9
# of Fire Origin & Cause Investigations	7	6	8	6	6
# of Educational Classes Presented	16	16	1	20	30
# of Instructional Staff Hours	67	117	55	90	140
Annual total hours of all FMO/OEM staff training attended	912	887	850	850	1410
# of EOP, Supplemental Annexes & Planning Document Reviews Conducted and Submitted	5	5	5	3	5
# of EMS Incidents	3743	3234	3750	3600	3700
# of EMS Transports	1932	1994	2175	2100	2250
Average Daily Calls	8	9	10	10	10
Mutual Aid Received	98	67	0	65	75
Measures of Effectiveness					
% of city staff in NIMS compliance	84%	84%	90%	90%	90%
% of Commercial Businesses inspected annually	75%	70%	85%	65%	75%
% of Building Plans reviewed in 48 hours	99%	99%	99%	99%	99%
% of annual training met based on the average minimum requirement of 450 hours per year	100%	100%	100%	100%	100%
Maintained Advanced Level of Emergency Preparedness by reviewing and updating the EOP & annexes (% approved by State)	100%	N/A	N/A	N/A	N/A
Maintained Emergency Management Plan Currency by reviewing and updating the EOP & annexes (% approved by State)	N/A	100%	100%	100%	100%
Measures of Efficiency - Division expenditures per capita					
Administrative Division	\$25.28	\$26.96	\$32.74	\$31.77	\$14.62
Fire Prevention Division	\$0.00	\$0.00	\$0.00	\$0.00	\$14.21
Emergency Management Division	\$3.99	\$4.37	\$4.63	\$4.45	\$9.18
Emergency Medical Services Division	\$40.74	\$47.83	\$54.39	\$58.73	\$94.76



Weather Events (Tropical or Hurricane Storms)	FY22 Actual	FY23 Actual	FY24 Budget	FY24 Forecast	FY25 Proposed
Inputs					
Division Expenditures*	\$5,043	\$0	\$0	\$0	\$0
Measures of Efficiency					
Division expenditures per capita	\$0.12	\$0	\$0	\$0	\$0
<i>*Expenditures associated with 2021 Winter Storm</i>					

Public Health Emergencies	FY22 Actual	FY23 Actual	FY24 Budget	FY24 Forecast	FY25 Proposed
Inputs					
Division Expenditures*	\$0	\$0	\$0	\$0	\$0
Measures of Efficiency					
Division expenditures per capita	\$0	\$0	\$0	\$0	\$0
<i>*Expenditures associated with Public Health Emergency from Covid-19.</i>					
<i>*The State discontinued the use of various "Levels of Emergency Preparedness"</i>					

Department Summary

Expenditure by Division

Division	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget	% Change in Budget from FY24 to FY25
ADMINISTRATION	\$1,149,945	\$1,396,739	\$1,397,905	\$1,366,590	\$629,151	-55.0%
FIRE PREVENTION	\$0	\$0	\$0	\$0	\$611,205	0.0%
EMERGENCY MANAGEMENT	186,527	197,664	197,664	191,273	395,046	99.9%
FIRE ADMINISTRATION-FVFD	2,040,405	2,320,143	2,320,143	2,526,719	1,113,518	-52.0%
EMERGENCY MEDICAL SERVICES	0	0	514,000	0	2,963,005	0.0%
DEPARTMENT TOTAL	\$3,376,877	\$3,914,546	\$4,429,712	\$4,084,582	\$5,711,925	45.9%

Expenditure by Classification

Classification	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget	% Change in Budget from FY24 to FY25
PERSONNEL & BENEFITS	\$1,127,072	\$1,343,196	\$1,343,196	\$1,321,479	\$3,700,127	175.5%
SUPPLIES	73,844	60,300	61,890	61,656	277,880	360.8%
MAINTENANCE	12,187	19,500	18,000	8,849	53,765	175.7%
SERVICES	2,162,646	2,491,550	2,492,626	2,692,598	1,680,153	-32.6%
CAPITAL OUTLAY	1,128	0	514,000	0	0	0.0%
CLASSIFICATION TOTAL	\$3,376,877	\$3,914,546	\$4,429,712	\$4,084,582	\$5,711,925	45.9%

Full-Time Equivalents by Division

Division	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget	% Change in Budget from FY24 to FY25
ADMINISTRATION	6.38	7.38	7.38	7.38	2.00	-72.9%
FIRE PREVENTION	0	0	0	0.07	3.45	0.0%
EMERGENCY MANAGEMENT	1.00	1.00	1.00	1.00	2.00	100.0%
EMERGENCY MEDICAL SERVICES	0	0	0	0	20.54	0.0%
PERSONNEL TOTAL	7.38	8.38	8.38	8.45	27.99	234.0%

2501 - Fire Marshal/Administration

Account Number	Account Name	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
40 - PERSONNEL & BENEFITS						
001-2501-422.4110	FULLTIME SALARIES & WAGES	\$650,071	\$818,462	\$818,462	\$818,462	\$238,103
001-2501-422.4130	OVERTIME PAY	33,109	27,121	27,121	26,587	3,851
001-2501-422.4131	HOLIDAY HRS WORKED	2,088	0	0	832	0
001-2501-422.4143	LONGEVITY PAY	3,468	3,640	3,640	3,215	1,930
001-2501-422.4145	INCENTIVE-CERTIFICATE PAY	27,450	33,600	33,600	33,600	5,100
001-2501-422.4149	CELL PHONE ALLOWANCE	6,030	4,800	4,800	4,800	720
001-2501-422.4190	TERMINATION PAYOUTS	8,886	0	0	0	0
001-2501-422.4220	PART-TIME WAGES W/O BENEFITS	28,660	19,799	19,799	25,525	0
001-2501-422.4710	SOCIAL SECURITY/MEDICARE	56,054	67,678	67,678	65,649	17,966
001-2501-422.4720	TMRS RETIREMENT	121,328	152,538	152,538	141,584	41,688
001-2501-422.4810	HEALTH/DENTAL INSURANCE	68,577	90,631	90,631	77,061	34,653
001-2501-422.4820	LIFE INSURANCE	1,783	2,560	2,560	2,237	720
001-2501-422.4830	DISABILITY INSURANCE	2,609	3,725	3,725	3,273	1,054
001-2501-422.4840	WORKERS COMP INSURANCE	7,797	8,160	8,160	8,637	2,364
001-2501-422.4850	EAP SERVICES	343	407	407	364	105
001-2501-422.4890	FLEX PLAN ADMINISTRATION	311	336	336	184	75
TOTAL PERSONNEL & BENEFITS		\$1,018,564	\$1,233,457	\$1,233,457	\$1,212,010	\$348,329
50 - SUPPLIES						
001-2501-422.5200	PERSONNEL SUPPLIES	\$5,908	\$5,000	\$6,590	\$6,590	\$0
001-2501-422.5301	FUEL	12,209	14,000	14,000	14,000	14,000
001-2501-422.5400	OPERATING SUPPLIES	13,367	6,200	6,200	6,200	5,000
001-2501-422.5800	OPERATING EQUIPMENT<\$5000	12,645	13,800	13,800	13,800	2,000
TOTAL SUPPLIES		\$44,129	\$39,000	\$40,590	\$40,590	\$21,000
60 - MAINTENANCE						
001-2501-422.6300	VEHICLE MAINTENANCE	\$10,232	\$12,500	\$11,000	\$5,249	\$1,520
001-2501-422.6800	EQUIPMENT MAINTENANCE	395	500	500	100	200
TOTAL MAINTENANCE		\$10,627	\$13,000	\$11,500	\$5,349	\$1,720
70 - SERVICES						
001-2501-422.7311	VEHICLE INSURANCE	\$3,689	\$4,776	\$4,776	\$4,776	\$5,362
001-2501-422.7322	LAW ENFORCEMENT	4,493	6,100	6,100	6,100	6,083
001-2501-422.7350	SURETY BONDS	0	0	0	0	150
001-2501-422.7400	OPERATING SERVICES	9,781	26,375	26,375	26,375	415
001-2501-422.7401	POSTAL/COURIER SERVICES	84	250	250	50	250
001-2501-422.7497	RECRUITMENT ADVERTISING	0	90	90	0	90
001-2501-422.7510	TRAINING	7,819	10,885	11,961	10,680	3,650
001-2501-422.7520	TRAVEL EXPENSES & REIMBURSEMENTS	3,922	7,000	7,000	4,854	4,400
001-2501-422.7530	MEMBERSHIPS	3,111	3,150	3,150	3,150	3,275
001-2501-422.7710	SOFTWARE LICENSE FEES	0	0	0	0	5,840
001-2501-422.7730	INTERNET/WIRELESS SERVICE	3,192	3,200	3,200	3,200	0
001-2501-422.7800	CONTRACT SERVICES	3,074	3,500	3,500	3,500	181,000
001-2501-422.7830	RENTAL	0	150	150	150	150
001-2501-422.7831	VEHICLE LEASE-INTERNAL	37,460	45,806	45,806	45,806	47,437
TOTAL SERVICES		\$76,625	\$111,282	\$112,358	\$108,641	\$258,102
2501 - FIRE MARSHAL/ADMINISTRATION		\$1,149,945	\$1,396,739	\$1,397,905	\$1,366,590	\$629,151

2503 - Fire Prevention

Account Number	Account Name	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
40 - PERSONNEL & BENEFITS						
001-2503-422.4110	FULLTIME SALARIES & WAGES	\$0	\$0	\$0	\$0	\$322,836
001-2503-422.4130	OVERTIME PAY	0	0	0	0	20,810
001-2503-422.4143	LONGEVITY PAY	0	0	0	0	835
001-2503-422.4145	INCENTIVE-CERTIFICATE PAY	0	0	0	0	14,100
001-2503-422.4149	CELL PHONE ALLOWANCE	0	0	0	0	2,400
001-2503-422.4220	PART-TIME WAGES W/O BENEFITS	0	0	0	0	45,381
001-2503-422.4710	SOCIAL SECURITY/MEDICARE	0	0	0	0	29,545
001-2503-422.4720	TMRS RETIREMENT	0	0	0	0	60,266
001-2503-422.4810	HEALTH/DENTAL INSURANCE	0	0	0	0	47,028
001-2503-422.4820	LIFE INSURANCE	0	0	0	0	1,041
001-2503-422.4830	DISABILITY INSURANCE	0	0	0	0	1,524
001-2503-422.4840	WORKERS COMP INSURANCE	0	0	0	0	3,933
001-2503-422.4850	EAP SERVICES	0	0	0	0	158
001-2503-422.4890	FLEX PLAN ADMINISTRATION	0	0	0	0	18
TOTAL PERSONNEL & BENEFITS		\$0	\$0	\$0	\$0	\$549,875
50 - SUPPLIES						
001-2503-422.5200	PERSONNEL SUPPLIES	\$0	\$0	\$0	\$0	\$9,000
001-2503-422.5400	OPERATING SUPPLIES	0	0	0	0	4,100
001-2503-422.5800	OPERATING EQUIPMENT<\$5000	0	0	0	0	13,800
TOTAL SUPPLIES		\$0	\$0	\$0	\$0	\$26,900
60 - MAINTENANCE						
001-2503-422.6300	VEHICLE MAINTENANCE	\$0	\$0	\$0	\$0	\$6,080
TOTAL MAINTENANCE		\$0	\$0	\$0	\$0	\$6,080
70 - SERVICES						
001-2503-422.7400	OPERATING SERVICES	\$0	\$0	\$0	\$0	\$500
001-2503-422.7510	TRAINING	0	0	0	0	7,620
001-2503-422.7520	TRAVEL EXPENSES & REIMBURSEMENTS	0	0	0	0	6,100
001-2503-422.7530	MEMBERSHIPS	0	0	0	0	1,130
001-2503-422.7612	TELEPHONE/COMMUNICATIONS	0	0	0	0	3,200
001-2503-422.7710	SOFTWARE LICENSE FEES	0	0	0	0	9,800
TOTAL SERVICES		\$0	\$0	\$0	\$0	\$28,350
2503 - FIRE ADMINISTRATION		\$0	\$0	\$0	\$0	\$611,205

2510 - Fire Marshal/Emergency Management

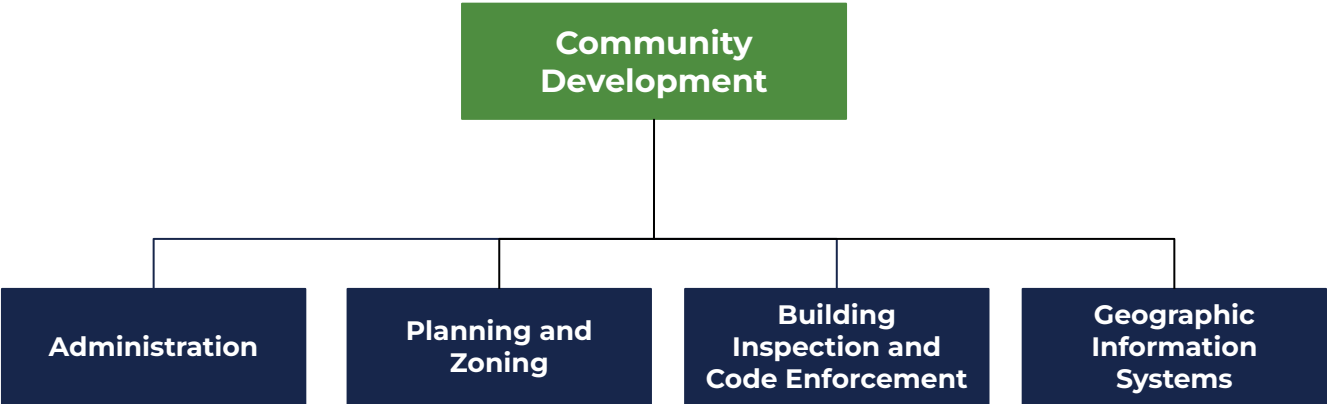
Account Number	Account Name	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
40 - PERSONNEL & BENEFITS						
001-2510-422.4110	FULLTIME SALARIES & WAGES	\$70,124	\$70,079	\$70,079	\$68,781	\$207,062
001-2510-422.4130	OVERTIME PAY	2,411	1,667	1,667	3,603	20,810
001-2510-422.4143	LONGEVITY PAY	350	410	410	410	1,330
001-2510-422.4145	INCENTIVE-CERTIFICATE PAY	4,225	5,100	5,100	5,100	12,000
001-2510-422.4149	CELL PHONE ALLOWANCE	724	720	720	720	2,400
001-2510-422.4710	SOCIAL SECURITY/MEDICARE	5,560	5,569	5,569	5,631	18,491
001-2510-422.4720	TMRS RETIREMENT	12,909	13,400	13,400	13,109	40,669
001-2510-422.4810	HEALTH/DENTAL INSURANCE	11,573	12,069	12,069	11,487	17,023
001-2510-422.4820	LIFE INSURANCE	193	225	225	199	703
001-2510-422.4830	DISABILITY INSURANCE	282	327	327	291	1,028
001-2510-422.4840	WORKERS COMP INSURANCE	77	93	93	77	3,290
001-2510-422.4850	EAP SERVICES	58	58	58	53	105
001-2510-422.4890	FLEX PLAN ADMINISTRATION	22	22	22	8	75
TOTAL PERSONNEL & BENEFITS		\$108,508	\$109,739	\$109,739	\$109,469	\$324,986
50 - SUPPLIES						
001-2510-422.5200	PERSONNEL SUPPLIES	\$495	\$500	\$500	\$336	\$0
001-2510-422.5301	FUEL	0	3,800	3,800	3,730	3,800
001-2510-422.5400	OPERATING SUPPLIES	9,199	7,000	7,000	7,000	5,100
001-2510-422.5800	OPERATING EQUIPMENT<\$5000	20,021	10,000	10,000	10,000	11,000
TOTAL SUPPLIES		\$29,715	\$21,300	\$21,300	\$21,066	\$19,900
60 - MAINTENANCE						
001-2510-422.6300	VEHICLE MAINTENANCE	\$0	\$0	\$0	\$0	\$3,020
001-2510-422.6800	EQUIPMENT MAINTENANCE	1,560	6,500	6,500	3,500	6,800
TOTAL MAINTENANCE		\$1,560	\$6,500	\$6,500	\$3,500	\$9,820
70 - SERVICES						
001-2510-422.7350	SURETY BONDS	\$0	\$120	\$120	\$0	\$0
001-2510-422.7400	OPERATING SERVICES	24,961	21,690	21,690	21,690	3,600
001-2510-422.7401	POSTAL/COURIER SERVICES	0	0	0	25	0
001-2510-422.7510	TRAINING	1,615	3,265	3,265	3,033	3,795
001-2510-422.7520	TRAVEL EXPENSES & REIMBURSEMENTS	4,292	9,500	9,500	6,940	6,600
001-2510-422.7530	MEMBERSHIPS	1,298	1,700	1,700	1,700	670
001-2510-422.7612	TELEPHONE/COMMUNICATIONS	6,168	6,230	6,230	6,230	7,535
001-2510-422.7710	SOFTWARE LICENSE FEES	0	0	0	0	8,140
001-2510-422.7730	INTERNET/WIRELESS SERVICE	1,243	1,120	1,120	1,120	0
001-2510-422.7800	CONTRACT SERVICES	6,039	6,500	6,500	6,500	0
001-2510-422.7841	ENVIRONMENTAL CLEAN UP	0	10,000	10,000	10,000	10,000
TOTAL SERVICES		\$45,616	\$60,125	\$60,125	\$57,238	\$40,340
80 - CAPITAL OUTLAY						
001-2510-422.8800	CAPITAL EQUIPMENT	\$1,128	\$0	\$0	\$0	\$0
TOTAL CAPITAL OUTLAY		\$1,128	\$0	\$0	\$0	\$0
2510 - FIRE MARSHAL/EMERGENCY MANAGEMENT		\$186,527	\$197,664	\$197,664	\$191,273	\$395,046

2201 - Fire Administration -FVFD

Account Number	Account Name	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
70 - SERVICES						
001-2201-422.7850	FIRE CONTRACT SERVICES	\$1,225,308	\$1,297,303	\$1,297,303	\$1,297,303	\$1,113,518
001-2201-422.7851	EMS CONTRACT SERVICES	815,097	1,022,840	1,022,840	1,229,416	0
TOTAL SERVICES		\$2,040,405	\$2,320,143	\$2,320,143	\$2,526,719	\$1,113,518
2201 - FIRE ADMINISTRATION-FVFD		\$2,040,405	\$2,320,143	\$2,320,143	\$2,526,719	\$1,113,518

2207 - Emergency Medical Services

Account Number	Account Name	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
40 - PERSONNEL & BENEFITS						
001-2207-422.4110	FULLTIME SALARIES & WAGES	\$0	\$0	\$0	\$0	\$854,810
001-2207-422.4130	OVERTIME PAY	0	0	0	0	551,984
001-2207-422.4143	LONGEVITY PAY	0	0	0	0	60
001-2207-422.4145	INCENTIVE-CERTIFICATE PAY	0	0	0	0	66,300
001-2207-422.4149	CELL PHONE ALLOWANCE	0	0	0	0	1,200
001-2207-422.4220	PART-TIME WAGES W/O BENEFITS	0	0	0	0	339,471
001-2207-422.4710	SOCIAL SECURITY/MEDICARE	0	0	0	0	95,068
001-2207-422.4720	TMRS RETIREMENT	0	0	0	0	246,143
001-2207-422.4810	HEALTH/DENTAL INSURANCE	0	0	0	0	284,460
001-2207-422.4820	LIFE INSURANCE	0	0	0	0	4,247
001-2207-422.4830	DISABILITY INSURANCE	0	0	0	0	6,202
001-2207-422.4840	WORKERS COMP INSURANCE	0	0	0	0	26,172
001-2207-422.4850	EAP SERVICES	0	0	0	0	736
001-2207-422.4890	FLEX PLAN ADMINISTRATION	0	0	0	0	84
TOTAL PERSONNEL & BENEFITS		\$0	\$0	\$0	\$0	\$2,476,937
50 - SUPPLIES						
001-2207-422.5200	PERSONNEL SUPPLIES	\$0	\$0	\$0	\$0	\$20,000
001-2207-422.5301	FUEL	0	0	0	0	37,000
001-2207-422.5400	OPERATING SUPPLIES	0	0	0	0	145,400
001-2207-422.5800	OPERATING EQUIPMENT<\$5000	0	0	0	0	7,680
TOTAL SUPPLIES		\$0	\$0	\$0	\$0	\$210,080
60 - MAINTENANCE						
001-2207-422.6300	VEHICLE MAINTENANCE	\$0	\$0	\$0	\$0	\$32,895
001-2207-422.6800	EQUIPMENT MAINTENANCE	0	0	0	0	3,250
TOTAL MAINTENANCE		\$0	\$0	\$0	\$0	\$36,145
70 - SERVICES						
001-2207-422.7311	VEHICLE INSURANCE	\$0	\$0	\$0	\$0	\$20,349
001-2207-422.7329	MEDICAL MALPRACTICE INSURANCE	0	0	0	0	25,000
001-2207-422.7350	SURETY BONDS	0	0	0	0	150
001-2207-422.7400	OPERATING SERVICES	0	0	0	0	34,000
001-2207-422.7401	POSTAL/COURIER SERVICES	0	0	0	0	500
001-2207-422.7497	RECRUITMENT ADVERTISING	0	0	0	0	1,000
001-2207-422.7510	TRAINING	0	0	0	0	19,095
001-2207-422.7520	TRAVEL EXPENSES & REIMBURSEMENTS	0	0	0	0	10,500
001-2207-422.7530	MEMBERSHIPS	0	0	0	0	4,570
001-2207-422.7612	TELEPHONE/COMMUNICATIONS	0	0	0	0	15,225
001-2207-422.7710	SOFTWARE LICENSE FEES	0	0	0	0	33,370
001-2207-422.7800	CONTRACT SERVICES	0	0	0	0	21,800
001-2207-422.7831	VEHICLE LEASE-INTERNAL	0	0	0	0	52,284
001-2207-422.7910	COMMUNITY EVENTS/PROGRAMS	0	0	0	0	2,000
TOTAL SERVICES		\$0	\$0	\$0	\$0	\$239,843
80 - CAPITAL OUTLAY						
001-2207-422.8800	CAPITAL EQUIPMENT	\$0	\$0	\$514,000	\$0	\$0
TOTAL CAPITAL OUTLAY		\$0	\$0	\$514,000	\$0	\$0
2207 - EMERGENCY MEDICAL SERVICES		\$0	\$0	\$514,000	\$0	\$2,963,005



Mission Statement

Community Development consists of several areas of responsibility consisting of Administration, Building Permits/Inspections, Code Enforcement, Planning & Zoning and Geographic Information Systems (GIS). Together, the department strives to ensure that all developers, builders, and residents within the City, including the City government itself, comply with city ordinances and State requirements in order to maintain the safety and quality of life that so many Friendswood citizens value and appreciate. Our staff provides advanced planning and outstanding services to help improve mobility, drainage and utility systems, safe buildings, and a clean environment.

Current Operations

The Community Development Department's budget consists of four divisions:

- ▶ Administration
- ▶ Planning and Zoning
- ▶ Inspections/Code Enforcement
- ▶ Geographic Information Systems (GIS)

The department also works with the following boards as needed:

- ▶ Zoning Board of Adjustments
- ▶ Construction Board of Adjustment and Appeals
- ▶ Building and Standards Commission

Administration

The Director and Deputy Director also serve as the City Planner and Building Official respectively. The Director/City Planner oversees the planning related activities of the department and the GIS division. The Deputy Director/Building Official manages the permitting and inspections processes and code enforcement.

Planning & Zoning

The Planning & Zoning division's primary responsibility is to ensure development adheres to the principles set forth in the City's Comprehensive Plan. Through the application of the Subdivision Ordinance and Zoning Ordinance, development is shaped to ensure compatibility with existing uses, as well as to maintain the health, safety, and general welfare of the community.

Planning staff coordinate DRC meetings to provide information regarding development procedures to citizens and developers. Staff also processes zone change applications, reviews plans, site plans and construction plans, which includes coordinating reviews by all required departments. This division works with the Planning and Zoning Commission to obtain approvals and recommendations as required by local and state law.

Building Permits & Inspections

The building division is responsible for reviewing plans and issuing permits for building, electrical, plumbing, and mechanical work, as well as inspecting the work as it is completed. Inspectors take on a great responsibility in enforcing building code standards adopted by City Council and those set forth by the State.

The Building Official is also the City’s Floodplain Administrator and coordinates the City’s participation in the Community Rating System (CRS) program, which recognizes and encourages community floodplain management activities that exceed the minimum Nation Flood Insurance Program (NFIP) standards. Depending upon the level of participation, flood insurance premium rates for policyholders can be reduced up to 45%. Besides the benefit of reduced insurance rates, CRS floodplain management activities enhance public safety, reduce damage to property and public infrastructure, avoid economic disruption and losses, reduce human suffering, and protect the environment. This last year, we were able to increase our CRS rating to a solid 5 with only 52 points left to achieve a Class 4 rating. A master drainage plan is required as a prerequisite for a Class 4 rating, which is in progress under the direction of the Engineering Department.

Code Enforcement personnel investigates complaints concerning the possibility of unlawful work done without proper permits, licenses, occupancy, land use violations, substandard and dangerous buildings complaints, sign violations, and high grass and weed complaints. They assist with the enforcement of the Zoning Ordinance and at times gather information in the field.

Geographic Information Systems (GIS)

The GIS Division consists of a GIS Manager and a GIS Technician. Together they are working to expand the internal GIS services to other departments. They provide mapping and data collection assistance to all City departments such as drainage maps for Engineering, parade routes for Parks & Recreation, damage assessment applications and assistance for the Fire Marshal’s Office/Emergency Operations Center, and many more to come. They also create applications and train employees to enter and edit their own data. Many layers of information in the GIS mapping system require maintenance. Map layers include information such as streets, utilities, fire hydrants, trails, zoning, buyout lots, license agreements, and much more. The GIS Division is also providing support for three different software products for three different departments – Community Development utilizing City Works, Engineering/ Public Works utilizing City Works, and Police Department utilizing ISC.

Training

Educated and informed employees have a broader knowledge base and with the wide variety of certifications, employees become more versatile and better able to assist citizens and perform their job duties. To that end, employees are encouraged to further their education, and maintain certifications and licenses through professional development. Examples of some of those required certifications and licenses include State Plumbing Inspector; building, electrical and mechanical inspector; Certified Floodplain Manager; Code Enforcement Certification; Advanced Code Enforcement Certification; and Permit Technician. Currently, the 12 staff members hold 42 certificates. The ultimate departmental potential is 71 certificates or licenses. Realistically, the goal is for each employee to obtain at least one International Code Council (ICC) or other applicable certificate or license; however, some positions require multiple certifications. Obtaining these licenses and certifications affects the department’s budget as far as costs for training, travel, exams, and continuing education required to maintain the certificates and licenses.

Certificate	Current	Goal
Certified Building Official	1	1
Certified Planner	0	1
Permit Technician	2	3
Zoning Inspector	1	1
Code Enforcement Officer	2	2
Advanced Code Enforcement Officer	2	2
State Plumbing Inspector	4	4
Building Inspector	2	4
Residential Combination Inspector (requires the 4 certificates below)	3	4
Residential Building Inspector	4	4
Residential Plumbing Inspector	4	4
Residential Mechanical Inspector	3	4
Residential Electrical Inspector	3	4
Commercial Combination Inspector	0	4
Commercial Building Inspector	1	4
Commercial Plumbing Inspector	3	4
Commercial Mechanical Inspector	0	4
Commercial Electrical Inspector	0	4
Residential Energy Inspector/Plans Examiner	1	2
Med Gas Inspector	0	2
Certified Floodplain Manager	1	2
Accessibility Inspector/Plans Examiner	1	1
Plumbing Inspector	3	3
Plumbing Code Specialist	1	1
Plumbing Plans Examiner	1	1
Totals	43	70

Software

Staff worked diligently this past year to implement CityWorks PLL software. We went live with the new permitting software in August of 2023. Following that, we implemented a new digital plan review software so that we could transition to all digital submissions, reviews, and permits. We went live with DigEplan (LCS Software/Avolve) on February 1, 2024.

Building and Life Safety Codes

Building and life safety codes set the minimum standard for the various aspects of construction including standards for residential and commercial buildings, mechanical, electrical, plumbing, gas swimming pools, and energy conservation that are used for plan reviews and inspections. Life safety and fire codes also establish standards for construction, events, and operations.

Currently, the adopted codes include the 2018 versions of the International Building Code, International Plumbing Code, International Mechanical Code, International Fuel Gas Code, International Energy Conservation Code, and International Residential Code for One-and Two-Family Dwellings and the 2017 version of the National Electric Code (NEC). Fire related codes include the 2018 International Fire Code and the 2018 Edition of the Life Safety Code.

To stay current with the Insurance Services Office (ISO) and maintain our rating, the City's adopted codes cannot be more than two cycles behind the most recent codes. The building division and the Fire Marshal's Office work closely to ensure that adoption of the codes is current. We will begin working on adopting the 2024 International Codes and the 2023 National Electric Code (NEC) in the fall of 2024 with an anticipated adoption by the first quarter of 2025. That process includes reviewing changes between the code versions and reviewing and adopting or excluding appendices to the codes. Code books are purchased to keep within the departments and a set is also made available to the public at the Friendswood Library.

Other Departmental Functions:

The Community Development Department provides and distributes information to citizens and developers in as many formats as possible.

- Development Review Committee (DRC) meetings - provide the community's owners and developers with valuable information regarding the steps to develop or build on their properties. Representatives from the following City departments attend DRC meetings: Planning, Public Works, Building, Parks & Recreation, Economic Development, Fire Marshal's Office, and the Police Department. Outside agency representatives from Galveston County Consolidated Drainage District and Galveston County Health District also attend these meetings.
- Builder Meetings – the Building Division hosts meetings as needed to provide contractors with current information regarding changes in ordinances, fees and processes. At a very minimum, we host an annual meeting in May or June to discuss hurricane preparedness.
- Pre-Construction Meetings – required prior to any contractor starting construction on a job site for a new commercial building; the general contractor and all subcontractors are required to attend.
- Planning & Zoning (P&Z) and Zoning Board of Adjustment (ZBOA) Agenda Packets/Video Archives – like City Council's agenda packets, the P&Z agenda packets are made available on the City's web site. Meetings are also videotaped and made available on the City's PEG channel and YouTube, as well as recorded on DVD for historical recordation/reference.
- Zoning Board of Adjustment (ZBOA) only meets when required. We did not have any cases for the Board to consider in the 2023 calendar year.
- Construction Board of Adjustment (CBOA) has not met in many years; however, we do plan for that Board to meet this coming August/September in order to adopt Rules of Procedures and vote in a chair and vice chairperson. Additionally, we intend for this Board to assist with the review and adoption of the new building codes. The plan is to review the codes in the Fall of 2024 and adopt them by the first quarter of 2025.

Highlights of the Budget

The following forces at work and/or decision package(s) were submitted in the FY 2024-25 proposed budget.

Decision Packages not included with the FY2024-25 Proposed Budget:

Description	Type	Amount
	General Fund	\$105,507
Geographic Information Systems Analyst (+1.0 FTE)	-	-

2024-2025 Departmental Goals and Performance Measures by Division

Major Departmental Goals:

- ▶ Provide consistent and accurate information to citizens and developers.
- ▶ Process applications for all types of work that require inspections in a timely manner.
- ▶ Ensure citizens abide by the building codes and ordinances adopted by City Council or as required by the State of Texas or any other agency.
- ▶ Improve GIS services provided to other departments and to the public.
- ▶ Ensure that staff are well-equipped to perform their jobs.
- ▶ Protect as many structures as possible from flooding by following regulations outlined in the flood ordinance.

Supports the City's Strategic Goals:

1-Communication, 2-Economic Development, 3-Preservation, 4-Partnerships, 5-Public Safety, and 6-Organizational Development

Administration	FY22 Actual	FY23 Actual	FY24 Budget	FY24 Forecast	FY25 Proposed
Inputs					
# of full time equivalents	2.0	2.0	2.5	2.5	2.5
Division Expenditures	\$379,541	\$392,754	\$481,667	\$442,817	\$472,200
Measures of Efficiency					
Monthly Operating Costs	\$31,628	\$32,730	\$40,139	\$36,901	\$39,350
Division Expenditures per capita	\$9.00	\$9.21	\$11.29	\$10.29	\$10.98

Planning and Zoning Division	FY22 Actual	FY23 Actual	FY24 Budget	FY24 Forecast	FY25 Proposed
Inputs					
# of full time equivalents	4.0	3.0	3.0	3.0	3.0
Division Expenditures	\$350,426	\$400,952	\$330,697	\$287,493	\$284,363
Outputs (Number of meetings or application types processed)					
DRC Meetings	36	47	35	45	43
Planning & Zoning Meetings	19	16	20	17	17
Certificates of Platting Exemption	10	6	10	15	10
Preliminary Plats	9	4	5	17	10
Final Plats	13	7	10	5	8
Commercial Site Plans	12	17	10	3	11
Zone Changes	4	6	5	9	8
Appeals/Variances/Special Exceptions	3	0	3	2	3
Measures of Effectiveness (*Average number of days to complete plan review for the following application types)					
Commercial Site Plan	10	10	10	10	10
Final Plat	10	10	10	10	10
Preliminary Plat	10	10	10	10	10
Measures of Efficiency					
Monthly Operating Costs	\$29,202	\$33,413	\$27,558	\$23,958	\$23,697
Division Expenditures per capita	\$8.31	\$9.40	\$7.75	\$6.68	\$6.61

*A few factors change review times from year to year, including the number of corrections needed once submissions are reviewed and time between a plan's submittal and the next Planning and Zoning Commission meeting.

Inspections and Code Enforcement	FY22 Actual	FY23 Actual	FY24 Budget	FY24 Forecast	FY25 Proposed
Inputs					
# of full time equivalents	4.7	4.7	4.7	5.0	5.0
Division Expenditures	\$457,466	\$499,574	\$557,655	\$542,960	\$541,489
Outputs (Number of Permits Issued)					
New Single Family Residential	106	107	75	127	113
Residential Addition/Alteration	980	926	850	1150	1015
New Multi-Family Residential	0	111	0	0	0
New Commercial	16	17	15	5	12
Commercial Addition/Alteration	76	87	75	79	80
Number of Inspections	9,166	9,746	8,000	10,089	9,810
Code Enforcement Cases	293	184	200	230	200
Measures of Effectiveness					
(Average number of days to complete plan review for the following permit types)*					
Plan review time for residential permits (business days)	5-7	5-7	5-7	5-7	5-7
Plan review time for commercial permits (business days)	7-10	7-10	7-10	7-10	7-10
% of Inspections done within 24 hours of notification	100%	100%	100%	100%	100%
Measures of Efficiency					
Monthly Operating Costs	\$38,121	\$41,631	\$46,471	\$45,247	\$45,124
Division Expenditures per capita	\$10.84	\$11.71	\$13.07	\$12.62	\$12.59

*Several affect review times including the various types of permits, additional documentation needed for flood zones, and extent of corrections needed once submissions are reviewed.

Geographic Information Systems**	FY22 Actual	FY23 Actual	FY24 Budget	FY24 Forecast	FY25 Proposed
Inputs					
# of full time equivalents	0.0	2.0	2.0	2.0	2.0
Division Expenditures	\$0	\$0	\$174,925	\$166,809	\$183,658
Outputs (types of requests requiring assistance)					
GIS Related Requests	N/A	112	100	200	100
Software Related Requests	N/A	41	50	50	50
Measures of Efficiency					
Monthly Operating Costs	\$0	\$0	\$14,577	\$13,901	\$15,305
Division Expenditures per capita	\$0.00	\$0.00	\$4.10	\$3.88	\$4.27

**New division in FY24. Expenditures for prior years are reported in division 3502.

Department Summary

Expenditure by Division

Division	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget	% Change in Budget from FY24 to FY25
COMMUNITY DEV ADMIN	\$392,754	\$481,667	\$471,667	\$442,817	\$472,200	-2.0%
PLANNING AND ZONING	400,952	330,697	330,697	287,493	284,363	-14.0%
INSPECTION/CODE ENFORCEMENT	499,574	557,655	561,755	542,960	541,489	-2.9%
GEOGRAPHIC INFORMATION SYSTEMS	0	174,925	174,925	166,809	183,658	5.0%
DEPARTMENT TOTAL	\$1,293,280	\$1,544,944	\$1,539,044	\$1,440,079	\$1,481,710	-4.1%

Expenditure by Classification

Classification	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget	% Change in Budget from FY24 to FY25
PERSONNEL & BENEFITS	\$1,178,088	\$1,337,176	\$1,337,176	\$1,277,372	\$1,325,991	-0.8%
SUPPLIES	15,009	23,595	24,295	21,117	20,705	-12.2%
MAINTENANCE	2,995	3,650	3,650	3,650	3,150	-13.7%
SERVICES	97,188	180,523	173,923	137,940	131,864	-27.0%
CLASSIFICATION TOTAL	\$1,293,280	\$1,544,944	\$1,539,044	\$1,440,079	\$1,481,710	-4.1%

Full-Time Equivalents by Division

Division	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget	% Change in Budget from FY24 to FY25
ADMINISTRATION	2.00	2.50	2.50	2.50	2.50	0.0%
PLANNING AND ZONING	3.00	3.00	3.00	3.00	3.00	0.0%
INSPECTION/CODE ENFORCEMENT	4.70	4.70	4.70	5.00	5.00	6.4%
GEOGRAPHIC INFORMATION SERVICES	2.00	2.00	2.00	2.00	2.00	0.0%
PERSONNEL TOTAL	11.70	12.20	12.20	12.50	12.50	2.5%

3501 - Community Dev Admin

Account Number	Account Name	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
40 - PERSONNEL & BENEFITS						
001-3501-419.4110	FULLTIME SALARIES & WAGES	\$278,926	\$312,448	\$312,448	\$312,447	\$324,675
001-3501-419.4130	OVERTIME PAY	0	1,560	1,560	0	1,644
001-3501-419.4143	LONGEVITY PAY	1,685	1,805	1,805	2,030	2,185
001-3501-419.4145	INCENTIVE-CERTIFICATE PAY	1,800	1,800	1,800	2,100	2,100
001-3501-419.4710	SOCIAL SECURITY/MEDICARE	20,867	23,193	23,193	23,012	24,483
001-3501-419.4720	TMRS RETIREMENT	46,838	54,582	54,582	51,847	55,194
001-3501-419.4810	HEALTH/DENTAL INSURANCE	27,727	39,517	39,517	27,705	30,824
001-3501-419.4820	LIFE INSURANCE	774	916	916	900	954
001-3501-419.4830	DISABILITY INSURANCE	1,154	1,334	1,334	1,342	1,423
001-3501-419.4840	WORKERS COMP INSURANCE	278	313	313	306	390
001-3501-419.4850	EAP SERVICES	116	145	145	132	131
001-3501-419.4890	FLEX PLAN ADMINISTRATION	43	54	54	52	47
TOTAL PERSONNEL & BENEFITS		\$380,208	\$437,667	\$437,667	\$421,873	\$444,050
50 - SUPPLIES						
001-3501-419.5200	PERSONNEL SUPPLIES	\$196	\$450	\$450	\$250	\$450
001-3501-419.5400	OPERATING SUPPLIES	3,588	4,000	4,000	4,000	4,200
001-3501-419.5800	OPERATING EQUIPMENT<\$5000	467	4,440	4,440	2,951	1,000
TOTAL SUPPLIES		\$4,251	\$8,890	\$8,890	\$7,201	\$5,650
70 - SERVICES						
001-3501-419.7350	SURETY BONDS	\$0	\$200	\$200	\$54	\$0
001-3501-419.7401	POSTAL/COURIER SERVICES	1,410	2,300	2,300	1,500	2,300
001-3501-419.7510	TRAINING	2,838	5,380	5,380	2,540	4,380
001-3501-419.7520	TRAVEL EXPENSES & REIMBURSEMENTS	2,228	10,500	10,500	2,919	9,000
001-3501-419.7530	MEMBERSHIPS	907	1,250	1,250	1,250	1,340
001-3501-419.7730	INTERNET/WIRELESS SERVICE	912	480	480	480	480
001-3501-419.7800	CONTRACT SERVICES	0	15,000	5,000	5,000	5,000
TOTAL SERVICES		\$8,295	\$35,110	\$25,110	\$13,743	\$22,500
3501 - COMMUNITY DEV ADMIN		\$392,754	\$481,667	\$471,667	\$442,817	\$472,200

3502 - Planning And Zoning

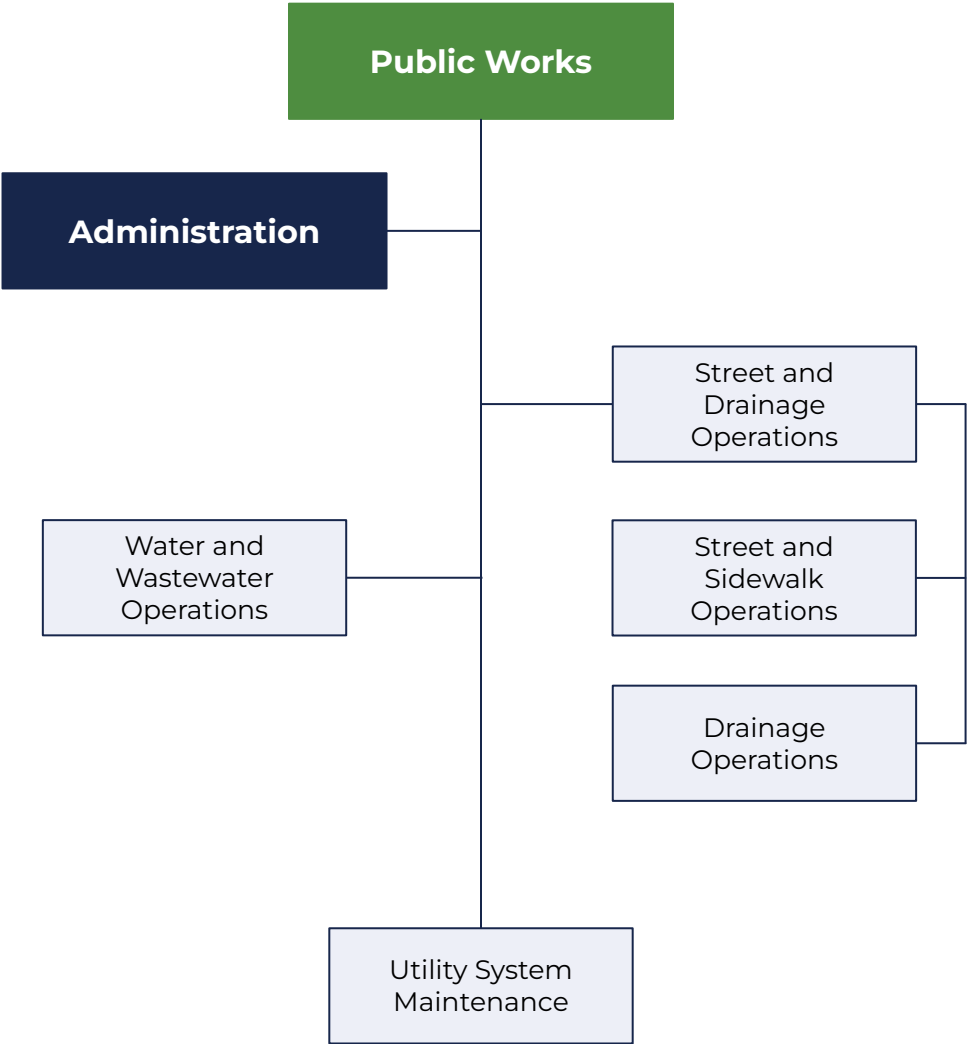
Account Number	Account Name	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
40 - PERSONNEL & BENEFITS						
001-3502-419.4110	FULLTIME SALARIES & WAGES	\$250,689	\$186,684	\$186,684	\$186,684	\$172,861
001-3502-419.4130	OVERTIME PAY	1,978	3,740	3,740	2,500	3,894
001-3502-419.4143	LONGEVITY PAY	1,220	1,330	1,330	735	935
001-3502-419.4145	INCENTIVE-CERTIFICATE PAY	1,350	600	600	0	0
001-3502-419.4190	TERMINATION PAYOUTS	538	0	0	0	0
001-3502-419.4710	SOCIAL SECURITY/MEDICARE	18,111	13,574	13,574	12,387	13,409
001-3502-419.4720	TMRS RETIREMENT	42,436	33,056	33,056	27,517	29,665
001-3502-419.4810	HEALTH/DENTAL INSURANCE	41,941	40,981	40,981	16,595	18,474
001-3502-419.4820	LIFE INSURANCE	710	555	555	482	513
001-3502-419.4830	DISABILITY INSURANCE	1,079	855	855	705	750
001-3502-419.4840	WORKERS COMP INSURANCE	252	189	189	163	210
001-3502-419.4850	EAP SERVICES	257	174	174	160	158
001-3502-419.4890	FLEX PLAN ADMINISTRATION	287	249	249	156	144
TOTAL PERSONNEL & BENEFITS		\$360,848	\$281,987	\$281,987	\$248,084	\$241,013
50 - SUPPLIES						
001-3502-419.5200	PERSONNEL SUPPLIES	\$398	\$550	\$1,250	\$1,000	\$600
001-3502-419.5400	OPERATING SUPPLIES	1,192	1,875	1,875	1,624	1,375
001-3502-419.5800	OPERATING EQUIPMENT<\$5000	842	500	500	500	500
TOTAL SUPPLIES		\$2,432	\$2,925	\$3,625	\$3,124	\$2,475
70 - SERVICES						
001-3502-419.7350	SURETY BONDS	\$242	\$0	\$0	\$0	\$0
001-3502-419.7400	OPERATING SERVICES	130	350	350	350	350
001-3502-419.7510	TRAINING	5,538	6,085	6,085	6,085	6,085
001-3502-419.7520	TRAVEL EXPENSES & REIMBURSEMENTS	11,367	13,500	12,800	12,000	13,500
001-3502-419.7530	MEMBERSHIPS	701	850	850	850	940
001-3502-419.7710	SOFTWARE LICENSE FEES	7,350	0	0	0	0
001-3502-419.7802	CREDIT CARD FEES	12,344	25,000	25,000	17,000	20,000
TOTAL SERVICES		\$37,672	\$45,785	\$45,085	\$36,285	\$40,875
3502 - PLANNING AND ZONING		\$400,952	\$330,697	\$330,697	\$287,493	\$284,363

3528 - Inspection/Code Enforcement

Account Number	Account Name	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
40 - PERSONNEL & BENEFITS						
001-3528-424.4110	FULLTIME SALARIES & WAGES	\$295,114	\$303,938	\$275,938	\$267,048	\$325,042
001-3528-424.4130	OVERTIME PAY	3,776	5,728	5,728	4,612	5,970
001-3528-424.4143	LONGEVITY PAY	2,932	3,269	3,269	3,624	1,625
001-3528-424.4145	INCENTIVE-CERTIFICATE PAY	2,400	2,400	2,400	2,400	2,400
001-3528-424.4149	CELL PHONE ALLOWANCE	2,189	2,178	2,178	2,178	2,160
001-3528-424.4190	TERMINATION PAYOUTS	0	0	0	14,592	0
001-3528-424.4220	PART-TIME WAGES W/O BENEFITS	0	0	28,000	28,000	0
001-3528-424.4710	SOCIAL SECURITY/MEDICARE	21,635	22,614	22,614	21,609	23,800
001-3528-424.4720	TMRS RETIREMENT	50,816	54,565	54,565	53,666	39,928
001-3528-424.4810	HEALTH/DENTAL INSURANCE	54,918	57,267	57,267	49,327	66,708
001-3528-424.4820	LIFE INSURANCE	831	916	916	833	690
001-3528-424.4830	DISABILITY INSURANCE	1,250	1,333	1,333	1,125	1,067
001-3528-424.4840	WORKERS COMP INSURANCE	640	663	663	631	845
001-3528-424.4850	EAP SERVICES	273	273	273	225	210
001-3528-424.4890	FLEX PLAN ADMINISTRATION	258	258	258	138	150
TOTAL PERSONNEL & BENEFITS		\$437,032	\$455,402	\$455,402	\$450,008	\$470,595
50 - SUPPLIES						
001-3528-424.5200	PERSONNEL SUPPLIES	\$1,972	\$2,890	\$2,890	\$2,000	\$2,890
001-3528-424.5301	FUEL	5,070	5,330	5,330	5,330	5,330
001-3528-424.5400	OPERATING SUPPLIES	969	2,820	2,820	2,722	3,620
001-3528-424.5800	OPERATING EQUIPMENT<\$5000	315	500	500	500	500
TOTAL SUPPLIES		\$8,326	\$11,540	\$11,540	\$10,552	\$12,340
60 - MAINTENANCE						
001-3528-424.6300	VEHICLE MAINTENANCE	\$2,995	\$3,650	\$3,650	\$3,650	\$3,150
TOTAL MAINTENANCE		\$2,995	\$3,650	\$3,650	\$3,650	\$3,150
70 - SERVICES						
001-3528-424.7311	VEHICLE INSURANCE	\$2,230	\$2,887	\$2,887	\$2,887	\$4,148
001-3528-424.7400	OPERATING SERVICES	145	1,040	1,040	1,000	1,040
001-3528-424.7441	CODE ENFORCEMENT SERVICES	650	1,750	1,750	1,500	2,500
001-3528-424.7498	JUDGMENTS & DAMAGE CLAIMS	0	1,000	1,000	500	1,000
001-3528-424.7510	TRAINING	5,680	7,215	7,215	5,553	6,000
001-3528-424.7520	TRAVEL EXPENSES & REIMBURSEMENTS	6,337	13,500	13,500	8,509	8,500
001-3528-424.7530	MEMBERSHIPS	383	910	910	910	930
001-3528-424.7730	INTERNET/WIRELESS SERVICE	2,788	3,020	3,020	3,050	3,020
001-3528-424.7800	CONTRACT SERVICES	4,268	5,000	14,100	9,100	5,000
001-3528-424.7831	VEHICLE LEASE-INTERNAL	28,740	45,741	45,741	45,741	23,266
001-3528-424.7842	STORM WATER MANAGEMENT	0	5,000	0	0	0
TOTAL SERVICES		\$51,221	\$87,063	\$91,163	\$78,750	\$55,404
3528 - INSPECTION/CODE ENFORCEMENT		\$499,574	\$557,655	\$561,755	\$542,960	\$541,489

3532 - Geographic Information Systems

Account Number	Account Name	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
40 - PERSONNEL & BENEFITS						
001-3532-419.4110	FULLTIME SALARIES & WAGES	\$0	\$118,401	\$118,401	\$116,667	\$124,449
001-3532-419.4130	OVERTIME PAY	0	1,838	1,838	297	1,925
001-3532-419.4143	LONGEVITY PAY	0	70	70	65	230
001-3532-419.4145	INCENTIVE-CERTIFICATE PAY	0	2,400	2,400	2,400	2,400
001-3532-419.4710	SOCIAL SECURITY/MEDICARE	0	9,176	9,176	9,066	9,794
001-3532-419.4720	TMRS RETIREMENT	0	20,772	20,772	19,905	21,537
001-3532-419.4810	HEALTH/DENTAL INSURANCE	0	8,326	8,326	7,926	8,812
001-3532-419.4820	LIFE INSURANCE	0	349	349	342	372
001-3532-419.4830	DISABILITY INSURANCE	0	508	508	500	545
001-3532-419.4840	WORKERS COMP INSURANCE	0	121	121	118	152
001-3532-419.4850	EAP SERVICES	0	116	116	106	105
001-3532-419.4890	FLEX PLAN ADMINISTRATION	0	43	43	15	12
TOTAL PERSONNEL & BENEFITS		\$0	\$162,120	\$162,120	\$157,407	\$170,333
50 - SUPPLIES						
001-3532-419.5800	OPERATING EQUIPMENT<\$5000	\$0	\$240	\$240	\$240	\$240
TOTAL SUPPLIES		\$0	\$240	\$240	\$240	\$240
70 - SERVICES						
001-3532-419.7510	TRAINING	\$0	\$4,085	\$4,085	\$2,833	\$1,585
001-3532-419.7520	TRAVEL EXPENSES & REIMBURSEMENTS	0	8,000	8,000	6,329	6,500
001-3532-419.7730	INTERNET/WIRELESS SERVICE	0	480	480	0	0
001-3532-419.7800	CONTRACT SERVICES	0	0	0	0	5,000
TOTAL SERVICES		\$0	\$12,565	\$12,565	\$9,162	\$13,085
3532 - GEOGRAPHIC INFORMATION SYSTEMS		\$0	\$174,925	\$174,925	\$166,809	\$183,658



Mission Statement

The Public Works Department makes every effort to improve the quality of life by providing advance planning and outstanding services that improve drainage and utility systems for all citizens, businesses, and visitors.

Fiscal Year Accomplishments

As of March 2024 our staff accomplished the following:

FY23 Actual	FY24 YTD	Number of
7,458	2,322	linear feet of sidewalks were raised
408	81	linear feet of sidewalks were removed and replaced
325	207	linear feet of curb replacement
16,825	11,947	square feet of streets were raised
780	229	signs repaired through work orders were completed
837	296	signs were replaced through the Sign Replacement Program
8	6	street banners were hung
187	63	fire hydrants repaired, installed, or audited
1	10	meters changed out
965	563	bacteriological samples were collected
966	1133	dead end fire hydrants flushed
6,055	4,085	utility billing work orders
67	99	repairs to equipment

As of March 2024 the following were completed through the Sewer Rehab Project:

FY23 Actual	FY24 YTD	Number of
5458	0	linear feet of cleaning and TV inspection of sanitary sewer lines
742	0	linear feet of Cured in Place Pipe, CIPP Liner for sanitary sewer lines
2891	0	linear feet of Pipe Bursting (enlargement)
0	500	linear feet of Remove and Replace pipe
47	1	point repairs
84	2	manhole replacements
376	0	manhole rehab - vertical feet

Current Operations

Current operations emphasize long-range planning practices and programs that cover a variety of activities within the Department, such as:

- ▶ Concrete Street Repair and Asphalt Overlay Programs
- ▶ Sanitary Sewer Rehabilitation Program focusing on the reduction of I&I
- ▶ Focus on unidirectional flushing program to improve water age concerns

Sanitary Sewer Rehabilitation Program

This program will begin its twenty-second year and is the City's primary effort to reduce the amount of inflow & infiltration (I&I) into the wastewater collection system. Through this program, a portion of the wastewater collection system determined via "in-house" investigation, is cleaned and inspected by camera. Damaged and deteriorated sections are located and a suitable method of pipe replacement/rehabilitation is selected for the repair. Included in this year's budget is \$300,000 for this program.

Additionally, RJN has completed Phases V, VI, & VII of the City’s Sanitary Sewer Assessment Program in an effort to determine critical sources of I&I within our system. Phase VIII construction will begin in FY 2025.

Meter Change out Program

The meter change-out program was completed in early 2024 with full implementation of the AMI system and WaterSmart Portal. Late FY2024, Ameresco will begin the Measurement and Verification portion of the meter change-out project which will verify that the guaranteed project benefits were achieved.

Water Wise Program

The City is required, per TCEQ state regulatory mandates, to have a water conservation plan. The water conservation plan stipulates a requirement for water conservation education. The City of Friendswood, through an annually renewed inter-local agreement with Harris-Galveston Subsidence District, sponsors a water conservation program known as “Learning to Be Water Wise”. The Water Wise Program, coordinated with the local Fisd and CCISD school districts, confirms the City meets these necessary requirements.

Water Operations

To assist with mitigating area wide subsidence within the respective counties, the Harris-Galveston Subsidence District (HGSD) requires 80% of the City’s total water usage is purchased surface water. The City has met this requirement since its conception in 2001. It has been and will be a goal to meet it again this year, and years to come. As the population continues to grow, the need for increased water usage will continue to grow as well. The City has made necessary contractual arrangements for the purchase of surface water from the proper entity and continues to review/administrate as needed.

Capital Improvement Projects

The following includes the City’s Capital Improvement Projects that are currently in process.

Capital Improvement Projects in Process
Sanitary Sewer Assessment – Phase VIII

Highlights of the Budget

The following forces at work and/or decision package(s) were submitted in the FY 2024-25 proposed budget.

Forces at Work (FAW) included with the FY2024-25 Proposed Budget:

Description	Type	Amount
	General Fund	\$11,488
Streets Electricity Increase (2%)	-	-
	Water & Sewer Fund	\$8,217
Electricity Increase (2%)	-	-
	Water & Sewer Fund	\$2,515,039
City of Houston Cash Call 42" SETL	-	-

Decision Packages included with the FY2024-25 Proposed Budget:

Description	Type	Amount
	Water & Sewer Fund	\$143,262
Blackhawk WW Operations Increase @ 5%	-	-
	Water & Sewer Fund	\$142,826
Sewer Operator + Vehicle (+1.0 FTE)	-	-
	Water & Sewer Fund	\$89,646
Equipment Operator - Sewer Utilities (+1.0 FTE)	-	-
	Water & Sewer Fund	\$142,826
Water Operator + Vehicle (+1.0 FTE)	-	-
	Water & Sewer Fund	\$59,500
Administrative Vehicle	-	-

Decision Packages not included with the FY2024-25 Proposed Budget:

Description	Type	Amount
	General Fund	\$86,583
Equipment Operator - Streets (+1.0 FTE)	-	-
	General Fund	\$79,346
Maintenance Worker (+1.0 FTE)	-	-
	General Fund	\$49,500
Streets/Sign Shop Vehicle	-	-
	General Fund	\$177,840
Crew Leader + Vehicle (+1.0 FTE)	-	-

2024-2025 Departmental Performance Measures by Division

Supports the City's Strategic Goals:

1-Communication, 3-Preservation, 6-Organizational Development

Administration General Fund & Water & Sewer Fund	FY22 Actual	FY23 Actual	FY24 Budget	FY24 Forecast	FY25 Proposed
Inputs					
# of full time equivalents	4.0	5.0	5.0	5.0	5.0
Division Expenditures	\$540,873	\$606,238	\$660,597	\$657,836	\$741,761
Measures of Efficiency					
Division Expenditures per capita	\$12.82	\$14.21	\$15.49	\$15.29	\$17.24

Street/Sidewalk Operations	FY22 Actual	FY23 Actual	FY24 Budget	FY24 Forecast	FY25 Proposed
Inputs					
# of full time equivalents	13.0	13.0	13.0	13.0	13.0
Division Expenditures	\$1,994,126	\$2,205,720	\$1,849,360	\$1,899,942	\$1,912,586
Outputs					
# of Street Signs Replaced in Program	398	837	500	450	500
# of Street Signs Repaired / Replaced by work orders	325	780	800	350	450
Sidewalk Raised (lf)	9,033	7,458	11,000	8,000	9,000
Sidewalk Removed & Replaced (lf)	72	408	300	250	300
Street Raising (sf)	31,576	16,825	20,000	20,000	25,000
# of Completed Work Orders for Streets	523	371	700	350	500
Measures of Effectiveness					
Average # of days to complete Sign work orders	2.36	4.01	2.50	1.50	1.50
% of work orders for Signs completed within 10 days	95.50%	95.38%	94.00%	98.00%	95.00%
Average # of days to complete Street work orders	8.69	9.05	7.50	7.00	7.50
% of Street work orders completed within 10 days	93.12%	95.42%	94.00%	97.00%	95.00%
Measures of Efficiency					
Monthly Operating Costs	\$166,177	\$183,810	\$154,113	\$158,329	\$159,382
Division expenditures per capita	\$47.27	\$51.71	\$43.36	\$44.16	\$44.46

	FY22 Actual	FY23 Actual	FY24 Budget	FY24 Forecast	FY25 Proposed
Drainage Operations					
Inputs					
# of full time equivalents	4.0	4.0	4.0	4.0	4.0
Division Expenditures	\$595,467	\$367,505	\$434,324	\$413,135	\$456,979
Outputs					
Ditches Cleaned (ft)	30,416	15,087	25,000	20,000	22,000
Road side Ditches Mowed (ac)	303	149	600	150	150
Storm Pipe Cleaned (ft)	2,004	1,050	1,300	2,300	2,500
Debris Cleaned (cy)	1,031	940	1,200	900	1,000
# of Work Orders	112	91	175	150	175
Measures of Effectiveness					
Average # of days to complete work orders	11.96	11.09	13.00	11.50	11.00
% of work orders completed within 10 working days	84.82%	92.31%	90.00%	93.00%	92.00%
Measures of Efficiency					
Monthly Operating Costs	\$49,622	\$30,625	\$36,194	\$34,428	\$38,082
Division expenditures per capita	\$14.11	\$8.62	\$10.18	\$9.60	\$10.62

	FY22 Actual	FY23 Actual	FY24 Budget	FY24 Forecast	FY25 Proposed
Water Operations and Utilities					
Inputs					
# of full time equivalents	11.3	11.3	11.3	12.0	13.0
Division Expenditures	\$3,473,395	\$4,180,675	\$4,607,065	\$5,402,813	\$7,268,521
Outputs					
# of Active Utility Accounts	14,328	14,415	14,427	14,450	14,500
# of Completed Work Orders	2,777	3,169	3,000	3,200	3,300
# of meter change outs	15	1	10	15	10
# of Service Lines Repaired	386	338	300	250	300
# of Main Lines Repaired	126	201	60	90	100
# of Lines Flushed	758	966	1000	1500	1500
# of Fire Hydrants Serviced	62	187	300	120	200
Ground Water Pumpage (MG)	23.32	37.59	18.00	31.00	30.00
Surface Water Pumpage (MG)	2062.14	2231.76	2000.00	2150.00	2200.00
Total Water Usage (MG)	2085.46	2269.34	2100.00	2181.00	2230.00
Total Daily Average Water Production (MG)	5.71	6.22	5.25	5.98	5.98
Total Surface Water Purchased (MG)	2062.14	2231.76	2000.00	2150.00	2200.00
Measures of Effectiveness					
Average # of days to complete work orders	3.48	6.65	3.50	6.00	5.00
% of work orders within 2 working days	85.96%	88.32%	89.00%	77.00%	85.00%
% of Purchased Surface Water Usage*	98.88%	98.34%	99.00%	99.00%	99.00%
Measures of Efficiency					
Monthly Operating Costs	\$289,450	\$348,390	\$383,922	\$450,234	\$605,710
Division expenditures per capita	\$82.33	\$98.01	\$108.01	\$125.59	\$168.96

*Maintain Subsidence Districts mandates of having at least 80% of the City's total water usage be purchased surface water

Sewer Operations and Utilities	FY22 Actual	FY23 Actual	FY24 Budget	FY24 Forecast	FY25 Proposed
Inputs					
# of full time equivalents	11.00	11.0	11.0	10.0	12.0
Division Expenditures	\$4,107,715	\$3,739,877	\$4,473,337	\$7,235,138	\$4,878,131
Outputs					
# of Completed Work Orders	891	897	850	900	950
Sewer Treatment Total All Flows (MG)	1,036.70	1,121.18	1,200.00	1,200.00	1,200.00
Sewer Treatment Total Daily Average (MG)	2.840	3.072	3.300	3.300	3.300
# of Service Lines Repaired	51	60	100	95	100
# of Main Lines repaired	7	8	15	20	20
# of Sewer Lines cleaned Ft.	18,859	17,721	25,000	30,000	30,000
# of Manholes repaired	18	18	18	15	18
# of Sewer Main Stoppages	22	16	30	35	30
# of Service Lines Stoppages	105	78	100	110	100
# of Lift Station repairs	211	203	250	185	200
Measures of Effectiveness					
Average # of days to complete work orders	7.49	11.70	6.00	7.50	7.00
% of work orders completed within 2 working days	78.56%	77.93%	75.00%	79.00%	80.00%
Measures of Efficiency					
Monthly Operating Costs	\$342,310	\$311,656	\$372,778	\$602,928	\$406,511
Division expenditures per capita	\$97.37	\$87.68	\$104.87	\$168.18	\$113.39

Utility Customer Service	FY22 Actual	FY23 Actual	FY24 Budget	FY24 Forecast	FY25 Proposed
Inputs					
# of full time equivalents	2.00	2.0	3.0	3.0	3.0
Division Expenditures	\$297,485	\$324,643	\$428,276	\$385,432	\$287,132
Outputs					
# of Active Utility Accounts	14,328	14,415	14,427	14,489	14,590
# of Total Work Orders	N/A	6,055	N/A	5,495	6,000
# of Completed Work Orders	16610*	5,625	6,000	4,723	5,500
# of cut-offs	602	544	800	490	650
# of reconnects	486	512	560	475	600
Measures of Effectiveness					
% of work orders closed out	100%	100%	100%	100%	100%
Measures of Efficiency					
Monthly Operating Costs	\$24,790	\$27,054	\$35,690	\$32,119	\$23,928
Division expenditures per capita	\$7.05	\$7.61	\$10.04	\$8.96	\$6.67

Department Summary

Expenditure by Division

Division	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget	% Change in Budget from FY24 to FY25
ADMINISTRATION - (GF)	\$272,693	\$296,402	\$296,602	\$308,037	\$314,658	6.2%
STREET/SIDEWALK OPERATIONS	2,205,720	1,849,360	1,918,854	1,899,942	1,912,586	3.4%
DRAINAGE OPERATIONS	367,505	434,324	471,546	413,135	456,979	5.2%
ADMINISTRATION - (WS)	333,545	364,195	364,795	349,799	427,103	17.3%
WATER UTILITIES & OPERATIONS	4,180,675	4,607,065	4,811,824	5,402,813	7,268,521	57.8%
SEWER UTILITIES & OPERATIONS	3,739,877	4,473,337	7,098,868	7,235,138	4,878,131	9.0%
UTILITY CUSTOMER SERVICE	324,643	428,276	428,976	385,432	287,132	-33.0%
DEPARTMENT TOTAL	\$11,424,658	\$12,452,959	\$15,391,465	\$15,994,296	\$15,545,110	24.8%

Expenditure by Classification

Classification	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget	% Change in Budget from FY24 to FY25
PERSONNEL & BENEFITS	\$3,754,919	\$3,994,416	\$3,994,416	\$3,954,714	\$4,370,175	9.4%
SUPPLIES	566,732	445,985	583,329	567,056	478,410	7.3%
MAINTENANCE	731,477	934,370	1,195,794	1,128,518	1,030,870	10.3%
SERVICES	5,437,698	6,223,907	8,653,497	8,579,969	6,361,418	2.2%
CAPITAL OUTLAY	433,138	159,214	269,362	1,068,972	145,000	-8.9%
OTHER	500,694	695,067	695,067	695,067	3,159,237	354.5%
CLASSIFICATION TOTAL	\$11,424,658	\$12,452,959	\$15,391,465	\$15,994,296	\$15,545,110	24.8%

Full-Time Equivalents by Division

Division	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget	% Change in Budget from FY24 to FY25
ADMINISTRATION - (GF)	2.00	2.00	2.00	2.00	2.00	0.0%
ADMINISTRATION - (WS)	3.00	3.00	3.00	3.00	3.00	0.0%
STREET OPERATIONS	13.00	13.00	13.00	13.00	13.00	0.0%
DRAINAGE OPERATIONS	4.00	4.00	4.00	4.00	4.00	0.0%
WATER UTILITIES	7.00	7.00	7.00	8.00	8.00	14.3%
SEWER UTILITIES	7.00	7.00	7.00	6.00	7.00	0.0%
WATER OPERATIONS	4.30	4.30	4.30	4.00	5.00	16.3%
SEWER OPERATIONS	4.00	4.00	4.00	4.00	5.00	25.0%
UTILITY CUSTOMER SERVICE	2.00	3.00	3.00	3.00	3.00	0.0%
PERSONNEL TOTAL	46.30	47.30	47.30	47.00	50.00	5.7%

3601 - Public Works Administration

Account Number	Account Name	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
40 - PERSONNEL & BENEFITS						
001-3601-431.4110	FULLTIME SALARIES & WAGES	\$185,972	\$192,220	\$192,220	\$189,335	\$195,445
001-3601-431.4130	OVERTIME PAY	541	1,133	1,133	500	1,190
001-3601-431.4143	LONGEVITY PAY	1,505	1,065	1,065	1,427	845
001-3601-431.4145	INCENTIVE-CERTIFICATE PAY	950	0	0	0	0
001-3601-431.4149	CELL PHONE ALLOWANCE	387	420	420	420	420
001-3601-431.4190	TERMINATION PAYOUTS	2,526	0	0	15,972	0
001-3601-431.4710	SOCIAL SECURITY/MEDICARE	13,771	13,844	13,844	13,814	13,718
001-3601-431.4720	TMRS RETIREMENT	31,825	33,483	33,483	33,073	33,039
001-3601-431.4810	HEALTH/DENTAL INSURANCE	24,487	32,369	32,369	32,361	43,367
001-3601-431.4820	LIFE INSURANCE	515	562	562	582	571
001-3601-431.4830	DISABILITY INSURANCE	753	818	818	852	836
001-3601-431.4840	WORKERS COMP INSURANCE	191	192	192	205	234
001-3601-431.4850	EAP SERVICES	111	116	116	106	105
001-3601-431.4890	FLEX PLAN ADMINISTRATION	126	135	135	82	75
TOTAL PERSONNEL & BENEFITS		\$263,660	\$276,357	\$276,357	\$288,729	\$289,845
50 - SUPPLIES						
001-3601-431.5200	PERSONNEL SUPPLIES	\$475	\$530	\$730	\$730	\$870
001-3601-431.5400	OPERATING SUPPLIES	2,971	3,400	3,400	3,278	3,500
001-3601-431.5800	OPERATING EQUIPMENT<\$5000	677	2,750	3,250	3,170	1,500
TOTAL SUPPLIES		\$4,123	\$6,680	\$7,380	\$7,178	\$5,870
70 - SERVICES						
001-3601-431.7400	OPERATING SERVICES	\$620	\$5,490	\$5,490	\$5,400	\$6,175
001-3601-431.7401	POSTAL/COURIER SERVICES	1	250	250	5	250
001-3601-431.7510	TRAINING	197	3,500	3,000	2,700	3,960
001-3601-431.7520	TRAVEL EXPENSES & REIMBURSEMENTS	41	3,100	3,100	3,000	3,800
001-3601-431.7530	MEMBERSHIPS	404	905	905	905	990
001-3601-431.7540	PUBLICATIONS	0	120	120	120	120
001-3601-431.7612	TELEPHONE/COMMUNICATIONS	3,647	0	0	0	3,648
TOTAL SERVICES		\$4,910	\$13,365	\$12,865	\$12,130	\$18,943
3601 - PUBLIC WORKS ADMINISTRATION		\$272,693	\$296,402	\$296,602	\$308,037	\$314,658

3610 - Public Works/Street/Sidewalk Operation

Account Number	Account Name	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
40 - PERSONNEL & BENEFITS						
001-3610-431.4110	FULLTIME SALARIES & WAGES	\$597,874	\$626,328	\$626,328	\$620,436	\$654,325
001-3610-431.4130	OVERTIME PAY	80,125	18,316	18,316	54,704	19,058
001-3610-431.4131	HOLIDAY HRS WORKED	776	0	0	1,808	0
001-3610-431.4143	LONGEVITY PAY	6,627	7,140	7,140	7,933	4,835
001-3610-431.4145	INCENTIVE-CERTIFICATE PAY	3,180	3,180	3,180	3,380	3,420
001-3610-431.4149	CELL PHONE ALLOWANCE	1,387	1,380	1,380	1,380	1,380
001-3610-431.4190	TERMINATION PAYOUTS	1,207	0	0	8,900	0
001-3610-431.4710	SOCIAL SECURITY/MEDICARE	50,385	47,662	47,662	49,640	49,497
001-3610-431.4720	TMRS RETIREMENT	114,625	112,793	112,793	112,732	114,030
001-3610-431.4810	HEALTH/DENTAL INSURANCE	124,954	131,785	131,785	113,482	140,896
001-3610-431.4820	LIFE INSURANCE	1,690	1,894	1,894	1,751	1,970
001-3610-431.4830	DISABILITY INSURANCE	2,473	2,756	2,756	2,562	2,882
001-3610-431.4840	WORKERS COMP INSURANCE	12,287	11,654	11,654	11,945	13,818
001-3610-431.4850	EAP SERVICES	745	755	755	662	683
001-3610-431.4890	FLEX PLAN ADMINISTRATION	277	281	281	97	78
TOTAL PERSONNEL & BENEFITS		\$998,612	\$965,924	\$965,924	\$991,412	\$1,006,872
50 - SUPPLIES						
001-3610-431.5200	PERSONNEL SUPPLIES	\$11,247	\$17,180	\$16,980	\$15,627	\$18,765
001-3610-431.5301	FUEL	47,074	51,190	51,190	49,044	51,190
001-3610-431.5400	OPERATING SUPPLIES	15,539	19,000	19,000	18,827	19,000
001-3610-431.5474	SIGN MATERIALS	65,976	50,000	49,752	52,223	50,000
001-3610-431.5800	OPERATING EQUIPMENT<\$5000	6,951	14,860	13,410	11,719	14,860
TOTAL SUPPLIES		\$146,787	\$152,230	\$150,332	\$147,440	\$153,815
60 - MAINTENANCE						
001-3610-431.6300	VEHICLE MAINTENANCE	\$9,845	\$26,020	\$26,020	\$14,003	\$26,020
001-3610-431.6510	STREET MAINTENANCE	81,663	75,000	70,500	70,500	75,000
001-3610-431.6515	BRIDGE MAINTENANCE	0	1,000	1,000	0	1,000
001-3610-431.6517	TRAFFIC LIGHT MAINTENANCE	2,308	4,010	14,510	14,297	5,010
001-3610-431.6520	SIDEWALK MAINTENANCE	47,301	25,000	48,962	46,558	30,000
001-3610-431.6800	EQUIPMENT MAINTENANCE	15,971	45,800	40,800	22,991	45,800
TOTAL MAINTENANCE		\$157,088	\$176,830	\$201,792	\$168,349	\$182,830
70 - SERVICES						
001-3610-431.7311	VEHICLE INSURANCE	\$9,931	\$12,856	\$12,856	\$12,856	\$14,439
001-3610-431.7400	OPERATING SERVICES	7,758	8,000	8,000	8,000	12,000
001-3610-431.7498	JUDGMENTS & DAMAGE CLAIMS	0	3,500	3,500	0	3,500
001-3610-431.7510	TRAINING	2,350	3,975	3,945	2,000	3,975
001-3610-431.7520	TRAVEL EXPENSES & REIMBURSEMENTS	1,757	1,620	1,620	1,000	1,660
001-3610-431.7530	MEMBERSHIPS	0	0	30	30	30
001-3610-431.7611	ELECTRICITY	445,965	470,816	470,816	470,816	482,304
001-3610-431.7612	TELEPHONE/COMMUNICATIONS	196	3,898	3,898	3,898	250
001-3610-431.7800	CONTRACT SERVICES	0	2,300	2,300	2,300	3,500
001-3610-431.7830	RENTAL	0	2,000	2,000	0	2,000
001-3610-431.7831	VEHICLE LEASE-INTERNAL	57,970	45,411	45,411	45,411	45,411
TOTAL SERVICES		\$525,927	\$554,376	\$554,376	\$546,311	\$569,069

3610 - Public Works/Street/Sidewalk Operation (continued)

Account Number	Account Name	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
80 - CAPITAL OUTLAY						
001-3610-431.8400	CAPITAL OPERATING EQUIP	\$370,211	\$0	\$0	\$0	\$0
001-3610-431.8800	CAPITAL EQUIPMENT	7,095	0	46,430	46,430	0
TOTAL CAPITAL OUTLAY		\$377,306	\$0	\$46,430	\$46,430	\$0
3610 - PUBLIC WORKS/STREET/SIDEWALK OPERATION		\$2,205,720	\$1,849,360	\$1,918,854	\$1,899,942	\$1,912,586

3620 - Public Works/Drainage Operations

Account Number	Account Name	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
40 - PERSONNEL & BENEFITS						
001-3620-431.4110	FULLTIME SALARIES & WAGES	\$207,938	\$220,324	\$220,324	\$210,853	\$232,220
001-3620-431.4130	OVERTIME PAY	5,543	9,147	9,147	13,194	9,518
001-3620-431.4131	HOLIDAY HRS WORKED	0	0	0	231	0
001-3620-431.4143	LONGEVITY PAY	2,650	2,920	2,920	2,830	3,055
001-3620-431.4145	INCENTIVE-CERTIFICATE PAY	1,920	2,580	2,580	2,580	2,040
001-3620-431.4149	CELL PHONE ALLOWANCE	422	420	420	420	420
001-3620-431.4190	TERMINATION PAYOUTS	0	0	0	1,305	0
001-3620-431.4710	SOCIAL SECURITY/MEDICARE	16,332	17,673	17,673	15,495	18,052
001-3620-431.4720	TMRS RETIREMENT	36,231	40,452	40,452	38,329	41,279
001-3620-431.4810	HEALTH/DENTAL INSURANCE	31,924	34,236	34,236	36,503	43,050
001-3620-431.4820	LIFE INSURANCE	586	679	679	592	713
001-3620-431.4830	DISABILITY INSURANCE	857	989	989	867	1,044
001-3620-431.4840	WORKERS COMP INSURANCE	3,721	3,970	3,970	3,593	4,214
001-3620-431.4850	EAP SERVICES	223	233	233	191	211
001-3620-431.4890	FLEX PLAN ADMINISTRATION	83	87	87	29	24
TOTAL PERSONNEL & BENEFITS		\$308,430	\$333,710	\$333,710	\$327,012	\$355,840
50 - SUPPLIES						
001-3620-431.5200	PERSONNEL SUPPLIES	\$3,249	\$6,450	\$6,450	\$5,811	\$7,070
001-3620-431.5301	FUEL	6,487	6,870	6,870	6,870	6,870
001-3620-431.5400	OPERATING SUPPLIES	3,160	2,500	2,500	2,500	3,000
001-3620-431.5800	OPERATING EQUIPMENT<\$5000	166	2,000	2,000	2,000	2,000
TOTAL SUPPLIES		\$13,062	\$17,820	\$17,820	\$17,181	\$18,940
60 - MAINTENANCE						
001-3620-431.6300	VEHICLE MAINTENANCE	\$495	\$6,000	\$6,000	\$4,500	\$6,000
001-3620-431.6530	DRAINAGE MAINTENANCE	25,428	33,000	30,000	24,408	33,000
001-3620-431.6800	EQUIPMENT MAINTENANCE	7,083	27,000	27,000	26,240	27,000
TOTAL MAINTENANCE		\$33,006	\$66,000	\$63,000	\$55,148	\$66,000
70 - SERVICES						
001-3620-431.7311	VEHICLE INSURANCE	\$1,637	\$2,124	\$2,124	\$2,124	\$1,499
001-3620-431.7498	JUDGMENTS & DAMAGE CLAIMS	0	1,000	1,000	0	1,000
001-3620-431.7510	TRAINING	0	300	300	300	300
001-3620-431.7530	MEMBERSHIPS	0	0	0	0	30
001-3620-431.7830	RENTAL	0	2,000	2,000	0	2,000
001-3620-431.7831	VEHICLE LEASE-INTERNAL	11,370	11,370	11,370	11,370	11,370
TOTAL SERVICES		\$13,007	\$16,794	\$16,794	\$13,794	\$16,199
80 - CAPITAL OUTLAY						
001-3620-431.8800	CAPITAL EQUIPMENT	0	0	40,222	0	0
TOTAL CAPITAL OUTLAY		\$0	\$0	\$40,222	\$0	\$0
3620 - PUBLIC WORKS/DRAINAGE OPERATIONS		\$367,505	\$434,324	\$471,546	\$413,135	\$456,979

3601 - Public Works Administration

Account Number	Account Name	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
40 - PERSONNEL & BENEFITS						
401-3601-434.4110	FULLTIME SALARIES & WAGES	\$206,170	\$225,410	\$225,410	\$215,917	\$225,189
401-3601-434.4130	OVERTIME PAY	2,032	1,133	1,133	1,100	1,190
401-3601-434.4143	LONGEVITY PAY	2,115	1,015	1,015	1,335	1,075
401-3601-434.4145	INCENTIVE-CERTIFICATE PAY	4,470	2,640	2,640	2,920	3,000
401-3601-434.4149	CELL PHONE ALLOWANCE	422	420	420	420	420
401-3601-434.4190	TERMINATION PAYOUTS	5,787	0	0	0	0
401-3601-434.4710	SOCIAL SECURITY/MEDICARE	15,634	16,489	16,489	16,412	16,441
401-3601-434.4720	TMRS RETIREMENT	36,656	39,632	39,632	39,093	38,544
401-3601-434.4810	HEALTH/DENTAL INSURANCE	37,942	41,358	41,358	40,547	43,766
401-3601-434.4820	LIFE INSURANCE	600	665	665	585	666
401-3601-434.4830	DISABILITY INSURANCE	877	968	968	856	975
401-3601-434.4840	WORKERS COMP INSURANCE	218	227	227	201	273
401-3601-434.4850	EAP SERVICES	155	174	174	150	158
401-3601-434.4890	FLEX PLAN ADMINISTRATION	142	157	157	164	207
TOTAL PERSONNEL & BENEFITS		\$313,220	\$330,288	\$330,288	\$319,700	\$331,904
50 - SUPPLIES						
401-3601-434.5200	PERSONNEL SUPPLIES	\$559	\$620	\$820	\$820	\$1,060
401-3601-434.5301	FUEL	0	0	0	0	2,000
401-3601-434.5400	OPERATING SUPPLIES	2,762	3,100	4,200	4,200	3,350
401-3601-434.5800	OPERATING EQUIPMENT<\$5000	1,078	3,650	4,650	4,373	1,900
TOTAL SUPPLIES		\$4,399	\$7,370	\$9,670	\$9,393	\$8,310
60 - MAINTENANCE						
401-3601-434.6300	VEHICLE MAINTENANCE	\$0	\$0	\$0	\$0	\$1,500
TOTAL MAINTENANCE		\$0	\$0	\$0	\$0	\$1,500
70 - SERVICES						
401-3601-434.7311	VEHICLE INSURANCE	\$0	\$0	\$0	\$0	\$1,000
401-3601-434.7400	OPERATING SERVICES	2,056	6,240	5,640	2,236	7,000
401-3601-434.7401	POSTAL/COURIER SERVICES	726	700	700	700	775
401-3601-434.7422	CONSUMER CONFIDENCE RPT	505	575	575	540	600
401-3601-434.7510	TRAINING	1,497	6,000	5,500	5,500	6,760
401-3601-434.7520	TRAVEL EXPENSES & REIMBURSEMENTS	1,375	3,100	2,000	1,308	3,175
401-3601-434.7530	MEMBERSHIPS	2,017	2,170	2,170	2,170	2,535
401-3601-434.7612	TELEPHONE/COMMUNICATIONS	7,750	7,752	8,252	8,252	8,544
TOTAL SERVICES		\$15,926	\$26,537	\$24,837	\$20,706	\$30,389
80 - CAPITAL OUTLAY						
401-3601-434.8300	VEHICLES	\$0	\$0	\$0	\$0	\$55,000
TOTAL CAPITAL OUTLAY		\$0	\$0	\$0	\$0	\$55,000
3601 - PUBLIC WORKS ADMINISTRATION		\$333,545	\$364,195	\$364,795	\$349,799	\$427,103

3648 - Utility Customer Service

Account Number	Account Name	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
40 - PERSONNEL & BENEFITS						
401-3648-434.4110	FULLTIME SALARIES & WAGES	\$62,247	\$127,035	\$127,035	\$113,787	\$124,449
401-3648-434.4130	OVERTIME PAY	4,796	6,305	6,305	7,270	6,576
401-3648-434.4131	HOLIDAY HRS WORKED	104	0	0	0	0
401-3648-434.4143	LONGEVITY PAY	682	135	135	135	400
401-3648-434.4145	INCENTIVE-CERTIFICATE PAY	150	0	0	0	0
401-3648-434.4149	CELL PHONE ALLOWANCE	634	1,260	1,260	1,260	1,260
401-3648-434.4190	TERMINATION PAYOUTS	2,906	0	0	0	0
401-3648-434.4710	SOCIAL SECURITY/MEDICARE	4,893	9,094	9,094	8,020	9,522
401-3648-434.4720	TMRS RETIREMENT	11,857	23,154	23,154	18,687	22,152
401-3648-434.4810	HEALTH/DENTAL INSURANCE	18,557	43,181	43,181	25,224	31,525
401-3648-434.4820	LIFE INSURANCE	187	388	388	307	383
401-3648-434.4830	DISABILITY INSURANCE	274	565	565	449	560
401-3648-434.4840	WORKERS COMP INSURANCE	779	1,455	1,455	1,211	1,720
401-3648-434.4850	EAP SERVICES	92	174	174	138	158
401-3648-434.4890	FLEX PLAN ADMINISTRATION	149	157	157	85	81
TOTAL PERSONNEL & BENEFITS		\$108,307	\$212,903	\$212,903	\$176,573	\$198,786
50 - SUPPLIES						
401-3648-434.5200	PERSONNEL SUPPLIES	\$1,337	\$2,360	\$2,360	\$2,268	\$4,140
401-3648-434.5301	FUEL	4,617	6,530	6,530	6,244	6,530
401-3648-434.5400	OPERATING SUPPLIES	1,875	2,000	2,000	1,576	3,000
401-3648-434.5800	OPERATING EQUIPMENT<\$5000	2,996	2,200	3,400	2,913	3,500
TOTAL SUPPLIES		\$10,825	\$13,090	\$14,290	\$13,001	\$17,170
60 - MAINTENANCE						
401-3648-434.6300	VEHICLE MAINTENANCE	\$2,023	\$4,000	\$4,000	\$3,934	\$6,000
TOTAL MAINTENANCE		\$2,023	\$4,000	\$4,000	\$3,934	\$6,000
70 - SERVICES						
401-3648-434.7311	VEHICLE INSURANCE	\$975	\$1,263	\$1,263	\$1,263	\$2,056
401-3648-434.7400	OPERATING SERVICES	0	4,600	4,100	4,000	4,600
401-3648-434.7498	JUDGMENTS & DAMAGE CLAIMS	1,200	1,000	1,000	0	1,000
401-3648-434.7510	TRAINING	0	2,000	2,000	1,500	3,000
401-3648-434.7520	TRAVEL EXPENSES & REIMBURSEMENTS	0	200	200	200	300
401-3648-434.7800	CONTRACT SERVICES	190,953	103,860	103,860	103,860	43,860
401-3648-434.7831	VEHICLE LEASE-INTERNAL	10,360	10,360	10,360	10,360	10,360
TOTAL SERVICES		\$203,488	\$123,283	\$122,783	\$121,183	\$65,176
80 - CAPITAL OUTLAY						
401-3648-434.8800	CAPITAL EQUIPMENT	\$0	\$75,000	\$75,000	\$70,741	\$0
TOTAL CAPITAL OUTLAY		\$0	\$75,000	\$75,000	\$70,741	\$0
3648 - UTILITY CUSTOMER SERVICE		\$324,643	\$428,276	\$428,976	\$385,432	\$287,132

3650 - Public Works/Water Utilities

Account Number	Account Name	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
40 - PERSONNEL & BENEFITS						
401-3650-434.4110	FULLTIME SALARIES & WAGES	\$321,129	\$404,059	\$404,059	\$390,456	\$404,259
401-3650-434.4130	OVERTIME PAY	59,384	34,366	34,366	46,782	35,758
401-3650-434.4131	HOLIDAY HRS WORKED	299	0	0	0	0
401-3650-434.4143	LONGEVITY PAY	1,071	1,090	1,090	1,085	1,395
401-3650-434.4145	INCENTIVE-CERTIFICATE PAY	3,405	4,440	4,440	4,900	5,520
401-3650-434.4149	CELL PHONE ALLOWANCE	545	1,080	1,080	900	1,080
401-3650-434.4190	TERMINATION PAYOUTS	6,655	0	0	3,479	0
401-3650-434.4710	SOCIAL SECURITY/MEDICARE	27,740	32,272	32,272	31,590	32,071
401-3650-434.4720	TMRS RETIREMENT	62,261	76,479	76,479	72,858	74,796
401-3650-434.4810	HEALTH/DENTAL INSURANCE	58,950	90,417	90,417	73,399	98,833
401-3650-434.4820	LIFE INSURANCE	873	1,284	1,284	1,053	1,292
401-3650-434.4830	DISABILITY INSURANCE	1,306	1,869	1,869	1,612	1,968
401-3650-434.4840	WORKERS COMP INSURANCE	4,056	5,203	5,203	4,527	5,806
401-3650-434.4850	EAP SERVICES	378	465	465	393	420
401-3650-434.4890	FLEX PLAN ADMINISTRATION	140	173	173	110	111
TOTAL PERSONNEL & BENEFITS		\$548,192	\$653,197	\$653,197	\$633,144	\$663,309
50 - SUPPLIES						
401-3650-434.5200	PERSONNEL SUPPLIES	\$9,110	\$14,255	\$14,155	\$11,367	\$15,105
401-3650-434.5301	FUEL	13,678	13,590	13,590	13,590	14,000
401-3650-434.5400	OPERATING SUPPLIES	13,531	12,000	12,000	12,000	12,150
401-3650-434.5476	WATER METERS-REPL PROGRAM	12,696	20,000	20,220	20,220	20,000
401-3650-434.5800	OPERATING EQUIPMENT<\$5000	6,884	13,000	15,246	12,478	13,000
TOTAL SUPPLIES		\$55,899	\$72,845	\$75,211	\$69,655	\$74,255
60 - MAINTENANCE						
401-3650-434.6300	VEHICLE MAINTENANCE	\$16,374	\$15,000	\$15,000	\$15,000	\$16,000
401-3650-434.6541	DISTRIBUTION LINE MAINT	138,515	130,000	144,021	144,021	160,000
401-3650-434.6546	FIRE HYDRANT MAINTENANCE	35,174	35,000	29,000	29,000	35,000
401-3650-434.6800	EQUIPMENT MAINTENANCE	9,825	18,700	18,700	17,132	18,700
TOTAL MAINTENANCE		\$199,888	\$198,700	\$206,721	\$205,153	\$229,700
70 - SERVICES						
401-3650-434.7140	CONSULTING SERVICES	\$16,720	\$20,300	\$20,300	\$20,300	\$20,300
401-3650-434.7311	VEHICLE INSURANCE	4,648	6,018	6,018	6,018	4,974
401-3650-434.7498	JUDGMENTS & DAMAGE CLAIMS	6,847	3,500	3,500	1,000	3,500
401-3650-434.7510	TRAINING	2,564	7,100	7,100	6,280	8,100
401-3650-434.7520	TRAVEL EXPENSES & REIMBURSEMENTS	569	700	700	700	800
401-3650-434.7530	MEMBERSHIPS	285	405	405	405	470
401-3650-434.7612	TELEPHONE/COMMUNICATIONS	196	250	250	250	250
401-3650-434.7800	CONTRACT SERVICES	28,985	6,000	14,515	14,515	6,000
401-3650-434.7830	RENTAL	0	2,900	2,900	0	2,900
401-3650-434.7831	VEHICLE LEASE-INTERNAL	22,450	22,450	22,450	22,450	22,450
TOTAL SERVICES		\$83,264	\$69,623	\$78,138	\$71,918	\$69,744
80 - CAPITAL OUTLAY						
401-3650-434.8400	CAPITAL OPERATING EQUIP	\$8,184	\$0	\$0	\$0	\$0
TOTAL CAPITAL OUTLAY		\$8,184	\$0	\$0	\$0	\$0
3650 - PUBLIC WORKS/WATER UTILITIES		\$895,427	\$994,365	\$1,013,267	\$979,870	\$1,037,008

3651 - Public Works/Sewer Utilities

Account Number	Account Name	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
40 - PERSONNEL & BENEFITS						
401-3651-433.4110	FULLTIME SALARIES & WAGES	\$247,134	\$285,786	\$285,786	\$275,284	\$344,468
401-3651-433.4130	OVERTIME PAY	37,740	28,638	28,638	28,467	29,787
401-3651-433.4131	HOLIDAY HRS WORKED	125	0	0	0	0
401-3651-433.4143	LONGEVITY PAY	1,025	1,385	1,385	1,130	1,250
401-3651-433.4145	INCENTIVE-CERTIFICATE PAY	1,800	1,800	1,800	1,800	1,800
401-3651-433.4149	CELL PHONE ALLOWANCE	543	540	540	540	960
401-3651-433.4190	TERMINATION PAYOUTS	1,067	0	0	851	0
401-3651-433.4710	SOCIAL SECURITY/MEDICARE	21,180	23,370	23,370	22,905	27,194
401-3651-433.4720	TMRS RETIREMENT	48,011	54,674	54,674	53,606	63,151
401-3651-433.4810	HEALTH/DENTAL INSURANCE	53,477	59,046	59,046	54,680	84,514
401-3651-433.4820	LIFE INSURANCE	748	918	918	802	1,091
401-3651-433.4830	DISABILITY INSURANCE	1,106	1,336	1,336	1,174	1,596
401-3651-433.4840	WORKERS COMP INSURANCE	3,126	3,530	3,530	3,086	4,902
401-3651-433.4850	EAP SERVICES	334	348	348	309	368
401-3651-433.4890	FLEX PLAN ADMINISTRATION	124	130	130	45	42
TOTAL PERSONNEL & BENEFITS		\$417,540	\$461,501	\$461,501	\$444,679	\$561,123
50 - SUPPLIES						
401-3651-433.5200	PERSONNEL SUPPLIES	\$6,561	\$10,280	\$10,280	\$9,905	\$11,030
401-3651-433.5301	FUEL	15,651	17,070	17,070	17,070	17,070
401-3651-433.5400	OPERATING SUPPLIES	7,249	9,130	9,130	9,130	9,130
401-3651-433.5800	OPERATING EQUIPMENT<\$5000	2,874	8,000	9,830	7,877	8,000
TOTAL SUPPLIES		\$32,335	\$44,480	\$46,310	\$43,982	\$45,230
60 - MAINTENANCE						
401-3651-433.6300	VEHICLE MAINTENANCE	\$5,172	\$10,000	\$10,000	\$8,319	\$10,000
401-3651-433.6551	COLLECTION LINE MAINTANCE	0	40,000	0	0	0
401-3651-433.6551	COLLECTION LINE MAINTENANCE	28,672	0	40,000	40,000	40,000
401-3651-433.6800	EQUIPMENT MAINTENANCE	11,700	16,000	22,000	22,000	16,000
TOTAL MAINTENANCE		\$45,544	\$66,000	\$72,000	\$70,319	\$66,000
70 - SERVICES						
401-3651-433.7311	VEHICLE INSURANCE	\$5,373	\$6,956	\$6,956	\$6,956	\$5,686
401-3651-433.7498	JUDGMENTS & DAMAGE CLAIMS	772	3,500	3,500	3,495	3,500
401-3651-433.7510	TRAINING	3,220	7,000	7,000	6,620	7,000
401-3651-433.7520	TRAVEL EXPENSES & REIMBURSEMENTS	329	700	700	500	700
401-3651-433.7530	MEMBERSHIPS	285	315	315	315	385
401-3651-433.7800	CONTRACT SERVICES	28,985	10,000	13,515	12,334	10,000
401-3651-433.7830	RENTAL	471	1,930	1,930	1,230	1,930
401-3651-433.7831	VEHICLE LEASE-INTERNAL	22,670	22,670	22,670	22,670	20,150
TOTAL SERVICES		\$62,105	\$53,071	\$56,586	\$54,120	\$49,351
80 - CAPITAL OUTLAY						
401-3651-433.8300	VEHICLES	\$0	\$0	\$44,214	\$44,214	\$0
401-3651-433.8400	CAPITAL OPERATING EQUIP	47,648	44,214	0	0	0
TOTAL CAPITAL OUTLAY		\$47,648	\$44,214	\$44,214	\$44,214	\$0
3651 - PUBLIC WORKS/SEWER UTILITIES		\$605,172	\$669,266	\$680,611	\$657,314	\$721,704

3655 - Public Works/Water Operations

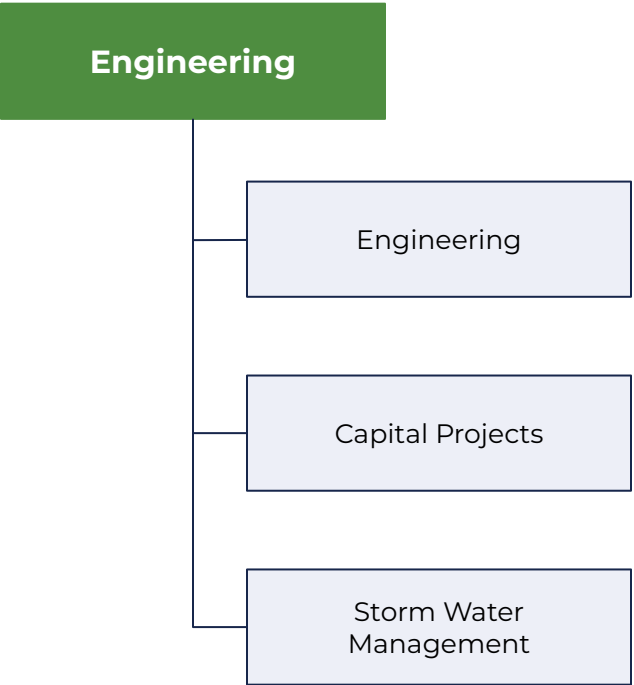
Account Number	Account Name	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
40 - PERSONNEL & BENEFITS						
401-3655-434.4110	FULLTIME SALARIES & WAGES	\$230,904	\$236,519	\$236,519	\$229,698	\$283,076
401-3655-434.4130	OVERTIME PAY	45,186	13,742	13,742	29,554	14,299
401-3655-434.4131	HOLIDAY HRS WORKED	3,177	1,710	1,710	2,430	0
401-3655-434.4143	LONGEVITY PAY	2,218	2,541	2,541	2,598	2,475
401-3655-434.4145	INCENTIVE-CERTIFICATE PAY	5,400	5,700	5,700	5,700	6,900
401-3655-434.4149	CELL PHONE ALLOWANCE	303	582	582	582	420
401-3655-434.4190	TERMINATION PAYOUTS	0	0	0	5,714	0
401-3655-434.4710	SOCIAL SECURITY/MEDICARE	20,882	18,885	18,885	20,163	21,794
401-3655-434.4720	TMRS RETIREMENT	47,632	44,817	44,817	42,009	51,282
401-3655-434.4810	HEALTH/DENTAL INSURANCE	37,085	38,667	38,667	37,844	65,047
401-3655-434.4820	LIFE INSURANCE	637	752	752	647	886
401-3655-434.4830	DISABILITY INSURANCE	939	1,095	1,095	948	1,297
401-3655-434.4840	WORKERS COMP INSURANCE	3,256	3,147	3,147	3,161	3,981
401-3655-434.4850	EAP SERVICES	250	250	250	218	263
401-3655-434.4890	FLEX PLAN ADMINISTRATION	121	121	121	39	30
TOTAL PERSONNEL & BENEFITS		\$397,990	\$368,528	\$368,528	\$381,305	\$451,750
50 - SUPPLIES						
401-3655-434.5200	PERSONNEL SUPPLIES	\$5,084	\$6,450	\$6,450	\$6,450	\$7,820
401-3655-434.5301	FUEL	13,769	11,860	11,860	14,000	14,750
401-3655-434.5400	OPERATING SUPPLIES	6,705	5,600	5,600	5,600	6,500
401-3655-434.5475	WATER METERS & BOXES	212,413	51,000	183,046	183,046	51,000
401-3655-434.5495	CHEMICALS	18,779	10,000	10,000	10,000	20,000
401-3655-434.5800	OPERATING EQUIPMENT<\$5000	14,131	16,000	14,800	14,800	20,000
TOTAL SUPPLIES		\$270,881	\$100,910	\$231,756	\$233,896	\$120,070
60 - MAINTENANCE						
401-3655-434.6300	VEHICLE MAINTENANCE	\$7,789	\$10,000	\$10,000	\$10,000	\$11,500
401-3655-434.6543	WATER PLANT MAINTENANCE	128,920	160,000	177,372	177,372	170,000
401-3655-434.6547	WATER METER MAINTENANCE	4,889	5,000	5,000	4,950	20,000
401-3655-434.6800	EQUIPMENT MAINTENANCE	1,457	3,500	3,500	3,500	3,500
401-3655-434.6801	EMERGENCY GENERATOR MAINT	22,898	27,000	41,000	30,266	30,000
TOTAL MAINTENANCE		\$165,953	\$205,500	\$236,872	\$226,088	\$235,000
70 - SERVICES						
401-3655-434.7311	VEHICLE INSURANCE	\$2,560	\$3,315	\$3,315	\$3,315	\$3,584
401-3655-434.7400	OPERATING SERVICES	22,089	43,120	43,120	38,693	46,750
401-3655-434.7471	PURCHASED WATER	1,668,573	1,845,333	1,845,333	1,845,333	1,845,333
401-3655-434.7494	PERMITS & INSPECTION FEES	49,447	50,500	53,900	53,900	52,300
401-3655-434.7498	JUDGMENTS & DAMAGE CLAIMS	0	1,000	1,000	0	1,000
401-3655-434.7510	TRAINING	2,496	4,000	3,940	2,000	4,000
401-3655-434.7520	TRAVEL EXPENSES & REIMBURSEMENTS	30	400	400	50	400
401-3655-434.7530	MEMBERSHIPS	115	140	200	200	245
401-3655-434.7611	ELECTRICITY	172,322	219,527	219,527	219,527	224,884
401-3655-434.7612	TELEPHONE/COMMUNICATIONS	326	400	400	400	400
401-3655-434.7613	NATURAL GAS	3,820	2,900	2,900	2,900	2,900
401-3655-434.7830	RENTAL	1,938	3,660	3,660	2,600	4,260

3655 - Public Works/Water Operations (continued)

Account Number	Account Name	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
401-3655-434.7831	VEHICLE LEASE-INTERNAL	22,400	22,400	22,400	22,400	22,400
401-3655-434.7840	POLLUTION CONTROL & ABATE	28,278	27,000	32,800	29,830	33,000
TOTAL SERVICES		\$1,974,394	\$2,223,695	\$2,232,895	\$2,221,148	\$2,241,456
80 - CAPITAL OUTLAY						
401-3655-434.8300	VEHICLES	\$0	\$0	\$0	\$0	\$45,000
401-3655-434.8400	CAPITAL OPERATING EQUIP	0	40,000	40,000	672,000	0
401-3655-434.8800	CAPITAL EQUIPMENT	0	0	14,439	14,439	0
TOTAL CAPITAL OUTLAY		\$0	\$40,000	\$54,439	\$686,439	\$45,000
90 - OTHER						
401-3655-434.9342	95 CITY OF HOUSTON BONDS	\$192,490	\$192,238	\$192,238	\$192,238	\$192,000
401-3655-434.9343	COH-SEWPP Capital Improvements	\$283,540	\$481,829	\$481,829	\$481,829	\$2,946,237
TOTAL OTHER		\$476,030	\$674,067	\$674,067	\$674,067	\$3,138,237
3655 - PUBLIC WORKS/WATER OPERATIONS		\$3,285,248	\$3,612,700	\$3,798,557	\$4,422,943	\$6,231,513

3656 - Public Works/Sewer Operations

Account Number	Account Name	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
40 - PERSONNEL & BENEFITS						
401-3656-433.4110	FULLTIME SALARIES & WAGES	\$244,909	\$251,185	\$251,185	\$253,731	\$324,934
401-3656-433.4130	OVERTIME PAY	30,038	17,183	17,183	21,420	17,890
401-3656-433.4131	HOLIDAY HRS WORKED	3,190	1,133	1,133	1,845	2,942
401-3656-433.4143	LONGEVITY PAY	3,330	3,570	3,570	3,570	3,820
401-3656-433.4145	INCENTIVE-CERTIFICATE PAY	9,300	9,300	9,300	9,300	9,300
401-3656-433.4149	CELL PHONE ALLOWANCE	0	0	0	180	540
401-3656-433.4710	SOCIAL SECURITY/MEDICARE	21,863	21,248	21,248	20,522	26,425
401-3656-433.4720	TMRS RETIREMENT	48,222	48,525	48,525	44,802	60,006
401-3656-433.4810	HEALTH/DENTAL INSURANCE	32,948	34,435	34,435	31,537	57,389
401-3656-433.4820	LIFE INSURANCE	692	815	815	723	1,037
401-3656-433.4830	DISABILITY INSURANCE	1,053	1,232	1,232	1,105	1,568
401-3656-433.4840	WORKERS COMP INSURANCE	3,105	3,064	3,064	3,182	4,602
401-3656-433.4850	EAP SERVICES	232	232	232	212	263
401-3656-433.4890	FLEX PLAN ADMINISTRATION	86	86	86	31	30
TOTAL PERSONNEL & BENEFITS		\$398,968	\$392,008	\$392,008	\$392,160	\$510,746
50 - SUPPLIES						
401-3656-433.5200	PERSONNEL SUPPLIES	\$4,055	\$6,450	\$6,450	\$3,620	\$6,900
401-3656-433.5301	FUEL	17,007	15,610	15,610	15,610	17,750
401-3656-433.5400	OPERATING SUPPLIES	3,106	5,600	5,600	4,000	6,600
401-3656-433.5800	OPERATING EQUIPMENT<\$5000	4,253	2,900	2,900	2,100	3,500
TOTAL SUPPLIES		\$28,421	\$30,560	\$30,560	\$25,330	\$34,750
60 - MAINTENANCE						
401-3656-433.6300	VEHICLE MAINTENANCE	\$11,457	\$14,000	\$14,000	\$12,011	\$15,500
401-3656-433.6552	LIFT STATION MAINTENANCE	75,380	160,040	254,851	254,851	180,040
401-3656-433.6800	EQUIPMENT MAINTENANCE	991	3,300	102,261	102,261	3,300
401-3656-433.6801	EMERGENCY GENERATOR MAINT	40,147	40,000	40,297	30,404	45,000
TOTAL MAINTENANCE		\$127,975	\$217,340	\$411,409	\$399,527	\$243,840
70 - SERVICES						
401-3656-433.7311	VEHICLE INSURANCE	\$3,916	\$5,070	\$5,070	\$5,070	\$6,801
401-3656-433.7400	OPERATING SERVICES	12,905	10,100	12,605	11,192	10,100
401-3656-433.7473	BLACKHAWK WW OPERATIONS	2,312,571	2,865,231	5,268,786	5,268,786	3,008,493
401-3656-433.7498	JUDGMENTS & DAMAGE CLAIMS	0	1,000	1,000	0	1,000
401-3656-433.7510	TRAINING	700	4,000	4,000	2,135	4,000
401-3656-433.7520	TRAVEL EXPENSES & REIMBURSEMENTS	924	400	400	0	400
401-3656-433.7530	MEMBERSHIPS	115	140	140	115	215
401-3656-433.7611	ELECTRICITY	119,301	117,192	117,192	121,852	120,052
401-3656-433.7613	NATURAL GAS	12,915	11,600	11,600	11,879	11,600
401-3656-433.7800	CONTRACT SERVICES	33,660	70,000	75,000	40,200	80,000
401-3656-433.7830	RENTAL	960	1,500	1,500	500	1,500
401-3656-433.7831	VEHICLE LEASE-INTERNAL	56,710	56,930	56,930	56,930	56,930
TOTAL SERVICES		\$2,554,677	\$3,143,163	\$5,554,223	\$5,518,659	\$3,301,091
80 - CAPITAL OUTLAY						
401-3656-433.8300	VEHICLES	\$0	\$0	\$0	\$0	\$45,000
401-3656-433.8400	CAPITAL OPERATING EQUIPMENT	0	0	9,057	221,148	0
TOTAL CAPITAL OUTLAY		\$0	\$0	\$9,057	\$221,148	\$45,000
90 - OTHER						
401-3656-433.9061	BLACKHAWK WWTP OPER RESERVE	\$24,664	\$21,000	\$21,000	\$21,000	\$21,000
TOTAL OTHER		\$24,664	\$21,000	\$21,000	\$21,000	\$21,000
3656 - PUBLIC WORKS/SEWER OPERATIONS		\$3,134,705	\$3,804,071	\$6,418,257	\$6,577,824	\$4,156,427



Mission Statement

The Engineering Department is committed to enhancing the quality of life in Friendswood through the provision of innovative, sustainable, and cost-effective engineering solutions. We aim to deliver excellence in every project, from routine maintenance to transformative capital improvements, bond initiatives, and collaborative ventures with our local, state, and national partners. Our dedication extends to efficiently processing permits, meticulously reviewing development proposals, and conducting thorough inspections, ensuring the safety and efficiency of our roadways, drainage systems, and utilities. By embracing best practices and fostering a culture of continuous improvement, we strive to meet the evolving needs of our community and support the City's vision for a vibrant, resilient future.

Current Operations

Due to increased demand for oversight in both publicly and privately funded projects, the Engineering division was separated from Public Works to be a standalone department consisting of Engineering and Projects in 2019. In Fiscal Year 2024 the Engineering Department took over the role of Stormwater Management responsibilities.

Fiscal Year 2023-2024 Accomplishments

In March 2024, the Engineering Department was restructured by eliminating the Deputy Director position, and creating an Assistant Director Over Operations, Assistant Director Over Projects, and an additional Graduate Engineer position. The Engineering Department received notice of awards for alternative funding from agencies including Texas General Land Office's Texas Division of Emergency Management, Federal Emergency Management Agency, Texas Department of Transportation, and Harris County Precinct 2.

Capital Improvement Projects

The following includes the City's Capital Improvement Projects that are currently in process.

Capital Improvement Projects in Progress During FY 2023-2024		
Blackhawk Boulevard Reconstruction Phase II	24" Waterline – Clear Creek Crossing	Master Drainage Plan
2024-2025 Street Maintenance (Asphalt, Concrete and Striping)	Annalea Neighborhood Infrastructure	Friendswood Regional Stormwater Detention Basin
2020 Lift Station Mitigation Pkg. 1 (LS 1 &17)	Deepwood Flood Control Project	Clear Creek Utility Bridge Relocation
2020 Lift Station Mitigation Pkg. 2 (LS 5,13, 24, 25)	Whitcomb Flood Control Project	Ground Water Storage Tank at Ground Water Plant #4
2020 Lift Station Mitigation Pkg. 3 (LS 22,27, 28, 31)	New Ground Storage Tank at Water Plant #1	Sanitary Sewer Master Plan

Highlights of the Budget

The Engineering Department was formed as a new department in 2019, which included the hiring for the two new positions of Director of Engineering/City Engineer, and Deputy Director of Engineering. In July 2020, a new Office Manager position was created in the Engineering department. The funding for the position came from a vacancy within the City Secretary's Office Records Management division. An Engineering Intern part-time position was formed through a Decision Package in October 2021. A Graduate Engineer was added to the department through a Decision Package in October 2022. In March 2024, the Engineering Department was restructured by eliminating the Deputy Director position, and creating an Assistant Director Over Operations, Assistant Director Over Projects, and an additional Graduate Engineer position.

The following forces at work and/or decision package(s) were submitted in the FY 2024-25 proposed budget.

Forces at Work (FAW) included with the FY2024-25 Proposed Budget:

Description	Type	Amount
	General Fund	\$53,500
Additional Vehicle (Stormwater)	-	-

Decision Packages included with the FY2024-25 Proposed Budget:

Description	Type	Amount
		\$0
Wastewater Master Plan	-	-

Decision Packages not included with the FY2024-25 Proposed Budget:

Description	Type	Amount
	General Fund	\$200,000
City-Wide Traffic Study	-	-
	General Fund	\$2,250,000
Sunset Drive Signal Rehabilitation & Optimization	-	-

Major Departmental Goals:

New Development Oversight

- ▶ Support the City with review of plans, specifications, drainage impact assessments, and development permits
- ▶ Oversight of public right of way permits and field activities
- ▶ Infrastructure inspections including water, sanitary sewer, and drainage.

Enhance Safe and Efficient Transportation

- ▶ Continue to implement the annual street maintenance program including asphalt and concrete paving, and striping
- ▶ Support the Houston-Galveston Area Council's Unified Planning Work Program Planning Study for Friendswood Parkway Extension
- ▶ Support the Houston-Galveston Area Council's Unified Planning Work Program Master Trail Plan for the City of Friendswood
- ▶ Execute the Blackhawk Phase II Package B-I Partnership Project with Harris County Precinct 2
- ▶ Coordinate with TXDOT for issues related to state roads FM518, FM2351, and FM528

Design and Implement Cost Effective Capital Improvement Projects

- ▶ Utilization of state-of-the-art technology to enhance assessment, design and construction of projects
- ▶ Provide the Engineering Department with ample training in design and project management methodologies

Reduce Flood Risk

- ▶ Update Design Criteria Manual and Ordinances to incorporate the latest advances
- ▶ Implementation of Community Block Development Grants for flood control and community resilience projects
- ▶ Update the City of Friendswood Master Drainage Plan
- ▶ Collaborate with Parks and Recreation to implement park features in conjunction with flood control projects
- ▶ Establish compliance with the City Floodplain Ordinance

Provide Support to Public Works

- ▶ Provide Engineering support for Public Works operations and maintenance projects including the Water System Improvement Project, Water Tank Rehabilitations, and extensive improvements to support our growing community
- ▶ Manage the 2020 Lift Station Mitigation Project comprising of major enhancements to eleven (11) lift stations repeatedly damaged in storm events, and support efforts to combat inflow and infiltration in our sanitary sewer system
- ▶ Operational studies such as the Sanitary Sewer Master Plan
- ▶ Planning, inspecting, and testing tie-ins to City infrastructure for various developments
- ▶ Implement a city-wide Pavement Management Study
- ▶ Resolve various resident concerns and complaints

Improve Asset Management

- ▶ Implement right of way and permit tracking software
- ▶ Provide education and support to help expand and utilize Arc-GIS solutions citywide

2024-2025 Departmental Performance Measures by Division

Engineering Department Supports the City's Strategic Goals:

1-Communication, 2-Economic Development, 3-Preservation, 4-Partnerships, 5-Public Safety, 6-Organizational Development

Engineering and Capital Projects General Fund & Water/Sewer Fund	FY22 Actual	FY23 Actual	FY24 Budget	FY24 Forecast	FY25 Proposed
Inputs					
# of full-time equivalents	6.0	8.5	9.5	9.5	9.5
Division Expenditures	\$961,310	\$1,132,802	\$1,265,858	\$1,164,356	\$1,328,627
Measures of Effectiveness					
# of Resident Correspondence	327	261	310	310	350
ROW Permits Issued	137	124	130	90	100
Measures of Efficiency					
Monthly Operating Costs	\$80,109	\$94,400	\$105,488	\$97,030	\$110,719
Division Expenditures Per Capita	\$22.79	\$26.56	\$29.68	\$27.07	\$30.88

Department Summary

Expenditure by Division

Division	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget	% Change in Budget from FY24 to FY25
ENGINEERING (GF)	\$641,204	\$646,344	\$652,319	\$652,395	\$743,643	15.1%
ENGINEERING (WS)	491,598	619,514	619,514	511,961	584,984	-5.6%
DEPARTMENT TOTAL	\$1,132,802	\$1,265,858	\$1,271,833	\$1,164,356	\$1,328,627	5.0%

Expenditure by Classification

Classification	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget	% Change in Budget from FY24 to FY25
PERSONNEL & BENEFITS	\$996,867	\$1,098,966	\$1,098,966	\$992,044	\$1,074,383	-2.2%
SUPPLIES	43,207	42,809	43,409	43,436	47,164	10.2%
MAINTENANCE	2,900	4,400	4,400	4,400	8,000	81.8%
SERVICES	89,828	107,113	112,488	111,906	149,080	39.2%
CAPITAL OUTLAY	0	12,570	12,570	12,570	50,000	297.8%
CLASSIFICATION TOTAL	\$1,132,802	\$1,265,858	\$1,271,833	\$1,164,356	\$1,328,627	5.0%

Full-Time Equivalents by Division

Division	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget	% Change in Budget from FY24 to FY25
ENGINEERING (GF)	4.45	4.45	4.45	4.45	4.45	0.0%
ENGINEERING (WS)	4.00	5.00	5.00	5.00	5.00	0.0%
PERSONNEL TOTAL	8.45	9.45	9.45	9.45	9.45	0.0%

3770 - Engineering/Projects

Account Number	Account Name	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
40 - PERSONNEL & BENEFITS						
001-3770-431.4110	FULLTIME SALARIES & WAGES	\$343,860	\$351,933	\$351,933	\$353,715	\$380,399
001-3770-431.4130	OVERTIME PAY	35,521	8,506	8,506	25,097	8,847
001-3770-431.4143	LONGEVITY PAY	1,980	1,455	1,455	1,450	1,755
001-3770-431.4145	INCENTIVE-CERTIFICATE PAY	3,400	4,200	4,200	4,200	5,400
001-3770-431.4149	CELL PHONE ALLOWANCE	1,463	1,500	1,500	1,500	1,080
001-3770-431.4190	TERMINATION PAYOUTS	7,832	0	0	0	0
001-3770-431.4220	PART-TIME WAGES W/O BENEFITS	0	23,509	23,509	8,296	23,795
001-3770-431.4710	SOCIAL SECURITY/MEDICARE	28,139	28,231	28,231	28,665	30,741
001-3770-431.4720	TMRS RETIREMENT	65,367	63,167	63,167	65,456	66,359
001-3770-431.4810	HEALTH/DENTAL INSURANCE	58,475	57,630	57,630	51,003	51,880
001-3770-431.4820	LIFE INSURANCE	965	1,061	1,061	1,038	1,147
001-3770-431.4830	DISABILITY INSURANCE	1,297	1,544	1,544	1,519	1,678
001-3770-431.4840	WORKERS COMP INSURANCE	695	715	715	692	896
001-3770-431.4850	EAP SERVICES	232	232	232	212	210
001-3770-431.4890	FLEX PLAN ADMINISTRATION	179	179	179	97	87
TOTAL PERSONNEL & BENEFITS		\$549,405	\$543,862	\$543,862	\$542,940	\$574,274
50 - SUPPLIES						
001-3770-431.5200	PERSONNEL SUPPLIES	\$2,578	\$2,641	\$2,641	\$2,641	\$2,716
001-3770-431.5301	FUEL	3,237	3,020	3,020	3,020	4,020
001-3770-431.5400	OPERATING SUPPLIES	6,547	4,068	4,668	4,668	4,068
001-3770-431.5800	OPERATING EQUIPMENT<\$5000	9,232	5,680	5,680	5,680	5,680
TOTAL SUPPLIES		\$21,594	\$15,409	\$16,009	\$16,009	\$16,484
60 - MAINTENANCE						
001-3770-431.6300	VEHICLE MAINTENANCE	\$2,322	\$2,200	\$2,200	\$2,200	\$4,800
TOTAL MAINTENANCE		\$2,322	\$2,200	\$2,200	\$2,200	\$4,800
70 - SERVICES						
001-3770-431.7311	VEHICLE INSURANCE	\$1,647	\$2,131	\$2,131	\$2,131	\$2,843
001-3770-431.7400	OPERATING SERVICES	3,309	8,911	8,661	8,661	11,791
001-3770-431.7401	POSTAL/COURIER SERVICES	52	250	500	500	500
001-3770-431.7498	JUDGMENTS & DAMAGE CLAIMS	500	500	500	500	500
001-3770-431.7510	TRAINING	5,143	6,195	6,195	5,894	10,000
001-3770-431.7520	TRAVEL EXPENSES & REIMBURSEMENTS	4,226	3,906	3,906	3,906	4,031
001-3770-431.7530	MEMBERSHIPS	1,122	1,070	1,570	1,570	1,510
001-3770-431.7540	PUBLICATIONS	18,768	36,000	36,000	36,000	36,000
001-3770-431.7612	TELEPHONE/COMMUNICATIONS	912	960	960	2,259	960
001-3770-431.7800	CONTRACT SERVICES	15,954	8,700	8,575	8,575	8,700
001-3770-431.7831	VEHICLE LEASE-INTERNAL	16,250	16,250	16,250	16,250	16,250
001-3770-431.7842	STORM WATER MANAGEMENT	0	0	5,000	5,000	5,000
TOTAL SERVICES		\$67,883	\$84,873	\$90,248	\$91,246	\$98,085
80 - CAPITAL OUTLAY						
001-3770-431.8300	VEHICLES	\$0	\$0	\$0	\$0	\$50,000
TOTAL CAPITAL OUTLAY		\$0	\$0	\$0	\$0	\$50,000
3770 - ENGINEERING/PROJECTS		\$641,204	\$646,344	\$652,319	\$652,395	\$743,643

3770 - Engineering/Projects

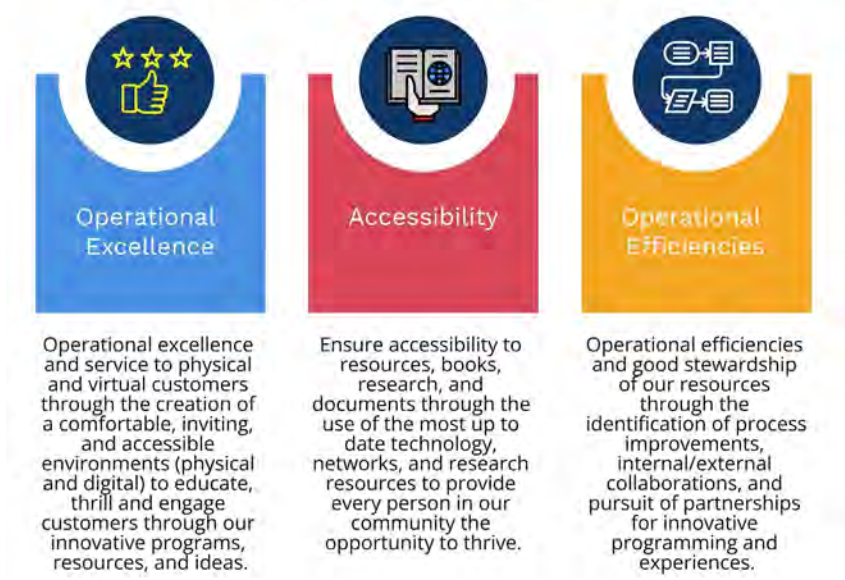
Account Number	Account Name	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
40 - PERSONNEL & BENEFITS						
401-3770-434.4110	FULLTIME SALARIES & WAGES	\$321,848	\$394,869	\$394,869	\$319,434	\$373,909
401-3770-434.4130	OVERTIME PAY	2,917	0	0	4,895	0
401-3770-434.4143	LONGEVITY PAY	750	930	930	950	595
401-3770-434.4145	INCENTIVE-CERTIFICATE PAY	3,525	2,700	2,700	4,600	4,500
401-3770-434.4149	CELL PHONE ALLOWANCE	1,080	1,500	1,500	1,500	2,580
401-3770-434.4190	TERMINATION PAYOUTS	0	0	0	2,078	0
401-3770-434.4710	SOCIAL SECURITY/MEDICARE	23,696	29,060	29,060	24,507	29,019
401-3770-434.4720	TMRS RETIREMENT	54,765	68,740	68,740	55,729	63,705
401-3770-434.4810	HEALTH/DENTAL INSURANCE	35,465	53,072	53,072	31,994	21,869
401-3770-434.4820	LIFE INSURANCE	901	1,153	1,153	968	1,101
401-3770-434.4830	DISABILITY INSURANCE	1,366	1,739	1,739	1,474	1,674
401-3770-434.4840	WORKERS COMP INSURANCE	666	759	759	618	865
401-3770-434.4850	EAP SERVICES	218	290	290	234	262
401-3770-434.4890	FLEX PLAN ADMINISTRATION	265	292	292	123	30
TOTAL PERSONNEL & BENEFITS		\$447,462	\$555,104	\$555,104	\$449,104	\$500,109
50 - SUPPLIES						
401-3770-434.5200	PERSONNEL SUPPLIES	\$2,672	\$3,440	\$3,640	\$3,640	\$3,690
401-3770-434.5301	FUEL	2,670	1,470	1,470	2,102	3,500
401-3770-434.5400	OPERATING SUPPLIES	1,892	2,490	3,490	2,885	2,490
401-3770-434.5800	OPERATING EQUIPMENT<\$5000	14,379	20,000	18,800	18,800	21,000
TOTAL SUPPLIES		\$21,613	\$27,400	\$27,400	\$27,427	\$30,680
60 - MAINTENANCE						
401-3770-434.6300	VEHICLE MAINTENANCE	\$578	\$2,200	\$2,200	\$2,200	\$3,200
TOTAL MAINTENANCE		\$578	\$2,200	\$2,200	\$2,200	\$3,200
70 - SERVICES						
401-3770-434.7311	VEHICLE INSURANCE	\$981	\$1,270	\$1,270	\$1,272	\$1,320
401-3770-434.7400	OPERATING SERVICES	1,537	0	0	50	0
401-3770-434.7498	JUDGMENTS & DAMAGE CLAIMS	0	500	500	500	500
401-3770-434.7510	TRAINING	9,279	8,510	9,710	8,667	9,500
401-3770-434.7520	TRAVEL EXPENSES & REIMBURSEMENTS	3,300	4,500	3,300	2,711	4,500
401-3770-434.7530	MEMBERSHIPS	1,132	1,720	1,720	1,720	2,435
401-3770-434.7540	PUBLICATIONS	0	0	0	0	27,000
401-3770-434.7612	TELEPHONE/COMMUNICATIONS	456	480	480	480	480
401-3770-434.7831	VEHICLE LEASE-INTERNAL	5,260	5,260	5,260	5,260	5,260
TOTAL SERVICES		\$21,945	\$22,240	\$22,240	\$20,660	\$50,995
80 - CAPITAL OUTLAY						
401-3770-434.8800	CAPITAL EQUIPMENT	\$0	\$12,570	\$12,570	\$12,570	\$0
TOTAL CAPITAL OUTLAY		\$0	\$12,570	\$12,570	\$12,570	\$0
3770 - ENGINEERING/PROJECTS		\$491,598	\$619,514	\$619,514	\$511,961	\$584,984



Mission Statement

The mission of the Friendswood Public Library is to provide all persons in the community confidential access to materials that can improve their minds, and also to provide an environment in which individuals may freely pursue intellectual, educational, and recreational interests through diverse services and resources in a variety of formats.

3 Pillars of the Library



Current Operations

The Friendswood Public Library serves as an informational, educational, and recreational resource to all citizens of Friendswood. Currently, the library collection consists of over 100,000 physical items and 62 magazine and newspaper subscriptions. The library also provides access to over 75,000 downloadable e-books, audiobooks and videos. The physical collection also includes popular and educational videos, compact discs, audiobooks, pre-loaded tablets, and electronic resources. The library also schedules public access to seven meeting and study spaces throughout the year.

Adult services staff serve the community through reference services online, in-person, virtually, and by phone. Outreach opportunities in the use of library services and online resources are also provided throughout the year. The Library also provides internet computers, access to several software applications including word processing and spreadsheet software, 3-D and poster printing, scanning services, and a fee based printing service. Classes are offered in basic computer skills, basic software applications, library technologies, and use of electronic resources. Electronic resources include full text articles from over 1,200 periodicals and reference works, online foreign language courses, career and college test preparation, genealogy databases, software and technology training, and an online guide to fiction and nonfiction literature. Adult educational and cultural programs are provided throughout the year. Through the library, citizens may download best-selling audiobooks, eBooks, videos and popular magazines 24/7 to their PC, tablet, or smart phone at home, in the office or from anywhere in the world.



Youth services include young adult, tween, elementary, toddler and preschool ages. Story times are offered three times per week with additional Storytimes including Yoga, Pancakes and Pajamas, and adaptive learning scheduled throughout the year. Special programs for children and young adults are offered throughout the year with a special emphasis on summer reading for children of all ages. After school programs are offered several times a week during the school year for upper elementary and junior high age children including Family Fun Night and STEAM Night among many others. Saturday and evening family story times are offered monthly.

The library's major purpose is to encourage a love of reading, to promote lifelong learning and to provide a community space for the exchange of ideas and access to information.

Departmental Accomplishments in FY 2023-2024

- ▶ Tenth consecutive year to receive Texas Municipal Library Directors Association Achievement of Excellence in Libraries Award demonstrating excellence in ten service categories.
- ▶ Worked with library partners to provide annual events, conventions, and festivals throughout the year including summer reading programs, ZakiCon Anime Convention, Craft Fair, Poetry Festival, Health Fair, and a World Film Festival.
- ▶ Began Library Needs Assessment as identified in the library's 2023 – 2028 Strategic Long-Range Plan.
- ▶ Provided new STEM technologies for community training and use, including a sublimation printer, telescopes, and robotics kits.
- ▶ Provided youth STEAM nights for science, technology, and art engagement.
- ▶ Partnered with Friends of the Library to provide scholarships and access to Gale Excel Adult High School program with three high school diploma graduates and two students currently enrolled in the program.

Provided new online resource, Udemy, with nearly 20,000 top-rated Online Video Courses in the areas of business, tech, and personal development across 75+ different categories.

2024-2025 Departmental Goals and Performance Measures

Major Departmental Goals:

- ▶ Continue to develop the Library Needs Assessment as identified in the 2023-2028 Strategic Long-Range plan.
- ▶ Provide AutoLend library as a 24/7 remote mini-branch library where patrons can browse, hold, pick up, and return a diverse range of materials from a designated remote location.
- ▶ Increase access to library materials in streaming formats.
- ▶ Increase access to online educational databases in science, medical, homework, and business fields.
- ▶ Continue to expand mobile furnishings to create an adaptable environment for large programs, events, and public spaces.

Library Department	FY22 Actual	FY23 Actual	FY24 Budget	FY24 Forecast	FY25 Proposed
Inputs					
#of full time equivalents	15.60	15.6	15.6	15.3	15.3
Division Expenditures	\$1,333,456	\$1,445,736	\$1,484,828	\$1,487,806	\$1,495,438
Outputs					
# of Total physical items in library collection	96,329	96,329	100,000	100,000	100,000
# of Total electronic items in library collection	70,810	70,810	75,000	75,000	75,000
# of Items catalogued & processed	7,357	7,357	9,000	9,000	9,000
# of programs	859	859	1,100	1,100	1,100
# of Computers available public use	12	12	14	14	14
# of Reading club signups	1,441	1441	2,500	2,500	2,500
# of Items checked out	342,132	342,132	375,000	375,000	375,000
# of Attendance at programs	29,396	29,396	38,000	38,000	38,000
# of Computer usage	9,829	9,829	14,000	14,000	14,000
# of Library visits	143,681	143,681	190,000	190,000	190,000
# of Reading club completion	60%	60%	85%	85%	85%
# of Reference transactions	26,328	26,328	45,000	45,000	45,000
# of Loans received from other libraries	1,742	1,742	1,800	1,800	1,800
# of Loans provided to other libraries	656	656	700	700	700
Measures of Effectiveness					
Avg Computer Uses by public	9,829	9,829	14,000	14,000	14,000
Avg number of attendees for youth programs	51	51	60	60	60
Avg number of attendees for adult programs	16	16	20	20	20
Measures of Efficiency					
Circulation per capita*	7.56	7.56	8.3	8.3	8.3
Items per capita*	3.69	3.69	3.87	3.87	3.87
Sq. footage per capita*	0.46	0.46	0.46	0.46	0.46
Monthly Operating Costs	\$111,121	\$120,478	\$123,736	\$123,984	\$124,620
Department expenditures per capita	\$31.61	\$33.89	\$34.81	\$34.58	\$34.76

*Per capita data is from the Texas State Library Annual Report

Department Summary

Expenditure by Division

Division	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget	% Change in Budget from FY24 to FY25
LIBRARY ADMINISTRATION	\$1,445,736	\$1,484,828	\$1,512,157	\$1,487,806	\$1,495,438	0.7%
DEPARTMENT TOTAL	\$1,445,736	\$1,484,828	\$1,512,157	\$1,487,806	\$1,495,438	0.7%

Expenditure by Classification

Classification	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget	% Change in Budget from FY24 to FY25
PERSONNEL & BENEFITS	\$1,216,097	\$1,289,401	\$1,289,401	\$1,273,865	\$1,302,416	1.0%
SUPPLIES	157,349	161,915	170,082	162,761	159,972	-1.2%
MAINTENANCE	1,016	2,482	2,482	982	2,482	0.0%
SERVICES	26,837	31,030	38,147	38,153	30,568	-1.5%
CAPITAL OUTLAY	44,437	0	12,045	12,045	0	0.0%
CLASSIFICATION TOTAL	\$1,445,736	\$1,484,828	\$1,512,157	\$1,487,806	\$1,495,438	0.7%

Full-Time Equivalents by Division

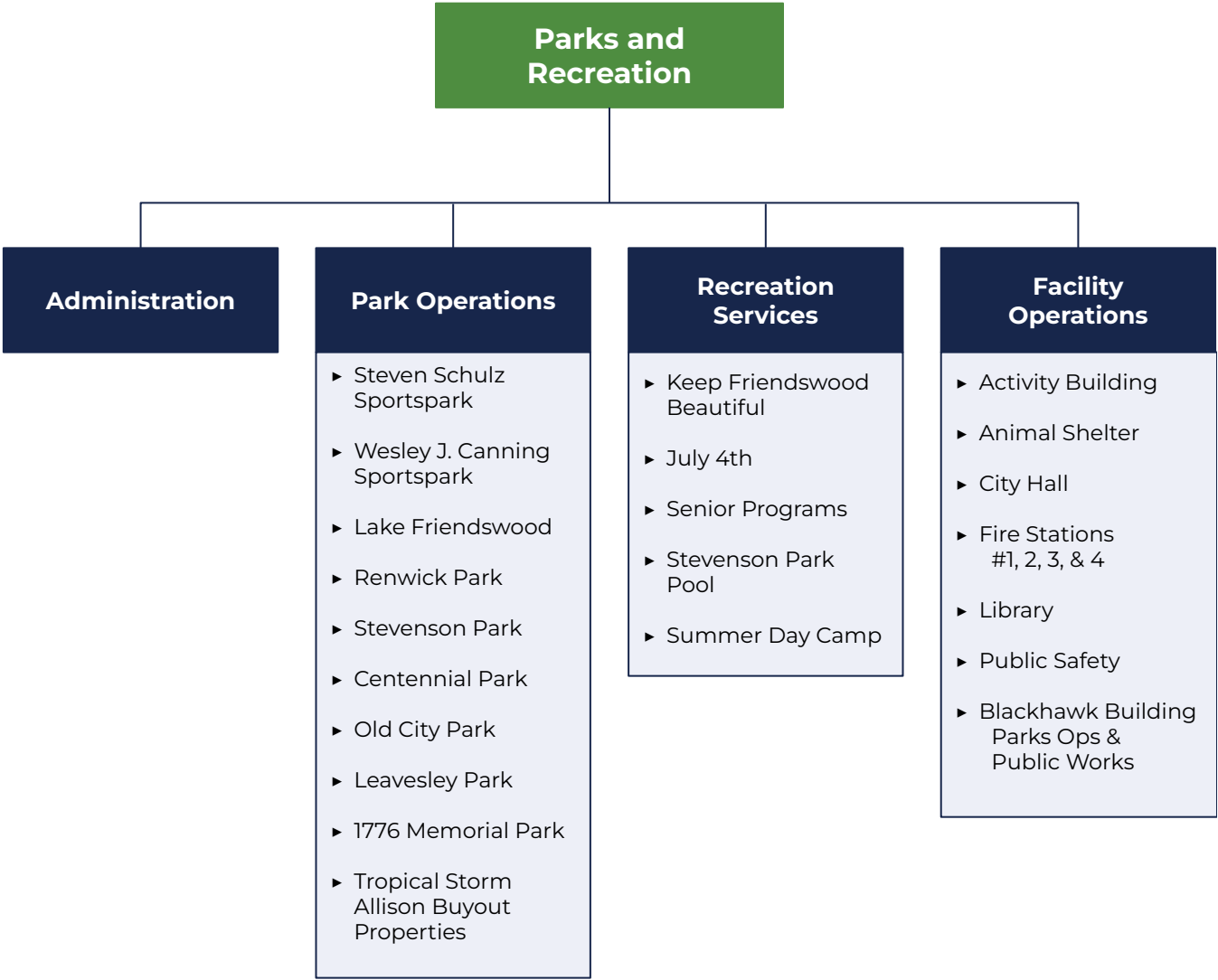
Division	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget	% Change in Budget from FY24 to FY25
ADMINISTRATION	15.62	15.62	15.62	15.32	15.32	-1.9%
PERSONNEL TOTAL	15.62	15.62	15.62	15.32	15.32	-1.9%

6310 - Library Administration

Account Number	Account Name	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
40 - PERSONNEL & BENEFITS						
001-6310-459.4110	FULLTIME SALARIES & WAGES	\$737,585	\$802,219	\$802,219	\$789,138	\$826,148
001-6310-459.4120	PART-TIME WAGES	89,880	69,993	69,993	91,802	72,040
001-6310-459.4130	OVERTIME PAY	3,889	2,287	2,287	4,268	3,028
001-6310-459.4131	HOLIDAY HRS WORKED	152	0	0	0	0
001-6310-459.4143	LONGEVITY PAY	8,608	7,635	7,635	7,615	8,360
001-6310-459.4145	INCENTIVE-CERTIFICATE PAY	6,150	5,400	5,400	5,400	6,000
001-6310-459.4190	TERMINATION PAYOUTS	2,399	0	0	0	0
001-6310-459.4220	PART-TIME WAGES W/O BENEFITS	37,112	51,950	42,486	42,487	40,483
001-6310-459.4222	SEASONAL WAGES	0	0	9,464	4,500	0
001-6310-459.4710	SOCIAL SECURITY/MEDICARE	65,165	70,179	70,179	69,121	71,267
001-6310-459.4720	TMRS RETIREMENT	140,758	152,523	152,523	149,648	152,855
001-6310-459.4810	HEALTH/DENTAL INSURANCE	116,690	119,101	119,101	102,302	113,899
001-6310-459.4820	LIFE INSURANCE	2,162	2,342	2,342	2,245	2,418
001-6310-459.4830	DISABILITY INSURANCE	3,192	3,410	3,410	3,319	3,579
001-6310-459.4840	WORKERS COMP INSURANCE	1,161	1,221	1,221	1,158	1,510
001-6310-459.4850	EAP SERVICES	697	697	697	637	631
001-6310-459.4890	FLEX PLAN ADMINISTRATION	497	444	444	225	198
TOTAL PERSONNEL & BENEFITS		\$1,216,097	\$1,289,401	\$1,289,401	\$1,273,865	\$1,302,416
50 - SUPPLIES						
001-6310-459.5301	FUEL	\$71	\$1,600	\$1,600	\$1,000	\$1,600
001-6310-459.5400	OPERATING SUPPLIES	11,949	13,600	13,600	13,600	13,600
001-6310-459.5482	BOOKS	80,262	93,750	101,189	94,468	91,000
001-6310-459.5483	PERIODICALS	149	35	169	169	35
001-6310-459.5484	VIDEOS	4,620	6,000	4,072	4,072	6,000
001-6310-459.5485	AUDIO BOOKS	6,201	8,000	6,000	6,000	8,000
001-6310-459.5487	CD	1,989	1,910	1,941	1,941	1,910
001-6310-459.5488	ELECTRONIC RESOURCES	31,050	30,470	30,470	30,470	31,277
001-6310-459.5800	OPERATING EQUIPMENT<\$5000	21,058	6,550	11,041	11,041	6,550
TOTAL SUPPLIES		\$157,349	\$161,915	\$170,082	\$162,761	\$159,972
60 - MAINTENANCE						
001-6310-459.6300	VEHICLE MAINTENANCE	\$0	\$2,000	\$2,000	\$500	\$2,000
001-6310-459.6800	EQUIPMENT MAINTENANCE	1,016	482	482	482	482
TOTAL MAINTENANCE		\$1,016	\$2,482	\$2,482	\$982	\$2,482

6310 - Library Administration (continued)

Account Number	Account Name	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
70 - SERVICES						
001-6310-459.7311	VEHICLE INSURANCE	\$0	\$1,295	\$1,295	\$1,295	\$806
001-6310-459.7400	OPERATING SERVICES	2,598	2,870	3,073	3,072	2,870
001-6310-459.7401	POSTAL/COURIER SERVICES	1,430	1,800	1,800	1,757	1,800
001-6310-459.7510	TRAINING	1,895	5,640	1,640	1,640	5,640
001-6310-459.7520	TRAVEL EXPENSES & REIMBURSEMENTS	4,044	3,900	2,999	2,999	3,900
001-6310-459.7530	MEMBERSHIPS	1,838	2,046	1,146	1,146	2,073
001-6310-459.7720	SOFTWARE SUPPORT SERVICES	247	200	12,915	12,915	200
001-6310-459.7800	CONTRACT SERVICES	7,523	0	0	0	0
001-6310-459.7802	CREDIT CARD FEES	272	240	240	290	240
001-6310-459.7831	VEHICLE LEASE-INTERNAL	0	6,039	6,039	6,039	6,039
001-6310-459.7910	COMMUNITY EVENTS/PROGRAMS	6,990	7,000	7,000	7,000	7,000
TOTAL SERVICES		\$26,837	\$31,030	\$38,147	\$38,153	\$30,568
80 - CAPITAL OUTLAY						
001-6310-459.8300	VEHICLES	\$44,437	\$0	\$0	\$0	\$0
001-6310-459.8800	CAPITAL EQUIPMENT	0	0	12,045	12,045	0
TOTAL CAPITAL OUTLAY		\$44,437	\$0	\$12,045	\$12,045	\$0
6310 - LIBRARY ADMINISTRATION		\$1,445,736	\$1,484,828	\$1,512,157	\$1,487,806	\$1,495,438



Mission Statement

Our mission is to deliver exceptional services and programs that enrich the lives of our community, ensuring maximum value and instilling a sense of trust in our integrity and efficiency.

Current Operations

The Parks and Recreation Department comprises Parks Operations, Facility Operations, Recreation Programs, including Senior Activity Program, and Special Events. The Parks and Recreation Department's goal is to provide quality programs and facilities that the entire family can enjoy and utilize.

Park Operations

The City of Friendswood currently maintains approximately 334 acres of parkland and green space throughout the City. Park operations maintain Centennial Park, Corporal Steven Schulz Sportspark, Lance Corporal Wesley J. Canning Park, Leavesley Park, Old City Park, Renwick Park, Stevenson Park, 1776 Park, Lake Friendswood Park, Stevenson Disc Golf Park, Bay Area Park, Forest Bend Walking Trail and PetSafe Dog Park.

The park's maintenance schedule provides for weekly mowing of Centennial Park, Stevenson Park, Renwick Park, Sports Park, Leavesley Park, Stevenson Disc Golf Park, the Dog Park, Old City Park, 1776 Park, Forest Bend Walking Trail, and Friendswood Lake Park. Corporal Wesley Canning Park is cut once a month. Median and Buyout lots are cut once a month or weekly, depending on contract agreement. All parks are cleaned and maintained by staff four days a week, while the Dog Park, Renwick Park and Centennial Park are cleaned 6 days per week by contracted Janitorial Services. Park staff maintains all irrigation systems in parks, around city buildings and the medians on Friendswood Drive and Edgewood Drive. Maintenance items such as plumbing repairs, carpentry, electrical repairs, landscape maintenance, field layout and striping, tree trimming and removal, fence and gate repairs, field lighting maintenance and repairs and softball infield maintenance are some of the major tasks also performed by the Parks staff.

Parks has two full time employees and one part time employee that maintain Friendswood Lake Park and in addition, Park employees provide education on fishing and habitat within the Parks. Park Staff also observe that Patrons are adhering to the Park rules.

The set up and daily labor for special events such as the 4th of July Celebration, Memorial Day Celebration, Spring Sparkle, Fall Haul, Youth Sports Day, Youth Fishing Derby, Concerts in the Park, Movies in the Park, Santa in the Park and many other special events are also part of the park operations schedule.

Facility Operations

The Parks and Recreation Department is responsible for the maintenance and upkeep of the City Hall Building, the Public Safety Building, Friendswood Public Library, the Activities Building, the Blackhawk Public Works/Engineering/Parks Building, Animal Control Building, Jones Hanger and Fire Stations 1, 2, 3, and 4. Maintenance and upkeep of all City facilities are done on a scheduled basis. Special projects and other maintenance requests are performed on a work order priority system. Janitorial services are accomplished through contract services.

Work order requests are for anything from moving boxes and setting up chairs and tables, to pest control, backflow inspections, maintaining fire and security alarms. Major and minor HVAC, electrical, plumbing, carpentry, access controls, gate operators and concrete repairs. As the City grows and more facilities are built, the amount of work order requests steadily increases. The staff is being cross trained to handle a wide variety of tasks. As technologies advance, further educational training is required to work on those advanced systems. An additional Maintenance Worker will be added to the Staff in the 2024-2025 fiscal year.

Recreation Programs

The goal is to provide fun and safe recreational programs/events for citizens of all ages. The objective is to focus on recreational activities that impact both the needs and interest of the community. Recreational programs include the Senior Activity Program, Summer Day Camp, Sesquicentennial Swimming Pool, Adult Sport Leagues and Tournaments, Youth Events and Fitness Classes.

The Parks and Recreation Department does not plan or organize youth sports programs; however, the department does serve as a liaison between the citizens of Friendswood and the Friendswood Area Swim Team, Friendswood Colts, Friendswood Broncos, Friendswood Girls Softball Association, Friendswood Youth Baseball League, Friendswood Youth Lacrosse and the HTX Soccer Club.

Departmental Accomplishments in FY 2023-2024

- ▶ Finished installing 2,700 linear feet of masonry fence at Centennial Park.
- ▶ Installed a 2-tier drinking fountain with a bottle filler at Friendswood Lake Park.
- ▶ Replaced 550 boardwalk planks at Friendswood Lake Park.
- ▶ Pressure washed and re-stained 1,500 feet of boardwalk.
- ▶ Major repairs and replacement parts on playground equipment at Stevenson Park and Centennial Park.
- ▶ Completed all necessary shelving, cabinets, work benches and fixtures in the new Parks Maintenance Shop.
- ▶ Completed new CMU security perimeter wall installation and repair at the Public Safety Building.
- ▶ Painted all the interior and exterior of PSB, including power washing building and flat work.
- ▶ Installed major appliances in the new Fire Station 2.
- ▶ Repurposed the liftgate off of the decommissioned CS10 by installing it on PR24.
- ▶ Installed new lift gate on new truck, PR30.
- ▶ Moved all record retention out of Public Storage, installed shelving units and stored all records on site at the Blackhawk facility.
- ▶ Installed a new roof on the Sports Park house.
- ▶ Resurfaced the tennis courts and basketball court at Stevenson Park and marked tennis courts for Pickleball.
- ▶ Resurfaced the basketball court at Centennial Park and made drainage improvements.
- ▶ Replaced all of the parking lot in front of the Activity Building.
- ▶ Installed a water bottle filler and new drinking fountain at Fire Station 1.
- ▶ Secured a contract for HVAC repair and replacement of additional 76 tons of cooling at the PSB.
- ▶ Replaced all of the wooden soffit and stained the wood and then replaced the gutter down spouts on City Hall.
- ▶ Secured a contract for the Building Automation System upgrade to include MDF and IDF rooms.
- ▶ Secured a contract to replace the 7.5-ton cooling system at Fire Station 4 and have applied for energy rebates.
- ▶ Replaced 2,000 square feet of parking lot at the Public Library.
- ▶ Removed 17 parking lot medians to improve the parking area within Centennial Park.
- ▶ Replaced home plate and batter boxes with artificial turf on four Adult fields at the Sports Park.
- ▶ Installed new additional lighting and electrical to Stevenson Park playground area.
- ▶ Provided new LED lighting over home plate on field 10 at Renwick Park.

- ▶ Implemented multiple LED lighting retrofits throughout City Parks and Facilities.
- ▶ Relamped all lighting outages at Centennial Park and Renwick Park.
- ▶ Partnered with the FISD Transition Center to help the students cultivate workplace skills and etiquette.
- ▶ All basketball and tennis courts at Stevenson Park and Centennial Park have been resurfaced. Additionally, four Pickleball courts were added to Stevenson Park.
- ▶ New FLOCK security cameras were installed in Stevenson Park along Shadwell Drive and Lake Friendswood Park.
- ▶ Collected 75 trees and collaborated with Texas Parks and Wildlife to place them at the bottom of Lake Friendswood to promote fish habitat production.
- ▶ Collaborated with IMPACT Melanoma and Castle Biosciences to install sunscreen dispensers and promote sun safety practices among the city parks and programs.
- ▶ Collaborated with the Engineering Department to facilitate a needs study for a Recreation Center.
- ▶ Changed the location of the summer Movies-in-the Park series to Stevenson Park to encourage more family participation.
- ▶ Keep Friendswood Beautiful won the Gold Star Affiliate Award for another consecutive year, recognizing its exceptional efforts in maintaining the beauty and cleanliness of the community.
- ▶ Keep Friendswood Beautiful partnered with local Master Naturalists to remove invasive species in Stevenson Park.
- ▶ Keep Friendswood Beautiful hosted a Pollinators in the Park Event which brought together local Girl Scout Troops for badge acquirement and promoted engagement in the community.
- ▶ The Keep Friendswood Beautiful GCAA, TXDOT project has begun, which includes landscaping FM518 medians from Shadwell Dr. to Centennial Park, adding entryway signage to the Stevenson Park parking lot, and repainting the bridges along FM518, FM528, and FM2351 with the American flag, Texas Flag, Friendswood Flag.

Highlights of the Budget

Program Improvements

Continue working with the Keep Friendswood Beautiful Committee/Parks subcommittee as we move forward with the implementation of our strategic Parks and Trails Master Plan.

Additional Park improvements include the development of a new Hike and Bike Trail System at 1776 Park.

Recreation Programs

- ▶ Continue Concert-In-The Park Series from May through June
- ▶ Continue Movies-In-The Park Series from July through August
- ▶ Plan and Program the 128th Annual Fourth of July Celebration
- ▶ Plan and Program the Annual Youth Fishing Derby
- ▶ Plan and Program the Annual Santa in the Park
- ▶ Plan and Program the Holiday Lighted Trail in Stevenson Park
- ▶ Plan and Program the Annual Daddy Daughter Dance
- ▶ Plan and Program Easter in the Park with the Lions Club.
- ▶ Plan and Program Mother and Son Event
- ▶ Plan and Program Dog Days of Summer

- ▶ Plan and Program Youth Fishing Camp at Lake Friendswood and Centennial Park
- ▶ Plan and Program the youth competition events, such as Flapjack 5K Fun Run and Walk
- ▶ Keep Friendswood Beautiful Tree Giveaway
- ▶ Keep Friendswood Beautiful annual clean-up events, Spring Sparkle and Fall Haul.
- ▶ Keep Friendswood Beautiful Adopt a Highway Quarterly Cleanup events.
- ▶ Keep Friendswood Beautiful Annual #friendswoodproud Photo contest.
- ▶ Keep Friendswood Beautiful Fairy Trail in Stevenson Park
- ▶ Keep Friendswood Beautiful Pollinator Garden Education area in Stevenson Park.
- ▶ Keep Friendswood Beautiful Annual Letters to Santa
- ▶ Plan and program a variety of recreational programs for adults and senior citizens
- ▶ Educational programs provided by Keep Friendswood Beautiful for youth and adults on the environment, pollinators, and the Fairy Trail.

Facility Operations

- ▶ Facility Operations will be taking on all maintenance aspects of Fire Stations 1,2,3, and 4, other than janitorial services at Station 2 and 3. HVAC and Janitorial contracts will now be paid out of Parks Facilities accounts. There will be a larger scope of responsibility on each building and possibly increasing more when the Fire Department Staff become City employees.
- ▶ The opening of Fire Station 2 will dictate the start of contract services for mowing, HVAC and generator maintenance.
- ▶ The future (Date TBD) Recreation Center facility maintenance needs will be budgeted for, as that project approaches.

Park Operations

- ▶ Parks Operations has taken on a new large parcel at Forest Bend Walking Trail, located at Laura Leigh Dr. That will require mowing through our mowing contract. This location has trail lighting and concrete walking trails that will have to be maintained.
- ▶ The Tannos Development on FM 528 will have green space, walking trails and other amenities to be determined. This designated space will be maintained by Parks Staff and/or contracted services.

The following forces at work and/or decision package(s) were submitted in the FY 2024-25 proposed budget.

Forces at Work (FAW) included with the FY2024-25 Proposed Budget:

Description	Type	Amount
	General Fund	\$10,898
Facility Electricity Increase (2%)	-	-
	General Fund	\$29,600
Quaker's Landing Buyout lots-Mowing & Maintenance	-	-
	General Fund	\$149,372
Maintenance Worker + Vehicle (+1.0 FTE)	-	-

Decision Packages included with the FY2024-25 Proposed Budget:

Description	Type	Amount
	General Fund	\$0
Holiday Camps	-	-
<i>Holiday Camps adds \$27,000 to the department budget, but is offset by expected revenue</i>		

Decision Packages not included with the FY2024-25 Proposed Budget:

Description	Type	Amount
	General Fund	\$65,090
Weekday Laborer (+1.0 FTE)	-	-
	General Fund	\$8,594
Summer Camp Staff Wage Increase	-	-
	General Fund	\$7,596
Summer Pool Staff Wage Increase	-	-
	General Fund	\$500
City University	-	-
	General Fund	\$8,500
Relevant Special Event Programming	-	-
	General Fund	\$10,000
Lake Friendswood Fish Feeding & Restocking Program	-	-
	General Fund	\$18,000
Lake Friendswood Kayak/Paddleboard Rental Kiosk	-	-

Departmental Performance Measures by Division

Major Departmental Goals for FY 2024-2025

- ▶ Continue to provide a fun and safe environment that provides seniors with unique activities that offer wellness for the mind and body.
- ▶ Continue to offer existing programs and special events while developing new programs and amenities as the demand or interest increases.
- ▶ Add educational classes for school age children at Friendswood Lake Park
- ▶ To receive funding in efforts to stop embankment erosion at Friendswood Lakes.
- ▶ Replace the chain link fence at the Friendswood Lake Park that was damaged during the drainage project by the Developer in League City, and not properly re-installed, repaired or replaced. The condition of the fence is now a major safety and security concern and will need to be replaced.
- ▶ Provide training and education to prepare our Staff for future growth and be better equipped to perform their jobs.
- ▶ Obtain an additional Parks Laborer to help with the increasing number of work orders generated as a result of new Park lands and building expansions on-line.

Supports City's Strategic Goals:

1-Communication, 2-Preservation, 4-Partnerships, 5-Public Safety, and 6-Organizational Development

Administration	FY22 Actual	FY23 Actual	FY24 Budget	FY24 Forecast	FY25 Proposed
Inputs					
# of full time equivalents	2.0	2.0	2.0	2.0	2.0
Division Expenditures	\$328,289	\$398,049	\$417,240	\$401,485	\$359,730
Outputs					
# of grants applied for	4	3	3	1	2
# of committees and subcommittees	5	5	4	4	4
# of educational brochures produced	2	2	2	1	1
Measures of Effectiveness					
Department rating on Facebook (1-5 rating)	4.9	4.6	4.6	4.6	4.7
Number of followers on Facebook	7,000	8,000	11,000	13,500	15,000
Number of followers on Instagram	0	1,700	1,900	1,950	2,100
Measures of Efficiency					
Monthly Operations Cost	\$27,357	\$33,171	\$34,770	\$33,457	\$29,978
Division Expenditures per capita	\$7.78	\$9.33	\$9.78	\$9.33	\$8.36

Recreation Programs	FY22 Actual	FY23 Actual	FY24 Budget	FY24 Forecast	FY25 Proposed
Inputs					
# of full time equivalents	10.7	10.7	10.7	11.0	11.0
# of Summer camp seasonal workers	18	21	42	21	21
# of Stevenson park pool seasonal workers	16	21	21	25	25
Division Expenditures	\$702,779	\$1,416,180	\$1,480,290	\$1,572,519	\$1,523,044
Outputs					
# of Fitness Classes	1,862	1,124	1,124	1,512	1,512
# of fitness program types	10	8	8	8	8
# of trips offered by Senior Citizen Program	55	49	64	66	68
# of events offered by Senior Citizen Program	75	98	116	118	120
# of weekly programs offered by Senior Citizen Program	32	35	36	37	39
# of visits to Sesquicentennial Pool	11,000	10,820	16,000	12,000	13,000
Total # of participants registered for Summer Camp	570	570	1,080	570	570
Total # of participants registered for Swim Lessons	340	332	400	360	375
# of teams registered in adult leagues	220	110	175	139	140
Measures of Effectiveness					
% of Events actually held	97%	97%	97%	97%	97%
Average monthly attendance at Senior Citizen Programs	1,000	1,399		1,484	1,490
% of participants "satisfied" with Summer Camp Program	98%	98%	98%	98%	98%
% of participants "satisfied" with Swim Lesson Program	94%	95%	96%	97%	97%
% of participants "satisfied" with Fitness Programs	93%	94%	94%	94%	94%
% of participants "satisfied" with Senior Citizen Program	98%	95%	96%	97%	98%
Measures of Efficiency					
Monthly Operational Costs	\$58,565	\$118,015	\$123,358	\$131,043	\$126,920
Division Expenditures per capita	\$16.66	\$33.20	\$34.70	\$36.55	\$35.40

Parks Operations	FY22 Actual	FY23 Actual	FY24 Budget	FY24 Forecast	FY25 Proposed
Inputs					
# of full time equivalents	12.6	12.6	12.6	12.6	13.6
Division Expenditures	\$2,515,754	\$2,305,999	\$2,457,797	\$2,640,878	\$2,709,636
Outputs					
Total # of Maintenance Work Orders for Parks logged	940	930	1,200	886	1,200
Total acres of Athletic fields	115.2	115.2	115.2	115.2	115.2
Total acres of Park turf areas	110.08	204.98	204.98	204.98	204.98
# of Parks maintained by the City	8	8	8	8	8
# of Special Projects Requested	7	20	15	20	25
# of parks mowed	8	8	8	8	8
Total dollars spent for dead tree removal	\$10,000	\$34,000	\$30,000	\$43,000	\$50,000
Measures of Effectiveness					
# of Parks work orders completed within 5 days	734	766	900	715	900
% of Work Orders for Parks completed within 5 Days	78%	82%	75%	81%	75%
Measures of Efficiency					
Monthly Operational Cost	\$209,646	\$192,167	\$204,816	\$220,073	\$225,803
Division Expenditures per capita	\$59.63	\$54.06	\$57.62	\$61.39	\$62.99

Facility Operations	FY22 Actual	FY23 Actual	FY24 Budget	FY24 Forecast	FY25 Proposed
Inputs					
Division Expenditures	\$1,078,176	\$1,171,966	\$1,360,190	\$1,686,846	\$1,405,030
Outputs					
Total square footage of City building facilities	155,359	176,385	178,885	178,885	178,885
Total # of Maintenance Work Orders for Buildings logged	649	726	900	709	900
Measures of Effectiveness					
# of work orders completed within 5 days	499	580	675	532	675
% of Work Orders for Building Maintenance completed within 5 days	77%	80%	75%	75%	75%
Average janitorial services cost per sq. foot (not including supplies)	\$0.96	\$1.01	\$1.17	\$1.01	\$1.20
Measures of Efficiency					
Monthly Operational Costs	\$89,848	\$97,664	\$113,349	\$140,571	\$117,086
Division Expenditures per capita	\$25.56	\$27.47	\$31.89	\$39.21	\$32.66

Department Summary

Expenditure by Division

Division	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget	% Change in Budget from FY24 to FY25
ADMINISTRATION	\$398,049	\$417,240	\$417,240	\$401,485	\$359,730	-13.8%
RECREATION PROGRAMS	1,416,180	1,480,290	1,323,892	1,572,519	1,523,044	2.9%
PARKS OPERATIONS	2,305,999	2,457,797	2,690,647	2,640,878	2,709,636	10.2%
FACILITY OPERATIONS	1,171,966	1,360,190	1,731,243	1,686,846	1,405,030	3.3%
DEPARTMENT TOTAL	\$5,292,194	\$5,715,517	\$6,163,022	\$6,301,728	\$5,997,440	4.9%

Expenditure by Classification

Classification	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget	% Change in Budget from FY24 to FY25
PERSONNEL & BENEFITS	\$1,987,552	\$2,176,572	\$2,069,588	\$2,019,409	\$2,331,420	7.1%
SUPPLIES	266,743	315,955	306,411	296,106	311,125	-1.5%
MAINTENANCE	622,992	826,801	1,140,242	1,091,423	682,851	-17.4%
SERVICES	2,005,208	2,396,189	2,381,914	2,629,894	2,610,044	8.9%
CAPITAL OUTLAY	409,699	0	264,867	264,896	62,000	0.0%
CLASSIFICATION TOTAL	\$5,292,194	\$5,715,517	\$6,163,022	\$6,301,728	\$5,997,440	4.9%

Full-Time Equivalents by Division

Division	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget	% Change in Budget from FY24 to FY25
ADMINISTRATION	2.00	2.00	2.00	2.00	2.00	0.0%
RECREATION PROGRAMS	10.70	10.70	10.70	11.00	11.00	2.8%
PARKS OPERATIONS	12.60	12.60	12.60	12.60	13.60	7.9%
PERSONNEL TOTAL	25.30	25.30	25.30	25.60	26.60	5.1%

6401 - Parks & Recreation Administration

Account Number	Account Name	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
40 - PERSONNEL & BENEFITS						
001-6401-451.4110	FULLTIME SALARIES & WAGES	\$258,769	\$275,848	\$275,848	\$265,845	\$228,520
001-6401-451.4130	OVERTIME PAY	4,878	2,287	2,287	4,834	2,380
001-6401-451.4131	HOLIDAY HRS WORKED	250	0	0	250	0
001-6401-451.4143	LONGEVITY PAY	2,215	2,335	2,335	2,335	1,265
001-6401-451.4145	INCENTIVE-CERTIFICATE PAY	0	0	0	700	900
001-6401-451.4149	CELL PHONE ALLOWANCE	854	720	720	800	720
001-6401-451.4190	TERMINATION PAYOUTS	334	0	0	2,081	0
001-6401-451.4710	SOCIAL SECURITY/MEDICARE	19,822	20,833	20,833	19,149	16,811
001-6401-451.4720	TMRS RETIREMENT	44,336	48,323	48,323	42,407	39,030
001-6401-451.4810	HEALTH/DENTAL INSURANCE	20,724	20,676	20,676	21,424	23,818
001-6401-451.4820	LIFE INSURANCE	737	811	811	761	675
001-6401-451.4830	DISABILITY INSURANCE	1,079	1,181	1,181	1,067	987
001-6401-451.4840	WORKERS COMP INSURANCE	265	277	277	259	297
001-6401-451.4850	EAP SERVICES	169	174	174	164	105
001-6401-451.4890	FLEX PLAN ADMINISTRATION	63	65	65	18	12
TOTAL PERSONNEL & BENEFITS		\$354,495	\$373,530	\$373,530	\$362,094	\$315,520
50 - SUPPLIES						
001-6401-451.5200	PERSONNEL SUPPLIES	\$0	\$450	\$450	\$250	\$450
001-6401-451.5400	OPERATING SUPPLIES	4,258	4,000	4,000	4,000	4,500
001-6401-451.5800	OPERATING EQUIPMENT<\$5000	9,383	500	500	500	500
TOTAL SUPPLIES		\$13,641	\$4,950	\$4,950	\$4,750	\$5,450
70 - SERVICES						
001-6401-451.7400	OPERATING SERVICES	\$200	\$300	\$300	\$300	\$300
001-6401-451.7401	POSTAL/COURIER SERVICES	440	500	500	539	500
001-6401-451.7510	TRAINING	1,132	4,530	4,530	1,625	4,530
001-6401-451.7520	TRAVEL EXPENSES & REIMBURSEMENTS	739	2,450	2,450	1,197	2,450
001-6401-451.7530	MEMBERSHIPS	550	480	480	480	480
001-6401-451.7800	CONTRACT SERVICES	17,500	17,500	17,500	17,500	17,500
001-6401-451.7802	CREDIT CARD FEES	9,352	13,000	13,000	13,000	13,000
TOTAL SERVICES		\$29,913	\$38,760	\$38,760	\$34,641	\$38,760
6401 - PARKS & RECREATION ADMINISTRATION		\$398,049	\$417,240	\$417,240	\$401,485	\$359,730

6420 - Recreation Programs

Account Number	Account Name	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
40 - PERSONNEL & BENEFITS						
001-6420-452.4110	FULLTIME SALARIES & WAGES	\$215,180	\$227,847	\$227,847	\$227,800	\$291,448
001-6420-452.4130	OVERTIME PAY	6,520	2,287	2,287	2,280	2,380
001-6420-452.4131	HOLIDAY HRS WORKED	0	0	0	130	0
001-6420-452.4143	LONGEVITY PAY	1,240	1,370	1,370	1,370	1,560
001-6420-452.4145	INCENTIVE-CERTIFICATE PAY	8,700	9,000	9,000	9,000	9,000
001-6420-452.4149	CELL PHONE ALLOWANCE	603	720	720	1,120	1,440
001-6420-452.4190	TERMINATION PAYOUTS	1,862	0	0	0	0
001-6420-452.4222	SEASONAL WAGES	0	0	0	2,122	0
001-6420-452.4710	SOCIAL SECURITY/MEDICARE	16,492	17,098	17,098	17,098	21,818
001-6420-452.4720	TMRS RETIREMENT	38,824	41,454	41,454	41,434	51,058
001-6420-452.4810	HEALTH/DENTAL INSURANCE	40,355	41,352	41,352	41,352	60,647
001-6420-452.4820	LIFE INSURANCE	609	696	696	754	882
001-6420-452.4830	DISABILITY INSURANCE	891	1,013	1,013	1,103	1,291
001-6420-452.4840	WORKERS COMP INSURANCE	682	700	700	997	1,328
001-6420-452.4850	EAP SERVICES	179	174	174	194	210
001-6420-452.4890	FLEX PLAN ADMINISTRATION	159	157	157	93	87
TOTAL PERSONNEL & BENEFITS		\$332,296	\$343,868	\$343,868	\$346,847	\$443,149
50 - SUPPLIES						
001-6420-452.5200	PERSONNEL SUPPLIES	\$752	\$675	\$675	\$675	\$675
001-6420-452.5400	OPERATING SUPPLIES	21,226	18,500	18,500	18,000	20,400
001-6420-452.5800	OPERATING EQUIPMENT<\$5000	3,532	6,500	5,900	5,000	8,000
TOTAL SUPPLIES		\$25,510	\$25,675	\$25,075	\$23,675	\$29,075
70 - SERVICES						
001-6420-452.7400	OPERATING SERVICES	\$9,094	\$11,000	\$11,000	\$10,000	\$11,000
001-6420-452.7510	TRAINING	3,211	2,955	3,260	3,260	2,955
001-6420-452.7520	TRAVEL EXPENSES & REIMBURSEMENTS	3,160	3,610	3,510	3,130	3,610
001-6420-452.7530	MEMBERSHIPS	470	600	600	600	480
001-6420-452.7800	CONTRACT SERVICES	14,702	29,000	29,000	297,000	29,000
001-6420-452.7910	COMMUNITY EVENTS/PROGRAMS	108,424	102,200	117,200	117,200	109,500
TOTAL SERVICES		\$139,061	\$149,365	\$164,570	\$431,190	\$156,545
6420 - RECREATION PROGRAMS		\$496,867	\$518,908	\$533,513	\$801,712	\$628,769

6422 - July 4th Program

Account Number	Account Name	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
40 - PERSONNEL & BENEFITS						
001-6422-452.4130	OVERTIME PAY	\$43,884	\$26,352	\$26,352	\$26,352	\$27,408
001-6422-452.4710	SOCIAL SECURITY/MEDICARE	3,357	2,016	2,016	2,016	2,097
001-6422-452.4720	TMRS RETIREMENT	7,268	4,715	4,715	4,715	4,576
001-6422-452.4820	LIFE INSURANCE	0	0	0	0	79
001-6422-452.4830	DISABILITY INSURANCE	0	0	0	0	115
001-6422-452.4840	WORKERS COMP INSURANCE	0	228	228	228	270
TOTAL PERSONNEL & BENEFITS		\$54,509	\$33,311	\$33,311	\$33,311	\$34,545
50 - SUPPLIES						
001-6422-452.5400	OPERATING SUPPLIES	\$5,215	\$6,500	\$2,106	\$2,106	\$6,500
TOTAL SUPPLIES		\$5,215	\$6,500	\$2,106	\$2,106	\$6,500
70 - SERVICES						
001-6422-452.7400	OPERATING SERVICES	\$1,373	\$1,000	\$0	\$0	\$1,000
001-6422-452.7401	POSTAL/COURIER SERVICES	15	0	11	11	0
001-6422-452.7481	TRANSPORTATION SERVICES	4,422	6,000	4,388	4,388	6,000
001-6422-452.7800	CONTRACT SERVICES	11,700	13,000	6,155	6,155	13,000
001-6422-452.7830	RENTAL	4,746	7,677	6,966	6,966	7,677
001-6422-452.7910	COMMUNITY EVENTS/PROGRAMS	80,956	77,550	92,101	92,100	98,000
TOTAL SERVICES		\$103,212	\$105,227	\$109,621	\$109,620	\$125,677
6422 - JULY 4TH PROGRAM		\$162,936	\$145,038	\$145,038	\$145,037	\$166,722

6423 - Summer Day Camp Program

Account Number	Account Name	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
40 - PERSONNEL & BENEFITS						
001-6423-452.4222	SEASONAL WAGES	\$82,273	\$205,812	\$102,906	\$98,522	\$128,581
001-6423-452.4710	SOCIAL SECURITY/MEDICARE	6,294	15,745	8,057	8,032	9,836
001-6423-452.4840	WORKERS COMP INSURANCE	712	1,778	888	785	1,267
TOTAL PERSONNEL & BENEFITS		\$89,279	\$223,335	\$111,851	\$107,339	\$139,684
50 - SUPPLIES						
001-6423-452.5200	PERSONNEL SUPPLIES	\$6,535	\$8,000	\$5,800	\$5,800	\$6,000
001-6423-452.5400	OPERATING SUPPLIES	16,258	28,000	16,000	16,000	16,300
TOTAL SUPPLIES		\$22,793	\$36,000	\$21,800	\$21,800	\$22,300
70 - SERVICES						
001-6423-452.7400	OPERATING SERVICES	\$516	\$650	\$650	\$650	\$650
001-6423-452.7481	TRANSPORTATION SERVICES	7,727	28,000	9,000	9,000	15,810
001-6423-452.7520	TRAVEL EXPENSES & REIMBURSEMENTS	60	800	400	400	400
001-6423-452.7612	TELEPHONE/COMMUNICATIONS	965	1,224	1,224	1,224	1,224
001-6423-452.7910	COMMUNITY EVENTS/PROGRAMS	35,637	70,000	40,000	40,000	48,040
TOTAL SERVICES		\$44,905	\$100,674	\$51,274	\$51,274	\$66,124
6423 - SUMMER DAY CAMP PROGRAM		\$156,977	\$360,009	\$184,925	\$180,413	\$228,108

6424 - Keep Frwd Beautiful Comm

Account Number	Account Name	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
50 - SUPPLIES						
001-6424-458.5200	PERSONNEL SUPPLIES	\$57	\$200	\$200	\$200	\$0
001-6424-458.5400	OPERATING SUPPLIES	13,746	13,000	16,005	15,611	13,700
TOTAL SUPPLIES		\$13,803	\$13,200	\$16,205	\$15,811	\$13,700
60 - MAINTENANCE						
001-6424-458.6210	LANDSCAPING	\$5,075	\$2,500	\$260	\$260	\$2,500
TOTAL MAINTENANCE		\$5,075	\$2,500	\$260	\$260	\$2,500
70 - SERVICES						
001-6424-458.7400	OPERATING SERVICES	\$34,532	\$33,089	\$34,893	\$34,893	\$33,089
001-6424-458.7510	TRAINING	2,352	1,500	656	656	1,500
001-6424-458.7520	TRAVEL EXPENSES & REIMBURSEMENTS	209	1,725	0	0	1,725
001-6424-458.7530	MEMBERSHIPS	200	200	200	200	200
001-6424-458.7922	KFB BEAUTIFICATION GRANTS	3,164	2,000	2,000	2,000	2,000
TOTAL SERVICES		\$40,457	\$38,514	\$37,749	\$37,749	\$38,514
6424 - KEEP FRWD BEAUTIFUL COMM		\$59,335	\$54,214	\$54,214	\$53,820	\$54,714

6428 - Stevenson Park Pool

Account Number	Account Name	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
40 - PERSONNEL & BENEFITS						
001-6428-452.4222	SEASONAL WAGES	\$64,670	\$63,453	\$63,453	\$63,453	\$73,635
001-6428-452.4710	SOCIAL SECURITY/MEDICARE	4,947	4,854	4,854	4,854	5,633
001-6428-452.4840	WORKERS COMP INSURANCE	559	548	548	548	725
TOTAL PERSONNEL & BENEFITS		\$70,176	\$68,855	\$68,855	\$68,855	\$79,993
50 - SUPPLIES						
001-6428-452.5200	PERSONNEL SUPPLIES	\$2,747	\$4,400	\$4,400	\$4,400	\$4,400
001-6428-452.5400	OPERATING SUPPLIES	4,524	4,100	4,100	4,100	4,900
001-6428-452.5495	CHEMICALS	15,744	18,000	18,000	15,000	18,000
001-6428-452.5620	JANITORIAL SUPPLIES	300	300	300	300	300
001-6428-452.5800	OPERATING EQUIPMENT<\$5000	8,253	9,000	3,166	3,166	9,000
TOTAL SUPPLIES		\$31,568	\$35,800	\$29,966	\$26,966	\$36,600
60 - MAINTENANCE						
001-6428-452.6210	LANDSCAPING	\$3,933	\$500	\$500	\$400	\$500
001-6428-452.6561	SWIMMING POOL MAINTENANCE	6,674	3,000	3,000	3,000	5,300
001-6428-452.6600	FACILITY MAINTENANCE	5,301	5,500	5,500	5,500	5,500
TOTAL MAINTENANCE		\$15,908	\$9,000	\$9,000	\$8,900	\$11,300
70 - SERVICES						
001-6428-452.7400	OPERATING SERVICES	\$0	\$1,000	\$1,000	\$950	\$1,000
001-6428-452.7510	TRAINING	200	0	250	200	250
001-6428-452.7510	TRAINING - STEVENSON POOL	0	250	0	0	0
001-6428-452.7520	TRAVEL EXPENSES & REIMBURSEMENTS	0	50	50	0	50
001-6428-452.7611	ELECTRICITY	15,323	14,496	14,496	14,496	14,850
001-6428-452.7613	NATURAL GAS	331	3,800	3,800	350	3,800
001-6428-452.7620	JANITORIAL SERVICES	1,080	1,080	1,080	1,080	1,080
001-6428-452.7800	CONTRACT SERVICES	1,245	5,000	5,000	5,000	5,000
001-6428-452.7910	COMMUNITY EVENTS/PROG	368	0	0	0	0
TOTAL SERVICES		\$18,547	\$25,676	\$25,676	\$22,076	\$26,030
80 - CAPITAL OUTLAY						
001-6428-452.8400	CAPITAL OPERATING EQUIP	\$0	\$0	\$5,834	\$5,853	\$0
TOTAL CAPITAL OUTLAY		\$0	\$0	\$5,834	\$5,853	\$0
6428 - STEVENSON PARK POOL		\$136,199	\$139,331	\$139,331	\$132,650	\$153,923

6429 - Senior Activity Center

Account Number	Account Name	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
40 - PERSONNEL & BENEFITS						
001-6429-452.4110	FULLTIME SALARIES & WAGES	\$118,178	\$122,205	\$122,205	\$119,154	\$124,903
001-6429-452.4130	OVERTIME PAY	1,404	3,420	3,420	681	3,569
001-6429-452.4143	LONGEVITY PAY	1,360	1,480	1,480	1,480	1,610
001-6429-452.4145	INCENTIVE-CERTIFICATE PAY	600	600	600	1,200	1,200
001-6429-452.4220	PART-TIME WAGES W/O BENEFITS	15,735	17,354	24,854	24,454	35,487
001-6429-452.4710	SOCIAL SECURITY/MEDICARE	10,012	10,621	10,621	10,263	12,254
001-6429-452.4720	TMRS RETIREMENT	20,157	21,946	21,946	20,498	21,918
001-6429-452.4810	HEALTH/DENTAL INSURANCE	19,822	20,682	20,682	19,684	21,884
001-6429-452.4820	LIFE INSURANCE	333	368	368	346	379
001-6429-452.4830	DISABILITY INSURANCE	487	536	536	506	554
001-6429-452.4840	WORKERS COMP INSURANCE	1,308	1,383	1,383	1,395	1,980
001-6429-452.4850	EAP SERVICES	116	116	116	106	105
001-6429-452.4890	FLEX PLAN ADMINISTRATION	43	43	43	82	75
TOTAL PERSONNEL & BENEFITS		\$189,555	\$200,754	\$208,254	\$199,849	\$225,918
50 - SUPPLIES						
001-6429-452.5200	PERSONNEL SUPPLIES	\$100	\$300	\$300	\$100	\$300
001-6429-452.5301	FUEL	571	2,360	2,360	2,154	3,000
001-6429-452.5400	OPERATING SUPPLIES	2,742	3,800	3,800	3,800	3,800
001-6429-452.5800	OPERATING EQUIPMENT<\$5000	3,192	4,500	3,500	3,500	4,500
TOTAL SUPPLIES		\$6,605	\$10,960	\$9,960	\$9,554	\$11,600
60 - MAINTENANCE						
001-6429-452.6300	VEHICLE MAINTENANCE	\$7,148	\$4,000	\$500	\$500	\$4,000
TOTAL MAINTENANCE		\$7,148	\$4,000	\$500	\$500	\$4,000
70 - SERVICES						
001-6429-452.7311	VEHICLE INSURANCE	\$1,654	\$2,142	\$2,142	\$3,951	\$3,581
001-6429-452.7401	POSTAL/COURIER SERVICES	0	50	50	0	50
001-6429-452.7498	JUDGMENTS & DAMAGE CLAIMS	0	500	500	0	500
001-6429-452.7510	TRAINING	475	150	750	575	150
001-6429-452.7520	TRAVEL EXPENSES & REIMBURSEMENTS	481	200	200	93	975
001-6429-452.7612	TELEPHONE/COMMUNICATIONS	0	150	150	0	150
001-6429-452.7831	VEHICLE LEASE-INTERNAL	0	23,884	23,884	23,884	23,884
001-6429-452.7910	COMMUNITY EVENTS/PROGRAMS	22,015	20,000	20,481	20,481	20,000
TOTAL SERVICES		\$24,625	\$47,076	\$48,157	\$48,984	\$49,290
80 - CAPITAL OUTLAY						
001-6429-452.8300	VEHICLES	\$175,933	\$0	\$0	\$0	\$0
TOTAL CAPITAL OUTLAY		\$175,933	\$0	\$0	\$0	\$0
6429 - SENIOR ACTIVITY CENTER		\$403,866	\$262,790	\$266,871	\$258,887	\$290,808

6430 - Parks Operations

Account Number	Account Name	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
40 - PERSONNEL & BENEFITS						
001-6430-456.4110	FULLTIME SALARIES & WAGES	\$582,193	\$611,218	\$608,218	\$583,171	\$690,840
001-6430-456.4120	PART-TIME WAGES	17,890	20,966	20,966	18,881	35,368
001-6430-456.4130	OVERTIME PAY	17,336	11,455	11,455	10,549	11,919
001-6430-456.4131	HOLIDAY HRS WORKED	3,443	0	0	3,223	0
001-6430-456.4143	LONGEVITY PAY	5,358	5,380	5,380	4,145	4,905
001-6430-456.4145	INCENTIVE-CERTIFICATE PAY	2,715	2,700	2,700	3,770	4,740
001-6430-456.4149	CELL PHONE ALLOWANCE	1,975	2,040	2,040	2,040	3,420
001-6430-456.4190	TERMINATION PAYOUTS	4,008	0	0	1,072	0
001-6430-456.4710	SOCIAL SECURITY/MEDICARE	47,150	48,485	48,485	47,378	54,504
001-6430-456.4720	TMRS RETIREMENT	105,261	112,349	112,349	110,909	125,412
001-6430-456.4810	HEALTH/DENTAL INSURANCE	98,769	107,146	107,146	105,669	148,193
001-6430-456.4820	LIFE INSURANCE	1,644	1,826	1,826	1,710	2,065
001-6430-456.4830	DISABILITY INSURANCE	2,943	2,658	2,658	2,556	3,022
001-6430-456.4840	WORKERS COMP INSURANCE	5,529	5,648	5,648	5,210	7,399
001-6430-456.4850	EAP SERVICES	682	697	697	679	683
001-6430-456.4890	FLEX PLAN ADMINISTRATION	346	351	351	152	141
TOTAL PERSONNEL & BENEFITS		\$897,242	\$932,919	\$929,919	\$901,114	\$1,092,611
50 - SUPPLIES						
001-6430-456.5200	PERSONNEL SUPPLIES	\$8,796	\$11,500	\$11,500	\$8,183	\$11,850
001-6430-456.5300	VEHICLE SUPPLIES	0	4,250	4,250	4,250	0
001-6430-456.5301	FUEL	23,019	22,320	22,320	22,320	22,500
001-6430-456.5400	OPERATING SUPPLIES	32,551	37,500	37,500	37,500	39,250
001-6430-456.5620	JANITORIAL SUPPLIES	14,613	17,500	17,500	17,500	17,500
001-6430-456.5800	OPERATING EQUIPMENT<\$5000	32,409	44,800	58,279	58,279	44,800
TOTAL SUPPLIES		\$111,388	\$137,870	\$151,349	\$148,032	\$135,900
60 - MAINTENANCE						
001-6430-456.6210	LANDSCAPING	\$12,507	\$20,000	\$25,329	\$24,314	\$20,000
001-6430-456.6220	LIGHTING MAINTENANCE	33,323	34,000	36,000	35,768	38,000
001-6430-456.6300	VEHICLE MAINTENANCE	15,178	22,500	22,500	20,136	27,250
001-6430-456.6400	OPERATING MAINTENANCE	135,187	236,100	261,009	261,009	223,100
001-6430-456.6800	EQUIPMENT MAINTENANCE	11,756	16,650	19,678	17,003	16,650
TOTAL MAINTENANCE		\$207,951	\$329,250	\$364,516	\$358,230	\$325,000
70 - SERVICES						
001-6430-456.7311	VEHICLE INSURANCE	\$5,709	\$7,391	\$7,391	\$7,391	\$8,620
001-6430-456.7400	OPERATING SERVICES	1,185	0	12,710	6,533	0
001-6430-456.7498	JUDGMENTS & DAMAGE CLAIMS	0	1,000	1,000	500	1,000
001-6430-456.7510	TRAINING	2,263	6,035	6,035	3,543	4,635
001-6430-456.7520	TRAVEL EXPENSES & REIMBURSEMENTS	949	1,250	1,250	581	1,250
001-6430-456.7530	MEMBERSHIPS	470	500	500	500	500
001-6430-456.7611	ELECTRICITY	180,762	169,092	169,092	172,856	173,218
001-6430-456.7612	TELEPHONE/COMMUNICATIONS	456	300	1,018	800	800
001-6430-456.7620	JANITORIAL SERVICES	62,953	61,640	65,948	65,646	68,040
001-6430-456.7625	SAFETY SERVICES	1,809	2,000	2,000	1,733	2,000
001-6430-456.7670	LANDSCAPING SERVICES	272,106	388,350	388,350	388,350	388,350

6430 - Parks Operations (continued)

Account Number	Account Name	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
001-6430-456.7680	MOWING SERVICES	322,007	364,470	398,593	398,593	386,814
001-6430-456.7800	CONTRACT SERVICES	1,024	2,000	2,000	1,500	2,000
001-6430-456.7830	RENTAL	0	4,000	4,000	0	4,000
001-6430-456.7831	VEHICLE LEASE-INTERNAL	49,730	49,730	49,730	49,730	52,898
TOTAL SERVICES		\$901,423	\$1,057,758	\$1,109,617	\$1,098,256	\$1,094,125
80 - CAPITAL OUTLAY						
001-6430-456.8200	OTHER PROPERTY IMPROVEMENTS	\$136,311	\$0	\$110,072	\$110,072	\$0
001-6430-456.8300	VEHICLES	0	0	0	0	62,000
001-6430-456.8800	CAPITAL EQUIPMENT	51,684	0	25,174	25,174	0
TOTAL CAPITAL OUTLAY		\$187,995	\$0	\$135,246	\$135,246	\$62,000
6430 - PARKS OPERATIONS		\$2,305,999	\$2,457,797	\$2,690,647	\$2,640,878	\$2,709,636

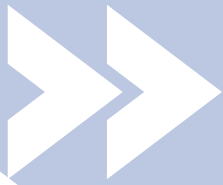
6460 - Facility Operations

Account Number	Account Name	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
50 - SUPPLIES						
001-6460-419.5400	OPERATING SUPPLIES	\$31,722	\$34,000	\$34,000	\$34,000	\$39,000
001-6460-419.5800	OPERATING EQUIPMENT<\$5000	4,498	11,000	11,000	9,412	11,000
TOTAL SUPPLIES		\$36,220	\$45,000	\$45,000	\$43,412	\$50,000
60 - MAINTENANCE						
001-6460-419.6210	LANDSCAPING	\$0	\$1,001	\$1,001	\$1,000	\$1,001
001-6460-419.6220	LIGHTING MAINTENANCE	4,374	5,000	5,000	5,000	5,000
001-6460-419.6600	FACILITY MAINTENANCE	373,676	418,050	707,257	707,257	274,050
001-6460-419.6610	BUILDING RENOVATIONS	8,500	0	0	0	0
001-6460-419.6620	CONTINGENCY	0	50,000	42,190	0	50,000
001-6460-419.6801	EMERGENCY GENERATOR MAINT	360	8,000	10,518	10,276	10,000
TOTAL MAINTENANCE		\$386,910	\$482,051	\$765,966	\$723,533	\$340,051
70 - SERVICES						
001-6460-419.7611	ELECTRICITY	\$268,060	\$260,643	\$260,643	\$260,643	\$269,431
001-6460-419.7612	TELEPHONE/COMMUNICATIONS	103,075	110,000	110,000	110,000	110,000
001-6460-419.7613	NATURAL GAS	8,414	6,700	6,700	7,813	6,700
001-6460-419.7620	JANITORIAL SERVICES	168,159	209,600	207,792	207,792	249,652
001-6460-419.7625	SAFETY SERVICES	7,096	8,500	8,500	7,000	8,500
001-6460-419.7670	LANDSCAPING SERVICES	77,959	104,434	104,434	104,434	104,434
001-6460-419.7680	MOWING SERVICES	39,230	92,050	57,927	57,927	92,050
001-6460-419.7800	CONTRACT SERVICES	26,760	33,900	33,182	33,182	166,900
001-6460-419.7830	RENTAL	4,312	7,312	7,312	7,313	7,312
TOTAL SERVICES		\$703,065	\$833,139	\$796,490	\$796,104	\$1,014,979
80 - CAPITAL OUTLAY						
001-6460-419.8230	PARKING/DRIVEWAYS/SIDEWALKS	\$0	\$0	\$32,000	\$32,000	\$0
001-6460-419.8800	CAPITAL EQUIPMENT	45,771	0	91,787	91,797	0
TOTAL CAPITAL OUTLAY		\$45,771	\$0	\$123,787	\$123,797	\$0
6460 - FACILITY OPERATIONS		\$1,171,966	\$1,360,190	\$1,731,243	\$1,686,846	\$1,405,030

Supplemental Information







Personnel by Department Schedule



Personnel by Department

Full-Time Equivalents

Three Year Comparison

	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
Municipal Clerk	4.00	4.00	3.00	3.00	3.00
Total City Secretary	4.00	4.00	3.00	3.00	3.00
Administration	4.00	4.00	4.00	4.00	4.00
Total City Manager	4.00	4.00	4.00	4.00	4.00
Finance - (GF)	8.00	8.00	7.00	7.00	7.00
Finance - (WS)	4.00	4.00	4.00	4.00	4.00
Total Finance	12.00	12.00	11.00	11.00	11.00
Human Resources	4.00	4.00	4.00	4.00	4.00
Risk Management	1.00	1.00	1.00	1.00	1.00
Human Resources	5.00	5.00	5.00	5.00	5.00
Information Technology	6.00	7.50	7.50	7.50	7.50
Information Technology	6.00	7.50	7.50	7.50	7.50
City Attorney	2.15	2.15	3.15	3.20	2.20
City Attorney	2.15	2.15	3.15	3.20	2.20
Municipal Court	4.60	4.60	4.60	4.60	4.60
Municipal Court	4.60	4.60	4.60	4.60	4.60
Communications	0.00	0.00	3.00	3.00	3.00
Communications	0.00	0.00	3.00	3.00	3.00
Administration	5.00	5.00	5.00	5.00	5.00
Communications	14.60	14.60	14.60	14.60	15.60
Patrol	50.80	52.40	53.40	54.40	52.00
DOT Patrol	1.00	1.00	1.00	1.00	1.00
Criminal Investigations	15.00	15.00	13.00	12.00	12.00
Animal Control	4.00	4.00	4.00	4.00	4.00
Total Police	90.40	92.00	91.00	91.00	89.60
Administration	6.38	7.38	7.38	7.38	2.00
Fire Prevention	0.00	0.00	0.00	0.07	3.45
Emergency Management	1.00	1.00	1.00	1.00	2.00
Emergency Medical Services	0.00	0.00	0.00	0.00	20.54
Total Emergency Services	7.38	8.38	8.38	8.45	27.99
Administration	2.00	2.50	2.50	2.50	2.50
Planning and Zoning	3.00	3.00	3.00	3.00	3.00
Inspection/Code Enforcement	4.70	4.70	4.70	5.00	5.00
Geographic Information Services	2.00	2.00	2.00	2.00	2.00
Total Community Development	11.70	12.20	12.20	12.50	12.50

Personnel by Department

Full-Time Equivalents

Three Year Comparison (continued)

	FY23 Actual	FY24 Original Budget	FY24 Amended Budget	FY24 Year End Estimate	FY25 Proposed Budget
Administration - (GF)	2.00	2.00	2.00	2.00	2.00
Administration - (WS)	3.00	3.00	3.00	3.00	3.00
Street Operations	13.00	13.00	13.00	13.00	13.00
Drainage Operations	4.00	4.00	4.00	4.00	4.00
Water Utilities	7.00	7.00	7.00	8.00	8.00
Sewer Utilities	7.00	7.00	7.00	6.00	7.00
Water Operations	4.30	4.30	4.30	4.00	5.00
Sewer Operations	4.00	4.00	4.00	4.00	5.00
Utility Customer Service	2.00	3.00	3.00	3.00	3.00
Total Public Works	46.30	47.30	47.30	47.00	50.00
Engineering (GF)	4.45	4.45	4.45	4.45	4.45
Engineering (WS)	4.00	5.00	5.00	5.00	5.00
Total Engineering	8.45	9.45	9.45	9.45	9.45
Administration	15.62	15.62	15.62	15.32	15.32
Total Library Services	15.62	15.62	15.62	15.32	15.32
Administration	2.00	2.00	2.00	2.00	2.00
Recreation Programs	10.70	10.70	10.70	11.00	11.00
Parks Operations	12.60	12.60	12.60	12.60	13.60
Total Parks And Recreation	25.30	25.30	25.30	25.60	26.60
Total Personnel	242.90	249.50	250.50	250.62	271.76

FY25 Proposed Additions/Changes:

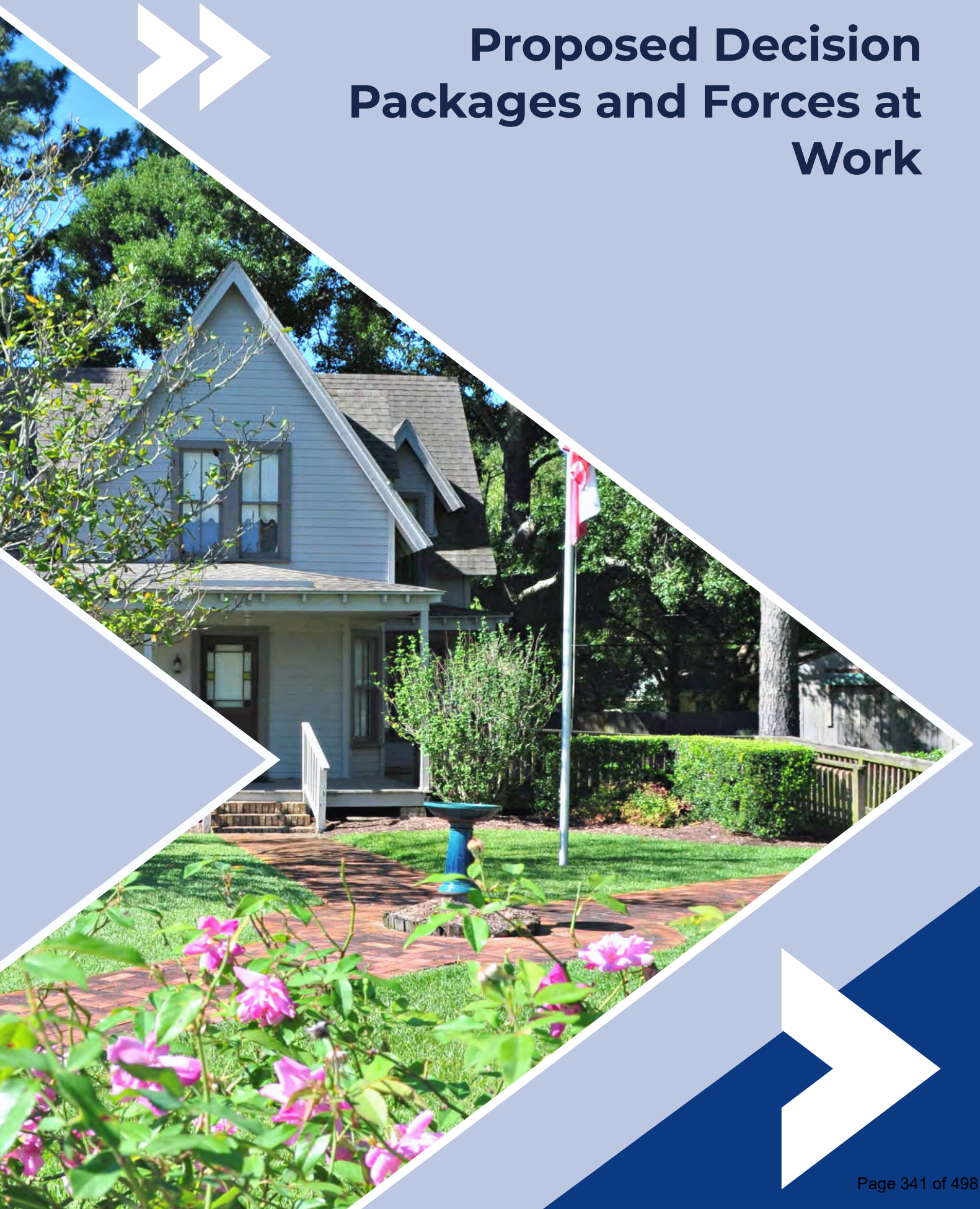
- *1.0 FTE addition Parks Maintenance Worker
- *13.0 FTE addition Emergency Services Personnel for full time positions
- *6.54 FTE addition Emergency Services Personnel for part-time positions
- *1.0 FTE addition Public Works Equipment Operator
- *1.0 FTE addition Public Works Sewer Operator
- *1.0 FTE addition Public Works Water Operator
- *1.0 FTE moved from City Attorney's Office to Police Department Communications
- *2.4 FTE removed from Police Department Patrol (crossing guards)

FY24 Mid-Year Additions/Changes:

- *1.0 FTE addition City Attorney's Office Paralegal
- *2.0 FTE moved from City Manager's Office to Communications Department
- *1.0 FTE moved from Finance Department to City Manager's Office
- *1.0 FTE moved from City Secretary's Office to City Manager's Office
- *2.0 FTE moved from Police Department Criminal Investigations to Communications Department
- *1.0 FTE moved from Public Works Sewer Utilities to Water Utilities to reflect actual
- *0.3 FTE removed from Library Department to reflect staffing changes
- *0.3 FTE moved from Public Works Water Operations to Community Development Inspections/Code Enforcement
- *0.05 FTE addition to City Attorney's Office to reflect actual
- *0.3 FTE addition to Parks & Recreation Department Senior Program



Proposed Decision Packages and Forces at Work



FY 2024-25 Decision Packages

(Included in the Proposed Budget)

General Fund

Dept	Description	One Time Cost	Ongoing Cost	Total	Outside Revenue Sources	Net Total
City Wide	Windstorm Insurance Increase (3%)	\$0	\$25,220	\$25,220	\$0	\$25,220
City Wide	Auto Liability Insurance Increase (7%)	0	20,768	20,768	0	20,768
City Wide	Real & Personal Property Insurance Increase (13%)	0	16,431	16,431	0	16,431
P&R	Facility Electricity Increase (2%)	0	10,898	10,898	0	10,898
PW_St	Streets Electricity Increase (2%)	0	11,488	11,488	0	11,488
City Wide	Health Insurance Increase (5%)	0	104,764	104,764	0	104,764
City Wide	Workers Compensation Increase	0	29,899	29,899	0	29,899
DES_EMS	EMS Onboarding	0	2,972,772	2,972,772	1,035,000	1,937,772
FVFD_Fire	FVFD Fire Contract Reduction	0	64,195	64,195	247,981	(183,786)
FVFD_EMS	EMS Contract Elimination	0	0	0	1,022,840	(1,022,840)
PD_Admin	Police Policy Accreditation	40,000	26,920	66,920	1,920	65,000
PD_Patrol	12-Hour Shifts + Vehicle	93,725	300,555	394,280	255,340	138,940
PD_Patrol	Crossing Guard Elimination (reduction in revenues)	0	0	0	(91,582)	91,582
PD_Patrol	CCISD School Crossing Guard Agreement	0	18,534	18,534	0	18,534
ENG	Additional Vehicle (Stormwater)	50,000	3,500	53,500	0	53,500
P&R_Pk	Quaker's Landing Buyout lots-Mowing & Maintenance	0	29,600	29,600	0	29,600
P&R_Pk	Maintenance Worker + Vehicle (+1.0 FTE)	62,000	87,372	149,372	0	149,372
Total Forces at Work		\$245,725	\$3,722,916	\$3,968,641	\$2,471,499	\$1,497,142

Dept	Description	One Time Cost	Ongoing Cost	Total	Outside Revenue Sources	Net Total
PD/CAO	Temporary Records Specialist, FY25-FY26	\$0	\$89,624	\$89,624	\$89,624	\$0
P&R_SDC	Holiday Camps	0	27,000	27,000	27,000	0
City Wide	Salary Adjustments / Merit 4.0%	0	888,603	888,603	0	888,603
Total Decision Packages		\$0	\$1,005,227	\$1,005,227	\$116,624	\$888,603
Total FAW & Decision Packages for General Fund		\$245,725	\$4,728,143	\$4,973,868	\$2,588,123	\$2,385,745

FY 2024-25 Decision Packages (continued)

(Included in the Proposed Budget)

Water and Sewer Fund

Dept	Description	186	Ongoing Cost	Total	Outside Revenue Sources	Net Total
City Wide	Real & Personal Property Insurance Increase (13%)	0	13,444	13,444	0	13,444
PW	Electricity Increase (2%)	0	8,217	8,217	0	8,217
City Wide	Health Insurance Increase (5%)	0	18,401	18,401	0	18,401
City Wide	Workers Compensation Increase	0	3,375	3,375	0	3,375
PW_SU	Blackhawk WW Operations Increase @ 5%	0	143,262	143,262	0	143,262
PW_WO	City of Houston Cash Call 42" SETL	2,515,039	0	2,515,039	0	2,515,039
PW_SU	Southeast Water Purification Plant - CIP Program 2023-2027 (Year 3)	431,198	0	431,198	0	431,198
Total Forces at Work		\$2,946,237	\$186,699	\$3,132,936	\$0	\$3,132,936

Dept	Description	One Time Cost	Ongoing Cost	Total	Outside Revenue Sources	Net Total
City Wide	Salary Adjustments / Merit 4.0%	\$0	\$109,579	\$109,579	\$0	\$109,579
PW_SO	Sewer Operator + Vehicle (+1.0 FTE)	45,000	97,826	142,826	0	142,826
PW_SU	Equipment Operator - Sewer Utilities (+1.0 FTE)	0	89,646	89,646	0	89,646
PW_WO	Water Operator + Vehicle (+1.0 FTE)	45,000	97,826	142,826	0	142,826
PW_Admin	Administrative Vehicle	55,000	4,500	59,500	0	59,500
ENG	Wastewater Master Plan	1,000,000	0	1,000,000	0	1,000,000
Total Decision Packages		\$1,145,000	\$399,377	\$1,544,377	\$0	\$1,544,377
Total FAW & Decision Packages for Water & Sewer Fund		\$4,091,237	\$586,076	\$4,677,313	\$0	\$4,677,313

FY 2024-25 Submitted Decision Packages

(Not included in the Proposed Budget)

General Fund

Dept	Description	One Time Cost	Ongoing Cost	Total	Outside Revenue Sources	Net Total
COMM	Social Media Posts		\$10,000	\$10,000		\$10,000
PD_Comm	PD Records Specialist (+1.0 FTE)		91,858	91,858		91,858
PW_St	Equipment Operator - Streets (+1.0 FTE)		86,583	86,583		86,583
DES_EMS	Full-time Paramedic Conversion (+3.0 FTE)		422,092	422,092	227,625	194,467
P&R_Pk	Weekday Laborer (+1.0 FTE)		65,090	65,090		65,090
IT	Cloud Backup Service		17,000	17,000		17,000
HR	Benefit Specialist (+1.0 FTE)	4,000	91,244	95,244		95,244
PD_AC	Animal Control Officer + Vehicle (+1.0 FTE)	78,800	97,029	175,829		175,829
CSO	Temporary Records Technician (part-time)	24,823		24,823		24,823
PW_St	Maintenance Worker (+1.0 FTE)		79,346	79,346		79,346
CDD_GIS	Geographic Information Systems Analyst (+1.0 FTE)	5,000	100,507	105,507		105,507
PW_St	Streets/Sign Shop Vehicle	45,000	4,500	49,500		49,500
PW_St	Maintenance Worker (+1.0 FTE)		79,346	79,346		79,346
ENG	City-Wide Traffic Study	200,000		200,000		200,000
CAO	Legal Services/Litigation Deductibles/Damages		50,000	50,000		50,000
PW_St	Crew Leader + Vehicle (+1.0 FTE)	75,000	102,840	177,840		177,840
DES_FM	Deputy Fire Marshal II + Vehicle (+1.0 FTE)	65,000	158,728	223,728		223,728
P&R_Rec	Summer Camp Staff Wage Increase		8,594	8,594		8,594
P&R_Rec	Summer Pool Staff Wage Increase		7,596	7,596		7,596
P&R_Rec	City University		500	500		500
P&R_Rec	Relevant Special Event Programming		8,500	8,500		8,500
P&R_Pk	Lake Friendswood Fish Feeding & Restocking Program	6,500	3,500	10,000		10,000
ENG	Sunset Drive Signal Rehabilitation & Optimization	2,250,000		2,250,000		2,250,000
P&R_Rec	Lake Friendswood Kayak/Paddleboard Rental Kiosk	18,000		18,000		18,000
Total Unfunded Decision Packages for General Fund		\$2,772,123	\$1,484,853	\$4,256,976	\$227,625	\$4,029,351

Water & Sewer Fund

There were no unfunded decision packages for the Water & Sewer Fund.

Tax Information



Estimated Ad Valorem Tax Collections - GCAD & HCAD Certified Roll

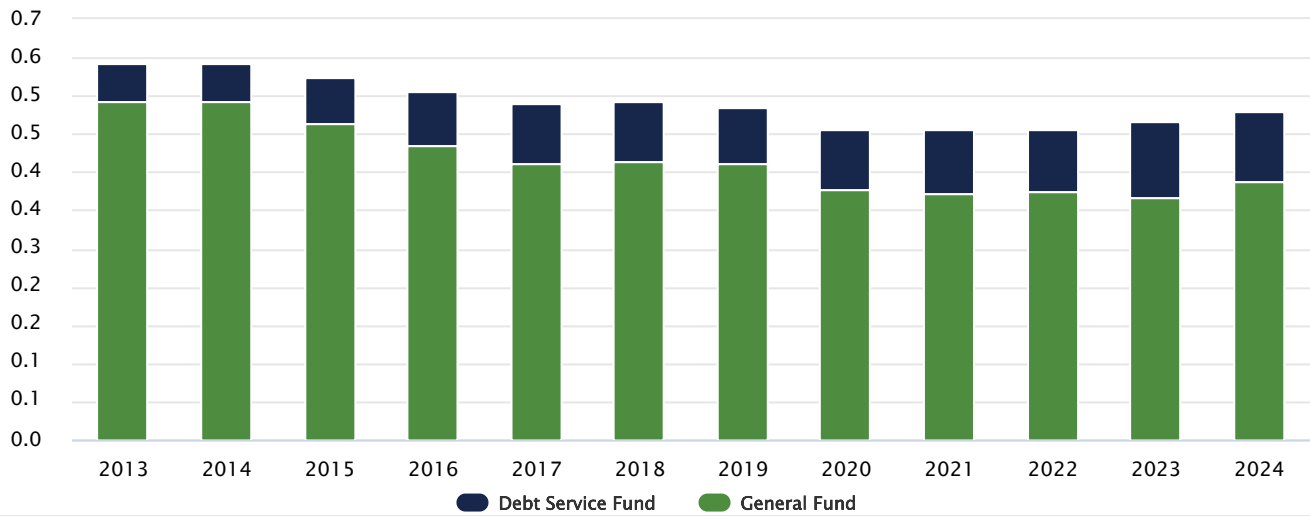
Estimated Taxable Value as of July 25, 2024	\$4,838,479,600	
Divided by 100	100	
Rate Base	\$48,384,796	
Tax Rate	0.514172	
Estimated Tax Levy	\$24,878,123	
Estimated Collection Rate	100%	
Adjusted Tax Collections		\$24,878,123
Estimated Value Over 65 Frozen Ceilings	\$562,958,019	
Divided by 100	100	
Rate Base	\$5,629,580	
Tax Rate	0.5142	
Estimated Collection Rate & Levy of Over 65 Frozen Ceilings	100%	\$2,894,575
Estimated Total Tax Levy		\$27,772,698

Taxable Value and Levy Comparison

Fiscal Year Ending	Tax Year	Total Taxable Assessed Value	Homestead Exemption	Tax Rate	Total Tax Levy	Percent Increase Over Prior Year
2009-10	2009	\$2,271,459,062	20%	\$0.5797	\$13,167,648	1.30%
2010-11	2010	\$2,336,118,472	20%	\$0.5851	\$13,668,629	3.80%
2011-12	2011	\$2,362,929,430	20%	\$0.5902	\$13,947,215	2.00%
2012-13	2012	\$2,392,531,721	20%	\$0.5970	\$14,283,414	2.40%
2013-14	2013	\$2,502,557,278	20%	\$0.5914	\$14,653,660	2.60%
2014-15	2014	\$2,633,486,696	20%	\$0.5914	\$15,440,708	5.40%
2015-16	2015	\$2,926,095,717	20%	\$0.5687	\$16,403,663	6.20%
2016-17	2016	\$3,173,373,806	20%	\$0.5460	\$17,009,094	3.70%
2017-18	2017	\$3,408,383,083	20%	\$0.5273	\$17,569,799	3.30%
2018-19	2018	\$3,450,838,554	20%	\$0.5324	\$17,952,134	2.20%
2019-20	2019	\$3,672,191,991	20%	\$0.5214	\$18,699,976	4.20%
2020-21	2020	\$3,964,590,381	20%	\$0.4873	\$18,882,531	1.00%
2021-22	2021	\$4,426,931,320	20%	\$0.4873	\$20,844,802	10.40%
2022-23	2022	\$4,892,851,387 *	20%	\$0.4873	\$22,767,312	9.20%
2023-24	2023	\$5,023,334,676	20%	\$0.5007	\$25,153,251	10.50%
2024-25	2024	\$5,401,437,619	20%	\$0.5142	\$27,772,698	10.40%

* Prior years' value and levy adjusted based on supplemental tax rolls after initial certification and budget adoption.

Historical Tax Rate Comparison



Fiscal Year	Tax Year	General Fund	Debt Service Fund	Total Tax Rate*
2013-14	2013	\$0.5303	\$0.0611	\$0.5914
2014-15	2014	\$0.5303	\$0.0611	\$0.5914
2015-16	2015	\$0.4972	\$0.0715	\$0.5687
2016-17	2016	\$0.4620	\$0.0840	\$0.5460
2017-18	2017	\$0.4323	\$0.0950	\$0.5273
2018-19	2018	\$0.4372	\$0.0952	\$0.5324
2019-20	2019	\$0.4322	\$0.0892	\$0.5214
2020-21	2020	\$0.3922	\$0.0952	\$0.4873
2021-22	2021	\$0.3851	\$0.1022	\$0.4873
2022-23	2022	\$0.3886	\$0.0987	\$0.4873
2023-24	2023	\$0.3794	\$0.1213	\$0.5007
2024-25	2024	\$0.4042	\$0.1100	\$0.5142

* Tax Rate Includes 20% Homestead Exemption

Sales Tax Revenue Comparison FY23 through FY25

Month of Receipt	FY23 Actual	FY24 Forecast	FY25 Proposed General Fund	FY25 Proposed Streets*	FY25 Proposed Economic Dev**	FY25 Proposed Budget
December	\$995,964	\$953,780	\$715,335	\$178,834	\$59,611	\$953,780
January	\$1,008,127	\$1,022,482	\$766,862	\$191,715	\$63,905	\$1,022,482
February	\$1,495,941	\$1,424,481	\$1,068,361	\$267,090	\$89,030	\$1,424,481
March	\$955,646	\$933,114	\$699,835	\$174,959	\$58,320	\$933,114
April	\$827,764	\$938,643	\$703,982	\$175,996	\$58,665	\$938,643
May	\$1,160,344	\$1,174,314	\$880,735	\$220,184	\$73,395	\$1,174,314
June	\$875,834	\$1,006,390	\$754,793	\$188,698	\$62,899	\$1,006,390
July	\$953,932	\$954,945	\$716,209	\$179,052	\$59,684	\$954,945
August	\$1,178,761	\$1,168,507	\$876,380	\$219,095	\$73,032	\$1,168,507
September	\$1,102,511	\$820,191	\$615,143	\$153,786	\$51,262	\$820,191
October	\$1,015,438	\$853,242	\$639,931	\$159,983	\$53,328	\$853,242
November	\$1,279,101	\$1,139,137	\$854,353	\$213,588	\$71,196	\$1,139,137
Total	\$12,849,363	\$12,389,226	\$9,291,919	\$2,322,980	\$774,327	\$12,389,226

*Fund established in FY17 to record sales tax revenue collected for City streets maintenance and improvements.

**Fund established in FY17 to record sales tax revenue collected for economic development improvements of the City's downtown area.

City of Friendswood's sales tax rate increased from 7.75% to 8.25% with voter approval in May 2016. The 1/2 cent sales tax rate increase is distributed in the following manner:

\$0.00375 for Streets maintenance and improvements

\$0.00125 for Economic Development improvements in the City's downtown area

The sales tax revenue for Street improvements was reauthorized by voters on the May 2024 ballot.

Glossary Abbreviations and Acronyms

(reviewed and
updated annually)



Glossary

ACCRUAL BASIS

Recognition of the financial effects of transactions, events and circumstances in the period(s) in which they occur regardless of when the cash is received or paid.

AD VALOREM TAX

A tax based on value (e.g., a property tax).

AMERICAN RESCUE PLAN ACT (ARPA)

The American Rescue Plan will deliver \$350 billion for eligible state, local, territorial, and Tribal governments to respond to the COVID-19 emergency and bring back jobs. This federal funding, also known as Coronavirus State and Local Fiscal Recovery Funds, will provide the City with \$8.78 million dollars to be used on water, sewer, and broadband infrastructure.

AMORTIZATION

The process of paying the principal amount of an issue of bonds by the periodic payments either directly to bondholders or to a sinking fund for the benefit of bondholders. Payments are usually calculated to include interest in addition to a partial payment of the original principal amount.

ANNUAL COMPREHENSIVE FINANCIAL REPORT (ACFR)

A set of financial statements comprising the financial report of the municipality that complies with the accounting requirements promulgated by the Government Accounting Standards Board (GASB). The auditor's report is usually attached to the ACFR.

APPROPRIATION

A legal authorization granted by a legislative body (City Council) to make expenditures and to incur obligations for specific purposes. An appropriation usually is limited in amount and time it may be expended.

ARBITRAGE

Transactions by which securities are bought and sold in different markets at the same time for the sake of profit arising from a difference in prices in the two markets. With respect to the issuance of municipal bonds, arbitrage usually refers to the difference between the interest paid on the bonds issued and the interest earned by investing the bond proceeds in other securities.

ASSESSED VALUATION

A valuation set upon real estate or other property by a government as a basis for levying taxes.

ASSETS

Resources owned by the City which have monetary value.

ASSIGNED FUND BALANCE

Fund balance amounts that are self-imposed by the City to be used for particular purpose. Fund balance can be assigned by the City Council or the City Manager, pursuant to the City's fund balance policy.

BALANCED BUDGET

A budgeting term used to signify budgeted expenditures are offset by budgeted revenues. In some instances reserves set aside for a specific use could be included to offset budgeted expenditures; i.e. election equipment reserves set aside in previous fiscal years to replace outdated equipment in a future fiscal year.

BASIS OF ACCOUNTING

A term used to refer to when revenues, expenditures, expenses, and transfers-and the related assets and liabilities-are recognized in the accounts and reported in the financial statements. Specifically, it relates to the timing of the measurements made, regardless of the nature of the measurement, on either the cash or the accrual method.

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 rate.

BUDGET

A plan of financial operation embodying an estimate of proposed expenditures for any given period and the proposed means of financing them.

BUDGET AMENDMENT

A term used to refer to a change to the budget after adoption. Additional revenue or fund balance/retained earnings appropriations to fund expenditures not included in the original adopted budget.

BUDGET CALENDAR

A time table with deadlines when particular tasks must be completed in order for council to approve the spending plan before the beginning of the next fiscal year.

BUDGET TRANSFER

A term used to refer to the reallocation of appropriated funds between revenue or expenditure accounts within a department.

CAPITAL EXPENDITURES

Expenditures resulting in the acquisition of or addition to fixed assets which are individually priced at more than \$5,000.

CAPITAL IMPROVEMENT PROGRAM (CIP)

A term used to refer to a group of related infrastructure improvements planned for the future. The program can be, either, a five or a ten year plan.

CAPITAL LEASE

An agreement that conveys the right to use property, plant or equipment, usually for a stated period of time, that meets one or more of the criteria set forth in SFAS No. 13 for lease capitalization.

CAPITAL PROJECTS FUND

A fund created to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds).

COMPETITIVE BIDDING

A process of issuing a public bid with the intent that companies will put together their best proposal and compete for a specific project. By law, this process is required for every government agency that issues a bid. Competitive bidding creates a transparent environment that is open and fair.

CONTINGENCY

A budgeted account set aside to meet unforeseen circumstances.

CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY (CSFRF)

Coronavirus State and Local Fiscal Recovery Funds will deliver \$350 billion for eligible state, local, territorial, and Tribal governments to respond to the COVID-19 emergency and bring back jobs. This federal funding, also known as the American Rescue Plan Act, will provide the City with \$8.78 million dollars to be used on water, sewer, and broadband infrastructure.

COST

The amount of money or other consideration exchanged for property or services. Costs may be incurred even before the money is paid; that is, as soon as liability is incurred. Ultimately, however, money or other consideration must be given in exchange.

CURRENT ASSETS

Those assets that can be easily converted to cash within the current year.

CURRENT LIABILITIES

Debt or other legal obligations arising out of transactions in the past which must be liquidated, renewed, or refunded within one year.

DEBT SERVICE

Annual payments of interest and principle that the City owes on money that it has borrowed.

DEBT SERVICE FUND

A fund established to account for the accumulation of resources for and the payment of general long-term debt principal and interest (sometimes referred to as a SINKING FUND)

DEBT SERVICE REQUIREMENTS

The amount of money required to pay interest on outstanding debt, serial maturities of principal for serial bonds and required contributions to accumulate monies for future retirement of term bonds.

DELINQUENT TAXES

Taxes remaining unpaid on and after the date to which a penalty for nonpayment is attached. Even though the penalty may be subsequently waived and a portion of the taxes may be abated or canceled, the unpaid balances continue to be delinquent taxes until abated, canceled, paid or converted into tax liens.

DEPARTMENT

An organizational unit of the City which is responsible for overall management of a group of related major governmental functions, such as Public Works.

DEPRECIATION

Gradual conversion of the cost of a tangible fixed or capital asset as an operational cost over the projected useful life of an asset. The book value of an asset is reduced due to usage and a large expense is spread proportionately over a fixed period of time.

ENCUMBRANCES

Budget authority that is set aside to pay for expenditures that have been committed either by authorization of a purchase order or by a contract.

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 costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

EXPENDITURES

Decreases in net financial resources. Expenditures include current operating expenses requiring the present or future use of net current assets, debt service and capital outlays.

EXPENSES

Reduction in net financial resources which represents the operational cost of doing business.

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's fiscal year is October thru September.

FIXED ASSETS

The least liquid of assets such as land, buildings, equipment, and other improvements.

FORCES AT WORK (FAW)

A budget term used to describe supplemental department expenditures as a result of federal and/or state unfunded mandates or local governmental laws or actions or market impacts.

FRANCHISE

A special privilege granted by a government, permitting the continued use of public property, such as city streets, and usually involving the elements of monopoly and regulation.

FULL TIME EQUIVALENT (FTE)

The number of hours per year that a full time employee is expected to work. Two workers who each work half that number of hours together equal one full time equivalent. The hours of a number of part timers or temporary workers can be added up to see how many full time positions they are equivalent to.

FUND

A fiscal and accounting entity with a self-balancing set of accounts in which cash and other financial resources, all related liabilities and residual equities, or balances, and changes therein, are recorded and segregated to carry on specific activities or attain certain objectives in accordance with special regulations, restrictions or limitations.

FUND BALANCE

The difference between fund assets and fund liabilities of governmental funds.

GENERAL FUND (GF)

The fund used to account for all financial resources, except those required to be accounted for in another fund.

GENERAL OBLIGATION BONDS

Bonds for the payment of which the full faith and credit of the issuing government is pledged. In issuing its general obligation bonds, the City of Friendswood pledges to levy whatever property tax is needed to repay the bonds for a particular year. Bonds cannot be issued without voter approval and are usually issued with maturities of between 15 and 30 years.

GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP)

Uniform minimum standards and guidelines for financial accounting and reporting. They govern the form and content of the financial statements of an entity. GAAP encompass the conventions, rules and procedures necessary to define accepted accounting practice at a particular time. They include not only broad guidelines of general application, but also detailed practices and procedures. GAAP provide a standard by which to measure financial presentations. The primary authoritative body on the application of GAAP to state and local governments is the GASB.

GOVERNMENTAL ACCOUNTING STANDARDS BOARD (GASB)

An independent, non-profit agency responsible for the promulgation of accounting and financial reporting procedures for governmental entities.

GOVERNMENTAL FUND TYPES

Those funds through which most governmental functions are typically financed. The acquisition, use and financial resources and the related current liabilities are accounted for through governmental funds (General, Special Revenue, Debt Service and Capital Projects Funds).

GRANTS

A payment of money from one governmental unit to another or from a government to a not-for-profit. Grants are often earmarked for a specific purpose or program.

IMPACT FEES

Fees charged to developers to cover, in whole or in part, the anticipated cost of improvements that will be necessary as a result of the development.

INTERFUND TRANSFERS

All inter-fund transactions except loans, quasi-external transactions and reimbursements.

INTERGOVERNMENTAL REVENUES

Revenues from other governments in the forms of grants, entitlements, shared revenues or payment in lieu of taxes.

INTERNAL SERVICE FUND

A fund used to account for the financing of goods or services provided by one department or agency to other departments or agencies of a government, or to other governments, on a cost-reimbursement basis.

LEVY

(1) (Verb) to impose taxes, special assessments or service charges for the support of government activities. (2) (Noun) the total amount of taxes, special assessments or service charges imposed by a government.

LIABILITIES

Probable future sacrifices of economic benefits, arising from present obligations of a particular entity to transfer or provide services to other entities in the future as a result of past transactions or events.

LIQUIDITY

Usually refers to the ability to convert assets (such as investments) into cash.

LONG-TERM DEBT

Debt with a maturity of more than one year after the date of issuance.

MAINTENANCE

The act of keeping capital assets in a state of good repair. It includes preventative maintenance, normal periodic repairs; replacement of parts, structural components and so forth and other activities needed to maintain the asset so that it continues to provide normal services and achieves its optimum life.

MAJOR FUND

A governmental fund or enterprise fund reported as a separate column in the basic fund financial statements. The general fund is always a major fund. Otherwise, major funds are funds whose revenues, expenditures/expenses, assets, or liabilities (excluding extraordinary items) are at least 10% of corresponding totals for all governmental or enterprise funds and at least 5% of the aggregate amount for all governmental and enterprise funds for the same item. Any other government or enterprise fund may be reported as a major fund if the government's officials believe that fund is particularly important to financial statement users.

MATURITY

The date upon which the principal of municipal bond becomes due and payable to the bondholder.

MODIFIED ACCRUAL BASIS

The basis of accounting in which revenues are recognized and recorded in the accounts when they are measurable, available and collectible in the fiscal year. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

NO NEW REVENUE RATE

Tax rate that produces the same amount of taxes if applied to the same properties taxed in prior year and current year.

NON-SPENDABLE FUND BALANCE

Fund balance amounts that cannot be spent because they are either not in spendable form, or for legal or contractual reason, must be kept intact. This classification includes prepaid items, notes receivable and the fund balance of the City's permanent fund.

OBJECT

As used in expenditure classification, applies to the article purchased or the service obtained, rather than to the purpose for which the article or service was purchased or obtained (e.g., personal services, contractual services, materials and supplies).

OPERATING BUDGET

That portion of a budget that pertains to daily operations which provides basic governmental services within a set period of time. The operating budget contains appropriations for such expenditures as personnel, commodities and contractual services

ORDINANCE

A formal legislative enactment by the governing body of a municipality. If it is not in conflict with any higher form of law, such as state statute or constitutional provision, it has the full force and effect of law within the boundaries of the municipality to which it applies. The difference between an ordinance and a resolution is that the latter requires less legal formality and has a lower legal status. Ordinarily, the statutes or charter will specify or imply those legislative actions that must be by ordinance and those that may be by resolution. Revenue-raising measures, such as the imposition of taxes, special assessments and service charges, universally require ordinances.

PERFORMANCE MEASURES

Specific quantitative measures of work performed within an activity or program. They may also measure results obtained through an activity or program.

PERMANENT FUND

A governmental fund type used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the City's programs. The 1776 Park Fund is considered a permanent fund.

PROPERTY TAX

Ad Valorem taxes levied on both real and personal property, according to the assessed valuation and the tax rate.

PROPRIETARY FUND TYPES

A governmental accounting fund having profit and loss aspects; therefore, it uses the accrual rather than the modified accrual accounting method. The two types of proprietary funds are the Enterprise Fund and the Internal Service Fund.

PURCHASE ORDER

A document which authorizes the delivery of specified merchandise or the rendering of certain services and the making of a charge for them.

REFUNDING BONDS

Bonds issued to retire bonds already outstanding.

RESTRICTED FUND BALANCE

Fund balance amounts that are constrained for specific purposes which are imposed by providers, such as creditors or amounts restricted due to constitutional provision or enabling legislation. This classification includes retirement of long-term debt, construction programs, City ordinances, and other federal and state grants.

RETAINED EARNINGS

An equity account reflecting the accumulated earnings of an enterprise or internal service fund.

REVENUES

1. Increases in the net current assets of a governmental fund type from other than expenditure refunds and residual equity transfers. Also, general long-term debt proceeds and operating transfers are classified as "other financing sources" rather than as revenues.
2. Increases in the net total assets of a proprietary fund type from other than expense refunds, capital contributions and residual equity transfers. Also, operating transfers in are classified separately from revenues.

REVENUE BONDS

Bonds whose principal and interest are payable exclusively from earnings of an enterprise fund.

SPECIAL REVENUE FUND

A fund used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditure for specified purposes. GAAP only requires the use of special revenue funds when legally mandated.

TAX RATE

The amount of tax stated in terms of a unit of the tax base (e.g., 25 mills per dollar of assessed valuation of taxable property.)

TAX ROLL

The official list showing the amount of taxes levied against each taxpayer or property. Frequently, the tax roll and the assessment roll are combined, but even in these cases the two can be distinguished.

UNASSIGNED FUND BALANCE

Includes the residual positive fund balance within the general fund which has not been classified as either non-spendable, restricted, committed or assigned. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

UNUSED INCREMENT RATE

Tax rate equal to the difference between a taxing unit's adopted tax rate and the voter-approval tax rate for the prior three tax years.

VEHICLE REPLACEMENT PLAN (VRP)

A term used to refer to a plan of vehicle fleet replacements over the next ten years.

VOTER APPROVED TAX RATE

The highest tax rate a taxing unit may adopt without holding an election to seek voter approval of the rate.

WORKING CAPITAL

The difference between current assets and current liabilities of enterprise funds.



Abbreviations and Acronyms

A

ACFR: Annual Comprehensive Financial Report
AED: Automated External Defibrillator
AICPA: American Institute of Certified Public Accountants
ARPA: American Rescue Plan Act
ASO: Administrative Services Office

B

BA: Budget Amendment
BPI: Bond Project Impact
BT: Budget Transfer

C

CAO: City Attorney's Office
CCISD: Clear Creek Independent School District
CDD: Community Development Department
CDBG-DR: Community Development Block Grant – Disaster Recovery
CEDC: Community and Economic Development Committee
CFS: Calls for Services
CID: Criminal Investigation Division
CIP: Capital Improvement Plan
COMM: Communications Department
CMO: City Manager's Office
CS: Community Services
CSFRF: Coronavirus State Fiscal Recovery Funds
CSO: City Secretary's Office
CCP: Code of Criminal Procedure

D

DARE: Drug Abuse Resistance Education
DES: Department of Emergency Services
DOT: Department of Transportation
DRC: Development Review Committee

E

EDA: Economic Development Administration
EEO: Equal Employment Opportunity
EMPG: Emergency Management Performance Grant

EMS: Emergency Medical Service

ENG: Engineering

ERP: Enterprise Resource Plan

F

FAA: Friendswood Animal Alliance
FEMA: Federal Emergency Management Agency
FIN: Finance
FISD: Friendswood Independent School District
FMO: Fire Marshal's Office
FOIA: Freedom of Information Act
FSU: Field Service Unit
FTE: Full Time Equivalent
FVFD: Friendswood Volunteer Fire Department
FY: Fiscal Year

G

GAAP: Generally Accepted Accounting Principles
GASB: Governmental Accounting Standards Board
GCCDD: Galveston County Consolidated Drainage District
GF: General Fund
GFOA: Governmental Finance Officers Association
GIS: Geographic Information System
GO: General Obligation
GLO: General Land Office
GPM: Gallons per Minute
GTOT: Government Treasurers Organization of TX

H

HVAC: Heating, Ventilation, and Air Conditioning System
HMGP: Hazard Mitigation Grant Program
HR: Human Resources

I

I&I: Interest Infiltration and Inflow
I&S: Interest and Sinking (tax rate used for debt retirement)
IRS: Internal Revenue Service
IT: Information Technology

K

KFB: Keep Friendswood Beautiful

L

LEOSE: Law Enforcement Officer Standards and Education

LIB: Library

M

M&CC, M/C: Mayor and City Council

M&O: Maintenance and Operations (tax rate used for general operations)

MCI: Municipal Cost Index

MYFP: Multi Year Financial Plan

N

NNRR: No New Revenue Rate

P

PD: Police Department

PEG: Public Education Governmental

PIF: Police Investigation Fund

PR: Parks & Recreation Department

PSB: Public Safety Building

PW: Public Works Department

S

SAN: Storage Area Network

SECO: State Energy Conservation Office

SETCIC: Southwest Texas Crime Information Center

T

TAGO: Texas Attorney General's Office

TDSHS: Texas Dept of State Health Services

TMRS: Texas Municipal Retirement System

V

VATR: Voter Approved Tax Rate

VOCA: Victims of Crimes Act

VRF: Vehicle Replacement Fund

VRP: Vehicle Replacement Plan

W

W&S or W/S: Water and Sewer

Y

YE: Year End

YTD: Year to date

Z

ZZB: Zero Based Budgeting (revenues & expenses net to zero)



"Exhibit A"
CITY OF FRIENDSWOOD
PROPOSED BUDGET SUMMARY
FISCAL YEAR 2024-2025

	PROPOSED BUDGET
REVENUES	
Taxes	42,404,902
Charges for Services	23,525,618
Permits and Licenses	846,968
Fines	1,021,998
Intergovernmental Revenues	12,826,661
Interest	2,386,063
Vehicle Lease Reimbursements	1,155,526
Miscellaneous Receipts	876,931
TOTAL REVENUES	85,044,667
Fund Balance Used or (Carried Forward)	
General Fund	-
Police Investigation Fund	(4,448)
Community Development Block Grant Fund - Harris County	-
Community Development Block Grant Fund - Galveston County	-
2021 Coronavirus State & Local Fiscal Recovery Grant Fund	782,188
Fire/EMS Donation Fund	50,988
Municipal Court Building Security/Technology Fund	(597)
Tax Debt Service Fund	(88,930)
2016/2017 GO Bond Funds	322,968
2020 GO Bonds Fund	-
2021 GO Bonds Fund	2,336,038
2023 GO Bonds Fund	15,859,259
Sidewalk Installation Fund	(122)
Park Land Dedication Fund	(53,137)
Streets Improvement Fund	1,180,605
Fwd Downtown Economic Development Improvements Fund	(865,189)
1776 Part Trust Fund	(459)
Water & Sewer Operations Fund	1,609,162
2016 Water & Sewer Bond Construction Fund	-
2018 Water & Sewer Bond Construction Fund	-
2021 Water & Sewer Bond Construction Fund	2,700,000
Water Impact Fees	(47,100)
Sewer Impact Fees	(115,843)
Water and Sewer Revenue Debt Service	(109,042)
Vehicle Replacement Plan Fund	(428,285)
	23,128,056
Total Resources Available	108,172,723
EXPENDITURES	
General Government	9,199,251
Public Safety	20,853,895
Community Development	1,481,710
Public Works	15,545,110
Engineering	1,328,627
Parks & Recreation	5,997,440
Library	1,495,438
Vehicle Replacement Fund	777,500
Capital Improvements	40,223,375
Debt Service	11,270,377
TOTAL EXPENDITURES	108,172,723
REVENUES OVER (UNDER) EXPENDITURES	-
BEGINNING FUND BALANCE	73,334,551
ENDING FUND BALANCE	50,206,495

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FRIENDSWOOD, TEXAS, APPROVING AND ADOPTING THE CITY OF FRIENDSWOOD, TEXAS, GENERAL BUDGET FOR FISCAL YEAR 2024-25; MAKING APPROPRIATIONS FOR THE CITY FOR SUCH FISCAL YEAR AS REFLECTED IN SAID BUDGET, AND MAKING CERTAIN FINDINGS AND CONTAINING CERTAIN PROVISIONS RELATED THERETO; AND PROVIDING FOR THE PUBLICATION AND EFFECTIVE DATE THEREOF.

WHEREAS, on July 31, 2024, the City Manager submitted to the City Council a proposed budget of the expenditures of the City of Friendswood for the fiscal year 2024-25 along with an accompanying budget message, a summary copy of which is attached hereto as Exhibit "A" and is made a part hereof; and

WHEREAS, on August 5, 2024, the City Council called a public hearing on the budget for August 26, 2024, at 5:30 p.m. in the Council Chamber of the Friendswood City Hall; and

WHEREAS, after posting proper notice, the City Council, on August 26, 2024, conducted a public hearing on the proposed budget, at which hearing any person had the opportunity to be present and participate in the hearing; and

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

WHEREAS, in accordance with Section 8.03(a) of the City Charter, the City Council has reviewed estimates of revenue to be derived by the City during the 2024-25 fiscal year, and has determined that the proposed budgeted expenditures will not exceed total estimated income plus funds available from prior years; NOW THEREFORE,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FRIENDSWOOD, STATE OF TEXAS:

Section 1. The facts and matters set forth in the preamble of this ordinance are hereby found to be true and correct.

Section 2. In accordance with Section 8.03(e) of the City Charter, the City Council hereby approves and adopts the budget for the ensuing fiscal year beginning October 1, 2024, and ending September 30, 2025, as finally submitted to the City Council by the City Manager, a copy of which is on file with the City Secretary.

Section 3. In support of said budget and by virtue of the adoption thereof, there are hereby appropriated out of available cash funds and out of the general and special revenues

of the City that will be received in the treasury during the fiscal year 2024-25, the amounts set forth in said approved budget for the various purposes stated therein. The total amounts now thus appropriated and the funds from which the same are derived are as follows and are further summarized in Exhibit "A," which is attached hereto and incorporated herein for all intents and purposes:

Beginning Fund Balance, 10/1/2024	\$ 73,334,551.00
Total Revenues	\$ 85,044,677.00
Total Resources Available for Appropriation*	\$ 158,379,218.00
Total Expenditures and Other Financing Uses	\$ 108,172,723.00
Ending Fund Balance.....	\$ 50,206,495.00

* Includes Planned Use/Carry Over Fund Balance/Retained Earnings

Section 4. This ordinance shall remain in full force and effect from and after its passage and approval by the City Council, and it shall be published in accordance with law.

INTRODUCED, READ AND PASSED on first and final reading by the affirmative, record vote of the City Council of the City of Friendswood on this the 26th day of August, 2024.

MIKE FOREMAN, Mayor

ATTEST:

LETICIA BRYSCH, City Secretary

APPROVED AS TO FORM:

KAREN L. HORNER, City Attorney

"Exhibit A"
CITY OF FRIENDSWOOD
PROPOSED BUDGET SUMMARY
FISCAL YEAR 2024-2025

	PROPOSED BUDGET
REVENUES	
Taxes	42,404,902
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BEGINNING FUND BALANCE	<u>73,334,551</u>
ENDING FUND BALANCE	<u>50,206,495</u>

**FRIENDSWOOD CITY COUNCIL
AGENDA ITEM FORM**

This form should be completed and forwarded to the City Manager's Office as soon as possible prior to the first date that the item is expected to be placed on the Friendswood City Council agenda.

Date requested for City Council consideration: August 26, 2024

Date submitted: 07/22/2024

Prepared by: Karen Horner, City Attorney

Subject: Consider the election of a Vice Chair and Secretary of the Board of Directors of Reinvestment Zone Number Two, City of Friendswood.

Originating Department: City Attorney

Degree of importance:

SUMMARY / ORIGINATING CAUSE

On June 3, 2024, the City Council passed Ordinance No. 2024-17, designating Reinvestment Zone Number Two, City of Friendswood (the "Zone"). In such ordinance, the City Council created the Board of Directors for the Zone (the "Board") and provided that the Board will consist of the members of the City Council. The Mayor serves as the Chair of the Board until January 1, 2025.

This item allows the Board to elect a Vice-Chair to serve in the absence of the Chair along with a Secretary.

The terms of these offices will expire on January 1, 2025, and a new slate of officers may be elected prior that time. However, if a new Chair is not elected prior such time, the Mayor shall continue serving as the Chair until January 1 of the following year.

IMMINENT CONSEQUENCES / BENEFIT TO COMMUNITY

RECOMMENDATIONS

ATTACHMENTS

FRIENDSWOOD CITY COUNCIL AGENDA ITEM FORM

This form should be completed and forwarded to the City Manager's Office as soon as possible prior to the first date that the item is expected to be placed on the Friendswood City Council agenda.

Date requested for City Council consideration: August 26, 2024

Date submitted: 08/23/2024

Prepared by: Karen Horner, City Attorney

Subject: Consider approving Rules of Procedure for Reinvestment Zone Number Two, City of Friendswood.

Originating Department: City Attorney

Degree of importance:

SUMMARY / ORIGINATING CAUSE

This item allows the Board of Directors to adopt rules of procedure for its meetings. The proposed rules are similar to those of the City Council and include provisions concerning:

1. general aspects of Board meetings, including where the meetings will be held, attendance at meetings, and amendment and suspension of the rules;
2. duties of the presiding officer;
3. rules of decorum for Board Members, members of staff, and the public;
4. order of business; and
5. various motions, including the recently adopted rules concerning friendly amendments and discussions.

Please note that in accordance with state law, a majority of the Board Members present and voting will be required in order for the Board to take any official action, except the rules require: (i) the affirmative vote of four (4) members to reconsider an item defeated by the Board in the last 90 days and to amend the rules of procedure, and (ii) the affirmative vote of 2/3 of members present and voting to object to consideration, to expel a Member for failure to follow rules of decorum, and to close debate (if needed). The rules also provide that if there is a joint meeting between the Board and the City Council, the rules of the City Council will control in case of a conflict.

IMMINENT CONSEQUENCES / BENEFIT TO COMMUNITY

RECOMMENDATIONS

Staff recommends approval.

ATTACHMENTS

1. Rules of Procedure

REINVESTMENT ZONE NUMBER TWO, CITY OF FRIENDSWOOD RULES OF PROCEDURE

1. PURPOSE

1.1 Authority

The Board of Directors (the "Board") of Reinvestment Zone Number Two, City of Friendswood (the "Zone"), hereby enacts these rules of procedure for all meetings; provided, however, should there be any conflict between these rules and the rules adopted by the City, the rules adopted by the City Council shall control during a joint meeting of the Board and the City Council.

1.2 Purpose

The rules of procedure are enacted as guidelines to be followed by all persons at Board meetings, including administrative staff, news media, and visitors.

2. GENERAL RULES

2.1 Meetings to be Public

All meetings of the Board shall be open to the public, except as authorized by law.

2.2 Quorum

Four or more members of the Board shall constitute a quorum for the transaction of business.

2.3 Compelling Attendance

No member shall be excused from attendance at a Board meeting except for good, valid reasons.

2.4 Minutes of Meetings

An account of all proceedings of the Board shall be kept by the City Secretary, which account shall constitute the official record of the Board.

2.5 Questions to Contain One Subject

All questions submitted for a vote shall contain only one (1) subject.

2.6 Right of Floor

Any member desiring to speak shall be recognized by the Presiding Officer and shall confine his/her remarks to the subject under consideration or to be considered and will not be interrupted.

2.7 City Manager

The City Manager or Acting City Manager shall attend all meetings of the Board, unless excused. He/she may make recommendations to the Board and shall have the right to take part in all discussions of the Board, but shall have no vote.

2.8 City Attorney

The City Attorney shall attend all meetings of the Board unless excused and shall, upon request, give an opinion, either written or oral, on questions of law. The City Attorney shall act as the Board's parliamentarian.

2.9 City Secretary

The City Secretary or Acting City Secretary shall attend all meetings of the Board unless excused, shall act as the reading and recording secretary of the Board, shall keep the official minutes, and shall perform such other duties as may be requested and assigned by the City Manager.

2.10 Sergeant at Arms

The highest-ranking police officer of the Friendswood Police Department in attendance at any meeting of the Board shall be, and is hereby designated and appointed as, the Sergeant at Arms for such meeting.

2.11 Officers and Employees

Any officer or employee of the City, when requested by the City Manager, shall attend any meeting of the Board and present information relating to matters before the Board.

2.12 Absences

The Board hereby delegates its duty to excuse absences of Board Members, the City Manager, the City Secretary, the City Attorney or any other officer or employee required to attend any meeting of the Board.

2.13 Suspension of Rules

Any provision of these rules not governed by state law may be temporarily suspended by the affirmative vote of a majority of the members of the Board present.

2.14 Amendment of Rules

These rules may be amended, or new rules adopted, by the affirmative vote of four (4) or more members of the Board.

3. MEETINGS

Meetings shall be held in the Council Chamber of City Hall, 910 S. Friendswood Drive, Friendswood, Texas, or other location as called by the City Secretary upon the request of the President, the City Manager, or three (3) members of the Board. The City Secretary shall notify each member of the Board of the meeting and shall post notice of the meeting in accordance with Chapter 551, Texas Government Code, as amended.

4. PRESIDING OFFICER AND DUTIES

4.1 Presiding Officer

The Chair, or in his/her absence, the Vice Chair, shall preside as the Presiding Officer at all meetings of the Board. In the absence of both the Chair and Vice Chair, and with a quorum being present, any Board Member may be appointed by a majority of the Board Members present and voting. No Board Member shall be required to abstain from voting on the election of a Presiding Officer under this section.

4.2 Call to Order

The meetings of the Board shall be called to order by the Chair, or in his/her absence, the Vice Chair. In the absence of both the Chair and the Vice Chair, the meeting shall be called to order by the City Manager.

4.3 Preservation of Order

The Presiding Officer shall (i) preserve order and decorum, (ii) prevent insulting references to Board Members, impugning of other members' motives, and repetitious comments and (iii) confine remarks to the question under discussion. The Presiding Officer shall call upon the Sergeant at Arms as necessary to enforce compliance with the rules contained therein.

4.4 Substitution for Chair

The Chair may call upon the Vice Chair, or if he/she is unavailable, then any other member, to take his/her place for a portion of a meeting. Such substitution is not to continue beyond adjournment.

4.5 Points of Order

The Presiding Officer shall determine all points of order, subject to the right of any member to appeal to the Board. If any appeal is taken, the following question shall be posed: "Shall the decision of the Presiding Officer be sustained"? If a majority of members present and voting vote "No," the ruling of the Presiding Officer is overruled; otherwise, it is sustained.

4.6 Questions to be Stated

The Presiding Officer shall state all questions submitted for a vote and announce the results. A roll call shall be taken upon the request of any member.

4.7 Recess

In addition to recessing for an executive session, the Presiding Officer may recess a meeting for up to fifteen (15) minutes at regular intervals of approximately one (1) hour at appropriate points in the meeting agenda.

4.8 Votes

Board Members shall clearly indicate their vote on each matter submitted to a vote.

- (a) The Presiding Officer may make or second motions, and shall vote on all matters before the Board, unless otherwise prohibited by law, but shall have no power of veto.
- (b) The Presiding Officer shall have no power to recess a meeting or to adjourn a meeting to prevent the Board from considering an agenda item or lay the same out for consideration except in strict accordance with the Texas Open Meetings Act, the City Charter, and as enacted herein. If, notwithstanding the positive provisions of this rule, the Presiding Officer, whether Chair, Vice Chair, or Board Member presiding, shall attempt to prevent the Board from taking any action on any agenda item brought before it, any Board Member present may call for a vote of the Board to consider the matter.
- (c) Except as otherwise provided by law or these rules, all action required of the Board shall be made by a majority of the members of the Board present and voting.
- (d) Excluding conflicts of interest as provided by state law, all Board Members present at each meeting must vote on each subject presented for Board vote.

5. CODE OF CONDUCT

5.1 Board Members

- (a) During Board meetings, Board Members shall preserve order and decorum and shall neither by conversation or otherwise delay or interrupt the proceedings nor refuse to observe the rules of the Board.
- (b) A Board Member, once recognized, shall not be interrupted while speaking unless a point of order is raised by another member or the parliamentarian, or unless the speaker chooses to yield to questions from another member. If a Board Member is called to order while he/she is speaking, he/she shall cease speaking immediately until the question of order is determined. If ruled to be in order, he/she shall be permitted to proceed.
- (c) Any member of the Board, including the Chair, who fails to observe decorous and orderly behavior during a meeting or who disturbs a meeting of the Board with such disorderly conduct, is subject to being expelled from such meeting upon motion passed by two-thirds ($\frac{2}{3}$) vote of the Board present and voting at this meeting.
- (d) Any member of the Board, including the Chair, reprimanded by motion or expelled from a meeting by motion who thereafter commits another breach of decorous and disorderly behavior during a subsequent meeting and again disturbs any meeting of the Board by such disorderly conduct shall be

subject to the same power of the Board to reprimand him/her, expel him/her from the meeting, or subject such member to investigation by the City Council in accordance with Section 3.16 of the Charter.

5.2 Administrative Staff

- (a)** Members of the Administrative staff and employees of the City shall observe the same rules of procedure and decorum applicable to members of the Board and shall have no voice unless and until recognized by the Chair or Presiding Officer.
- (b)** While the Presiding Officer shall have the authority to preserve decorum in meetings as far as staff members and City employees are concerned, the City Manager also shall be responsible for the orderly conduct and decorum of all City employees under his/her direction and control.
- (c)** All remarks and questions addressed to the Board shall be addressed to the Board as a whole and not to any individual member thereof.
- (d)** No staff member, other than a staff member having the floor, shall enter into a discussion either directly or indirectly without permission of the Chair or Presiding Officer.

5.3 Citizens

- (a)** Members of the public are welcome and invited to attend all open meetings of the Board and will be admitted to the Council Chamber or other room in which the meeting is held, up to the fire safety capacity of the room and/or to protect the health, safety, and welfare of the public.
- (b)** Persons will refrain from private conversation in the Chamber, or other room, while the Board meeting is in session.
- (c)** Persons attending Board meetings shall observe the same rules of propriety, decorum, and good conduct applicable to the administrative staff.
- (d)** A member of the public addressing the Board or in attendance at a Board meeting shall not engage in any manner which disrupts the orderly conduct of a Board Meeting, including, but not limited to, demonstrations, unauthorized remarks, the carrying of signs or placards, and/or the display of banners. Recording equipment is permissible to the extent that such equipment or the use thereof does not (i) interfere with the meeting, (ii) block means of ingress or egress, (iii) obstruct the view or interfere with the listening of attendees, and/or (iv) prevent or otherwise unreasonably impair attendees from participating in the meeting.

- (e) The Chair may rule a member of the public out of order and in violation of these rules if: (i) the member, after having been given the floor, speaks beyond the allocated time limit and refuses to yield the floor; (ii) the person's remarks are not relevant to the agenda item under consideration; (iii) the person repeatedly interrupts a Board Member; (iv) the person's remarks are disruptive so as to disturb the peace and good order of the meeting, through use of, without limitation, loud, threatening, hostile, abusive, vulgar or obscene language or any other actions that disturb or are calculated to disturb the meeting; (v) the person engages in any conduct with the intent to break up the meeting of the Board or urges others to commit acts or engage in conduct to break up the meeting, including unreasonably loud and prolonged yelling, screaming, clapping or noise-creating acts which render it impossible or difficult for the Board to conduct or continue with the meeting; or (vi) the person willfully refuses or fails to comply with any Board Rule of Procedure or with any reasonable order of the Presiding Officer.
- (f) Any person while addressing the Board or while attending the Board meeting violating these rules shall be given one (1) warning. If these rules continue to be violated after such warning, the person violating the rules shall be removed from the room if the Sergeant at Arms is so directed by the Chair or Presiding Officer, and such person shall be barred from further audience before the Board during that session of the Board. In case the Presiding Officer shall fail to act, any member of the Board may move to require him/her to act to enforce the rules, and the affirmative vote of a majority of the members of the Board present and voting shall require the Presiding Officer to act.

5.4 In General

- (a) **Rules**

Robert's Rules of Order (latest revision) shall be used as a guide, unless Robert's Rules of Order are in conflict with the rules of procedure hereby adopted. Any one (1) or more of these rules of procedure may be suspended by the affirmative vote of a majority of the members of the Board present and voting in order to allow a particular consideration of a matter. Where any rule embodies a provision of state law, identically or in substance, such rule may not be suspended.
- (b) **Recognition by Presiding Officer**

No person shall address the Board without first being recognized by the Presiding Officer.
- (c) **Procedure**

Each person addressing the Board shall approach the podium, give his/her name and address in an audible tone of voice for the record, and state the

subject the person wishes to discuss. All comments shall be addressed to the Board as a whole and not to any member thereof. No person other than members of the Board and the person having the floor shall be permitted to enter into any discussion, directly or through a member of the Board, without permission of the Presiding Officer. No question may be asked a member of the City staff without the permission of the Presiding Officer.

(d) Charges against employees

Should any person in a Board meeting charge an employee with improper conduct, malfeasance, nonfeasance, or misfeasance, then in such event, such person shall be ruled out of order immediately and instructed to refer his/her complaint to the City Manager.

(e) Disturbances

No person attending any Board meeting shall delay, interrupt, or disrupt the proceedings or refuse to obey the orders of the Presiding Officer. Any person making personal, impertinent, and slanderous remarks or who becomes boisterous while addressing the Board or while attending the Board meeting shall be removed from the room if the Sergeant at Arms is so directed by the Presiding Officer.

(f) Communication devices

(1) The use of wireless communication devices to send/receive text messages, instant messages, and/or emails between members of the Board during Board meetings is prohibited.

(2) No person attending any Board meeting shall possess a pager, cellular telephone, radiotelephone, or other device that is set in a mode to provide audible notification of an incoming call, text, or page.

(3) No person attending any Board meeting shall use a cellular telephone, radiotelephone, or other telecommunication device for audible communications while the Board meeting is in session.

6. ORDER OF BUSINESS

6.1 Agenda

The order of business of each regular and special meeting shall be as contained in the agenda prepared by the City Manager. The agenda shall be a listing by topic of subjects to be considered by the Board. Placement of items on the agenda shall be governed by this section. The placement of agenda items for each meeting is determined as follows:

- (a) Except as provided in subsection (b) of this section, all items to be brought before the Board for its consideration should be submitted in writing to the City Secretary and/or City Manager not later than 2:00 p.m. of the Monday preceding the meeting at which the same is to be considered.
- (b) The City Manager, or the Chair, or two Board Members must grant approval for an item to be included on the agenda.
- (c) When an item has been placed before the Board and defeated, the same identical question shall not again be considered by the Board until ninety (90) days have elapsed, unless the Board, by the vote of at least four (4) Board Members, waives this restriction as to the item.

The agenda order set out is the desired order for conducting the business of the Board. When in the best interest of the Board and the citizens of the City require, any item appearing on the agenda shall be considered out of order as shall be determined by the Presiding Officer in his/her sole discretion.

6.2 Agenda Order

The order of the agenda shall be as follows unless the Chair, or City Manager, determines that a different order is in the best interest of the Board and/or the citizens of the City:

- (a) **Call to Order.**
- (b) **Board Comments.**
Each member of the Board will be given a five-minute time period to provide comments about items of community interest, pursuant to Section 551.0415 of the Texas Government Code, which include:
 - (1) Expressions of thanks, congratulations, or condolences;
 - (2) Information regarding holiday schedules;
 - (3) An honorary or salutatory recognition of a public official, public employee, or other citizen, except that a discussion regarding a change in the status of a person's public office or public employment is not an honorary or salutatory recognition;
 - (4) Information regarding a social, ceremonial, or community event organized or sponsored by an entity other than the governing body that was attended or is scheduled to be attended by a member of the governing body or an official of the governing body; and

- (5) Announcements involving an imminent threat to the public health and safety of people in the City that have arisen after the posting of the agenda.

(c) Public Comment.

- (1) Members of the public shall have a reasonable opportunity to be heard at meetings of the Board in regard to any and all matters to be considered at any such meetings, or such other matters as citizens may wish to bring to Board's attention. Any matter not posted on the agenda may not be discussed by Board, nor shall any action be taken by Board, except to indicate that the matter may be placed on a later agenda.
- (2) Each speaker shall submit a card requesting the right to address the Board to the City Secretary prior to the commencement of the meeting.
- (3) Each speaker shall be granted a three-minute time period to speak before the Board, and the Chair or Presiding Officer shall retain the discretion to further limit or increase this time as he/she deems appropriate. Speakers may not pass their time.
- (4) No electronic media is allowed for presentation during the public comment period. Information being presented to the Board should be in paper format, and ten (10) copies should be provided to the City Secretary for distribution to the Board and staff.

(d) Business Items.

The consent agenda may include routine matters which require no discussion (any member of the Board may remove an item from the consent agenda for discussion and possible action).

(e) Executive Session.

The Board may retire into executive session as authorized by Chapter 551, Texas Government Code, as amended. Matters discussed during each Executive Session shall be identified by certified agenda or tape recorded, prepared, and retained as required by law.

(f) Action Related to Executive Session.

(g) Adjournment.

7. MOTIONS

7.1 Motion to Table

A motion to table, when carried, does not permanently defeat an item. If such item is tabled by a majority vote of the Board, such item, if not sooner removed from the table, must be removed at the third meeting and acted upon, even if only to place the item on the table again.

7.2 Objection to Consideration

Upon any item being laid out, or any motion being made, any Board Member present, before there is any debate opened on the subject, may make a parliamentary objection to the consideration of the subject which need not be seconded. No debate shall then be permitted, and the Presiding Officer shall immediately put the question, "shall the objection be sustained"? If the objection is sustained by a vote of two-thirds ($\frac{2}{3}$) of the Board Members present and voting, the item is permanently defeated for that meeting and shall not be debated unless reconsidered under Section 6.1(c) of these rules.

7.3 Closing of Debate

If, during debate upon any matter before the Board, any member moves that the subject under discussion be put to a vote without further debate (and such a motion need not be seconded), the Presiding Officer shall immediately ask the Board, "is there any objection to proceeding to a vote on the matter before the Board being taken immediately?" If any member objects, the Presiding Officer shall immediately and without debate put the question, "shall the subject being discussed be put to a vote, without debate?" to a vote of the Board, and if two-thirds ($\frac{2}{3}$) of the Board Members present and voting vote in favor of ordering the vote, debate on the question shall be closed and a vote on the item taken immediately.

7.4 Procedure to Debate

- (a)** The Chair or Presiding Officer shall have the right to participate in debate of issues pending before the Board.
- (b)** Prior to a motion concerning an item on the agenda, the Chair or Presiding Officer may (i) call upon the City Manager or his designee to provide an overview of the item, and/or (ii) allow the members of the Board to discuss the matter.

7.5 Amendments

A motion may be amended without a formal vote as a "friendly amendment" if both the first and second of the main motion agree to the amended language. If they do not, the amended motion is voted on and then the Board shall return to the main motion.

7.6 Vote Required

An affirmative vote of a majority of the Board Members present is necessary to take any official action in the name of the Board except as otherwise provided by state law or these rules. Should state law require more than a majority of Board Members to pass an item, the City Manager or the City Attorney shall notify the Board of such requirement prior to the vote.

FRIENDSWOOD CITY COUNCIL AGENDA ITEM FORM

This form should be completed and forwarded to the City Manager's Office as soon as possible prior to the first date that the item is expected to be placed on the Friendswood City Council agenda.

Date requested for City Council consideration: August 26, 2024

Date submitted: 07/22/2024

Prepared by: Karen Horner, City Attorney

Subject: Consider adopting the Project Plan and Reinvestment Zone Financing Plan for Reinvestment Zone Number Two, City of Friendswood.

Originating Department: City Secretary

Degree of importance:

SUMMARY / ORIGINATING CAUSE

This item allows the Board of Directors of Reinvestment Zone Number Two, City of Friendswood (the "Zone") to adopt the Project Plan and Reinvestment Zone Financing Plan (collectively the "Plan") for the Zone. Upon adoption by the Board, the Plan will be submitted to the City Council for approval. The Plan includes, but is not limited to, the following:

1. the estimated non-project costs;
2. the categories and locations of public improvements;
3. the estimated project and administrative costs together with the estimated timeline in which such costs will be incurred;
4. a feasibility study;
5. estimated bonded indebtedness;
6. the appraised value within the Zone, including the tax increment base and the estimated capture of appraised value;
7. the method of financing, including TIRZ fund contributions; and
8. the duration and termination of the Zone.

IMMINENT CONSEQUENCES / BENEFIT TO COMMUNITY

RECOMMENDATIONS

Staff recommends approval.

ATTACHMENTS

1. Project and Reinvestment Zone Financing Plan



REINVESTMENT ZONE NUMBER TWO,
CITY OF FRIENDSWOOD
PROJECT AND REINVESTMENT ZONE FINANCING PLAN
AUGUST 26, 2024

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SECTION 1: DEFINITIONS

Capitalized terms used in this Final Plan (as that term is defined herein) shall have the meanings given to them in **Section I** below unless otherwise defined in this Final Plan or unless the context in which a term is used clearly requires a different meaning. Unless otherwise defined, a reference to a “Section,” or an “Exhibit,” shall be a reference to a Section of this Final Plan or an Exhibit or Appendix attached to and made a part of this Final Plan for all purposes.

“**Act**” means Chapter 311, Texas Tax Code, Tax Increment Financing Act, as amended.

“**Administrative Costs**” means the actual, direct costs paid or incurred by or on behalf of the City to administer the Zone, including planning, engineering, legal services, organizational costs, publicizing costs, or implementations costs paid by or on behalf of the City that are directly related to the administration of the Zone.

“**Appraisal District**” means the Galveston Central Appraisal District.

“**Board**” means the Board of Directors of the Zone.

“**Captured Appraised Value**” means the new taxable value generated in addition to the Tax Increment Base on a parcel-by-parcel basis for each year during the term of the Zone, as calculated and confirmed annually by the Appraisal District.

“**City**” means the City of Friendswood, Texas.

“**City Council**” means the governing body of the City.

“**City TIRZ Increment**” means one hundred percent (100%) of the City’s ad valorem real property taxes collected and received by the City on the Captured Appraised Value in the Zone and deposited into the TIRZ Fund.

“**Designation Ordinance**” means Ordinance No. 2024-17, adopted by the City Council on June 3, 2024.

“**Feasibility Study**” means the economic feasibility study as evaluated over the term of the Zone and focused only on direct financial benefits, as shown on **Exhibit E**.

“**Final Plan**” means this Project Plan and Reinvestment Zone Financing Plan for the Zone.

“**Non-Project Costs**” means those certain costs that are incurred or expended by third parties to develop projects that benefit the Zone, but will not be financed by the Zone, as described in **Section 6**, and shown on **Exhibit B**.

“**Project Costs**” means the total costs for projects in the Zone, including the actual costs of financing the Public Improvements and the Administrative Costs.

“Property” means the 326.52 acres of land within the boundaries of the Zone, as depicted on **Exhibit A** and identified by parcel number on **Exhibit H**.

“Public Improvements” means the proposed public improvements to be financed by the Zone, which includes streets, detention, water, sanitary sewer, sanitary lift stations, clearing and grubbing, earthwork, paving and grading, landscaping, intersection signalization, storm drainage, street lights, and a public fire water loop, as detailed on **Exhibit C** and depicted on **Exhibit G**.

“Tax Increment Base” means total appraised value of taxable real property in the Zone at the time of designation of the Zone, as calculated and certified by the Appraisal District.

“TIRZ Fund” means the tax increment fund created and established by the City for the Zone and segregated from all other funds of the City.

“Zone” means the Reinvestment Zone Number Two, City of Friendswood, Texas.

SECTION 2: INTRODUCTION

2.1 Authority and Purpose

The Zone was designated by the City Council on June 3, 2024, pursuant to the Designation Ordinance, in an area within the corporate limits of the City covering 326.52 contiguous acres.

The purpose of the Zone is to facilitate such development or redevelopment by financing the costs of public works, public improvements, programs, and other projects benefiting the Zone, plus other costs incidental to those expenditures, all of which costs are authorized by the Act.

2.2 Zone

The Zone is located within the corporate limits of the City. The Property within the Zone is predominately open and undeveloped; and, because of the following factors, the sound growth of the City is substantially impaired or arrested: (i) the lack of public infrastructure, including, but not limited to, the absence of an adequate roadway network, the absence of a regional lift station, and the insufficiency of existing force main and water lines, which cause water pressure issues during peak demand; and (ii) the barriers to development presented by the former use of portions of the Property as an oil field.

Various corporations and developers have studied the Property within the Zone for possible development, including, but not limited to, the national supermarket chain Kroger, the multinational retailer Walmart, and the global real estate development company Hines, but none of these corporations or developers has pursued the development of the area within the Zone due to factors including the lack of public infrastructure and the substantial cost to construct the same, as well as barriers to development presented by the former use of portions of the Property within the Zone as an oil field.

Due to its size, location, and physical characteristics, including the lack of public infrastructure and the barriers to development presented by the former use of portions of the Property as an oil field, and due to the substantial cost to construct the necessary public infrastructure, development of the Property within the Zone will not occur solely through private investment in the foreseeable future. Because of the aforementioned characteristics, economic incentives are necessary to attract development for the purpose of providing long-term economic benefits, including, but not limited to, an increased real property tax base for all taxing units in the Zone.

2.3 Goals

Goal 1: Infrastructure Improvements

The construction of public infrastructure within the Zone is required to create an environment that will stimulate private investment in retail, residential, office and commercial developments.

If the Public Improvements are financed as contemplated by this Final Plan, the Property can be developed to take full advantage of the opportunity to bring to the City a quality development that offers a corresponding increase in the tax base and creates economic opportunity.

Goal 2: Economic Development

In addition to direct investment in capital improvements to public infrastructure or investment in public infrastructure to stimulate private investment, the Board hereby establishes and provides for the administration of an economic development program to incentivize private enterprise in the Zone and serve as a catalyst for other business developments pursuant to Section 311.010(h) of the Act and Chapter 380 of the Texas Local Government Code. The Zone's economic development program may include making grants and loans from the TIRZ Fund in an aggregate amount not to exceed the amount of City TIRZ Increment paid into the TIRZ Fund for activities that benefit the Zone and stimulate business and commercial activity in the Zone and may also be paired with other financing mechanisms as approved by the City Council.

SECTION 3: DESCRIPTION AND MAPS

3.1 Existing and Proposed Uses of Land (Section 311.011(b)(1) of the Act)

The Property within the Zone is currently zoned Commercial Shopping Center and Single Family Residential and is intended to be developed with commercial and residential uses. Portions of the Property were formerly used as an oil field, which creates barriers to development. The Property is undeveloped, and there is limited public infrastructure to support development, including, but not limited to, the absence of an adequate roadway network, the absence of a regional lift station, and the insufficiency of existing force main and water lines, which cause water pressure issues during peak demand. Development requires extensive public infrastructure that (1) the City can not provide, and (2) will not be provided solely through private investment in the reasonably foreseeable future. The proposed uses of the Property include retail, commercial, office, and single family residential development. Existing and proposed uses of the Property within the Zone are shown on **Exhibit F**.

SECTION 4: PROPOSED CHANGES TO ORDINANCES, PLANS, CODES, RULES, AND REGULATIONS

4.1 Proposed Changes of Zoning Ordinances, Master Plan of Municipality, Building Codes, and Other Municipal Ordinances (Section 311.011(b)(2) of the Act)

The Property within the Zone is wholly located in the corporate limits of the City and shall be subject to the City's zoning regulations. The Property is currently zoned as Commercial Shopping Center and Single Family Residential. The City has jurisdiction over the subdivision and platting

of the Property and the design, construction, installation, and inspection of water, sewer, drainage, roadway, and other public infrastructure. No proposed changes to zoning ordinances, comprehensive plan, building codes, subdivision rules, or other municipal ordinances are planned.

SECTION 5: RELOCATION OF DISPLACED PERSONS

5.1 Method of Relocating Persons to be Displaced, if any, as a result of implementing the Project Plan (Section 311.011(b)(4) of the Act)

No person shall be displaced due to the implementation of the Final Plan.

SECTION 6: ESTIMATED NON-PROJECT COSTS

6.1 Estimated Non-Project Costs (Section 311.011(b)(3) of the Act)

Non-Project Costs are costs that will be incurred or expended by third parties for development of projects that benefit the Zone, but will not be financed by the Zone. Non-Project Costs will be derived from other funding sources, including private funds. The list of Non-Project Costs, the total cost of which is estimated to be to be approximately \$516,279,621, is shown on **Exhibit B**.

SECTION 7: PROPOSED PUBLIC IMPROVEMENTS

7.1 Proposed Kind, Number and Location of all Proposed Public Works or Public Improvements to be Financed by the Zone (Section 311.011(c)(2) of the Act)

The Public Improvements include streets, detention, water, sanitary sewer, sanitary lift stations, clearing and grubbing, earthwork, paving and grading, landscaping, intersection signalization, storm drainage, street lights and a public fire water loop. All Public Improvements shall be designed and constructed in accordance with all applicable City standards and subject to inspection, approval and acceptance by the City. The locations of the proposed Public Improvements are depicted on **Exhibit G**.

SECTION 8: ESTIMATED PROJECT COSTS

8.1 Estimated Project Costs (Section 311.011(c)(1) of the Act)

The estimated Project Costs for the Zone are detailed on **Exhibit C** and include the Administrative Costs. The dollar amounts set forth in **Exhibit C** are approximate and may be amended from time to time by the Board with the approval of the City Council consistent with state law. The Project Costs are estimated to be \$99,732,813.

8.2 Administrative Costs

The Administrative Costs are estimated to be \$4,711,815. The Administrative Costs shall be paid each year from the TIRZ Fund before any other Project Costs are paid. The estimated Administrative Costs are the costs over the life of the TIRZ and can only be paid if there are available funds.

8.3 Estimated Time When Related Costs or Monetary Obligations Incurred (Section 311.011(c)(5) of the Act)

The Administrative Costs will be incurred annually throughout the duration of the Zone. It is estimated that the other Project Costs set forth in **Exhibit C** will be incurred between 2025 and 2030, as shown on **Exhibit D**.

SECTION 9: ECONOMIC FEASIBILITY

9.1 Economic Feasibility (Section 311.011(c)(3) of the Act)

The Feasibility Study for the Zone was prepared in May 2024 by P3Works, LLC with data provided by the City and the prospective developers of the Property within the Zone and is attached as **Exhibit E**. The Feasibility Study focuses on only direct financial benefits (i.e. ad valorem tax revenues generated from development within the Zone). Based on the Feasibility Study, during the term of the Zone, new development, which would not occur solely through private investment in the reasonably foreseeable future, will generate approximately \$105,343,542 in total new real property tax revenue for the City over the remaining term of the Zone.

Approximately \$105,343,542 in City TIRZ Increment will be deposited into the TIRZ Fund to pay for Project Costs over the remaining term of the Zone. The cumulative City TIRZ Increment as shown in the Feasibility Study revenue schedule set forth in **Exhibit E** exceeds the estimated Project Costs and will be generated in amounts sufficient to fund the Project Costs as and when such Project Costs are incurred during the term of the Zone. The remainder of the new City real property tax revenue generated within the Zone and retained by the City is estimated to be \$0 over the term of the Zone.

Based on the foregoing, the economic feasibility of the Zone has been demonstrated. The Board and the City find and determine that the Final Plan is economically feasible.

SECTION 10: ESTIMATED BONDED INDEBTEDNESS

10.1 Estimated Amount of Bonded Indebtedness (Section 311.011(c)(4) of the Act)

Issuance of notes and bonds by or on behalf of the Zone may occur as tax increment revenues allow. The value and timing of the issuance of notes or bonds will correlate to debt capacity as

derived from the revenue schedule set forth in **Exhibit E**, as well as actual market conditions for the issue and sale of such notes and bonds.

SECTION 11: APPRAISED VALUE

11.1 Current Total Appraised Value of Taxable Real Property (Section 311.011(c)(7) of the Act)

The Tax Increment Base is estimated to be \$7,301,156 and shall be confirmed by the Appraisal District. Each year, the Appraisal District shall confirm the Captured Appraised Value of the Zone.

11.2 Estimated Captured Appraised Value During Each Year of Existence (Section 311.011(c)(8) of the Act)

The estimated Captured Appraised Value for the duration of the Zone is set forth in **Exhibit E**. It is estimated that upon expiration of the term of the Zone, the total Captured Appraised Value of taxable real property in the Zone will be approximately \$937,591,533, as shown on **Exhibit E**. The actual Captured Appraised Value, as certified by the Appraisal District each year, will be used to calculate the annual payments by the City into the TIRZ Fund.

SECTION 12: METHOD OF FINANCING

12.1 Methods and Sources of Financing Project Costs and Percentage of Increment from Taxing Units Anticipated to Contribute Tax Increment to the Zone (Section 311.011(c)(6) of the Act)

Tax increment will consist of contributions from the City. The City will deposit into the TIRZ Fund each year the City Tax Increment, which is 100% of the City's ad valorem real property taxes collected and received by the City on the Captured Appraised Value in the Zone. For example, in tax year 2024, the City's ad valorem tax rate is \$0.500728 per \$100 of taxable value, so the City would contribute \$0.500728 per \$100 of the Captured Appraised Value in the Zone levied and collected to the TIRZ Fund.

The City Tax Increment deposited into the TIRZ Fund shall be prioritized and allocated on a parcel by parcel basis as follows:

1. For Administrative Costs; then
2. For the annual payments of debt service of any tax increment bonds issued to fund the Public Improvements; then
3. To be used in any other manner authorized by the City Council and as allowed pursuant to the Act, including for payments by the City to any third party for Project Costs under an agreement entered into pursuant to Section 311.010(b) of

the Act and, if and as applicable, Chapter 372, Texas Local Government Code, and Chapter 380, Texas Local Government Code; then

4. To the extent there are TIRZ Fund revenues remaining, any excess TIRZ Fund revenues may be utilized in any other manner as authorized by the City Council and allowed pursuant to the Act.

All payments of Project Costs shall be made solely from the TIRZ Fund and from no other funds of the City, unless otherwise approved by the City Council.

SECTION 13: DURATION OF THE ZONE, TERMINATION

13.1 Zone Duration (Section 311.011(c)(9) of the Act)

The stated term of the Zone shall commence upon the execution of the Designation Ordinance and shall continue until December 31, 2054, with the last payment being due by January 31, 2055, unless otherwise terminated in accordance with the Designation Ordinance. If upon expiration of the stated term of the Zone, the obligations of the Zone have not been fully funded by the TIRZ Fund, the City shall have no obligation to pay the shortfall and the term shall not be extended. Nothing in this Section is intended to prevent the City from extending the term of the Zone in accordance with the Act upon approval of the City Council.

LIST OF EXHIBITS

Unless otherwise stated, all references to "Exhibits" contained in this Final Plan shall mean and refer to the following exhibits, all of which are attached to and made a part of this Final Plan for all purposes.

Exhibit A	Map of the Zone
Exhibit B	Non-Project Costs
Exhibit C	Project Costs
Exhibit D	Estimated Timeline of Incurred Costs
Exhibit E	Feasibility Study
Exhibit F	Existing and Proposed Uses of the Property
Exhibit G	Map of the Public Improvements
Exhibit H	Parcel Identification

EXHIBIT A – MAP OF THE ZONE

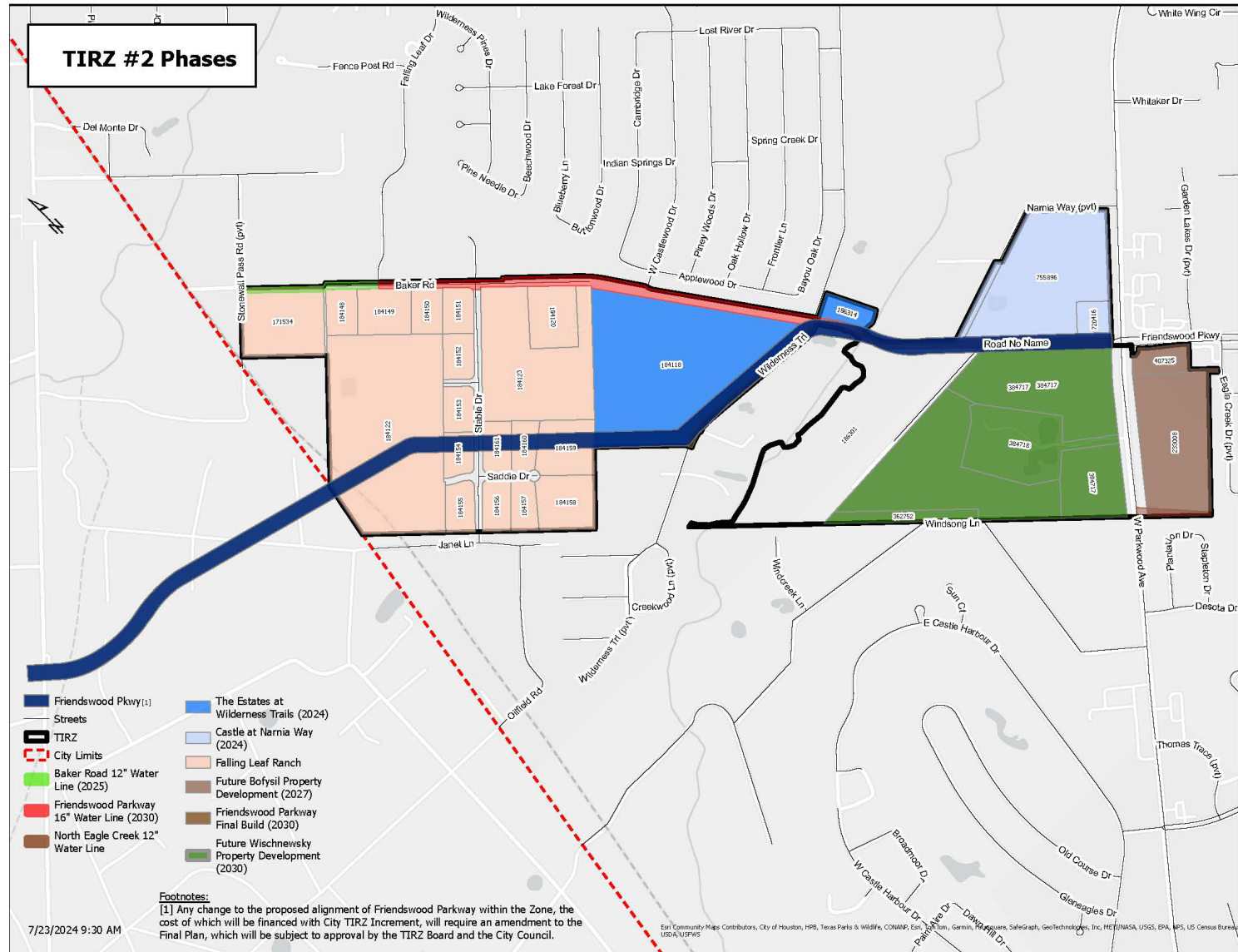


EXHIBIT B – NON-PROJECT COSTS

Lot Type	Units/ Sq. Ft.	Lot Value ^[a]		Buildout Value ^[a]		Non-Project Costs
		Per Unit	Total	Per Unit	Total	
<i>Future Wischnewsky Property</i>						
Commercial	300,000	\$ 28	\$ 8,400,000	\$ 618	\$ 185,400,000	\$ 177,000,000
Single Family	30	\$ 450,000	\$ 13,500,000	\$ 2,000,000	\$ 60,000,000	\$ 46,500,000
Subtotal	300,030					\$ 223,500,000
<i>Future Bofysil Property</i>						
Single Family	60	\$ 70,000	\$ 4,200,000	\$ 400,000	\$ 24,000,000	\$ 19,800,000
Commercial	75,000	\$ 28	\$ 2,100,000	\$ 618	\$ 46,350,000	\$ 44,250,000
Subtotal	75,060					\$ 64,050,000
<i>Falling Leaf Ranch</i>						
Single Family	37	\$ 450,000	\$ 16,650,000	\$ 2,000,000	\$ 74,000,000	\$ 57,350,000
Subtotal	37					\$ 57,350,000
<i>The Estates at Wilderness Trails</i>						
Single Family	41	\$ 450,000	\$ 18,450,000	\$ 2,000,000	\$ 82,000,000	\$ 63,550,000
Subtotal	41					\$ 63,550,000
<i>Castle Biosciences</i>						
Commercial	80,000	\$ 28	\$ 2,240,000	\$ 618	\$ 49,440,000	\$ 47,200,000
Retail	30,000	\$ 124	\$ 3,710,379	\$ 550	\$ 16,500,000	\$ 12,789,621
Office	80,000	\$ 20	\$ 1,600,000	\$ 618	\$ 49,440,000	\$ 47,840,000
Subtotal	190,000					\$ 107,829,621
Total	565,168					\$ 516,279,621

Footnotes:

[a] Values and Units/Sq. Ft. as provided by the City and Developer on April 29, 2024 and May 3, 2024. May not be representative of this area or this development.

EXHIBIT C – PROJECT COSTS

Reinvestment Zone Number Two, City of Friendswood, Texas Project Costs		
Item	Cost	
City Public Improvements ^[a]		
Baker Road 12" Water Line	\$	2,744,712
Friendswood Parkway 16" Water Line	\$	10,836,619
Friendswood Parkway	\$	7,074,373
North Eagle Creek 12" Water Line	\$	1,372,356
Site Mitigation Plan	\$	75,000
Subtotal	\$	22,103,060
The Estates at Wilderness Trails ^[a]		
Site Preparation	\$	660,615
Friendswood Parkway	\$	1,904,897
Clearing, Grubbing & Demolition	\$	100,496
Earthwork, Paving & Grading	\$	1,917,508
Water Distribution System	\$	1,268,400
Storm Drainage	\$	570,000
Detention	\$	439,669
Sanitary Sewer System	\$	2,736,810
Sanitary Lift Station	\$	1,600,000
Striping & Signage	\$	100,000
Street Lights	\$	50,000
Contingency	\$	2,252,241
Soft Costs	\$	2,765,499
Subtotal	\$	16,366,135
Falling Leaf Ranch ^[a]		
Site Preparation	\$	777,194
Friendswood Parkway	\$	3,081,466
Clearing, Grubbing & Demolition	\$	150,744
Earthwork, Paving & Grading	\$	2,739,298
Water Distribution System	\$	2,265,000
Storm Drainage	\$	883,500
Detention	\$	681,488
Sanitary Sewer System	\$	4,045,719
Striping & Signage	\$	100,000
Street Lights	\$	50,000
Contingency	\$	2,943,724
Soft Costs	\$	3,626,684
Subtotal	\$	21,344,817
Future Bofysil Property ^[a]		
Site Preparation	\$	738,334
Clearing, Grubbing & Demolition	\$	50,248
Earthwork, Paving & Grading	\$	913,099
Water Distribution System	\$	453,000
Storm Drainage	\$	313,500
Detention	\$	241,818
Sanitary Sewer System	\$	1,665,884
Contingency	\$	881,458
Soft Costs	\$	1,089,154
Subtotal	\$	6,346,495

**Reinvestment Zone Number Two, City of Friendswood, Texas
Project Costs**

Item	Cost
Future Wischnewsky Property^[a]	
Site Preparation	\$ 777,194
Friendswood Parkway	\$ 7,493,597
Clearing, Grubbing & Demolition	\$ 125,620
Earthwork, Paving & Grading	\$ 2,374,058
Water Distribution System	\$ 1,812,000
Storm Drainage	\$ 741,000
Detention	\$ 571,570
Sanitary Sewer System	\$ 3,450,760
Sanitary Lift Station	\$ 1,600,000
Striping & Signage	\$ 100,000
Street Lights	\$ 50,000
Contingency	\$ 3,804,862
Soft Costs	\$ 4,644,347
Subtotal	\$ 27,545,008
Castle Biosciences Projects^[b]	
Clearing, Grubbing & Site Preparation	\$ 216,040
Land	\$ 1,702,216
Landscaping	\$ 44,804
Public Fire Loop	\$ 258,500
Public Storm Water Collection System	\$ 657,800
Detention Basin	\$ 627,520
Friendswood Parkway Road Extension	\$ 1,148,222
Financing Costs	\$ 609,501
Soft Costs	\$ 762,694
Subtotal	\$ 6,027,298
Subtotal Public Improvements^[a]	\$ 99,732,813
Administrative Costs	\$ 4,711,815
Total Project Costs	\$ 104,444,628

Footnotes:

[a] As identified by the City, based on the City Engineer's Opinion of Probable Cost in May 2024.

[b] As provided by the Developer on August 8, 2024.

EXHIBIT D – ESTIMATED TIMELINE OF INCURRED COSTS

Reinvestment Zone Number Two, City of Friendswood, Texas Timeline to Incur Project Costs															
Zone Year	Calendar Year	City Project Costs		The Estates at Wilderness Trail		Falling Leaf Ranch		Future Bofysil Property		Future Wischnewsky Property		Castle Bioscience at Narnia Way		Total Project Costs ^[a]	
		Annual	Cumulative	Annual	Cumulative	Annual	Cumulative	Annual	Cumulative	Annual	Cumulative	Annual	Cumulative	Annual	Cumulative
Base	2024	\$ -	\$ -	\$ 16,366,135	\$ 16,366,135	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,966,271	\$ 3,966,271	\$ 20,332,406	\$ 20,332,406
1	2025	\$ 2,819,712	\$ 2,819,712	\$ -	\$ 16,366,135	\$ 21,344,817	\$ 21,344,817	\$ -	\$ -	\$ -	\$ -	\$ 485,294	\$ 4,451,565	\$ 24,649,823	\$ 44,982,229
2	2026	\$ -	\$ 2,819,712	\$ -	\$ 16,366,135	\$ -	\$ 21,344,817	\$ -	\$ -	\$ -	\$ -	\$ 966,232	\$ 5,417,797	\$ 966,232	\$ 45,948,461
3	2027	\$ -	\$ 2,819,712	\$ -	\$ 16,366,135	\$ -	\$ 21,344,817	\$ 6,346,495	\$ 6,346,495	\$ -	\$ -	\$ 216,712	\$ 5,634,509	\$ 6,563,207	\$ 52,511,668
4	2028	\$ -	\$ 2,819,712	\$ -	\$ 16,366,135	\$ -	\$ 21,344,817	\$ -	\$ 6,346,495	\$ -	\$ -	\$ 159,699	\$ 5,794,208	\$ 159,699	\$ 52,671,367
5	2029	\$ -	\$ 2,819,712	\$ -	\$ 16,366,135	\$ -	\$ 21,344,817	\$ -	\$ 6,346,495	\$ -	\$ -	\$ 131,088	\$ 5,925,296	\$ 131,088	\$ 52,802,455
6	2030	\$ 19,283,348	\$ 22,103,060	\$ -	\$ 16,366,135	\$ -	\$ 21,344,817	\$ -	\$ 6,346,495	\$ 27,545,008	\$ 27,545,008	\$ 102,002	\$ 6,027,298	\$ 46,930,358	\$ 99,732,813
Total		\$ 22,103,060		\$ 16,366,135		\$ 21,344,817		\$ 6,346,495		\$ 27,545,008		\$ 6,027,298		\$ 99,732,813	

Footnotes:

[a] Does not illustrate Administrative Costs, which shall be incurred annually for the duration of the Zone.

EXHIBIT E – FEASIBILITY STUDY

As set forth in the revenue schedule below, during the term of the Zone, City TIRZ Increment will be generated in amounts sufficient to fund the Project Costs set forth in Exhibit C as and when such Project Costs are incurred.

**Reinvestment Zone Number Two, City of Friendswood, Texas
Feasibility Study**

Zone Year	Tax Year	Growth/ Year ^[a]	Added Development Value ^[b]	New Taxable Value	Incremental Value	City Gross New Revenue		%	TIRZ Fund Contribution		City Retained New Revenue	
						Annual	Cumulative		Annual	Cumulative	Annual	Cumulative
Base	2024			\$ 7,303,156								
1	2025	2.0%	\$ 82,000,000	\$ 89,449,219	\$ 82,146,063	\$ -	\$ -	100%	\$ -	\$ -	\$ -	\$ -
2	2026	2.0%	\$ 326,234,862	\$ 417,473,066	\$ 410,169,910	\$ 411,328	\$ 411,328	100%	\$ 411,328	\$ 411,328	\$ -	\$ -
3	2027	2.0%	\$ 144,555,153	\$ 570,377,680	\$ 563,074,524	\$ 2,053,836	\$ 2,465,164	100%	\$ 2,053,836	\$ 2,465,164	\$ -	\$ -
4	2028	2.0%	\$ 49,186,991	\$ 630,972,224	\$ 623,669,068	\$ 2,819,472	\$ 5,284,636	100%	\$ 2,819,472	\$ 5,284,636	\$ -	\$ -
5	2029	2.0%	\$ -	\$ 643,591,668	\$ 636,288,512	\$ 3,122,886	\$ 8,407,521	100%	\$ 3,122,886	\$ 8,407,521	\$ -	\$ -
6	2030	2.0%	\$ -	\$ 656,463,502	\$ 649,160,346	\$ 3,186,075	\$ 11,593,596	100%	\$ 3,186,075	\$ 11,593,596	\$ -	\$ -
7	2031	2.0%	\$ -	\$ 669,592,772	\$ 662,289,616	\$ 3,250,528	\$ 14,844,124	100%	\$ 3,250,528	\$ 14,844,124	\$ -	\$ -
8	2032	2.0%	\$ -	\$ 682,984,627	\$ 675,681,471	\$ 3,316,270	\$ 18,160,393	100%	\$ 3,316,270	\$ 18,160,393	\$ -	\$ -
9	2033	0.0%	\$ -	\$ 682,984,627	\$ 675,681,471	\$ 3,383,326	\$ 21,543,720	100%	\$ 3,383,326	\$ 21,543,720	\$ -	\$ -
10	2034	0.0%	\$ -	\$ 682,984,627	\$ 675,681,471	\$ 3,383,326	\$ 24,927,046	100%	\$ 3,383,326	\$ 24,927,046	\$ -	\$ -
11	2035	2.0%	\$ -	\$ 696,644,320	\$ 689,341,164	\$ 3,383,326	\$ 28,310,372	100%	\$ 3,383,326	\$ 28,310,372	\$ -	\$ -
12	2036	2.0%	\$ -	\$ 710,577,206	\$ 703,274,050	\$ 3,451,724	\$ 31,762,096	100%	\$ 3,451,724	\$ 31,762,096	\$ -	\$ -
13	2037	2.0%	\$ -	\$ 724,788,750	\$ 717,485,594	\$ 3,521,490	\$ 35,283,587	100%	\$ 3,521,490	\$ 35,283,587	\$ -	\$ -
14	2038	2.0%	\$ -	\$ 739,284,525	\$ 731,981,369	\$ 3,592,651	\$ 38,876,238	100%	\$ 3,592,651	\$ 38,876,238	\$ -	\$ -
15	2039	2.0%	\$ -	\$ 754,070,216	\$ 746,767,060	\$ 3,665,236	\$ 42,541,473	100%	\$ 3,665,236	\$ 42,541,473	\$ -	\$ -
16	2040	2.0%	\$ -	\$ 769,151,620	\$ 761,848,464	\$ 3,739,272	\$ 46,280,745	100%	\$ 3,739,272	\$ 46,280,745	\$ -	\$ -
17	2041	2.0%	\$ -	\$ 784,534,653	\$ 777,231,497	\$ 3,814,789	\$ 50,095,534	100%	\$ 3,814,789	\$ 50,095,534	\$ -	\$ -
18	2042	2.0%	\$ -	\$ 800,225,346	\$ 792,922,190	\$ 3,891,816	\$ 53,987,350	100%	\$ 3,891,816	\$ 53,987,350	\$ -	\$ -
19	2043	0.0%	\$ -	\$ 800,225,346	\$ 792,922,190	\$ 3,970,383	\$ 57,957,733	100%	\$ 3,970,383	\$ 57,957,733	\$ -	\$ -
20	2044	0.0%	\$ -	\$ 800,225,346	\$ 792,922,190	\$ 3,970,383	\$ 61,928,116	100%	\$ 3,970,383	\$ 61,928,116	\$ -	\$ -
21	2045	2.0%	\$ -	\$ 816,229,853	\$ 808,926,697	\$ 3,970,383	\$ 65,898,500	100%	\$ 3,970,383	\$ 65,898,500	\$ -	\$ -
22	2046	2.0%	\$ -	\$ 832,554,450	\$ 825,251,294	\$ 4,050,522	\$ 69,949,022	100%	\$ 4,050,522	\$ 69,949,022	\$ -	\$ -
23	2047	2.0%	\$ -	\$ 849,205,539	\$ 841,902,383	\$ 4,132,264	\$ 74,081,287	100%	\$ 4,132,264	\$ 74,081,287	\$ -	\$ -
24	2048	2.0%	\$ -	\$ 866,189,649	\$ 858,886,493	\$ 4,215,641	\$ 78,296,928	100%	\$ 4,215,641	\$ 78,296,928	\$ -	\$ -
25	2049	2.0%	\$ -	\$ 883,513,442	\$ 876,210,286	\$ 4,300,685	\$ 82,597,613	100%	\$ 4,300,685	\$ 82,597,613	\$ -	\$ -
26	2050	2.0%	\$ -	\$ 901,183,711	\$ 893,880,555	\$ 4,387,430	\$ 86,985,043	100%	\$ 4,387,430	\$ 86,985,043	\$ -	\$ -
27	2051	2.0%	\$ -	\$ 919,207,385	\$ 911,904,229	\$ 4,475,910	\$ 91,460,953	100%	\$ 4,475,910	\$ 91,460,953	\$ -	\$ -
28	2052	2.0%	\$ -	\$ 937,591,533	\$ 930,288,377	\$ 4,566,160	\$ 96,027,113	100%	\$ 4,566,160	\$ 96,027,113	\$ -	\$ -
29	2053	0.0%	\$ -	\$ 937,591,533	\$ 930,288,377	\$ 4,658,214	\$ 100,685,327	100%	\$ 4,658,214	\$ 100,685,327	\$ -	\$ -
30	2054	0.0%	\$ -	\$ 937,591,533	\$ 930,288,377	\$ 4,658,214	\$ 105,343,542	100%	\$ 4,658,214	\$ 105,343,542	\$ -	\$ -
Total			\$ 601,977,006			\$105,343,542			105,343,542		-	

Assumptions	
Base Taxable Value ^[c]	7,303,156.00
City AV Rate	0.5007

Footnotes
[a] Values increased at 2% annually, with two years of no growth each decade to simulate an economic downturn.
[b] Based on project development data as provided by the City and Developers on May 13, 2024 and August 14, 2024.
[c] As provided by the Appraisal District.

EXHIBIT F – PROPOSED AND EXISTING USES OF THE PROPERTY

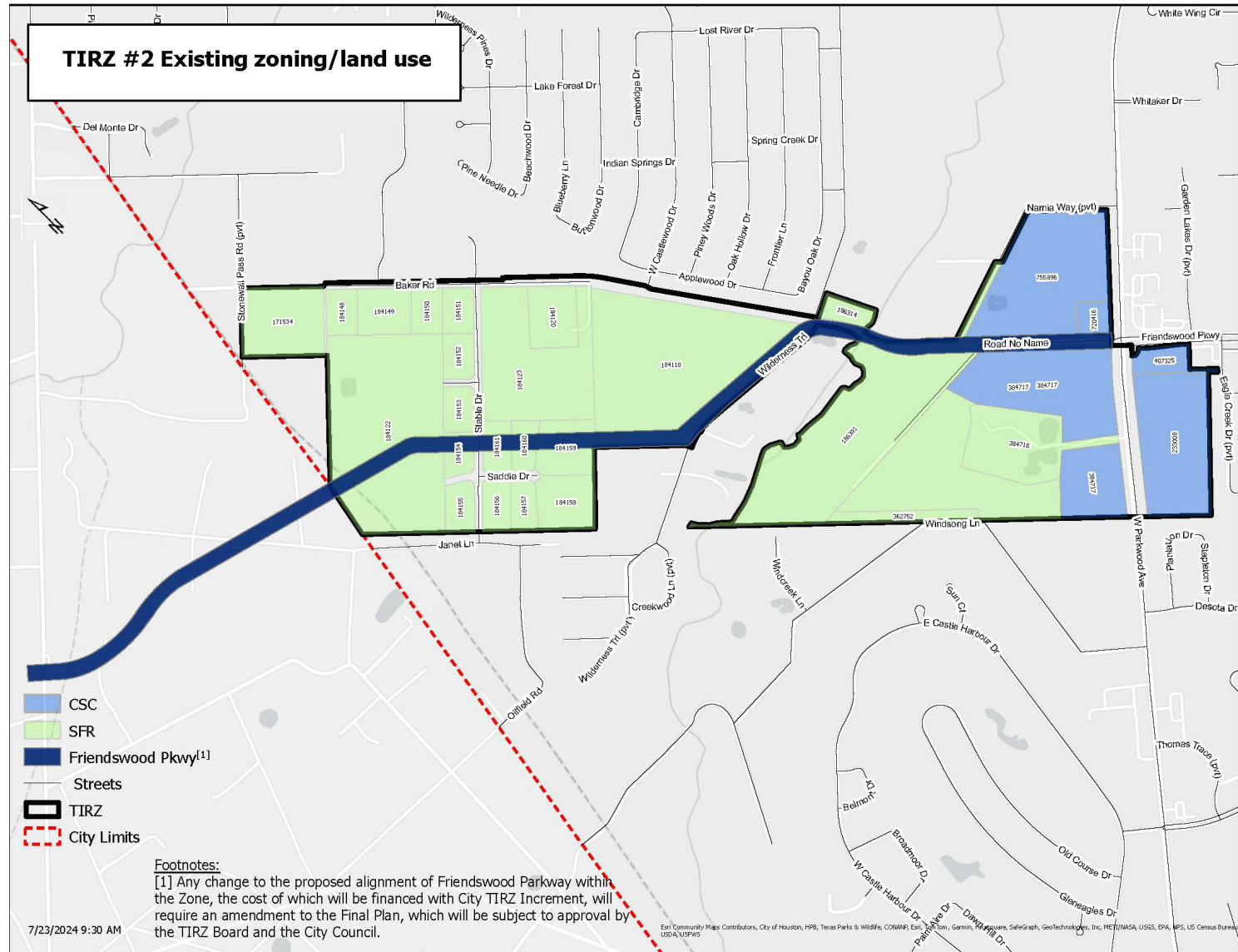




EXHIBIT G – MAP OF THE PUBLIC IMPROVEMENTS

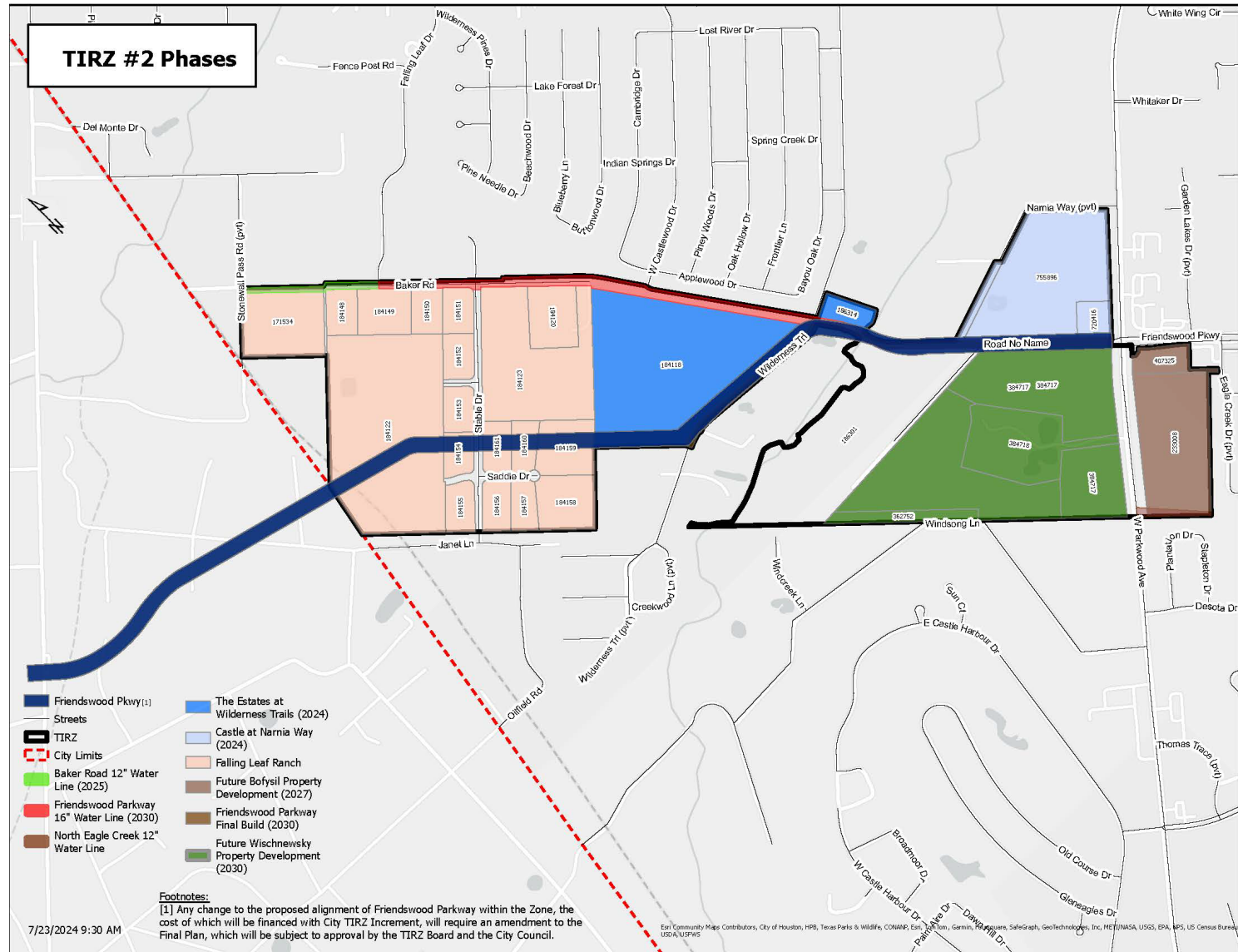


EXHIBIT H – PARCEL IDENTIFICATION

Property ID	Taxable Value	Acreage
384718	\$ 1,531,000	12.26
362752	\$ -	3.000
384717	\$ 3,920	49.02
186301	\$ -	33.02
186314	\$ -	2.13
184158	\$ 66,090	5.51
184157	\$ 27,680	2.31
184156	\$ 30,730	2.56
184159	\$ 66,210	5.52
184155	\$ 30,910	2.58
184160	\$ 27,860	2.32
184161	\$ 30,190	2.52
184154	\$ 27,910	2.33
184118	\$ 2,951,940	38.44
184153	\$ 29,800	2.48
184120	\$ 36,470	5.21
184152	\$ 29,800	2.48
184123	\$ 133,120	21.13
184151	\$ 29,800	2.48
184150	\$ 29,950	2.5
184122	\$ 165,980	40.07
184149	\$ 51,760	4.32
184148	\$ 30,010	2.5
171534	\$ 114,000	9.5
720416	\$ 668,976	2.13
186284	\$ 593,350	14.47
233008	\$ 1,260	15.75
755896	\$ 1,860	23.23
407325	\$ 592,580	2.77

FRIENDSWOOD CITY COUNCIL AGENDA ITEM FORM

This form should be completed and forwarded to the City Manager's Office as soon as possible prior to the first date that the item is expected to be placed on the Friendswood City Council agenda.

Date requested for City Council consideration: August 26, 2024

Date submitted: 07/22/2024

Prepared by: Karen Horner, City Attorney

Subject: Consider approving the Development Agreement by and between Castle Biosciences, Inc., the City of Friendswood, and Reinvestment Zone Number Two, City of Friendswood.

Originating Department: City Attorney

Degree of importance:

SUMMARY / ORIGINATING CAUSE

This item allows the Board of Directors of Reinvestment Zone Number Two, City of Friendswood (the "Zone") to approve the Development Agreement by and between (i) Castle Biosciences, Inc. (the "Developer"), (ii) the City of Friendswood (the "City"), and (ii) the Zone for the development and financing of certain public improvements associated with the proposed mixed-use commercial development within the Zone (the "Project").

Under the proposed Agreement, Developer will:

1. design and construct a mixed-use commercial development consisting of approximately 80,000 square feet of commercial space, approximately 30,000 square feet of retail space, and approximately 80,000 square feet of office space;
2. construct certain public improvements, including a water distribution system, storm drainage, detention and roadway; and
3. maintain the public improvements until the same are accepted by the City as being in compliance with the approved plans and specifications;
4. not protest GCAD assessed tax values;
5. convey all necessary easements pertaining to the public improvements; and
6. pay all permit and impact fees applicable to the Project.

Under the proposed Agreement, the City will use tax increment funds generated by the private development constructed on the development site to reimburse the Developer for public improvement costs advanced by the Developer on behalf of the City.

IMMINENT CONSEQUENCES / BENEFIT TO COMMUNITY

RECOMMENDATIONS

Staff recommends approval.

ATTACHMENTS

1. Castle Biosciences Development Agreement TIRZ #2

DEVELOPMENT AGREEMENT

THIS DEVELOPMENT AGREEMENT (the "Agreement") by and between the **CITY OF FRIENDSWOOD, TEXAS** (the "City"), a municipal corporation and home-rule city of the State of Texas, acting by and through its governing body, the City Council (the "City Council"); **REINVESTMENT ZONE NUMBER TWO, CITY OF FRIENDSWOOD** (the "Zone"), a tax increment reinvestment zone created by the City pursuant to Chapter 311 of the Texas Tax Code, as amended (the "Act"), acting by and through its governing board of directors (the "Zone Board"), and **CASTLE BIOSCIENCES, INC.** (the "Developer"), a Missouri corporation (each a "Party," and together, "the Parties"), is effective as of _____, 2024 (the "Effective Date").

RECITALS

WHEREAS, pursuant to the Act, by Ordinance No. 2024-17, passed, approved and adopted by the City Council on June 3, 2024, the City Council created the Zone and approved the preliminary reinvestment zone financing plan for the Zone; and

WHEREAS, on August 26, 2024, the Zone Board adopted a project plan and reinvestment zone financing plan for the Zone (the "Plan") that provides that the Zone will undertake to develop certain public works and improvements in the Zone, and by Ordinance No. 2024-[___], passed, approved and adopted by City Council on August 26, 2024, the Plan was approved by the City Council; and

WHEREAS, the Act provides that the Zone and the City may enter into agreements as the Zone Board and the City Council consider necessary or convenient to implement the Plan and achieve its purposes; and

WHEREAS, the Developer is the owner of that certain 23.231-acre tract of land within the Zone depicted in **Exhibit A** attached hereto and incorporated herein (the "Property"), on which Developer intends to design, develop, construct, maintain, manage, use and operate in a first phase a mixed-use commercial development consisting of approximately 80,000 square feet of commercial space, followed by a second phase that is anticipated to include approximately 30,000 square feet of retail space and approximately 80,000 square feet of office space, depending on market demands (the "Project"); and

WHEREAS, in connection with the development of the first phase of the Project, the Developer intends to construct certain public works and improvements, including, but not limited to, the extension of Friendswood Parkway from FM 528 to Narnia Way (the "Road Improvements"), a detention pond, and an 8" water line, as further described in **Exhibit B** and depicted in **Exhibit B-1** attached hereto and incorporated herein (collectively, the "Public Improvements"); and

WHEREAS, the City and the Zone have determined that they can best carry out their functions pursuant to the Plan by contracting with the Developer to provide for the efficient and effective implementation of certain aspects of the Plan, and the City and the Developer desire to enter into this Agreement to enable the development and financing of the Public Improvements in connection with the Developer's development of the Project within the Zone, and the reimbursement of the Developer from Available Tax Increment (as hereinafter defined) as provided herein;

NOW, THEREFORE, for and in consideration of the promises and the mutual agreements set forth herein, the Parties hereby agree as follows:

ARTICLE I GENERAL TERMS

A. Incorporation of Recitals. The recitals to this Agreement are hereby incorporated for all purposes.

B. Definitions and Terms. The terms "Act," "Agreement," "Developer," "City," "City Council," "Effective Date," "Party," "Parties," "Plan," "Project," "Property," "Public Improvements," "Road Improvements," "Zone," and "Zone Board" shall have the meanings given to such terms in the Recitals, and the following terms have the following meanings:

"Administrative Costs" shall mean all costs incurred by the City for the administration of the Zone, including legal, bookkeeping, auditing, and other professional and/or consulting service costs.

"Applicable Law" means any statute, law, treaty, rule, code, ordinance, regulation, permit, interpretation, certificate or order of any Governmental Authority, or any judgment, decision, decree, injunction, writ, order or like action of any court, or other Governmental Authority. Applicable Laws shall include, but not be limited to, City Regulations.

"Available Tax Increment" shall mean the Tax Increment attributable to the Property deposited into the Tax Increment Fund other than those funds required to be used to pay Administrative Costs.

"Base Year Value" shall mean the taxable value of the Property on January 1, 2024, as established and certified by the Galveston Central Appraisal District.

"City Regulations" shall mean provisions of the City's Code of Ordinances, ordinances not codified, design standards, uniform and international building and

construction codes, and other policies duly adopted by the City, which shall be applied to the Project and the Public Improvements.

“Commence Construction” or “Commencement of Construction” shall mean, with respect to the Public Improvements, that (i) preliminary plans and specifications have been prepared and all approvals thereof required by applicable Governmental Authorities have been obtained for construction of the detention pond and the 8” water line pursuant to the Plans and Specifications therefor; (ii) all necessary permits for the initiation of construction of the detention pond and the 8” water line pursuant to the Plans and Specifications therefor have been issued by all applicable Governmental Authorities; and (iii) the grading of the property on which the applicable Public Improvements will be constructed has commenced.

“Commencement Deadline” shall have the meaning set forth in Article IV.A. of this Agreement.

“Complete Construction” or “Completion of Construction” shall mean, with respect to the Public Improvements, that the Director has determined that the Developer has completed construction thereof in accordance with City Regulations and the Plans and Specifications so that the Public Improvements can be used and maintained for their intended purposes, and the City has accepted the Public Improvements and confirmed that Final Completion has been reached with respect to the Public Improvements.

“Completion Deadline” shall have the meaning set forth in Article IV.A. of this Agreement.

“Developer Advances” shall mean any funds advanced by the Developer for Public Improvement Costs pursuant to this Agreement, including any funds advanced prior to the Effective Date, but excluding Developer Interest.

“Developer Interest” shall mean the interest accrued on an amount not to exceed the lesser of (i) the actual Public Improvements Costs paid by the Developer or (ii) \$5,417,796.68, during the period beginning from the Effective Date at a per annum rate equal to the lesser of (x) 4.0% or (y) the rate of interest imposed by Developer’s lender and ending as of the date determined by the provisions of Article V.D of this Agreement.

“Director” shall mean the director of the City’s Engineering Department, or his or her designee.

“Final Completion” shall mean the point in the construction of the Public Improvements when the City determines that the Public Improvements are 100% completed, including punch list work.

“Form 1295” shall have the meaning set forth in Article IX.J.1 of this Agreement.

“Governmental Authority” shall mean any Federal, state or local governmental entity (including any taxing authority) or agency, court, tribunal, regulatory commission or other body, whether legislative, judicial or executive (or a combination or permutation thereof).

“Maximum Reimbursement Amount” shall mean an amount that is equal to the lesser of (i) the actual Public Improvements Costs and, if applicable, the Developer Interest thereon; or (ii) \$5,417,796.68, and, if applicable, Developer Interest thereon.

“Plans and Specifications” shall mean the designs, plans and specifications for the Public Improvements prepared by a consultant acceptable to the City and Developer at the direction of Developer and approved by the Director in accordance with Article II.B of this Agreement.

“Public Improvements Costs” shall mean all eligible “project costs” (as that term is defined in Section 311.002 of the Act) relating to the actual costs of acquisition, design, development, and construction of the Public Improvements paid by or on behalf of the Developer, whether before or after the Effective Date, including (i) the acquisition cost of any land that is part of the Public Improvements; (ii) all costs of design, engineering, materials, labor, construction, testing and inspection and other services arising in connection with the design and construction of the Public Improvements; (iii) all payments arising under any contracts entered into for the design or construction of the Public Improvements; and (iv) all costs incurred in connection with obtaining governmental approvals, certificates and permits required in connection with the construction of the Public Improvements, including the legal, engineering, environmental, and other consultant fees and expenses related to the design and construction of the Public Improvements.

“Tax Increment” shall mean one hundred percent (100%) of the City’s ad valorem taxes levied and collected by the City above the Base Year Value on the captured appraised value of the Property and deposited into the Tax Increment Fund.

“Tax Increment Fund” shall mean the special fund established and funded by the City with payments made by the City that are attributable to Tax Increment.

“Term” shall mean the term of this Agreement, which shall commence on the Effective Date and, unless earlier terminated as provided herein, shall continue until the earlier of (i) the date that the TIRZ Contribution has been paid in full, or (ii) December 31, 2054.

“TIRZ Contribution” shall mean the payment by the City and the Zone to the Developer for reimbursement of Developer Advances (and, if applicable, Developer Interest) in consideration for the development and construction of the Public Improvements, which shall not exceed the lesser of (i) the Available Tax Increment through December 31, 2054, or (ii) the Maximum Reimbursement Amount, subject to the terms and conditions of this Agreement.

C. Singular and Plural. Words used herein in the singular, where the context so permits, also include the plural and vice versa. The definitions of words in the singular herein also apply to such words when used in the plural where the context so permits and vice versa.

ARTICLE II THE PUBLIC IMPROVEMENTS

A. The Public Improvements. The Developer shall be responsible for the design and construction of the Public Improvements.

B. Standards and Approvals. The Developer agrees that the preliminary plans and specifications for the Public Improvements shall be subject to the review and approval of all Governmental Authorities with jurisdiction, including, without limitation, the City, and, with respect to the Road Improvements, the Texas Department of Transportation. The Developer agrees to comply with all applicable legal requirements from such jurisdictions. Construction of the Public Improvements will be in accordance with the approved Plans and Specifications, and with the City’s applicable standards and specifications, and, during the progress of the construction and installation of the Public Improvements, the City may conduct periodic, on-the-ground inspections.

C. Construction and Implementation of the Public Improvements. Developer shall be responsible for the inspection and supervision of the construction and implementation of the Public Improvements in accordance with all applicable City Regulations and procedures. The Developer shall provide to the City copies of all change orders and pay estimates. Upon Completion of Construction of the Public Improvements, the Developer shall provide the City with a final cost summary of all costs associated with the contract(s) for construction of the Public Improvements, a certificate of Completion of Construction of the Public Improvements and evidence that all amounts

owing to contractors and subcontractors have been paid in full evidenced by customary affidavits executed by such contractors.

D. Maintenance of the Public Improvements. Until such time as the Public Improvements are dedicated or conveyed to and accepted by the City, Developer shall maintain or cause to be maintained the Public Improvements, including, but not limited to, maintenance of the landscaping including any existing trees; the payment of charges for water for irrigation purposes, if any; and maintaining the associated irrigation and electrical systems. Upon the City's acceptance of the Public Improvements, the Developer shall provide a maintenance bond in the amount of one hundred percent (100%) of the total cost of the Public Improvements in a form approved by the City to guarantee the Public Improvements against all defects in workmanship and materials which may become apparent during the one (1)-year period from the date of the City's acceptance of the Public Improvements.

E. Tax Protests. During the Term, Developer shall not protest Galveston Central Appraisal District ("GCAD")'s assessed taxable value of the Project or the Property, provided that Developer may submit information to GCAD to correct any factual errors made by GCAD in determining the assessed taxable value of the Property or the Project, including, but not limited to, the use of the Property (if and to the extent that GCAD has not classified the use of the Property consistent with the Project described herein), the square footage of the Property, the square footage of the improvements located thereon, or the year in which construction of such improvements was completed. If Developer does not comply with this Section, the City, at its sole discretion, may suspend performance hereunder and begin procedures to terminate this Agreement for default, subject to the notice provisions contained in Article VIII.C., and the Developer shall repay to the City all portions of the TIRZ Contribution paid to the Developer hereunder.

F. Conveyance of Temporary Construction and Access Easements. Developer shall grant the City, at no cost, all required temporary construction and access easements necessary to maintain the Public Improvements. The City shall grant Developer, at no cost, all required temporary construction and access easements necessary to install and maintain the Public Improvements. The provisions of this Section shall survive the expiration or termination of the Agreement.

G. Payment of Fees. Developer agrees to pay all applicable monthly rates and charges for water and sewer services and shall pay all applicable City fees, including, but not limited to, impact fees and building permit fees, for the Project and the Public Improvements, it being understood that such fees shall be consistent with the charges and fees being charged to other similar developments in the City.

ARTICLE III REPRESENTATIONS

A. Representations of the City. The City hereby represents that as the date hereof:

The City is a duly created and existing municipal corporation and home rule municipality of the State of Texas under the laws of the State of Texas and is duly qualified and authorized to carry on the governmental functions and operations as contemplated by this Agreement.

The City has the power, authority and legal right under the laws of the State of Texas and the City Charter to enter into and perform this Agreement and the execution, delivery and performance hereof (i) will not, to the best of its knowledge, violate any applicable judgment, order, law or regulation, and (ii) do not constitute a default under, or result in the creation of, any lien, charge, encumbrance or security interest upon any assets of the City under any agreement or instrument to which the City is a party or by which the City or its assets may be bound or affected.

This Agreement has been duly authorized, executed and delivered by the City and constitutes a legal, valid and binding obligation of the City, enforceable in accordance with its terms except to the extent that (i) the enforceability of such instruments may be limited by bankruptcy, reorganization, insolvency, moratorium or other similar laws of general application in effect from time to time relating to or affecting the enforcement of creditors' rights and (ii) certain equitable remedies may be unavailable.

The execution, delivery and performance of this Agreement by the City do not require the consent or approval of any person which has not been obtained.

B. Representations of the Zone. The Zone Board hereby represents that:

The Zone is duly authorized, created and existing under the laws of the State and is duly qualified and authorized to carry on the governmental functions and operations as contemplated by this Agreement.

The Zone Board has the power, authority and legal right to enter into and perform this Agreement and the execution, delivery and performance hereof (i) have been duly authorized, (ii) will not, to the best of its knowledge, violate any applicable judgment, order, law or regulation, and (iii) does not constitute a default under, or result in the creation of, any lien, charge, encumbrance or security interest upon any assets of the Zone under any agreement or instrument to which the Zone is a party or by which the Zone or its assets may be bound or affected.

This Agreement has been duly authorized, executed and delivered by the Zone Board and constitutes a legal, valid and binding obligation of the Zone, enforceable in accordance with its terms except to the extent that (i) the enforceability of such instruments may be limited by bankruptcy, reorganization, insolvency, moratorium or other similar laws of general application in effect from time to time relating to or affecting the enforcement of creditors' rights and (ii) certain equitable remedies may be unavailable.

The execution, delivery and performance of this Agreement by the Zone Board does not require the consent or approval of any person which has not been obtained.

C. Representations of the Developer. The Developer hereby represents that:

The Developer has the power, authority and legal right under the laws of the State of Texas to enter into and perform this Agreement and the execution, delivery and performance hereof (i) will not, to the best of its knowledge, violate any applicable judgment, order, law or regulation, and (ii) do not constitute a default under, or result in the creation of, any lien, charge, encumbrance or security interest upon any assets of the Developer under any agreement or instrument to which the Developer is a party or by which the Developer or its assets may be bound or affected.

This Agreement has been duly authorized, executed and delivered and constitutes a legal, valid and binding obligation of the Developer, enforceable in accordance with its terms except to the extent that (i) the enforceability of such instruments may be limited by bankruptcy, reorganization, insolvency, moratorium or other similar laws of general application in effect from time to time relating to or affecting the enforcement of creditors' rights and (ii) certain equitable remedies may be unavailable.

The execution, delivery and performance of this Agreement by the Developer do not require the consent or approval of any person which has not been obtained.

ARTICLE IV DEVELOPER OBLIGATIONS

In consideration of the City and the Zone agreeing to pay the Developer the TIRZ Contribution in accordance with the terms, provisions and conditions of this Agreement, the Developer agrees to fulfill the following conditions in order to receive the TIRZ Contribution:

A. Commencement of Construction; Completion of Construction. Developer shall Commence Construction of the Public Improvements on or before the date that is sixty (60) days from the Effective Date (the "Commencement Deadline"). Developer shall Complete Construction of the Public Improvements on or before the date that is the later of (i) thirty-six (36) months from the date on which Developer Commences Construction

of the Public Improvements or (ii) eighteen (18) months from the date on which Developer obtains approval of the preliminary plans and specifications for the Road Improvements from the Texas Department of Transportation (the "Completion Deadline"). Notwithstanding any other provision of this Agreement, the City and the Zone, in their sole and absolute discretion, shall have the right, upon thirty (30) days' prior written notice to Developer, to terminate this Agreement if: (a) Developer does not Commence Construction of the Public Improvements on or before the Commencement Deadline; or (b) Developer does not Complete Construction of the Public Improvements on or before the Completion Deadline. Upon the termination of this Agreement by the City and/or the Zone pursuant to this Section, all rights and obligations of the Parties shall terminate and be of no further force or effect, except for any provisions of this Agreement that specifically survive termination of this Agreement.

B. Public Improvements Funding. The Developer will secure the funds necessary to design and construct the Public Improvements prior to contracting for the design or construction of the Public Improvements.

C. Ownership, Operation, and Maintenance of Public Improvements. As the acquisition and construction of the Public Improvements is completed and the Public Improvements become operational, the Director shall inspect the same and, if the Director finds that the same has been completed in accordance with the Plans and Specifications, or any modifications thereof, and in accordance with all Applicable Laws, the City will accept the same in writing to establish Completion of Construction of the Public Improvements, whereupon the Developer shall convey such Public Improvements to the City. Thereafter, such Public Improvements will belong to and be the absolute property of the City and will be operated and maintained by the City at its sole expense, subject to Section D. below.

D. Acquisition and Dedication of Property. If it is necessary to acquire property for completion of the Public Improvements, Developer shall acquire all such necessary property; provided, however, that, in the event that Developer is unable to acquire all necessary right-of-way to construct the Road Improvements, the City shall exercise reasonable efforts to acquire such right-of-way through any means lawfully available to the City, subject to separate approval by City Council. All property owned or acquired by the Developer for Public Improvements pursuant to this Section shall be conveyed to the City within thirty (30) days following acceptance of the Public Improvements as described in Section C. above and shall be considered part of the Public Improvements Costs.

E. Maintenance of Records. The Developer shall be responsible for maintaining records of all costs incurred and payments made for the Public Improvements and records evidencing compliance with all of the Developer commitments required by this Article and shall make such records available to the City for examination at a location within the corporate limits of the City at the City's

reasonable request and at no cost to the City. The City shall have the right to review and audit such records upon five (5) business days' prior written notice to the Developer.

F. Additional Projects and Public Improvements. This Agreement does not apply to any projects except the Project specifically defined herein and does not apply to any Public Improvements except the Public Improvements specifically defined herein unless this Agreement is amended to provide for the design and construction of additional projects and public improvements.

ARTICLE V REIMBURSEMENT OF DEVELOPER ADVANCES; DEVELOPER INTEREST PAYMENTS

A. In consideration of the development and construction of the Public Improvements, subject to Developer's compliance with the terms and conditions of this Agreement, the City, on behalf of the Zone, shall pay the TIRZ Contribution to the Developer solely from Available Tax Increment.

B. Provided that Developer has Commenced Construction of the Public Improvements on or before the Commencement Deadline and Completed Construction of the Public Improvements on or before the Completion Deadline, Developer may submit a request for payment of the TIRZ Contribution with respect to the Public Improvements upon Completion of the Public Improvements. With each request for payment of the Public Improvements Costs, Developer shall deliver to the City the following items:

- (i) a written request for payment;
- (ii) a summary of all Public Improvements Costs incurred to-date;
- (iii) a summary of all Developer Advances as of the date of the request for payment;
- (iv) evidence that all contractors, subcontractors, laborers, materialmen, architects, engineers and all other parties who have performed work on or furnished materials to-date have been paid in full, together with executed and delivered releases of lien or customary affidavits executed by such contractors;
- (v) a sworn affidavit executed by an officer authorized to bind the Developer certifying that all contractors, subcontractors, laborers, materialmen, architects, engineers and all other parties who have performed work on or furnished materials to-date have been paid in full; and
- (vi) a sworn affidavit executed by an officer authorized to bind the Developer certifying that the Public Improvements Costs for which the Developer is

seeking reimbursement from the TIRZ Contribution have not been paid from, and will not be reimbursed from, any public funding sources other than Available Tax Increment.

C. The City, on behalf of the Zone shall make annual payments to the Developer in the amount equal to the Available Tax Increment to reimburse outstanding Developer Advances on March 1 of each year. Payments for the Public Improvements shall begin no earlier than on March 1 of the year after which Completion of Construction of the Public Improvements has occurred. Payments shall continue until the TIRZ Contribution is fully paid.

D. If Developer has met the requirements set forth in Section B. above to begin receiving annual payments of the TIRZ Contribution, and has satisfied the criteria for payment of the first tranche of Developer Interest payments (and, if applicable, the second tranche of Developer Interest payments) set forth in this Section, Developer may submit a request for payment of the TIRZ Contribution for Developer Interest. With each request for payment of Developer Interest, Developer shall deliver to the City a written request for payment and a sworn affidavit that includes the calculation of Developer Interest and the amount due, along with documentation evidencing that the minimum taxable value requirement(s) set forth below have been met for the applicable period(s) of time set forth below:

1. First Tranche of Developer Interest Payments: If, on or before December 31, 2026, (a) the taxable value of the Property is not less than \$49,440,000, and (b) Developer has satisfied all other requirements for payment of Developer Interest set forth herein, Developer Interest shall accrue for up to two (2) consecutive years from the Effective Date; provided, however, that should the taxable value of the Property fall below \$49,400,000, no Developer Interest payment will be due for that year.

2. Second Tranche of Developer Interest Payments: If, on or before December 31, 2029, (a) the taxable value of the Property is not less than \$113,000,000, (b) Developer has met the criteria to receive the first tranche of Developer Interest payments for two (2) consecutive years subject to the preceding subsection, and (c) Developer has satisfied all other requirements for payment of Developer Interest set forth herein, Developer Interest shall accrue for up to an additional two (2) consecutive years; provided, however, that should the taxable value of the Property fall below \$113,000,000, no Developer Interest payment will be due for that year.

E. The City is not required to make any payment to the Developer in any year in which:

(i) Completion of Construction of the Public Improvements has not occurred and/or Developer has not submitted a payment request in compliance with the requirements of this Article;

(ii) funds are not available from the Available Tax Increment;

(iii) the taxable value of the Property for that year is less than or equal to the Base Year Value, regardless of whether there is Available Tax Increment; or

(iv) the Developer has not fully paid all ad valorem property taxes owed on the Project or the Property (including any delinquent or rollback taxes).

In addition to the foregoing, the City is not required to make any payment to the Developer of Developer Interest except as expressly set forth in and subject to the conditions of Section D. above. In the event that Developer has met the criteria to receive a Developer Interest payment and sufficient funds are not available from the Available Tax Increment that year to reimburse the outstanding Developer Advances and make the Developer Interest payment, the Available Tax Increment will be allocated first toward reimbursement of the outstanding Developer Advances, and then toward the Developer Interest payment, and any unpaid portion of the Developer Interest payment that would have been payable that year will be carried forward and will be made from Available Tax Increment in the next year in which sufficient Available Tax Increment remains, following reimbursement of outstanding Developer Advances, to pay the balance of such Developer Interest payment.

F. Prior to the payment of any portion of the TIRZ Contribution to the Developer, the City shall hire a certified public accountant to review the invoices and appropriate proof of payment for all Public Improvement Costs paid for by Developer Advances for which Completion of Construction has occurred and submit a report to the City certifying the (i) amounts due from the Available Tax Increment for the Developer Advances being repaid, and (ii) that funds are available from Available Tax Increment to make such payment.

G. In the event all or a portion of the Public Improvements Costs (and, if applicable, the payment of Developer Interest thereon) is determined to be ineligible under the Act or is inconsistent with the Plan, the TIRZ Contribution shall be reduced by the amount attributable to the ineligible component(s) or cost(s). If the City has already repaid the Developer for such ineligible Public Improvements Costs (or Developer Interest thereon) in accordance with this Agreement, the Parties hereby agree that (i) the amount repaid to the Developer by the City for such ineligible Public Improvements Costs (or Developer Interest thereon) shall be offset against future repayments by the City, or (ii) in the event there are not future repayments to be made by the City, or such amounts are insufficient, (x) the Developer shall reimburse the City for such amount

owed within thirty (30) days of receipt of an invoice from the City, and (y) interest will accrue on any amounts not reimbursed by Developer within thirty (30) days of receipt of an invoice from the City at the rate of interest specified in Texas Government Code Section 2251.025.

H. Developer agrees that it will exercise reasonable efforts to seek reimbursement from the City for Public Improvements Costs eligible for payment from public funding sources other than Available Tax Increment, to the maximum extent permitted by Applicable Law and/or by agreement. Public Improvements Costs reimbursable to Developer under this Agreement shall be reduced to the extent that such Project Costs are reimbursed to, or are contracted to be reimbursed to, Developer from any public funding sources other than Available Tax Increment, and the obligations of the City to reimburse Developer under this Agreement will be decreased by the amount of the payments to the Developer from such other funding public sources.

ARTICLE VI ADDRESS AND NOTICE

Any and all notices and communications under this Agreement shall be mailed by first-class mail, or delivered, or sent by electronic transmission confirmed by mailing written confirmation at substantially the same time as such electronic transmission, to the Developer at the following address:

Castle Biosciences, Inc.
c/o Partners
1360 Post Oak Blvd, Suite 1900
Houston, Texas 77056
Attention: Carter Perrin, Managing Director
Email: carter.perrin@partnersrealestate.com

With a copy to:

Allen Boone Humphries Robinson LLP
3200 Southwest Freeway, Suite 2600
Houston, Texas 77027
Attention: Jessica Holoubek
Email: jholoubek@abhr.com

Any and all notices and communications under this Agreement shall be mailed by first-class mail, or delivered, or sent by electronic transmission confirmed by mailing written confirmation at substantially the same time as such electronic transmission, to the City at the following address:

City Manager, City of Friendswood, Texas
910 S. Friendswood Drive
Friendswood, Texas 77546
Email: fwdcity@friendswood.com

Any and all notices and communications under this Agreement shall be mailed by first-class mail, or delivered, or sent by electronic transmission confirmed by mailing written confirmation at substantially the same time as such electronic transmission, to the Zone at the following address:

Reinvestment Zone Number Two, City of Friendswood
c/o City Secretary
910 S. Friendswood Drive
Friendswood, Texas 77546
Email: citysecretary@friendswood.com

ARTICLE VII INSURANCE, INDEMNIFICATION AND RELEASE

A. Insurance. With no intent to limit any contractor's liability or obligation for indemnification, Developer shall require that each contractor providing work or service on the Public Improvements provide and maintain certain insurance in full force and effect at all times during the construction of the Public Improvements and shall require that the City and the Zone are named as additional insureds under such contractor's insurance policies.

The insurance, at a minimum, must include the following coverages and limits of liability:

<u>Coverage</u>	<u>Limit of Liability</u>
Worker's Compensation	Statutory for Workers Compensation
Employer's Liability (each accident) (policy limit) (each employee)	Bodily Injury by Disease \$500,000 Bodily Injury by Accident \$100,000 Bodily Injury by Disease \$100,000
Comprehensive General Liability:	Each Occurrence Limit of \$1,000,000 Personal and Advertising Limit of \$1,000,000 General Aggregate Limit of \$2,000,000 Products - Completed Operations

	Aggregate Limit of \$2,000,000
Automobile Liability Insurance (for automobiles used by the contractor in the course of its performance under this Agreement including employer's non-owned and hired auto coverage)	\$1,000,000 combined single limit per occurrence
Professional Liability Coverage (for professional service contract only)	\$500,000 per occurrence \$1,000,000 aggregate

If the amount of any contract awarded by Developer to construct Public Improvements shall exceed \$1,000,000, Developer shall contract with the contractor to maintain Commercial General Liability coverage for at least twice the combined minimum limits specified above.

B. Form of Policies. The City may approve the form of the insurance policies, but nothing the City does or fails to do relieves Developer of its obligation to provide the required coverage under this Agreement. The City's actions or inactions do not waive the Zone's or the City's rights under this Agreement.

C. Issuers of Policies. The issuer of each policy shall be a carrier that is licensed and admitted to do business in the State of Texas by the Texas Department of Insurance or a legally established self-insurance pool in the State of Texas and has a Best's rating of at least A and a Best's Financial Size Category of Class VII or better, according to the most current edition Best Key Rating Guide, Property-Casualty United States.

D. Insured Parties. Each policy, except those for Workers' Compensation, Employer's Liability, and Professional Liability, must name the City and the Zone (and their respective officers, agents, and employees) as additional insured parties on the original policy and all renewals or replacements.

E. Deductibles. Developer shall be responsible for and bear (or shall contract with each applicable contractor to bear and assume) any claims or losses to the extent of any deductible amounts and waives (and shall contract with each contractor to waive) any claim it may have for the same against the City or the Zone, or their respective officers, agents, or employees.

F. Cancellation. Each policy must state that it may not be canceled, materially modified, or nonrenewed unless the insurance company gives the City thirty (30) days' prior written notice. Developer shall (and shall contract with each contractor to) give written notice to the City within five (5) days of the date on which total claims by any party against such person reduce the aggregate amount of coverage below the amounts

required by this Agreement. In the alternative, the policy may contain an endorsement establishing a policy aggregate for the particular project or location subject to this Agreement.

G. Subrogation. Each policy must contain an endorsement to the effect that the issuer waives any claim or right of subrogation to recover against the City and the Zone, and their respective officers, agents, or employees.

H. Primary Insurance Endorsement. Each policy, except Workers' Compensation and Professional Liability (if any), must contain an endorsement that the policy is primary to any other insurance available to the additional insured with respect to claims arising under this Agreement.

I. Liability for Premium. Developer shall pay (or shall contract with contractors to pay) all insurance premiums for coverage required by this Article VII and the City and the Zone shall not be obligated to pay any premiums.

J. Subcontractors. Notwithstanding the other provisions of this Article VII, the amount of coverage contracted to be provided by subcontractors shall be commensurate with the amount of the subcontract, but in no case less than \$500,000 per occurrence.

K. Proof of Insurance. Promptly after the execution of this Agreement and from time to time during the Term at the request of the City, Developer shall furnish the City with certificates of insurance maintained by Developer in accordance with this Article VII, along with an affidavit from Developer confirming that the certificates accurately reflect the insurance coverage maintained. Prior to Commencement of Construction of any Public Improvements hereunder, Developer shall provide (or shall contract with its contractors or subcontractors to provide) copies of the insurance certificates to the City, and within ten (10) days before expiration of coverage, Developer shall deliver (or contract with its contractors or subcontractors to deliver) copies of renewal policies or certificates of insurance evidencing renewal and payment of premium. Developer shall maintain all current certificates of insurance on file with the City at all times during the Term until the Completion of all Public Improvements has occurred. If requested in writing by the City, Developer shall furnish the City Manager with certified copies of Developer's actual insurance policies. If Developer does not comply with the requirements of this Article VII, the City, at its sole discretion, may (1) suspend performance by the City and the hereunder and begin procedures to terminate this Agreement for default or (2) purchase the required insurance with City or Zone funds and deduct the cost of the premiums from amounts due to Developer under this Agreement. The City shall never waive or be estopped to assert its right to terminate this Agreement because of its acts or omissions regarding its review of insurance documents.

L. Other Insurance. If requested by the City, Developer shall furnish adequate evidence of social security and unemployment compensation insurance, to the extent applicable to Developer's operations under this Agreement.

M. Indemnification and Release.

DEVELOPER SHALL DEFEND, INDEMNIFY, AND HOLD THE CITY AND THE ZONE, THEIR AGENTS, EMPLOYEES, OFFICERS, AND LEGAL REPRESENTATIVES (COLLECTIVELY, THE "INDEMNIFIED PERSONS") HARMLESS FOR ALL CLAIM, CAUSES OF ACTION, LIABILITIES, FINES, AND EXPENSES (INCLUDING, WITHOUT LIMITATION, ATTORNEYS' FEES, COURT COSTS, AND ALL OTHER DEFENSE COSTS AND INTEREST) FOR INJURY, DEATH, DAMAGE, OR LOSS TO PERSONS OR PROPERTY SUSTAINED IN CONNECTION WITH OR INCIDENTAL TO PERFORMANCE UNDER THIS AGREEMENT, INCLUDING, WITHOUT LIMITATION, THOSE CAUSED BY:

DEVELOPER AND/OR ITS AGENTS', EMPLOYEES, OR OFFICERS' DIRECTORS', CONTRACTORS' OR SUBCONTRACTORS' (COLLECTIVELY "DEVELOPER'S") ACTUAL OR ALLEGED NEGLIGENCE OR INTENTIONAL ACTS OR OMISSIONS;

THE INDEMNIFIED PERSONS' AND DEVELOPER'S ACTUAL OR ALLEGED CONCURRENT NEGLIGENCE, WHETHER DEVELOPER IS IMMUNE FROM LIABILITY OR NOT; AND/OR

THE INDEMNIFIED PERSONS' AND DEVELOPER'S ACTUAL OR ALLEGED STRICT PRODUCTS LIABILITY OR STRICT STATUTORY LIABILITY, WHETHER DEVELOPER IS IMMUNE FROM LIABILITY OR NOT.

NOTWITHSTANDING ANY OTHER PROVISION OF THIS SECTION OR OTHER PROVISIONS OF THIS AGREEMENT, (1) DEVELOPER SHALL NOT BE OBLIGATED TO INDEMNIFY ANY INDEMNIFIED PERSON FOR THE INDEMNIFIED PERSON'S SOLE NEGLIGENCE; AND (2) DEVELOPER SHALL NOT BE OBLIGATED TO INDEMNIFY ANY INDEMNIFIED PERSONS TO THE EXTENT THAT ANY CLAIMS WHICH MIGHT OTHERWISE BE SUBJECT TO INDEMNIFICATION HEREUNDER RESULTED, IN WHOLE OR IN PART, FROM THE GROSS NEGLIGENCE, RECKLESSNESS OR INTENTIONAL ACT OR OMISSION OF ANY INDEMNIFIED PERSON OR PERSONS.

IF AN INDEMNIFIED PERSON OR DEVELOPER RECEIVES NOTICE OF ANY CLAIM OR CIRCUMSTANCE WHICH COULD GIVE RISE TO AN INDEMNIFIED LOSS, THE RECEIVING PARTY SHALL GIVE WRITTEN NOTICE TO THE OTHER PARTY WITHIN TEN (10) DAYS. THE NOTICE MUST INCLUDE A DESCRIPTION OF THE INDEMNIFICATION EVENT IN REASONABLE DETAIL, THE BASIS ON WHICH INDEMNIFICATION MAY BE DUE, AND THE ANTICIPATED AMOUNT

OF THE INDEMNIFIED LOSS. THIS NOTICE SHALL NOT ESTOP OR PREVENT AN INDEMNIFIED PERSON FROM LATER ASSERTING A DIFFERENT BASIS FOR INDEMNIFICATION OR A DIFFERENT AMOUNT OF INDEMNIFIED LOSS THAN THAT INDICATED IN THE INITIAL NOTICE. IF AN INDEMNIFIED PERSON DOES NOT PROVIDE THIS NOTICE WITHIN THE 10-DAY PERIOD, IT DOES NOT WAIVE ANY RIGHT TO INDEMNIFICATION EXCEPT TO THE EXTENT THAT DEVELOPER IS PREJUDICED, SUFFERS LOSS, OR INCURS EXPENSE BECAUSE OF THE DELAY.

DEVELOPER SHALL ASSUME THE DEFENSE OF THE CLAIM AT ITS OWN EXPENSE WITH COUNSEL CHOSEN BY IT THAT IS REASONABLY SATISFACTORY TO THE INDEMNIFIED PERSON. DEVELOPER SHALL THEN CONTROL THE DEFENSE AND ANY NEGOTIATIONS TO SETTLE THE CLAIM. WITHIN TEN (10) DAYS AFTER RECEIVING WRITTEN NOTICE OF THE INDEMNIFICATION REQUEST, DEVELOPER SHALL ADVISE THE INDEMNIFIED PERSON AS TO WHETHER OR NOT IT WILL DEFEND THE CLAIM. IF DEVELOPER DOES NOT ASSUME THE DEFENSE, THE INDEMNIFIED PERSON SHALL ASSUME AND CONTROL THE DEFENSE, AND ALL DEFENSE EXPENSES INCURRED BY IT SHALL CONSTITUTE AN INDEMNIFICATION LOSS.

IF DEVELOPER ELECTS TO DEFEND A CLAIM, THE INDEMNIFIED PERSON MAY RETAIN SEPARATE COUNSEL AT THE SOLE COST AND EXPENSE OF SUCH INDEMNIFIED PERSON TO PARTICIPATE IN (BUT NOT CONTROL) THE DEFENSE AND TO PARTICIPATE IN (BUT NOT CONTROL) ANY SETTLEMENT NEGOTIATIONS. DEVELOPER MAY SETTLE THE CLAIM WITHOUT THE CONSENT OR AGREEMENT OF THE INDEMNIFIED PERSON, UNLESS THE SETTLEMENT (I) WOULD RESULT IN INJUNCTIVE RELIEF OR OTHER EQUITABLE REMEDIES OR OTHERWISE REQUIRE THE INDEMNIFIED PERSON TO COMPLY WITH RESTRICTIONS OR LIMITATIONS THAT ADVERSELY AFFECT THE INDEMNIFIED PERSON, (II) WOULD REQUIRE THE INDEMNIFIED PERSON TO PAY AMOUNTS THAT DEVELOPER DOES NOT FUND IN FULL, OR (III) WOULD NOT RESULT IN THE INDEMNIFIED PERSON'S FULL AND COMPLETE RELEASE FROM ALL LIABILITY TO THE PLAINTIFFS OR CLAIMANTS WHO ARE PARTIES TO OR OTHERWISE BOUND BY THE SETTLEMENT.

DEVELOPER RELEASES EACH INDEMNIFIED PERSON FROM ALL LIABILITY FOR INJURY, DEATH, DAMAGE, OR LOSS TO PERSONS OR PROPERTY SUSTAINED IN CONNECTION WITH OR INCIDENTAL TO PERFORMANCE UNDER THIS AGREEMENT, EVEN IF THE INJURY, DEATH, DAMAGE, OR LOSS IS CAUSED BY THE INDEMNIFIED PERSON'S CONCURRENT NEGLIGENCE AND/OR THE INDEMNIFIED PERSON'S STRICT PRODUCTS LIABILITY OR

STRICT STATUTORY LIABILITY, BUT NOT SUCH INDEMNIFIED PERSON'S SOLE NEGLIGENCE OR FROM ANY DAMAGE OR LOSS TO THE EXTENT RESULTING FROM THE GROSS NEGLIGENCE, RECKLESSNESS OR INTENTIONAL ACT OR OMISSION OF THE INDEMNIFIED PERSON.

DEVELOPER SHALL REQUIRE ALL CONTRACTORS ENGAGED BY IT TO CONSTRUCT PUBLIC IMPROVEMENTS (AND THEIR SUBCONTRACTORS) TO RELEASE AND INDEMNIFY THE INDEMNIFIED PERSONS TO THE SAME EXTENT AND IN SUBSTANTIALLY THE SAME FORM AS ITS RELEASE OF AND INDEMNITY TO THE INDEMNIFIED PERSONS HEREUNDER.

N. **RELEASE.** DEVELOPER SHALL ALSO REQUIRE THAT ALL GENERAL CONTRACTORS INDEMNIFY THE CITY AND THE ZONE AND THEIR RESPECTIVE OFFICIALS AND EMPLOYEES FROM AND AGAINST ANY AND ALL CLAIMS, LOSSES, DAMAGES, CAUSES OF ACTION, SUITS AND LIABILITIES ARISING OUT OF SUCH CONTRACTOR'S WORK AND ACTIVITY RELATED TO THE PUBLIC IMPROVEMENTS.

O. Survival. The provisions of Sections M. and N. above shall survive the expiration or termination of the Agreement.

ARTICLE VIII DEFAULT AND REMEDY

A. Payment Default. The City and Zone agree that, so long as Developer has complied with the terms and provisions of this Agreement, the failure to pay the Developer any portion of the TIRZ Contribution within ten (10) days of the receipt of notice of such failure to pay is an event of default (a "Payment Default") and that the Developer shall be entitled to any and all of the remedies available in this Article or otherwise at law or equity.

B. Developer Default. In the event that the Developer fails to (i) Commence Construction of the Public Improvements on or before the Commencement Deadline, or (ii) Complete Construction of the Public Improvements on or before the Completion Deadline, such failure shall be an event of default by Developer and, in addition to any other remedies available to the City or the Zone at law or in equity, including the termination of this Agreement, the Developer shall release the City from the obligation to repay any Developer Advances or Developer Interest with respect to the Public Improvements Costs.

C. General Events of Default. A Party shall be deemed in default under this Agreement (which shall be deemed a breach hereunder) if such Party fails to materially

perform, observe or comply with any of its covenants, agreements or obligations hereunder or breaches or violates any of its representations contained in this Agreement.

Before any failure of any Party to perform its obligations under this Agreement, shall be deemed to be a breach of this Agreement, the Party claiming such failure shall notify the Party alleged to have failed to perform of the alleged failure, in writing, and shall demand performance. Except as otherwise provided in Section A. above with regard to a Payment Default, no breach of this Agreement may be found to have occurred if performance has commenced to the reasonable satisfaction of the complaining Party within 30 days of the receipt of such notice.

Upon a breach of this Agreement, the non-defaulting Party, in any court of competent jurisdiction, by an action or proceeding at law or in equity, may pursue any other remedy set forth herein or otherwise available to that Party at law or in equity. Except as otherwise set forth herein, no action taken by a Party pursuant to the provisions of this Section or pursuant to the provisions of any other Section of this Agreement shall be deemed to constitute an election of remedies; and all remedies set forth in this Agreement shall be cumulative and non-exclusive of any other remedy either set forth herein or available to any Party at law or in equity. Each Party shall have the affirmative obligation to mitigate its damages in the event of a default by another Party.

Notwithstanding anything in this Agreement which is or may appear to be to the contrary, if the performance of any covenant or obligation to be performed hereunder by any Party is delayed as a result of circumstances which are beyond the reasonable control of such Party (which circumstances may include, without limitation, pending or threatened litigation, acts of God, war, acts of civil disobedience, fire or other casualty, shortage of materials, adverse weather conditions [such as, by way of illustration and not limitation, severe rain storms or below freezing temperatures, or tornadoes], labor action, strikes or similar acts), the time for such performance shall be extended by the amount of time of such delay.

In addition to any other right or remedy available to the Parties pursuant to this Agreement, in the event of a default or a breach by either Party under this Agreement which continues for 30 days after written notice to the Party alleged to have defaulted or breached and the failure of the Party alleged to have defaulted or breached to cure or diligently proceed to cure such breach to the complaining Party's reasonable satisfaction, the complaining Party shall have the right (but not the obligation), in its sole discretion, to exercise the rights set forth herein or otherwise available to that Party at law or in equity to require the Party alleged to have defaulted or breached to perform.

ARTICLE IX GENERAL PROVISIONS

A. Time of the Essence. Time is of the essence of this Agreement. The Parties will make every reasonable effort to expedite the subject matters hereof and acknowledge that the successful performance of this Agreement requires their continued cooperation.

B. Amendments and Waivers. Any provision of this Agreement may be amended or waived if such amendment or waiver is in writing and is approved by the Developer, the Zone and the City. No course of dealing on the part of the Parties nor any failure or delay by the Parties with respect to exercising any right, power or privilege pursuant to this Agreement shall operate as a waiver thereof, except as otherwise provided in this Section.

C. Invalidity. In the event that any of the provisions contained in this Agreement shall be held unenforceable in any respect, such unenforceability shall not affect any other provisions of this Agreement; and, to that end, all provisions, covenants, agreements or portions of this Agreement are declared to be severable.

D. Inspections, Audits. Developer agrees to keep such operating records relating to the Public Improvements as may be reasonably required by the City, or by Applicable Law. Developer shall allow the City reasonable access to documents and records in Developer's possession, custody or control that the City deems necessary to assist the City in determining Developer's compliance with this Agreement. Prior to the City's acceptance of the Public Improvements (or any component thereof), Developer shall tender such records to the City for retention in accordance with the Texas Local Government Records Act.

E. Developer Operations and Employees. All personnel supplied or used by Developer in the performance of this Agreement shall be deemed employees or subcontractors of Developer and will not be considered employees, agents or subcontractors of the City for any purpose whatsoever. Developer shall be solely responsible for the compensation of all such personnel, for withholding of income, social security and other payroll taxes and for the coverage of all worker's compensation benefits.

F. Personal Liability of Public Officials. To the extent permitted by the laws of the State of Texas, no director, officer, employee or agent of the Zone, and no officer, employee or agent of the City, shall be personally responsible for any liability arising under or growing out of the Agreement.

G. Successors and Assigns. No Party may assign its rights or obligations hereunder without the consent of the other Parties, except that, i) upon written notice to the other Parties in accordance with this Agreement, the Developer may assign the

Agreement or the payment of the TIRZ Contribution to an affiliate of the Developer and ii) upon written notice to the other Parties in accordance with this Agreement, the Developer may assign all or a portion of the Developer's contractual right to any sum due or to become due under this Agreement to Developer's lender to aid and assist the Developer in financing the Public Improvements Costs. For purposes of this Section, an "affiliate" means any other person directly controlling, or directly controlled by or under direct common control with the Developer. As used in this definition, the term "control," "controlling" or "controlled by" shall mean the possession, directly, of the power either to (a) vote fifty percent (50%) or more of the securities or interests having ordinary voting power for the election of directors (or other comparable controlling body) of the Developer, or (b) direct or cause the direction of management or policies of the Developer, whether through the ownership of voting securities or interests, by contract or otherwise, excluding in each case, any lender of the Developer or any affiliate of such lender.

H. Exhibits, Titles of Articles, Sections and Subsections. The exhibits attached to this Agreement, if any, are incorporated herein and shall be considered a part of this Agreement for the purposes stated herein, except that in the event of any conflict between any of the provisions of such exhibits and the provisions of this Agreement, the provisions of this Agreement shall prevail. All titles or headings are only for the convenience of the Parties and shall not be construed to have any effect or meaning as to the agreement between the Parties hereto. Any reference herein to a section or subsection shall be considered a reference to such section or subsection of this Agreement unless otherwise stated. Any reference herein to an exhibit shall be considered a reference to the applicable exhibit attached hereto unless otherwise stated.

I. Applicable Law. This Agreement is a contract made under and shall be construed in accordance with and governed by the laws of the United States of America and the State of Texas, and any actions concerning this Agreement shall be brought in the State Courts of Galveston County, Texas.

J. State Law Requirements.

1. Iran, Sudan and Foreign Terrorist Organizations. The Developer represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, and posted on any of the following pages of such officer's internet website:

<https://comptroller.texas.gov/purchasing/docs/sudan-list.pdf>,

<https://comptroller.texas.gov/purchasing/docs/iran-list.pdf>, or

<https://comptroller.texas.gov/purchasing/docs/fto-list.pdf>.

The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, and excludes the Developer and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. The Developer understands “affiliate” to mean any entity that controls, is controlled by, or is under common control with the Developer and exists to make a profit. Notwithstanding anything contained herein, the representations and covenants contained in this Section shall survive termination of the Agreement until the statute of limitations has run.

2. Anti-Boycott Verification. The Developer hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and, will not boycott Israel during the Term. The foregoing verification is made solely to comply with Section 2271.002, Texas Government Code. As used in the foregoing verification, “boycott Israel” means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes. The Developer understands “affiliate” to mean an entity that controls, is controlled by, or is under common control with the Developer and exists to make a profit. Notwithstanding anything contained herein, the representations and covenants contained in this Section shall survive termination of the Agreement until the statute of limitations has run.

3. Petroleum. The Developer hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott energy companies and will not boycott energy companies during the Term. The foregoing verification is made solely to enable the City to comply with such Section. As used in the foregoing verification, “boycott energy companies” shall mean, without an ordinary business purpose, refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations with a company because the company (A) engages in the exploration, production, utilization, transportation, sale, or manufacturing of fossil fuel-based energy and does not commit or pledge to meet environmental standards beyond applicable federal and state law; or (B) does business with a company described by (A) above. The Developer understands “affiliate” to mean an entity that controls, is controlled by, or is under common control with the Developer within the meaning of SEC Rule 133(f), 17 C.F.R. §230.133(f), and exists to make a profit. Notwithstanding anything contained herein, the representations and covenants contained in this

Section shall survive termination of the Agreement until the statute of limitations has run.

4. Firearms. The Developer hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate during the Term against a firearm entity or firearm trade association. The foregoing verification is made solely to enable the City to comply with such Section. As used in the foregoing verification, “discriminate against a firearm entity or firearm trade association”: (a) means, with respect to the firearm entity or firearm trade association, to: (i) refuse to engage in the trade of any goods or services with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association; (ii) refrain from continuing an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association; or (iii) terminate an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association and (b) does not include: (i) the established policies of a merchant, retail seller, or platform that restrict or prohibit the listing or selling of ammunition, firearms, or firearm accessories; and (ii) a company’s refusal to engage in the trade of any goods or services, decision to refrain from continuing an existing business relationship, or decision to terminate an existing business relationship: (aa) to comply with federal, state, or local law, policy, or regulations or a directive by a regulatory agency; or (bb) for any traditional business reason that is specific to the customer or potential customer and not based solely on an entity’s or association’s status as a firearm entity or firearm trade association. As used in the foregoing verification, (a) “firearm entity” means a manufacturer, distributor, wholesaler, supplier, or retailer of firearms (i.e., weapons that expel projectiles by the action of explosive or expanding gases), firearm accessories (i.e., devices specifically designed or adapted to enable an individual to wear, carry, store, or mount a firearm on the individual or on a conveyance and items used in conjunction with or mounted on a firearm that are not essential to the basic function of the firearm, including detachable firearm magazines), ammunition (i.e., a loaded cartridge case, primer, bullet, or propellant powder with or without a projectile) or a sport shooting range (as defined by Section 250.001, Texas Local Government Code), and (b) “firearm trade association” means a person, corporation, unincorporated association, federation, business league, or business organization that: (i) is not organized or operated for profit (and none of the net earnings of which inures to the benefit of any private shareholder or individual); (ii) has two or more firearm entities as members; and (iii) is exempt from federal income taxation under Section 501(a), Internal Revenue Code of 1986, as an organization described by Section 501(c) of that code. The Developer understands “affiliate” to mean an entity that controls,

is controlled by, or is under common control with the Developer within the meaning of SEC Rule 133(f), 17 C.F.R. §230.133(f), and exists to make a profit. Notwithstanding anything contained herein, the representations and covenants contained in this Section shall survive termination of the Agreement until the statute of limitations has run.

K. No Arbitration. Notwithstanding anything to the contrary contained in this Agreement, the Parties hereby agree that no claim or dispute between the Parties arising out of or relating to this Agreement shall be decided by any arbitration proceeding including, without limitation, any proceeding under the Federal Arbitration Act (9 U.S.C. Sections 1 - 14), or any applicable State arbitration statute, including, but not limited to, the Texas General Arbitration Act, provided that in the event the City or the Zone Board is subjected to an arbitration proceeding notwithstanding this provision, the Developer consents to be joined in the arbitration proceeding if the Developer's presence is required or requested by the City or the Zone Board for complete relief to be recorded in the arbitration proceeding.

L. Entire Agreement. This Agreement represents the final agreement between the Parties and may not be contradicted by evidence of prior, contemporaneous, or subsequent oral agreements of the Parties. There are no unwritten oral agreements between the Parties.

M. Approval by the Parties. Whenever this Agreement requires or permits approval or consent to be hereafter given by any of the Parties, the Parties agree that such approval or consent shall not be unreasonably conditioned, withheld or delayed.

N. Counterparts. This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same agreement.

O. Interpretation. This Agreement has been jointly negotiated by the Parties and shall not be construed against a Party because that Party may have primarily assumed responsibility for the drafting of this Agreement.

[EXECUTION PAGES FOLLOW]

IN TESTIMONY OF WHICH this instrument has been executed in multiple counterparts, each of equal dignity and effect, on behalf of the Developer and the City effective as of the date first above written.

REINVESTMENT ZONE NUMBER TWO, CITY OF FRIENDSWOOD	CITY OF FRIENDSWOOD, TEXAS
By: _____ Mike Foreman Chair of the Board of Directors	By: _____ Morad Kabiri City Manager
ATTEST: By: _____ Name: _____ Title: _____	ATTEST: By: _____ Leticia Brysch City Secretary
	APPROVED AS TO FORM: By: _____ Karen L. Horner City Attorney

DEVELOPER:

CASTLE BIOSCIENCES, INC.

By: _____

Name: _____

Title: _____

EXHIBIT A

PROPERTY

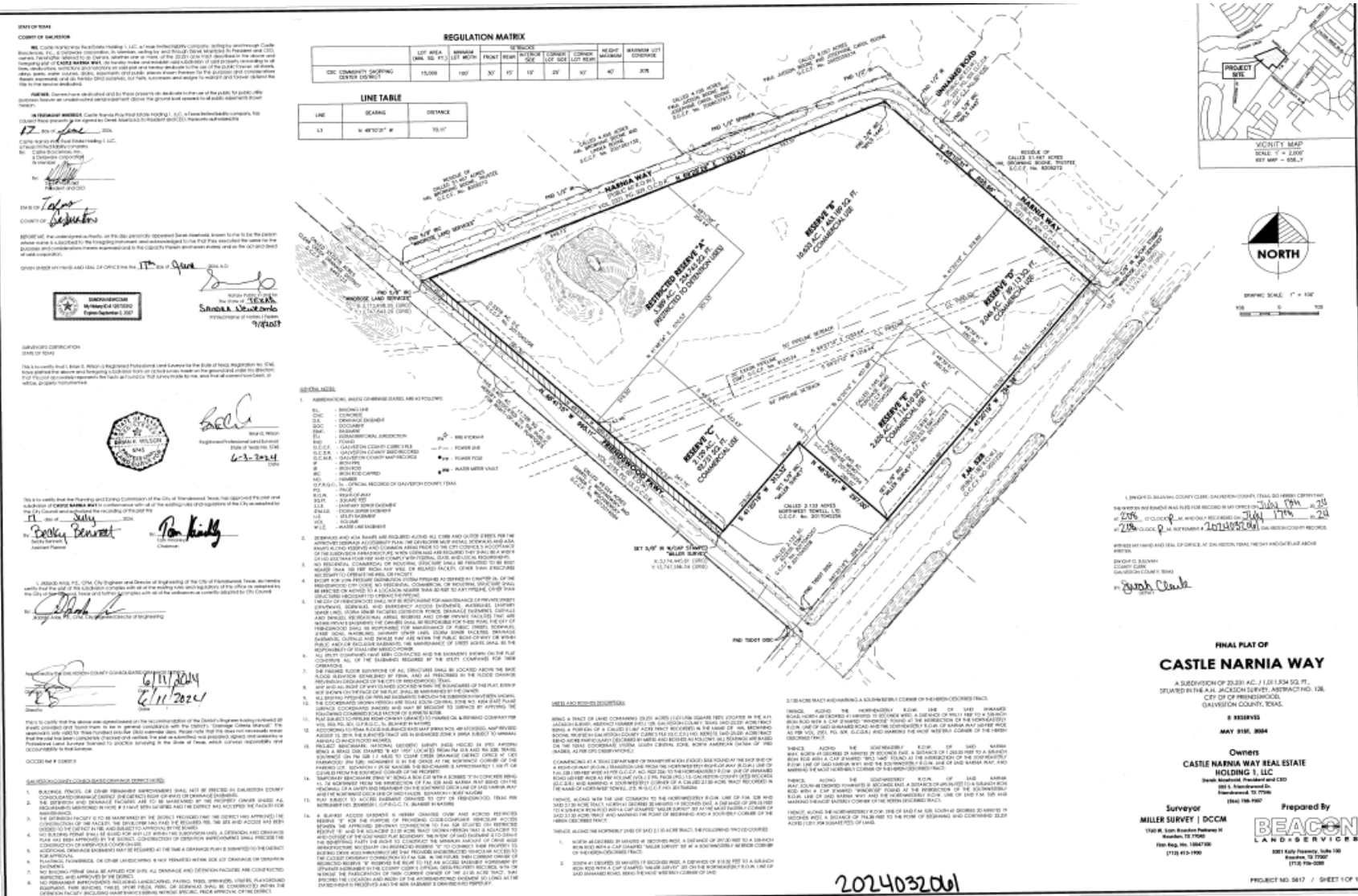


EXHIBIT B
PUBLIC IMPROVEMENTS

Public Improvements include the public infrastructure shown in **Exhibit B-1**, including but not limited to public infrastructure associated with the following permit numbers:

PLT2024-1543 - Castle Narnia Way Final Plat, recorded July 17, 2024, in the Galveston County Records under Document Number 2024032061

EAR2024-1447 - Clearing and grubbing work, including removal of existing trees, issued April 23, 2024

SUB2024-1609 - DETENTION & DRAINAGE FOR CASTLE NARNIA WAY

COM2024-3066 - 8" public water line

Public Improvements shall also include the additional public infrastructure listed in the cost estimate set forth below that is permitted after the Effective Date.

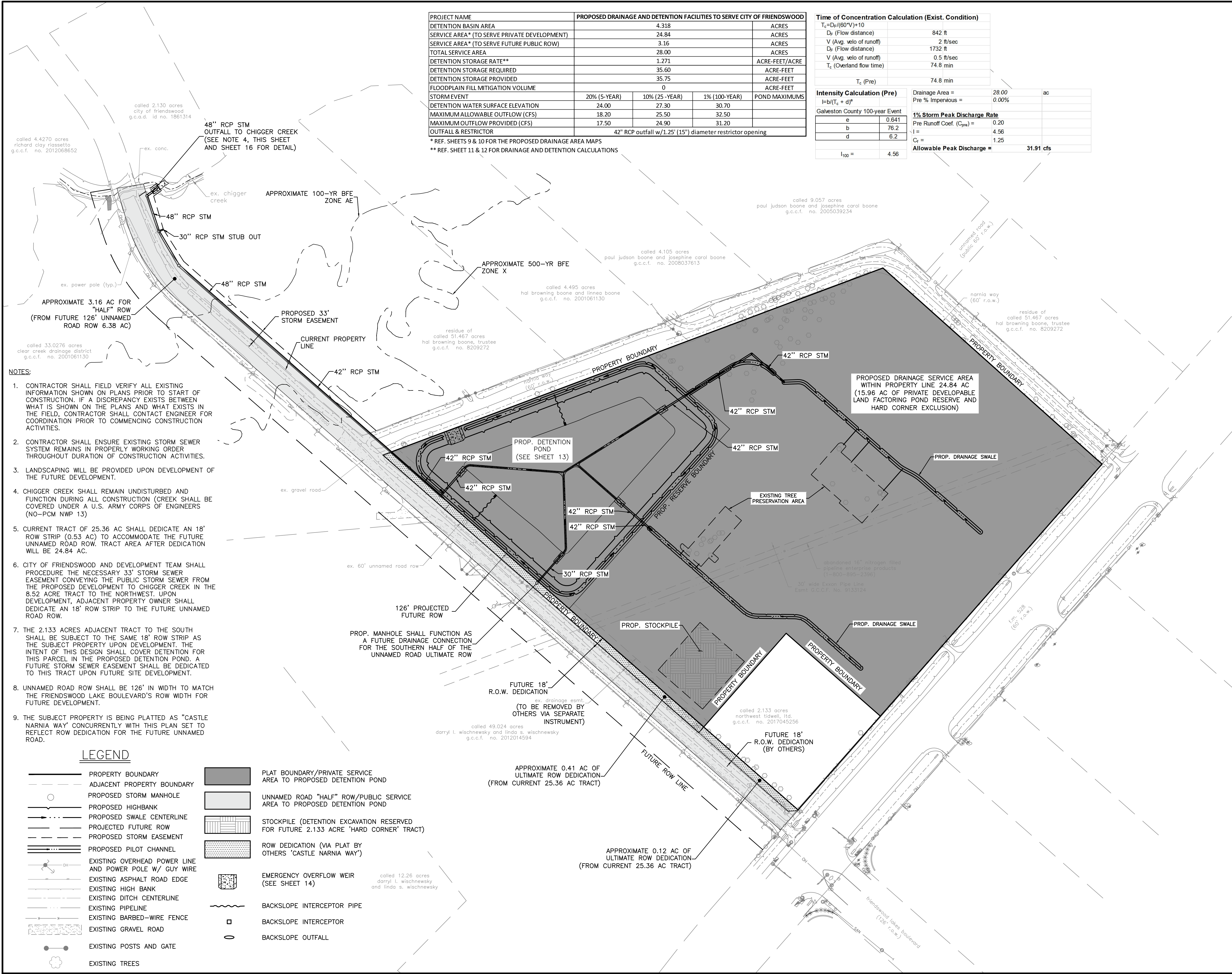
Castle Bioscience

Public Infrastructure | Friendswood, Texas

Description	Qty.	Unit	Unit Price	Amount	Anticipated Completion
LAND					
Land Cost	234,788.4	SF	\$ 7.25	\$ 1,702,215.90	2024
Clearing and Grubbing / Site Preparation	1	LS		\$ 216,040.00	2024
Storm Water Pollution Prevention	1	LS		\$ 30,350.10	2024
Construction Staking Services	1	LS		\$ 8,250.00	2024
Material Testing	1	LS		\$ 20,000.00	2024
Landscaping	1	LS		\$ 44,804.40	2025
ONSITE PUBLIC INFRASTRUCTURE					
Public fire water loop	1	ls		\$ 258,500.00	2024
PUBLIC STORM WATER COLLECTION SYSTEM					
54-Inch, CLIII R/G, RCP Storm Sewer	215	LF		\$ 657,800.00	2024
48-Inch, CLIII R/G, RCP Storm Sewer	748	LF		w/ above	2024
42-Inch, CLIII R/G, RCP Storm Sewer	135	LF		w/ above	2024
Standard Type "C" Manhole (48"-72")	7	EA		w/ above	2024
Reinforced Concrete Slope Paving/Rip Rap	50	SY		w/ above	2024
Chigger Creek Outfall	1	LS		w/ above	2024
DETENTION BASIN					
Detention Basin Excavation On-Site Disposal	56,490	CY		\$ 482,185.00	2024
5-Foot Wide Concrete Lined Pilot Channel	1,100	LF		\$ 104,264.60	2024
Reinforced Concrete Slope Paving	30	SY		w/ above	2024
Backslope Interceptor Structure	6	EA		w/ above	2024
Backslope Swale	2,697	LF		\$ 28,267.80	2024
Turf Establishment of Detention Pond	8	AC		\$ 12,802.90	2025
Floatable Collection Screen	1	LS		w/ above	2025
CONTRACTOR FEES					
Insurance				\$ 7,154.40	2024
General Conditions				\$ 121,841.50	2024
General Requirements				\$ 70,947.80	2024
Fee				\$ 47,847.80	2024
MANAGEMENT & FEES					
Permitting Fees				\$ 65,000.00	2024
Engineering Fees				\$ 250,000.00	2024
Management Fee			5.00%	\$ 121,302.82	2024
Maintenance Bond				\$ 20,000.00	2024
FRIENDSWOOD PARKWAY ROAD EXTENSION					
Clearing and Grubbing / Site Preparation	1	LS		\$ 24,401.00	2025
Excavation, Paving and Traffic Improvements	1	LS		\$ 437,707.40	2025
Public Storm Water Collection System	1	LS		\$ 271,128.00	2025
Storm Water Pollution Prevention	1	LS		\$ 14,664.73	2025
Construction Staking Services	1	LS		\$ 18,330.91	2025
Material Testing	1	LS		\$ 50,000.00	2025
Landscaping	1	LS		\$ 150,000.00	2025
Permitting Fees	1	LS		\$ 14,145.82	2025
Engineering Fees	1	LS		\$ 113,166.58	2025
Management Fee			5.00%	\$ 54,677.22	2025
Total				\$ 5,417,796.67	

The total amount of the TIRZ Contribution for the Public Improvements Costs may not exceed the TIRZ Contribution as defined in the Agreement.

EXHIBIT B-1
MAP OF PUBLIC IMPROVEMENTS



PROJECT NAME		PROPOSED DRAINAGE AND DETENTION FACILITIES TO SERVE CITY OF FRIENDSWOOD			
DETENTION BASIN AREA	4.318			ACRES	
SERVICE AREA* (TO SERVE PRIVATE DEVELOPMENT)	24.84			ACRES	
SERVICE AREA* (TO SERVE FUTURE PUBLIC ROW)	3.16			ACRES	
TOTAL SERVICE AREA	28.00			ACRES	
DETENTION STORAGE RATE**	1.271			ACRE-FEET/ACRE	
DETENTION STORAGE REQUIRED	35.60			ACRE-FEET	
DETENTION STORAGE PROVIDED	35.75			ACRE-FEET	
FLOODPLAIN FILL MITIGATION VOLUME	0			ACRE-FEET	
STORM EVENT	20% (5-YEAR)	10% (25-YEAR)	1% (100-YEAR)	POND MAXIMUMS	
DETENTION WATER SURFACE ELEVATION	24.00	27.30	30.70		
MAXIMUM ALLOWABLE OUTFLOW (CFS)	18.20	25.50	32.50		
MAXIMUM OUTFLOW PROVIDED (CFS)	17.50	24.90	31.20		
OUTFALL & RESTRICTOR	42" RCP outfall w/1.25' (15") diameter restrictor opening				

* REF. SHEETS 9 & 10 FOR THE PROPOSED DRAINAGE AREA MAPS
** REF. SHEET 11 & 12 FOR DRAINAGE AND DETENTION CALCULATIONS

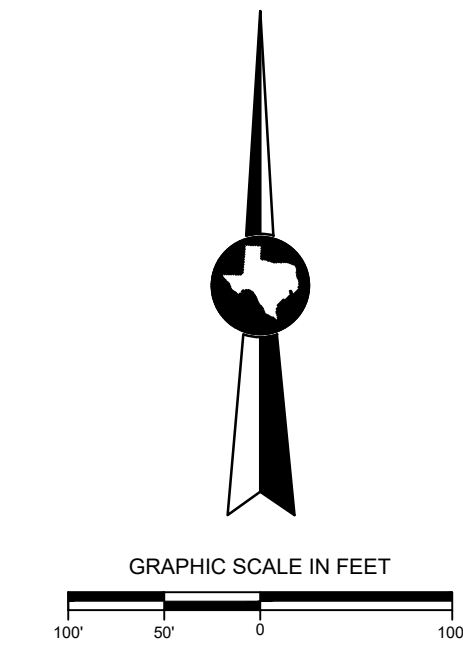
Time of Concentration Calculation (Exist. Condition)	
$T_c = D_r / (60 \cdot V) + 10$	
D_r (Flow distance)	842 ft
V (Avg. velo. of runoff)	2 ft/sec
D_r (Flow distance)	1732 ft
V (Avg. velo. of runoff)	0.5 ft/sec
T_c (Overland flow time)	74.8 min

T_c (Pre)	74.8 min		
Intensity Calculation (Pre)			
$I = b / (T_c + d)^a$	Drainage Area =	28.00	ac
Galveston County 100-year Event	Pre % Impervious =	0.00%	
e	0.641		
b	76.2		
d	6.2		
$I_{100} =$	4.56		
1% Storm Peak Discharge Rate			
	Pre Runoff Coef. (C_{pre}) =	0.20	
	$I =$	4.56	
	$C_t =$	1.25	
	Allowable Peak Discharge =	31.91 cfs	

- NOTES:
- CONTRACTOR SHALL FIELD VERIFY ALL EXISTING INFORMATION SHOWN ON PLANS PRIOR TO START OF CONSTRUCTION. IF A DISCREPANCY EXISTS BETWEEN WHAT IS SHOWN ON THE PLANS AND WHAT EXISTS IN THE FIELD, CONTRACTOR SHALL CONTACT ENGINEER FOR COORDINATION PRIOR TO COMMENCING CONSTRUCTION ACTIVITIES.
 - CONTRACTOR SHALL ENSURE EXISTING STORM SEWER SYSTEM REMAINS IN PROPERLY WORKING ORDER THROUGHOUT DURATION OF CONSTRUCTION ACTIVITIES.
 - LANDSCAPING WILL BE PROVIDED UPON DEVELOPMENT OF THE FUTURE DEVELOPMENT.
 - CHIGGER CREEK SHALL REMAIN UNDISTURBED AND FUNCTION DURING ALL CONSTRUCTION (CREEK SHALL BE COVERED UNDER A U.S. ARMY CORPS OF ENGINEERS (NO-PCM NWP 13)
 - CURRENT TRACT OF 25.36 AC SHALL DEDICATE AN 18' ROW STRIP (0.53 AC) TO ACCOMMODATE THE FUTURE UNNAMED ROAD ROW. TRACT AREA AFTER DEDICATION WILL BE 24.84 AC.
 - CITY OF FRIENDSWOOD AND DEVELOPMENT TEAM SHALL PROCEDURE THE NECESSARY 33' STORM SEWER EASEMENT CONVEYING THE PUBLIC STORM SEWER FROM THE PROPOSED DEVELOPMENT TO CHIGGER CREEK IN THE 8.52 ACRE TRACT TO THE NORTHWEST. UPON DEVELOPMENT, ADJACENT PROPERTY OWNER SHALL DEDICATE AN 18' ROW STRIP TO THE FUTURE UNNAMED ROAD ROW.
 - THE 2.133 ACRES ADJACENT TRACT TO THE SOUTH SHALL BE SUBJECT TO THE SAME 18' ROW STRIP AS THE SUBJECT PROPERTY UPON DEVELOPMENT. THE INTENT OF THIS DESIGN SHALL COVER DETENTION FOR THIS PARCEL IN THE PROPOSED DETENTION POND. A FUTURE STORM SEWER EASEMENT SHALL BE DEDICATED TO THIS TRACT UPON FUTURE SITE DEVELOPMENT.
 - UNNAMED ROAD ROW SHALL BE 126' IN WIDTH TO MATCH THE FRIENDSWOOD LAKE BOULEVARD'S ROW WIDTH FOR FUTURE DEVELOPMENT.
 - THE SUBJECT PROPERTY IS BEING PLATTED AS "CASTLE NARNIA WAY" CONCURRENTLY WITH THIS PLAN SET TO REFLECT ROW DEDICATION FOR THE FUTURE UNNAMED ROAD.

LEGEND

	PROPERTY BOUNDARY		PLAT BOUNDARY/PRIVATE SERVICE AREA TO PROPOSED DETENTION POND
	ADJACENT PROPERTY BOUNDARY		UNNAMED ROAD "HALF" ROW/PUBLIC SERVICE AREA TO PROPOSED DETENTION POND
	PROPOSED STORM MANHOLE		STOCKPILE (DETENTION EXCAVATION RESERVED FOR FUTURE 2.133 ACRE "HARD CORNER" TRACT)
	PROPOSED HIGHBANK		ROW DEDICATION (VIA PLAT BY OTHERS "CASTLE NARNIA WAY")
	PROPOSED SWALE CENTERLINE		EMERGENCY OVERFLOW WEIR (SEE SHEET 14)
	PROJECTED FUTURE ROW		BACKSLOPE INTERCEPTOR PIPE
	PROPOSED STORM EASEMENT		BACKSLOPE INTERCEPTOR
	PROPOSED PILOT CHANNEL		BACKSLOPE OUTFALL
	EXISTING OVERHEAD POWER LINE AND POWER POLE W/ GUY WIRE		
	EXISTING ASPHALT ROAD EDGE		
	EXISTING HIGH BANK		
	EXISTING DITCH CENTERLINE		
	EXISTING PIPELINE		
	EXISTING BARBED-WIRE FENCE		
	EXISTING GRAVEL ROAD		
	EXISTING POSTS AND GATE		
	EXISTING TREES		



BENCHMARK(S) / FLOODPLAIN

BENCHMARK / FLOODPLAIN:
ACCORDING TO THE FEDERAL EMERGENCY MANAGEMENT AGENCY (FEMA) FLOOD INSURANCE RATE MAP NO. 48167C0202G, EFFECTIVE DATE OF 06/15/2019, THE SURVEYED PROPERTY LIES WITHIN ZONE "X" (UNSHADED). AREAS DETERMINED TO BE OUTSIDE THE 0.2% ANNUAL CHANGE FLOODPLAIN.

SEE SHEET 3 FOR BENCHMARK NOTES.

APPR.	REVISION	DATE

ODYSSEY
ENGINEERING GROUP

2500 Tanglewilde Street, Suite 300
Houston, Texas 77063
t: 281.306.0240 | www.odysseyeg.com
TBPE No. F-17637



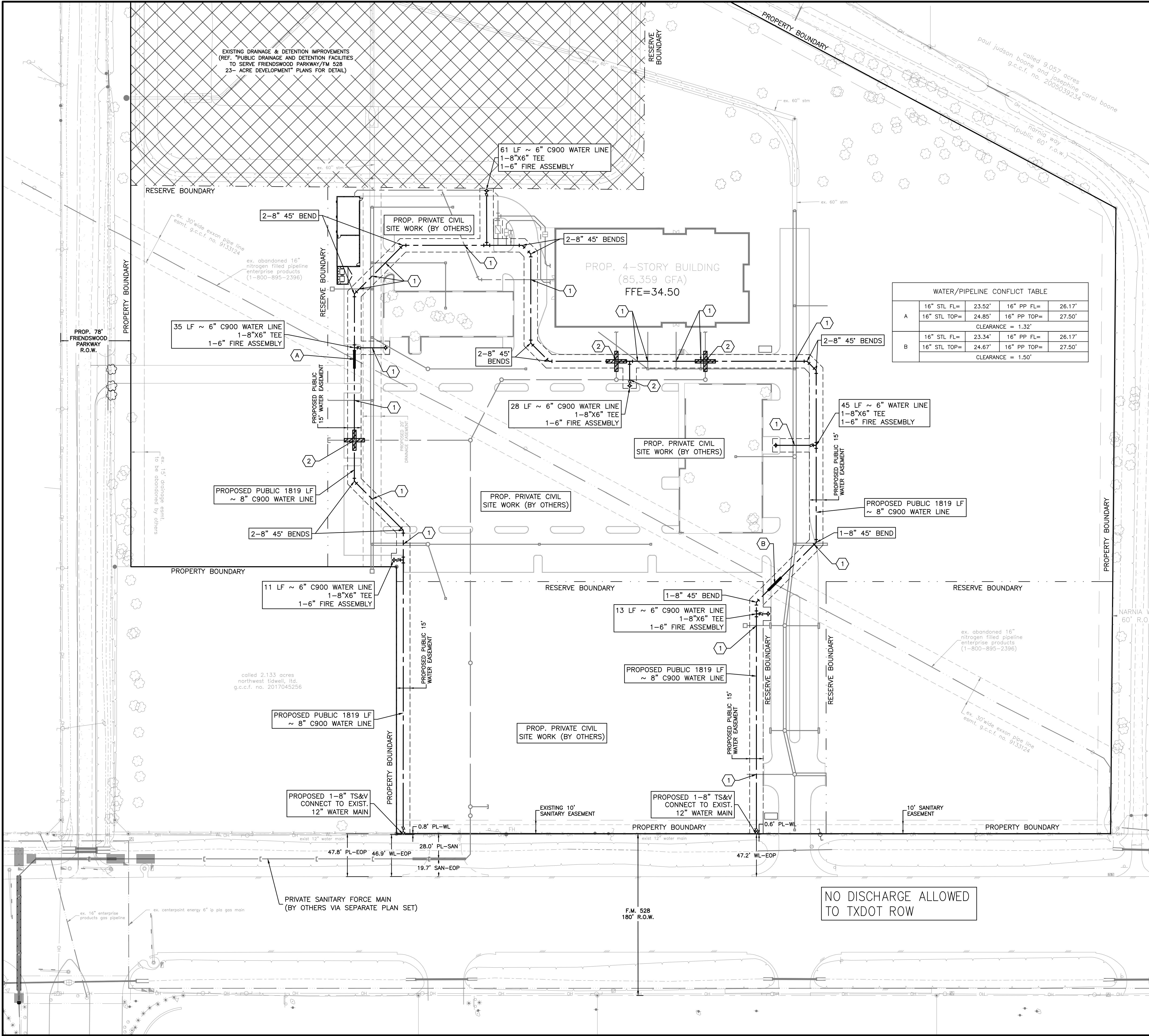
CITY OF FRIENDSWOOD GALVESTON COUNTY, TEXAS

910 Friendswood Drive
Friendswood, Texas 77546

UNNAMED ROAD/FM 528 23-ACRE
DEVELOPMENT
PROPOSED DRAINAGE AND
DETENTION FACILITIES TO SERVE
CITY OF FRIENDSWOOD
GCCDD REF. NO. G240013

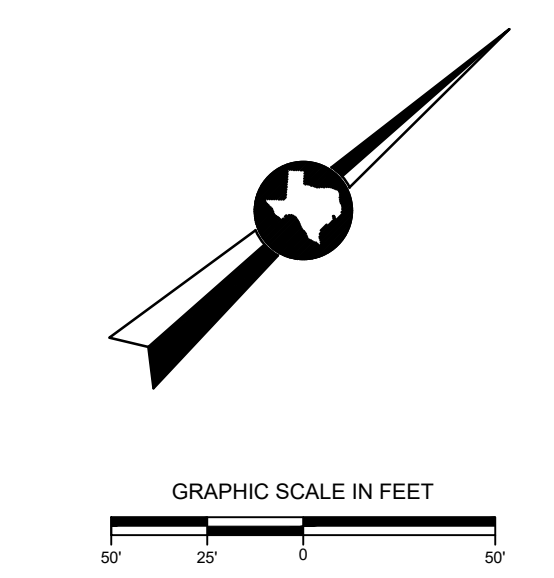
OVERALL LAYOUT

SURV. <u>BUN</u>	DATE <u>11/09/2023</u>	JOB NO. <u>23-041-02</u>
DSGN. <u>LN/JS</u>	DATE <u>02/01/2024</u>	IMAGE NO. <u>I-2304100-02</u>
DWN. <u>SS</u>	DATE <u>02/01/2024</u>	
CHKD. <u>SS</u>	DATE <u>02/02/2024</u>	
APPR. <u>SLS</u>	DATE <u>04/18/2024</u>	
SCALE:		
HORIZ. 1" = 100'		SHEET 7 OF 24 SHEETS
VERT. 1" = X'		



LEGEND:

- PROPERTY LINE
- RESERVE BOUNDARY
- ADJACENT PROPERTY LINE
- PROPOSED BUILDING (BY OTHERS)
- PROPOSED 6" CURB (BY OTHERS)
- PROPOSED WATER EASEMENT
- PROPOSED SANITARY LINE (BY OTHERS)
- PROPOSED WATER LINE
- PROPOSED STORM LINE
- existing storm sewer
- existing sanitary sewer
- existing water main
- existing easement
- existing overhead power
- existing fence
- existing ditch highbank
- existing ditch centerline
- existing swale
- existing edge of pavement
- existing pipeline
- existing pipeline marker
- existing power pole
- existing fire hydrant
- existing storm manhole
- existing storm inlet
- existing light standard
- existing sign
- PROPOSED STORM INLET (BY OTHERS)
- PROPOSED STORM MANHOLE (BY OTHERS)
- PROPOSED BACKFLOW PREVENTOR (BY OTHERS)
- PROPOSED WATER METER (BY OTHERS)
- PROPOSED FIRE HYDRANT
- PROPOSED GATE VALVE
- PROPOSED T.S.&V.
- PROPOSED CLEANOUT
- PROPOSED SAN. SEWER/WATERLINE CROSSING. SEE KEY NOTE 2, BELOW.
- EXISTING TREE
- EXISTING CULVERT
- EXISTING DETENTION IMPROVEMENTS



Texas 811
Know what's below.
Call before you dig.
CALL BEFORE YOU DIG!
TEXAS 811 CALL PARTICIPANTS REQUEST
48 HOURS NOTICE BEFORE YOU DIG, DRILL,
OR BLAST - STOP CALL
Texas 811 Call System
811 or 1-800-344-8377

WARNING:
OVERHEAD AND UNDERGROUND UTILITIES MAY EXIST IN THE VICINITY OF THIS PROJECT. LOCATIONS SHOWN FOR EXISTING UTILITIES ARE APPROXIMATE AND OTHER UTILITIES MAY EXIST IN THE VICINITY OF THE PROJECT WHICH ARE NOT SHOWN IN THE PLANS.
IT IS THE RESPONSIBILITY OF THE CONTRACTOR TO LOCATE ALL EXISTING UTILITIES IN THE VICINITY OF THE PROJECT PRIOR TO BEGINNING CONSTRUCTION.

WATER/PIPELINE CONFLICT TABLE					
A	16" STL FL=	23.52'	16" PP FL=	26.17'	
	16" STL TOP=	24.85'	16" PP TOP=	27.50'	
	CLEARANCE = 1.32'				
B	16" STL FL=	23.34'	16" PP FL=	26.17'	
	16" STL TOP=	24.67'	16" PP TOP=	27.50'	
	CLEARANCE = 1.50'				

- NOTES:**
- PRIVATE STORM DRAINAGE PIPES AND STRUCTURES ARE PROPOSED BY OTHERS VIA SEPARATE PLAN SET.
 - PRIVATE SANITARY PIPES AND MANHOLES ARE PROPOSED BY OTHERS VIA SEPARATE PLAN SET.
 - CONTRACTOR TO FIELD VERIFY EXISTING PUBLIC 12" WATER LINE DEPTH ALONG SOUTHERN PROPERTY LINE.
 - CONTRACTOR PROPOSED PUBLIC WATER LINES IN THIS PLAN SET SHALL BE PAVED OVER IN A PRIVATE IMPROVEMENT PLAN SET BY OTHERS. A JOINTING PLAN IN THAT PLAN SET SHALL PROVIDE PROPER.
 - CONTRACTOR TO COORDINATE PUBLIC WATERLINE CONNECTION INTO PUBLIC SYSTEM WITH CITY OPERATOR PRIOR TO PROCUREMENT AND CONSTRUCTION.
 - CONTRACTOR TO ENSURE EACH FIRE HYDRANT TO SIT FLUSH WITH FINISHED GRADE AS INDICATED IN THE SEPARATE PLAN SET BY OTHERS. (CONTRACTOR TO REFERENCE THAT PLAN SET FOR ELEVATION DIRECTION).
 - DRY UTILITY ROUTING, CONDUIT, DESIGN AND DETAILS ARE TO BE PERFORMED BY OTHERS. THIS INCLUDES BUT NOT LIMITED TO ELECTRICAL, GAS, AND FIBER OPTIC.
 - ALL PROPOSED ON-SITE (OUT OF EASEMENT) STORM AND SANITARY SEWER FACILITIES ARE PRIVATE AND WILL NOT BE OWNED OR MAINTAINED BY A PUBLIC AGENCY.
 - EX. ABANDONED 16" ENTERPRISE PRODUCTS (EPROD) PIPELINE SHALL NOT REQUIRE APPROVAL FOR CROSSING SINCE THE PIPELINE IS ABANDONED AND CONFIRMED BY EPROD.
 - WHEN WATER AND SEWER MAINS, SERVICES, AND LATERALS ARE INSTALLED, THEY SHALL BE INSTALLED NO CLOSER TO EACH OTHER THAN 9' IN ALL DIRECTIONS AND PARALLEL LINES MUST BE INSTALLED IN SEPARATE TRENCHES. WHERE THE 9' SEPARATION DISTANCE CANNOT BE ACHIEVED, THE FOLLOWING TCEQ CHAPTERS SHALL APPLY:
10.1. TCEQ CHAPTER 217.53 PIPE DESIGN, SECTION (d) SEPARATION DISTANCES.
10.2. TCEQ CH. 290.44 WATER DISTRIBUTION, SECTION (e) LOCATION OF WATERLINES.

- KEY NOTES:**
- CONTRACTOR TO ENSURE 1-FT MINIMUM CLEARANCE BETWEEN STORM SEWER AND WATER LINE.
 - CONTRACTOR TO ENSURE 2-FT MINIMUM CLEARANCE BETWEEN SANITARY MAIN AND WATER LINE.

BENCHMARK(S) / FLOODPLAIN		
BENCHMARK / FLOODPLAIN: ACCORDING TO THE FEDERAL EMERGENCY MANAGEMENT AGENCY (FEMA) FLOOD INSURANCE RATE MAP NO. 48167C0202G, EFFECTIVE DATE OF 08/15/2019, THE SURVEYED PROPERTY LIES WITHIN ZONE "X" (UNSHADED), AREAS DETERMINED TO BE OUTSIDE THE 0.2% ANNUAL CHANCE FLOODPLAIN. SEE SHEET 3 FOR BENCHMARK NOTES.		
APPR.	REVISION	DATE

ODYSSEY ENGINEERING GROUP
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Houston, Texas 77063
t: 281.306.0240 | www.odysseyeg.com
TBPE No. F-17637



**CITY OF FRIENDSWOOD
GALVESTON COUNTY, TEXAS**

910 Friendswood Drive
Friendswood, Texas 77546

**GALVESTON COUNTY CONSOLIDATED
DRAINAGE DISTRICT
PUBLIC WATER LINE NARNIA WAY**

UTILITY PLAN

SURV. RUN DATE 11/09/2023	JOB NO. 23-041-04
DSGN. LNU/PS DATE 02/01/2024	IMAGE NO. I-2304100-04
OWN. DBO DATE 02/01/2024	
CHRD. SLS DATE 04/05/2024	
APPR. SLS DATE 04/05/2024	

SCALE:
HORIZ. 1" = XX'
VERT. 1" = X'

SHEET 7 OF 12 SHEETS

P:\23-041-03\Draws\POE\Friendswood Parkway Road Extension.dwg May 30, 2024 4:46pm



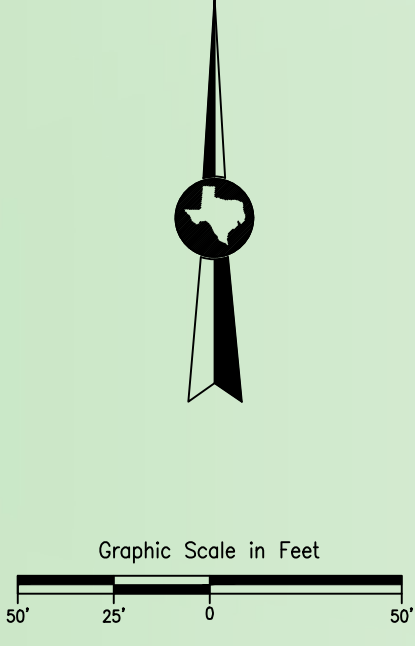
NARNIA WAY Friendswood, Texas

FRIENDSWOOD PARKWAY ROAD EXTENSION

ODYSSEY
ENGINEERING GROUP
2500 Tanglewilde Street, Suite 300
Houston, Texas 77063
t: 281.306.0240 | www.odysseyeg.com
TBPE No. F-17637

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05/30/2024



FRIENDSWOOD CITY COUNCIL AGENDA ITEM FORM

This form should be completed and forwarded to the City Manager's Office as soon as possible prior to the first date that the item is expected to be placed on the Friendswood City Council agenda.

Date requested for City Council consideration: August 26, 2024

Date submitted: 07/02/2024

Prepared by: Karen Horner, City Attorney

Subject: Consider an ordinance approving the Project Plan and Reinvestment Zone Financing Plan for Reinvestment Zone Number Two, City of Friendswood.

Originating Department: City Secretary

Degree of importance:

SUMMARY / ORIGINATING CAUSE

This proposed ordinance approves the Project Plan and Reinvestment Zone Financing Plan (collectively the "Plan") for Reinvestment Zone Number Two, City of Friendswood (the "Zone"). This Plan was approved by the Zone's Board of Directors on August 26, 2024, and submitted to the City Council for approval. The Plan includes, but is not limited to, the following:

1. the estimated non-project costs;
2. the categories and locations of public improvements;
3. the estimated project and administrative costs together with the estimated timeline in which such costs will be incurred;
4. a feasibility study;
5. estimated bonded indebtedness;
6. the appraised value within the Zone, including the tax increment base and the estimated capture of appraised value;
7. the method of financing, including contributions from the tax increment fund established for the Zone; and
8. the duration and termination of the Zone.

IMMINENT CONSEQUENCES / BENEFIT TO COMMUNITY

RECOMMENDATIONS

Staff recommends approval.

ATTACHMENTS

1. Ordinance - Approving TIRZ No. 2 Project Plan
2. Exhibit A - Project and Reinvestment Zone Financing Plan

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FRIENDSWOOD, TEXAS, APPROVING THE PROJECT PLAN AND REINVESTMENT ZONE FINANCING PLAN FOR REINVESTMENT ZONE NUMBER TWO, CITY OF FRIENDSWOOD; CONTAINING FINDINGS AND OTHER PROVISIONS RELATED THERETO; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Council (the "City Council") of the City of Friendswood, Texas (the "City") designated Reinvestment Zone Number Two, City of Friendswood (the "Zone"), by Ordinance No. 2024-17, passed, approved and adopted by the City Council on June 3, 2024, pursuant to Chapter 311 of the Texas Tax Code, as amended (the "Act"); and

WHEREAS, on August 26, 2024, the Board of Directors of the Zone (the "Zone Board") adopted the Project Plan and Reinvestment Zone Financing Plan for the Zone (the "Plan") and submitted it to the City Council for approval; and

WHEREAS, the Plan establishes an economic development program for the Zone for the public purposes of developing and diversifying the economy of the Zone, eliminating unemployment and underemployment in the Zone, and developing or expanding transportation, business, and commercial activity in the Zone pursuant to Section 311.010(h) of the Act; and

WHEREAS, before the Zone Board may implement the Plan, the City Council must approve the Plan, which, in part, relates to the development or improvement of a street, namely, the extension of Friendswood Parkway within the boundaries of the Zone; and

WHEREAS, the City Council has reviewed the Plan and desires to confirm the designation of the Zone and approve the Plan, and the establishment of an economic development program for the Zone therein, in order to facilitate development or redevelopment in the Zone by financing the costs of public works, public improvements, programs, and other projects benefiting the Zone, plus other costs incidental to those expenditures, all of which costs are authorized by the Act; NOW THEREFORE,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FRIENDSWOOD, STATE OF TEXAS:

Section 1. The recitations, facts, and findings contained in the recitals to this Ordinance are hereby found and declared to be true and correct and are incorporated and adopted as part of this Ordinance for all purposes. The definitions of terms contained in the recitals to this Ordinance are hereby incorporated and made part of this Ordinance.

Section 2. The Plan attached hereto as Exhibit "A" is hereby found to be economically feasible and is approved. The appropriate officials of the City are authorized to take all steps reasonably necessary to implement the Plan.

Section 3. This ordinance shall take effect immediately upon its adoption and publication in accordance with and as provided by law.

INTRODUCED, READ AND PASSED on first and final reading by the affirmative vote of the City Council of the City of Friendswood on this the 26th day of August, 2024.

MIKE FOREMAN, Mayor

ATTEST:

LETICIA BRYSCH, City Secretary

APPROVED AS TO FORM:

KAREN L. HORNER, City Attorney

Exhibit "A"

Project Plan and Reinvestment Zone Financing Plan

Reinvestment Zone Number Two, City of Friendswood

[to be attached]



REINVESTMENT ZONE NUMBER TWO,
CITY OF FRIENDSWOOD
PROJECT AND REINVESTMENT ZONE FINANCING PLAN
AUGUST 26, 2024

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SECTION 1: DEFINITIONS

Capitalized terms used in this Final Plan (as that term is defined herein) shall have the meanings given to them in **Section I** below unless otherwise defined in this Final Plan or unless the context in which a term is used clearly requires a different meaning. Unless otherwise defined, a reference to a “Section,” or an “Exhibit,” shall be a reference to a Section of this Final Plan or an Exhibit or Appendix attached to and made a part of this Final Plan for all purposes.

“**Act**” means Chapter 311, Texas Tax Code, Tax Increment Financing Act, as amended.

“**Administrative Costs**” means the actual, direct costs paid or incurred by or on behalf of the City to administer the Zone, including planning, engineering, legal services, organizational costs, publicizing costs, or implementations costs paid by or on behalf of the City that are directly related to the administration of the Zone.

“**Appraisal District**” means the Galveston Central Appraisal District.

“**Board**” means the Board of Directors of the Zone.

“**Captured Appraised Value**” means the new taxable value generated in addition to the Tax Increment Base on a parcel-by-parcel basis for each year during the term of the Zone, as calculated and confirmed annually by the Appraisal District.

“**City**” means the City of Friendswood, Texas.

“**City Council**” means the governing body of the City.

“**City TIRZ Increment**” means one hundred percent (100%) of the City’s ad valorem real property taxes collected and received by the City on the Captured Appraised Value in the Zone and deposited into the TIRZ Fund.

“**Designation Ordinance**” means Ordinance No. 2024-17, adopted by the City Council on June 3, 2024.

“**Feasibility Study**” means the economic feasibility study as evaluated over the term of the Zone and focused only on direct financial benefits, as shown on **Exhibit E**.

“**Final Plan**” means this Project Plan and Reinvestment Zone Financing Plan for the Zone.

“**Non-Project Costs**” means those certain costs that are incurred or expended by third parties to develop projects that benefit the Zone, but will not be financed by the Zone, as described in **Section 6**, and shown on **Exhibit B**.

“**Project Costs**” means the total costs for projects in the Zone, including the actual costs of financing the Public Improvements and the Administrative Costs.

“Property” means the 326.52 acres of land within the boundaries of the Zone, as depicted on **Exhibit A** and identified by parcel number on **Exhibit H**.

“Public Improvements” means the proposed public improvements to be financed by the Zone, which includes streets, detention, water, sanitary sewer, sanitary lift stations, clearing and grubbing, earthwork, paving and grading, landscaping, intersection signalization, storm drainage, street lights, and a public fire water loop, as detailed on **Exhibit C** and depicted on **Exhibit G**.

“Tax Increment Base” means total appraised value of taxable real property in the Zone at the time of designation of the Zone, as calculated and certified by the Appraisal District.

“TIRZ Fund” means the tax increment fund created and established by the City for the Zone and segregated from all other funds of the City.

“Zone” means the Reinvestment Zone Number Two, City of Friendswood, Texas.

SECTION 2: INTRODUCTION

2.1 Authority and Purpose

The Zone was designated by the City Council on June 3, 2024, pursuant to the Designation Ordinance, in an area within the corporate limits of the City covering 326.52 contiguous acres.

The purpose of the Zone is to facilitate such development or redevelopment by financing the costs of public works, public improvements, programs, and other projects benefiting the Zone, plus other costs incidental to those expenditures, all of which costs are authorized by the Act.

2.2 Zone

The Zone is located within the corporate limits of the City. The Property within the Zone is predominately open and undeveloped; and, because of the following factors, the sound growth of the City is substantially impaired or arrested: (i) the lack of public infrastructure, including, but not limited to, the absence of an adequate roadway network, the absence of a regional lift station, and the insufficiency of existing force main and water lines, which cause water pressure issues during peak demand; and (ii) the barriers to development presented by the former use of portions of the Property as an oil field.

Various corporations and developers have studied the Property within the Zone for possible development, including, but not limited to, the national supermarket chain Kroger, the multinational retailer Walmart, and the global real estate development company Hines, but none of these corporations or developers has pursued the development of the area within the Zone due to factors including the lack of public infrastructure and the substantial cost to construct the same, as well as barriers to development presented by the former use of portions of the Property within the Zone as an oil field.

Due to its size, location, and physical characteristics, including the lack of public infrastructure and the barriers to development presented by the former use of portions of the Property as an oil field, and due to the substantial cost to construct the necessary public infrastructure, development of the Property within the Zone will not occur solely through private investment in the foreseeable future. Because of the aforementioned characteristics, economic incentives are necessary to attract development for the purpose of providing long-term economic benefits, including, but not limited to, an increased real property tax base for all taxing units in the Zone.

2.3 Goals

Goal 1: Infrastructure Improvements

The construction of public infrastructure within the Zone is required to create an environment that will stimulate private investment in retail, residential, office and commercial developments.

If the Public Improvements are financed as contemplated by this Final Plan, the Property can be developed to take full advantage of the opportunity to bring to the City a quality development that offers a corresponding increase in the tax base and creates economic opportunity.

Goal 2: Economic Development

In addition to direct investment in capital improvements to public infrastructure or investment in public infrastructure to stimulate private investment, the Board hereby establishes and provides for the administration of an economic development program to incentivize private enterprise in the Zone and serve as a catalyst for other business developments pursuant to Section 311.010(h) of the Act and Chapter 380 of the Texas Local Government Code. The Zone's economic development program may include making grants and loans from the TIRZ Fund in an aggregate amount not to exceed the amount of City TIRZ Increment paid into the TIRZ Fund for activities that benefit the Zone and stimulate business and commercial activity in the Zone and may also be paired with other financing mechanisms as approved by the City Council.

SECTION 3: DESCRIPTION AND MAPS

3.1 Existing and Proposed Uses of Land (Section 311.011(b)(1) of the Act)

The Property within the Zone is currently zoned Commercial Shopping Center and Single Family Residential and is intended to be developed with commercial and residential uses. Portions of the Property were formerly used as an oil field, which creates barriers to development. The Property is undeveloped, and there is limited public infrastructure to support development, including, but not limited to, the absence of an adequate roadway network, the absence of a regional lift station, and the insufficiency of existing force main and water lines, which cause water pressure issues during peak demand. Development requires extensive public infrastructure that (1) the City can not provide, and (2) will not be provided solely through private investment in the reasonably foreseeable future. The proposed uses of the Property include retail, commercial, office, and single family residential development. Existing and proposed uses of the Property within the Zone are shown on **Exhibit F**.

SECTION 4: PROPOSED CHANGES TO ORDINANCES, PLANS, CODES, RULES, AND REGULATIONS

4.1 Proposed Changes of Zoning Ordinances, Master Plan of Municipality, Building Codes, and Other Municipal Ordinances (Section 311.011(b)(2) of the Act)

The Property within the Zone is wholly located in the corporate limits of the City and shall be subject to the City's zoning regulations. The Property is currently zoned as Commercial Shopping Center and Single Family Residential. The City has jurisdiction over the subdivision and platting

of the Property and the design, construction, installation, and inspection of water, sewer, drainage, roadway, and other public infrastructure. No proposed changes to zoning ordinances, comprehensive plan, building codes, subdivision rules, or other municipal ordinances are planned.

SECTION 5: RELOCATION OF DISPLACED PERSONS

5.1 Method of Relocating Persons to be Displaced, if any, as a result of implementing the Project Plan (Section 311.011(b)(4) of the Act)

No person shall be displaced due to the implementation of the Final Plan.

SECTION 6: ESTIMATED NON-PROJECT COSTS

6.1 Estimated Non-Project Costs (Section 311.011(b)(3) of the Act)

Non-Project Costs are costs that will be incurred or expended by third parties for development of projects that benefit the Zone, but will not be financed by the Zone. Non-Project Costs will be derived from other funding sources, including private funds. The list of Non-Project Costs, the total cost of which is estimated to be to be approximately \$516,279,621, is shown on **Exhibit B**.

SECTION 7: PROPOSED PUBLIC IMPROVEMENTS

7.1 Proposed Kind, Number and Location of all Proposed Public Works or Public Improvements to be Financed by the Zone (Section 311.011(c)(2) of the Act)

The Public Improvements include streets, detention, water, sanitary sewer, sanitary lift stations, clearing and grubbing, earthwork, paving and grading, landscaping, intersection signalization, storm drainage, street lights and a public fire water loop. All Public Improvements shall be designed and constructed in accordance with all applicable City standards and subject to inspection, approval and acceptance by the City. The locations of the proposed Public Improvements are depicted on **Exhibit G**.

SECTION 8: ESTIMATED PROJECT COSTS

8.1 Estimated Project Costs (Section 311.011(c)(1) of the Act)

The estimated Project Costs for the Zone are detailed on **Exhibit C** and include the Administrative Costs. The dollar amounts set forth in **Exhibit C** are approximate and may be amended from time to time by the Board with the approval of the City Council consistent with state law. The Project Costs are estimated to be \$99,732,813.

8.2 Administrative Costs

The Administrative Costs are estimated to be \$4,711,815. The Administrative Costs shall be paid each year from the TIRZ Fund before any other Project Costs are paid. The estimated Administrative Costs are the costs over the life of the TIRZ and can only be paid if there are available funds.

8.3 Estimated Time When Related Costs or Monetary Obligations Incurred (Section 311.011(c)(5) of the Act)

The Administrative Costs will be incurred annually throughout the duration of the Zone. It is estimated that the other Project Costs set forth in **Exhibit C** will be incurred between 2025 and 2030, as shown on **Exhibit D**.

SECTION 9: ECONOMIC FEASIBILITY

9.1 Economic Feasibility (Section 311.011(c)(3) of the Act)

The Feasibility Study for the Zone was prepared in May 2024 by P3Works, LLC with data provided by the City and the prospective developers of the Property within the Zone and is attached as **Exhibit E**. The Feasibility Study focuses on only direct financial benefits (i.e. ad valorem tax revenues generated from development within the Zone). Based on the Feasibility Study, during the term of the Zone, new development, which would not occur solely through private investment in the reasonably foreseeable future, will generate approximately \$105,343,542 in total new real property tax revenue for the City over the remaining term of the Zone.

Approximately \$105,343,542 in City TIRZ Increment will be deposited into the TIRZ Fund to pay for Project Costs over the remaining term of the Zone. The cumulative City TIRZ Increment as shown in the Feasibility Study revenue schedule set forth in **Exhibit E** exceeds the estimated Project Costs and will be generated in amounts sufficient to fund the Project Costs as and when such Project Costs are incurred during the term of the Zone. The remainder of the new City real property tax revenue generated within the Zone and retained by the City is estimated to be \$0 over the term of the Zone.

Based on the foregoing, the economic feasibility of the Zone has been demonstrated. The Board and the City find and determine that the Final Plan is economically feasible.

SECTION 10: ESTIMATED BONDED INDEBTEDNESS

10.1 Estimated Amount of Bonded Indebtedness (Section 311.011(c)(4) of the Act)

Issuance of notes and bonds by or on behalf of the Zone may occur as tax increment revenues allow. The value and timing of the issuance of notes or bonds will correlate to debt capacity as

derived from the revenue schedule set forth in **Exhibit E**, as well as actual market conditions for the issue and sale of such notes and bonds.

SECTION 11: APPRAISED VALUE

11.1 Current Total Appraised Value of Taxable Real Property (Section 311.011(c)(7) of the Act)

The Tax Increment Base is estimated to be \$7,301,156 and shall be confirmed by the Appraisal District. Each year, the Appraisal District shall confirm the Captured Appraised Value of the Zone.

11.2 Estimated Captured Appraised Value During Each Year of Existence (Section 311.011(c)(8) of the Act)

The estimated Captured Appraised Value for the duration of the Zone is set forth in **Exhibit E**. It is estimated that upon expiration of the term of the Zone, the total Captured Appraised Value of taxable real property in the Zone will be approximately \$937,591,533, as shown on **Exhibit E**. The actual Captured Appraised Value, as certified by the Appraisal District each year, will be used to calculate the annual payments by the City into the TIRZ Fund.

SECTION 12: METHOD OF FINANCING

12.1 Methods and Sources of Financing Project Costs and Percentage of Increment from Taxing Units Anticipated to Contribute Tax Increment to the Zone (Section 311.011(c)(6) of the Act)

Tax increment will consist of contributions from the City. The City will deposit into the TIRZ Fund each year the City Tax Increment, which is 100% of the City's ad valorem real property taxes collected and received by the City on the Captured Appraised Value in the Zone. For example, in tax year 2024, the City's ad valorem tax rate is \$0.500728 per \$100 of taxable value, so the City would contribute \$0.500728 per \$100 of the Captured Appraised Value in the Zone levied and collected to the TIRZ Fund.

The City Tax Increment deposited into the TIRZ Fund shall be prioritized and allocated on a parcel by parcel basis as follows:

1. For Administrative Costs; then
2. For the annual payments of debt service of any tax increment bonds issued to fund the Public Improvements; then
3. To be used in any other manner authorized by the City Council and as allowed pursuant to the Act, including for payments by the City to any third party for Project Costs under an agreement entered into pursuant to Section 311.010(b) of

the Act and, if and as applicable, Chapter 372, Texas Local Government Code, and Chapter 380, Texas Local Government Code; then

4. To the extent there are TIRZ Fund revenues remaining, any excess TIRZ Fund revenues may be utilized in any other manner as authorized by the City Council and allowed pursuant to the Act.

All payments of Project Costs shall be made solely from the TIRZ Fund and from no other funds of the City, unless otherwise approved by the City Council.

SECTION 13: DURATION OF THE ZONE, TERMINATION

13.1 Zone Duration (Section 311.011(c)(9) of the Act)

The stated term of the Zone shall commence upon the execution of the Designation Ordinance and shall continue until December 31, 2054, with the last payment being due by January 31, 2055, unless otherwise terminated in accordance with the Designation Ordinance. If upon expiration of the stated term of the Zone, the obligations of the Zone have not been fully funded by the TIRZ Fund, the City shall have no obligation to pay the shortfall and the term shall not be extended. Nothing in this Section is intended to prevent the City from extending the term of the Zone in accordance with the Act upon approval of the City Council.

LIST OF EXHIBITS

Unless otherwise stated, all references to "Exhibits" contained in this Final Plan shall mean and refer to the following exhibits, all of which are attached to and made a part of this Final Plan for all purposes.

Exhibit A	Map of the Zone
Exhibit B	Non-Project Costs
Exhibit C	Project Costs
Exhibit D	Estimated Timeline of Incurred Costs
Exhibit E	Feasibility Study
Exhibit F	Existing and Proposed Uses of the Property
Exhibit G	Map of the Public Improvements
Exhibit H	Parcel Identification

EXHIBIT A – MAP OF THE ZONE

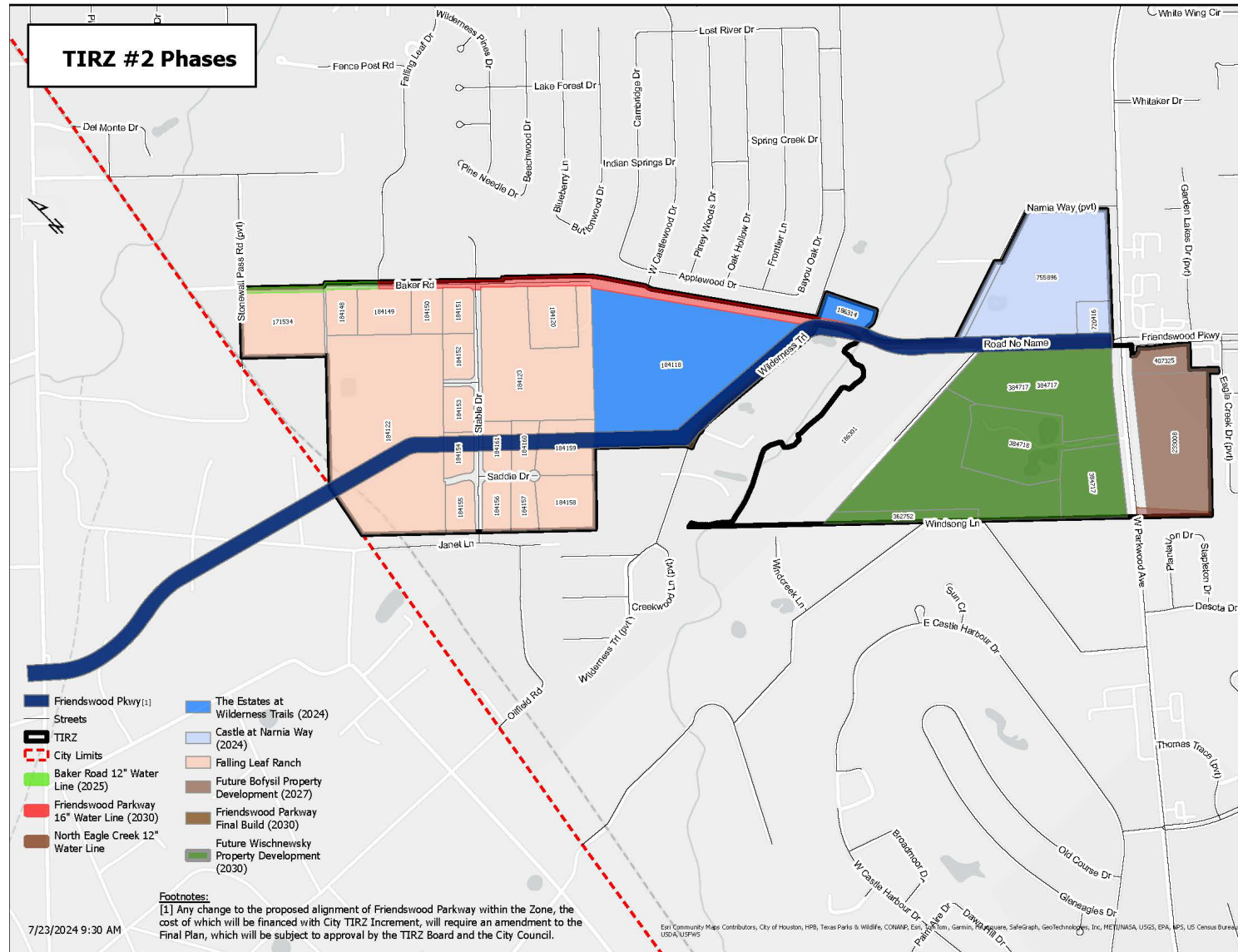


EXHIBIT B – NON-PROJECT COSTS

Lot Type	Units/ Sq. Ft.	Lot Value ^[a]		Buildout Value ^[a]		Non-Project Costs
		Per Unit	Total	Per Unit	Total	
<i>Future Wischnewsky Property</i>						
Commercial	300,000	\$ 28	\$ 8,400,000	\$ 618	\$ 185,400,000	\$ 177,000,000
Single Family	30	\$ 450,000	\$ 13,500,000	\$ 2,000,000	\$ 60,000,000	\$ 46,500,000
Subtotal	300,030					\$ 223,500,000
<i>Future Bofysil Property</i>						
Single Family	60	\$ 70,000	\$ 4,200,000	\$ 400,000	\$ 24,000,000	\$ 19,800,000
Commercial	75,000	\$ 28	\$ 2,100,000	\$ 618	\$ 46,350,000	\$ 44,250,000
Subtotal	75,060					\$ 64,050,000
<i>Falling Leaf Ranch</i>						
Single Family	37	\$ 450,000	\$ 16,650,000	\$ 2,000,000	\$ 74,000,000	\$ 57,350,000
Subtotal	37					\$ 57,350,000
<i>The Estates at Wilderness Trails</i>						
Single Family	41	\$ 450,000	\$ 18,450,000	\$ 2,000,000	\$ 82,000,000	\$ 63,550,000
Subtotal	41					\$ 63,550,000
<i>Castle Biosciences</i>						
Commercial	80,000	\$ 28	\$ 2,240,000	\$ 618	\$ 49,440,000	\$ 47,200,000
Retail	30,000	\$ 124	\$ 3,710,379	\$ 550	\$ 16,500,000	\$ 12,789,621
Office	80,000	\$ 20	\$ 1,600,000	\$ 618	\$ 49,440,000	\$ 47,840,000
Subtotal	190,000					\$ 107,829,621
Total	565,168					\$ 516,279,621

Footnotes:

[a] Values and Units/Sq. Ft. as provided by the City and Developer on April 29, 2024 and May 3, 2024. May not be representative of this area or this development.

EXHIBIT C – PROJECT COSTS

Reinvestment Zone Number Two, City of Friendswood, Texas		
Project Costs		
Item	Cost	
City Public Improvements ^[a]		
Baker Road 12" Water Line	\$	2,744,712
Friendswood Parkway 16" Water Line	\$	10,836,619
Friendswood Parkway	\$	7,074,373
North Eagle Creek 12" Water Line	\$	1,372,356
Site Mitigation Plan	\$	75,000
Subtotal	\$	22,103,060
The Estates at Wilderness Trails ^[a]		
Site Preparation	\$	660,615
Friendswood Parkway	\$	1,904,897
Clearing, Grubbing & Demolition	\$	100,496
Earthwork, Paving & Grading	\$	1,917,508
Water Distribution System	\$	1,268,400
Storm Drainage	\$	570,000
Detention	\$	439,669
Sanitary Sewer System	\$	2,736,810
Sanitary Lift Station	\$	1,600,000
Striping & Signage	\$	100,000
Street Lights	\$	50,000
Contingency	\$	2,252,241
Soft Costs	\$	2,765,499
Subtotal	\$	16,366,135
Falling Leaf Ranch ^[a]		
Site Preparation	\$	777,194
Friendswood Parkway	\$	3,081,466
Clearing, Grubbing & Demolition	\$	150,744
Earthwork, Paving & Grading	\$	2,739,298
Water Distribution System	\$	2,265,000
Storm Drainage	\$	883,500
Detention	\$	681,488
Sanitary Sewer System	\$	4,045,719
Striping & Signage	\$	100,000
Street Lights	\$	50,000
Contingency	\$	2,943,724
Soft Costs	\$	3,626,684
Subtotal	\$	21,344,817
Future Bofysil Property ^[a]		
Site Preparation	\$	738,334
Clearing, Grubbing & Demolition	\$	50,248
Earthwork, Paving & Grading	\$	913,099
Water Distribution System	\$	453,000
Storm Drainage	\$	313,500
Detention	\$	241,818
Sanitary Sewer System	\$	1,665,884
Contingency	\$	881,458
Soft Costs	\$	1,089,154
Subtotal	\$	6,346,495

**Reinvestment Zone Number Two, City of Friendswood, Texas
Project Costs**

Item	Cost
Future Wischnewsky Property^[a]	
Site Preparation	\$ 777,194
Friendswood Parkway	\$ 7,493,597
Clearing, Grubbing & Demolition	\$ 125,620
Earthwork, Paving & Grading	\$ 2,374,058
Water Distribution System	\$ 1,812,000
Storm Drainage	\$ 741,000
Detention	\$ 571,570
Sanitary Sewer System	\$ 3,450,760
Sanitary Lift Station	\$ 1,600,000
Striping & Signage	\$ 100,000
Street Lights	\$ 50,000
Contingency	\$ 3,804,862
Soft Costs	\$ 4,644,347
Subtotal	\$ 27,545,008
Castle Biosciences Projects^[b]	
Clearing, Grubbing & Site Preparation	\$ 216,040
Land	\$ 1,702,216
Landscaping	\$ 44,804
Public Fire Loop	\$ 258,500
Public Storm Water Collection System	\$ 657,800
Detention Basin	\$ 627,520
Friendswood Parkway Road Extension	\$ 1,148,222
Financing Costs	\$ 609,501
Soft Costs	\$ 762,694
Subtotal	\$ 6,027,298
Subtotal Public Improvements^[a]	\$ 99,732,813
Administrative Costs	\$ 4,711,815
Total Project Costs	\$ 104,444,628

Footnotes:

[a] As identified by the City, based on the City Engineer's Opinion of Probable Cost in May 2024.

[b] As provided by the Developer on August 8, 2024.

EXHIBIT D – ESTIMATED TIMELINE OF INCURRED COSTS

Reinvestment Zone Number Two, City of Friendswood, Texas Timeline to Incur Project Costs															
Zone Year	Calendar Year	City Project Costs		The Estates at Wilderness Trail		Falling Leaf Ranch		Future Bofysil Property		Future Wischnewsky Property		Castle Bioscience at Narnia Way		Total Project Costs ^[a]	
		Annual	Cumulative	Annual	Cumulative	Annual	Cumulative	Annual	Cumulative	Annual	Cumulative	Annual	Cumulative	Annual	Cumulative
Base	2024	\$ -	\$ -	\$ 16,366,135	\$ 16,366,135	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,966,271	\$ 3,966,271	\$ 20,332,406	\$ 20,332,406
1	2025	\$ 2,819,712	\$ 2,819,712	\$ -	\$ 16,366,135	\$ 21,344,817	\$ 21,344,817	\$ -	\$ -	\$ -	\$ -	\$ 485,294	\$ 4,451,565	\$ 24,649,823	\$ 44,982,229
2	2026	\$ -	\$ 2,819,712	\$ -	\$ 16,366,135	\$ -	\$ 21,344,817	\$ -	\$ -	\$ -	\$ -	\$ 966,232	\$ 5,417,797	\$ 966,232	\$ 45,948,461
3	2027	\$ -	\$ 2,819,712	\$ -	\$ 16,366,135	\$ -	\$ 21,344,817	\$ 6,346,495	\$ 6,346,495	\$ -	\$ -	\$ 216,712	\$ 5,634,509	\$ 6,563,207	\$ 52,511,668
4	2028	\$ -	\$ 2,819,712	\$ -	\$ 16,366,135	\$ -	\$ 21,344,817	\$ -	\$ 6,346,495	\$ -	\$ -	\$ 159,699	\$ 5,794,208	\$ 159,699	\$ 52,671,367
5	2029	\$ -	\$ 2,819,712	\$ -	\$ 16,366,135	\$ -	\$ 21,344,817	\$ -	\$ 6,346,495	\$ -	\$ -	\$ 131,088	\$ 5,925,296	\$ 131,088	\$ 52,802,455
6	2030	\$ 19,283,348	\$ 22,103,060	\$ -	\$ 16,366,135	\$ -	\$ 21,344,817	\$ -	\$ 6,346,495	\$ 27,545,008	\$ 27,545,008	\$ 102,002	\$ 6,027,298	\$ 46,930,358	\$ 99,732,813
Total		\$ 22,103,060		\$ 16,366,135		\$ 21,344,817		\$ 6,346,495		\$ 27,545,008		\$ 6,027,298		\$ 99,732,813	

Footnotes:

[a] Does not illustrate Administrative Costs, which shall be incurred annually for the duration of the Zone.

EXHIBIT E – FEASIBILITY STUDY

As set forth in the revenue schedule below, during the term of the Zone, City TIRZ Increment will be generated in amounts sufficient to fund the Project Costs set forth in Exhibit C as and when such Project Costs are incurred.

**Reinvestment Zone Number Two, City of Friendswood, Texas
Feasibility Study**

Zone Year	Tax Year	Growth/ Year ^[a]	Added Development Value ^[b]	New Taxable Value	Incremental Value	City Gross New Revenue			TIRZ Fund Contribution		City Retained New Revenue	
						Annual	Cumulative		Annual	Cumulative	Annual	Cumulative
Base	2024			\$ 7,303,156								
1	2025	2.0%	\$ 82,000,000	\$ 89,449,219	\$ 82,146,063	\$ -	\$ -	100%	\$ -	\$ -	\$ -	\$ -
2	2026	2.0%	\$ 326,234,862	\$ 417,473,066	\$ 410,169,910	\$ 411,328	\$ 411,328	100%	\$ 411,328	\$ 411,328	\$ -	\$ -
3	2027	2.0%	\$ 144,555,153	\$ 570,377,680	\$ 563,074,524	\$ 2,053,836	\$ 2,465,164	100%	\$ 2,053,836	\$ 2,465,164	\$ -	\$ -
4	2028	2.0%	\$ 49,186,991	\$ 630,972,224	\$ 623,669,068	\$ 2,819,472	\$ 5,284,636	100%	\$ 2,819,472	\$ 5,284,636	\$ -	\$ -
5	2029	2.0%	\$ -	\$ 643,591,668	\$ 636,288,512	\$ 3,122,886	\$ 8,407,521	100%	\$ 3,122,886	\$ 8,407,521	\$ -	\$ -
6	2030	2.0%	\$ -	\$ 656,463,502	\$ 649,160,346	\$ 3,186,075	\$ 11,593,596	100%	\$ 3,186,075	\$ 11,593,596	\$ -	\$ -
7	2031	2.0%	\$ -	\$ 669,592,772	\$ 662,289,616	\$ 3,250,528	\$ 14,844,124	100%	\$ 3,250,528	\$ 14,844,124	\$ -	\$ -
8	2032	2.0%	\$ -	\$ 682,984,627	\$ 675,681,471	\$ 3,316,270	\$ 18,160,393	100%	\$ 3,316,270	\$ 18,160,393	\$ -	\$ -
9	2033	0.0%	\$ -	\$ 682,984,627	\$ 675,681,471	\$ 3,383,326	\$ 21,543,720	100%	\$ 3,383,326	\$ 21,543,720	\$ -	\$ -
10	2034	0.0%	\$ -	\$ 682,984,627	\$ 675,681,471	\$ 3,383,326	\$ 24,927,046	100%	\$ 3,383,326	\$ 24,927,046	\$ -	\$ -
11	2035	2.0%	\$ -	\$ 696,644,320	\$ 689,341,164	\$ 3,383,326	\$ 28,310,372	100%	\$ 3,383,326	\$ 28,310,372	\$ -	\$ -
12	2036	2.0%	\$ -	\$ 710,577,206	\$ 703,274,050	\$ 3,451,724	\$ 31,762,096	100%	\$ 3,451,724	\$ 31,762,096	\$ -	\$ -
13	2037	2.0%	\$ -	\$ 724,788,750	\$ 717,485,594	\$ 3,521,490	\$ 35,283,587	100%	\$ 3,521,490	\$ 35,283,587	\$ -	\$ -
14	2038	2.0%	\$ -	\$ 739,284,525	\$ 731,981,369	\$ 3,592,651	\$ 38,876,238	100%	\$ 3,592,651	\$ 38,876,238	\$ -	\$ -
15	2039	2.0%	\$ -	\$ 754,070,216	\$ 746,767,060	\$ 3,665,236	\$ 42,541,473	100%	\$ 3,665,236	\$ 42,541,473	\$ -	\$ -
16	2040	2.0%	\$ -	\$ 769,151,620	\$ 761,848,464	\$ 3,739,272	\$ 46,280,745	100%	\$ 3,739,272	\$ 46,280,745	\$ -	\$ -
17	2041	2.0%	\$ -	\$ 784,534,653	\$ 777,231,497	\$ 3,814,789	\$ 50,095,534	100%	\$ 3,814,789	\$ 50,095,534	\$ -	\$ -
18	2042	2.0%	\$ -	\$ 800,225,346	\$ 792,922,190	\$ 3,891,816	\$ 53,987,350	100%	\$ 3,891,816	\$ 53,987,350	\$ -	\$ -
19	2043	0.0%	\$ -	\$ 800,225,346	\$ 792,922,190	\$ 3,970,383	\$ 57,957,733	100%	\$ 3,970,383	\$ 57,957,733	\$ -	\$ -
20	2044	0.0%	\$ -	\$ 800,225,346	\$ 792,922,190	\$ 3,970,383	\$ 61,928,116	100%	\$ 3,970,383	\$ 61,928,116	\$ -	\$ -
21	2045	2.0%	\$ -	\$ 816,229,853	\$ 808,926,697	\$ 3,970,383	\$ 65,898,500	100%	\$ 3,970,383	\$ 65,898,500	\$ -	\$ -
22	2046	2.0%	\$ -	\$ 832,554,450	\$ 825,251,294	\$ 4,050,522	\$ 69,949,022	100%	\$ 4,050,522	\$ 69,949,022	\$ -	\$ -
23	2047	2.0%	\$ -	\$ 849,205,539	\$ 841,902,383	\$ 4,132,264	\$ 74,081,287	100%	\$ 4,132,264	\$ 74,081,287	\$ -	\$ -
24	2048	2.0%	\$ -	\$ 866,189,649	\$ 858,886,493	\$ 4,215,641	\$ 78,296,928	100%	\$ 4,215,641	\$ 78,296,928	\$ -	\$ -
25	2049	2.0%	\$ -	\$ 883,513,442	\$ 876,210,286	\$ 4,300,685	\$ 82,597,613	100%	\$ 4,300,685	\$ 82,597,613	\$ -	\$ -
26	2050	2.0%	\$ -	\$ 901,183,711	\$ 893,880,555	\$ 4,387,430	\$ 86,985,043	100%	\$ 4,387,430	\$ 86,985,043	\$ -	\$ -
27	2051	2.0%	\$ -	\$ 919,207,385	\$ 911,904,229	\$ 4,475,910	\$ 91,460,953	100%	\$ 4,475,910	\$ 91,460,953	\$ -	\$ -
28	2052	2.0%	\$ -	\$ 937,591,533	\$ 930,288,377	\$ 4,566,160	\$ 96,027,113	100%	\$ 4,566,160	\$ 96,027,113	\$ -	\$ -
29	2053	0.0%	\$ -	\$ 937,591,533	\$ 930,288,377	\$ 4,658,214	\$ 100,685,327	100%	\$ 4,658,214	\$ 100,685,327	\$ -	\$ -
30	2054	0.0%	\$ -	\$ 937,591,533	\$ 930,288,377	\$ 4,658,214	\$ 105,343,542	100%	\$ 4,658,214	\$ 105,343,542	\$ -	\$ -
Total			\$ 601,977,006			\$105,343,542			105,343,542		-	

Assumptions	
Base Taxable Value ^[c]	7,303,156.00
City AV Rate	0.5007

Footnotes
[a] Values increased at 2% annually, with two years of no growth each decade to simulate an economic downturn.
[b] Based on project development data as provided by the City and Developers on May 13, 2024 and August 14, 2024.
[c] As provided by the Appraisal District.

EXHIBIT F – PROPOSED AND EXISTING USES OF THE PROPERTY

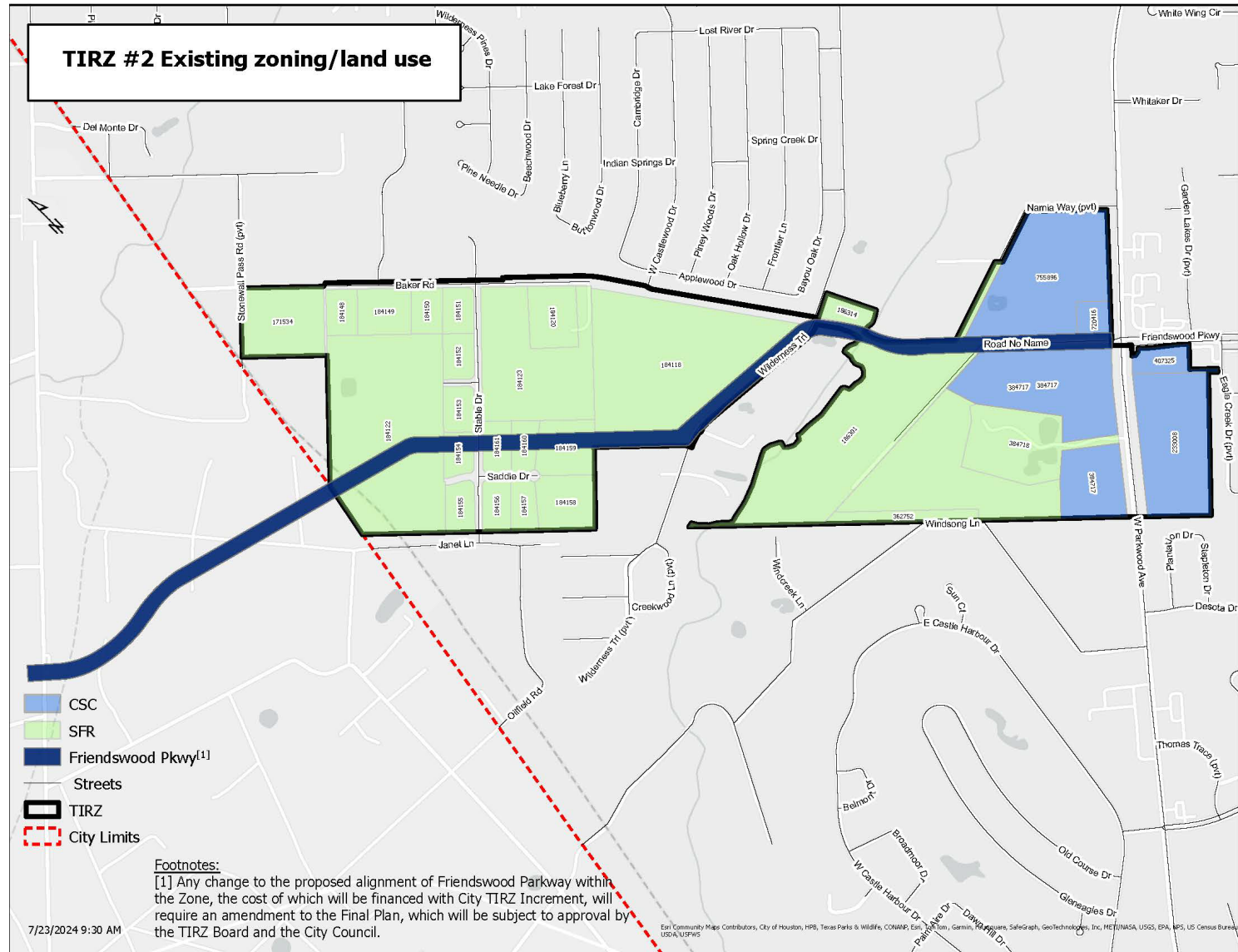




EXHIBIT G – MAP OF THE PUBLIC IMPROVEMENTS

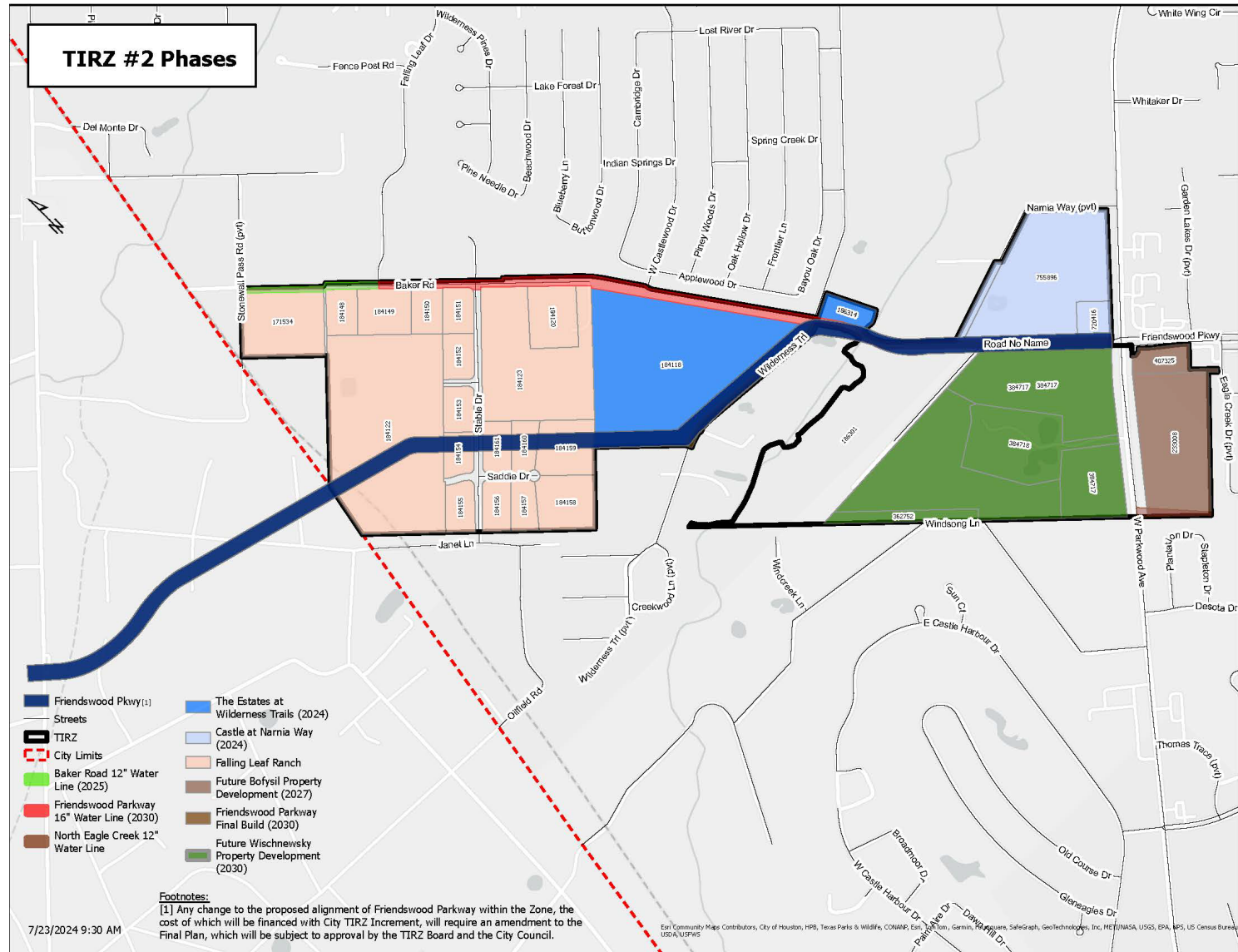


EXHIBIT H – PARCEL IDENTIFICATION

Property ID	Taxable Value	Acreage
384718	\$ 1,531,000	12.26
362752	\$ -	3.000
384717	\$ 3,920	49.02
186301	\$ -	33.02
186314	\$ -	2.13
184158	\$ 66,090	5.51
184157	\$ 27,680	2.31
184156	\$ 30,730	2.56
184159	\$ 66,210	5.52
184155	\$ 30,910	2.58
184160	\$ 27,860	2.32
184161	\$ 30,190	2.52
184154	\$ 27,910	2.33
184118	\$ 2,951,940	38.44
184153	\$ 29,800	2.48
184120	\$ 36,470	5.21
184152	\$ 29,800	2.48
184123	\$ 133,120	21.13
184151	\$ 29,800	2.48
184150	\$ 29,950	2.5
184122	\$ 165,980	40.07
184149	\$ 51,760	4.32
184148	\$ 30,010	2.5
171534	\$ 114,000	9.5
720416	\$ 668,976	2.13
186284	\$ 593,350	14.47
233008	\$ 1,260	15.75
755896	\$ 1,860	23.23
407325	\$ 592,580	2.77

FRIENDSWOOD CITY COUNCIL AGENDA ITEM FORM

This form should be completed and forwarded to the City Manager's Office as soon as possible prior to the first date that the item is expected to be placed on the Friendswood City Council agenda.

Date requested for City Council consideration: August 26, 2024

Date submitted: 07/02/2024

Prepared by: Karen Horner, City Attorney

Subject: Consider approving the Development Agreement by and between Castle Biosciences, Inc., Reinvestment Zone Number Two, City of Friendswood, and the City of Friendswood.

Originating Department: City Attorney

Degree of importance:

SUMMARY / ORIGINATING CAUSE

This item allows the City Council to approve the Development Agreement (the "Agreement") by and between (i) Castle Biosciences, Inc. (the "Developer"), (ii) the City of Friendswood (the "City"), and (ii) Reinvestment Zone Number Two, Friendswood (the "Zone") for the development and financing of certain public improvements associated with the Developer's proposed mixed-use commercial development within the Zone (the "Project")

Under the proposed Agreement, Developer will:

1. design and construct a mixed-use commercial development consisting of approximately 80,000 square feet of commercial space, approximately 30,000 square feet of retail space, and approximately 80,000 square feet of office space;
2. construct certain public improvements, including a water distribution system, storm drainage, detention, and roadway;
3. maintain the public improvements until the same are accepted by the City as being in compliance with the approved plans and specifications;
4. not protest GCAD assessed tax values;
5. convey all necessary easements pertaining to the public improvements; and
6. pay all permit and impact fees applicable to the Project.

Under the proposed Agreement, the City will use tax increment funds generated by the private development constructed on the development site to reimburse the Developer for public improvement costs advanced by the Developer on behalf of the City.

IMMINENT CONSEQUENCES / BENEFIT TO COMMUNITY

RECOMMENDATIONS

Staff recommends approval.

ATTACHMENTS

1. Castle Biosciences Development Agreement TIRZ #2

DEVELOPMENT AGREEMENT

THIS DEVELOPMENT AGREEMENT (the "Agreement") by and between the **CITY OF FRIENDSWOOD, TEXAS** (the "City"), a municipal corporation and home-rule city of the State of Texas, acting by and through its governing body, the City Council (the "City Council"); **REINVESTMENT ZONE NUMBER TWO, CITY OF FRIENDSWOOD** (the "Zone"), a tax increment reinvestment zone created by the City pursuant to Chapter 311 of the Texas Tax Code, as amended (the "Act"), acting by and through its governing board of directors (the "Zone Board"), and **CASTLE BIOSCIENCES, INC.** (the "Developer"), a Missouri corporation (each a "Party," and together, "the Parties"), is effective as of _____, 2024 (the "Effective Date").

RECITALS

WHEREAS, pursuant to the Act, by Ordinance No. 2024-17, passed, approved and adopted by the City Council on June 3, 2024, the City Council created the Zone and approved the preliminary reinvestment zone financing plan for the Zone; and

WHEREAS, on August 26, 2024, the Zone Board adopted a project plan and reinvestment zone financing plan for the Zone (the "Plan") that provides that the Zone will undertake to develop certain public works and improvements in the Zone, and by Ordinance No. 2024-[___], passed, approved and adopted by City Council on August 26, 2024, the Plan was approved by the City Council; and

WHEREAS, the Act provides that the Zone and the City may enter into agreements as the Zone Board and the City Council consider necessary or convenient to implement the Plan and achieve its purposes; and

WHEREAS, the Developer is the owner of that certain 23.231-acre tract of land within the Zone depicted in **Exhibit A** attached hereto and incorporated herein (the "Property"), on which Developer intends to design, develop, construct, maintain, manage, use and operate in a first phase a mixed-use commercial development consisting of approximately 80,000 square feet of commercial space, followed by a second phase that is anticipated to include approximately 30,000 square feet of retail space and approximately 80,000 square feet of office space, depending on market demands (the "Project"); and

WHEREAS, in connection with the development of the first phase of the Project, the Developer intends to construct certain public works and improvements, including, but not limited to, the extension of Friendswood Parkway from FM 528 to Narnia Way (the "Road Improvements"), a detention pond, and an 8" water line, as further described in **Exhibit B** and depicted in **Exhibit B-1** attached hereto and incorporated herein (collectively, the "Public Improvements"); and

WHEREAS, the City and the Zone have determined that they can best carry out their functions pursuant to the Plan by contracting with the Developer to provide for the efficient and effective implementation of certain aspects of the Plan, and the City and the Developer desire to enter into this Agreement to enable the development and financing of the Public Improvements in connection with the Developer's development of the Project within the Zone, and the reimbursement of the Developer from Available Tax Increment (as hereinafter defined) as provided herein;

NOW, THEREFORE, for and in consideration of the promises and the mutual agreements set forth herein, the Parties hereby agree as follows:

ARTICLE I GENERAL TERMS

A. Incorporation of Recitals. The recitals to this Agreement are hereby incorporated for all purposes.

B. Definitions and Terms. The terms "Act," "Agreement," "Developer," "City," "City Council," "Effective Date," "Party," "Parties," "Plan," "Project," "Property," "Public Improvements," "Road Improvements," "Zone," and "Zone Board" shall have the meanings given to such terms in the Recitals, and the following terms have the following meanings:

"Administrative Costs" shall mean all costs incurred by the City for the administration of the Zone, including legal, bookkeeping, auditing, and other professional and/or consulting service costs.

"Applicable Law" means any statute, law, treaty, rule, code, ordinance, regulation, permit, interpretation, certificate or order of any Governmental Authority, or any judgment, decision, decree, injunction, writ, order or like action of any court, or other Governmental Authority. Applicable Laws shall include, but not be limited to, City Regulations.

"Available Tax Increment" shall mean the Tax Increment attributable to the Property deposited into the Tax Increment Fund other than those funds required to be used to pay Administrative Costs.

"Base Year Value" shall mean the taxable value of the Property on January 1, 2024, as established and certified by the Galveston Central Appraisal District.

"City Regulations" shall mean provisions of the City's Code of Ordinances, ordinances not codified, design standards, uniform and international building and

construction codes, and other policies duly adopted by the City, which shall be applied to the Project and the Public Improvements.

“Commence Construction” or “Commencement of Construction” shall mean, with respect to the Public Improvements, that (i) preliminary plans and specifications have been prepared and all approvals thereof required by applicable Governmental Authorities have been obtained for construction of the detention pond and the 8” water line pursuant to the Plans and Specifications therefor; (ii) all necessary permits for the initiation of construction of the detention pond and the 8” water line pursuant to the Plans and Specifications therefor have been issued by all applicable Governmental Authorities; and (iii) the grading of the property on which the applicable Public Improvements will be constructed has commenced.

“Commencement Deadline” shall have the meaning set forth in Article IV.A. of this Agreement.

“Complete Construction” or “Completion of Construction” shall mean, with respect to the Public Improvements, that the Director has determined that the Developer has completed construction thereof in accordance with City Regulations and the Plans and Specifications so that the Public Improvements can be used and maintained for their intended purposes, and the City has accepted the Public Improvements and confirmed that Final Completion has been reached with respect to the Public Improvements.

“Completion Deadline” shall have the meaning set forth in Article IV.A. of this Agreement.

“Developer Advances” shall mean any funds advanced by the Developer for Public Improvement Costs pursuant to this Agreement, including any funds advanced prior to the Effective Date, but excluding Developer Interest.

“Developer Interest” shall mean the interest accrued on an amount not to exceed the lesser of (i) the actual Public Improvements Costs paid by the Developer or (ii) \$5,417,796.68, during the period beginning from the Effective Date at a per annum rate equal to the lesser of (x) 4.0% or (y) the rate of interest imposed by Developer’s lender and ending as of the date determined by the provisions of Article V.D of this Agreement.

“Director” shall mean the director of the City’s Engineering Department, or his or her designee.

“Final Completion” shall mean the point in the construction of the Public Improvements when the City determines that the Public Improvements are 100% completed, including punch list work.

“Form 1295” shall have the meaning set forth in Article IX.J.1 of this Agreement.

“Governmental Authority” shall mean any Federal, state or local governmental entity (including any taxing authority) or agency, court, tribunal, regulatory commission or other body, whether legislative, judicial or executive (or a combination or permutation thereof).

“Maximum Reimbursement Amount” shall mean an amount that is equal to the lesser of (i) the actual Public Improvements Costs and, if applicable, the Developer Interest thereon; or (ii) \$5,417,796.68, and, if applicable, Developer Interest thereon.

“Plans and Specifications” shall mean the designs, plans and specifications for the Public Improvements prepared by a consultant acceptable to the City and Developer at the direction of Developer and approved by the Director in accordance with Article II.B of this Agreement.

“Public Improvements Costs” shall mean all eligible “project costs” (as that term is defined in Section 311.002 of the Act) relating to the actual costs of acquisition, design, development, and construction of the Public Improvements paid by or on behalf of the Developer, whether before or after the Effective Date, including (i) the acquisition cost of any land that is part of the Public Improvements; (ii) all costs of design, engineering, materials, labor, construction, testing and inspection and other services arising in connection with the design and construction of the Public Improvements; (iii) all payments arising under any contracts entered into for the design or construction of the Public Improvements; and (iv) all costs incurred in connection with obtaining governmental approvals, certificates and permits required in connection with the construction of the Public Improvements, including the legal, engineering, environmental, and other consultant fees and expenses related to the design and construction of the Public Improvements.

“Tax Increment” shall mean one hundred percent (100%) of the City’s ad valorem taxes levied and collected by the City above the Base Year Value on the captured appraised value of the Property and deposited into the Tax Increment Fund.

“Tax Increment Fund” shall mean the special fund established and funded by the City with payments made by the City that are attributable to Tax Increment.

“Term” shall mean the term of this Agreement, which shall commence on the Effective Date and, unless earlier terminated as provided herein, shall continue until the earlier of (i) the date that the TIRZ Contribution has been paid in full, or (ii) December 31, 2054.

“TIRZ Contribution” shall mean the payment by the City and the Zone to the Developer for reimbursement of Developer Advances (and, if applicable, Developer Interest) in consideration for the development and construction of the Public Improvements, which shall not exceed the lesser of (i) the Available Tax Increment through December 31, 2054, or (ii) the Maximum Reimbursement Amount, subject to the terms and conditions of this Agreement.

C. Singular and Plural. Words used herein in the singular, where the context so permits, also include the plural and vice versa. The definitions of words in the singular herein also apply to such words when used in the plural where the context so permits and vice versa.

ARTICLE II THE PUBLIC IMPROVEMENTS

A. The Public Improvements. The Developer shall be responsible for the design and construction of the Public Improvements.

B. Standards and Approvals. The Developer agrees that the preliminary plans and specifications for the Public Improvements shall be subject to the review and approval of all Governmental Authorities with jurisdiction, including, without limitation, the City, and, with respect to the Road Improvements, the Texas Department of Transportation. The Developer agrees to comply with all applicable legal requirements from such jurisdictions. Construction of the Public Improvements will be in accordance with the approved Plans and Specifications, and with the City’s applicable standards and specifications, and, during the progress of the construction and installation of the Public Improvements, the City may conduct periodic, on-the-ground inspections.

C. Construction and Implementation of the Public Improvements. Developer shall be responsible for the inspection and supervision of the construction and implementation of the Public Improvements in accordance with all applicable City Regulations and procedures. The Developer shall provide to the City copies of all change orders and pay estimates. Upon Completion of Construction of the Public Improvements, the Developer shall provide the City with a final cost summary of all costs associated with the contract(s) for construction of the Public Improvements, a certificate of Completion of Construction of the Public Improvements and evidence that all amounts

owing to contractors and subcontractors have been paid in full evidenced by customary affidavits executed by such contractors.

D. Maintenance of the Public Improvements. Until such time as the Public Improvements are dedicated or conveyed to and accepted by the City, Developer shall maintain or cause to be maintained the Public Improvements, including, but not limited to, maintenance of the landscaping including any existing trees; the payment of charges for water for irrigation purposes, if any; and maintaining the associated irrigation and electrical systems. Upon the City's acceptance of the Public Improvements, the Developer shall provide a maintenance bond in the amount of one hundred percent (100%) of the total cost of the Public Improvements in a form approved by the City to guarantee the Public Improvements against all defects in workmanship and materials which may become apparent during the one (1)-year period from the date of the City's acceptance of the Public Improvements.

E. Tax Protests. During the Term, Developer shall not protest Galveston Central Appraisal District ("GCAD")'s assessed taxable value of the Project or the Property, provided that Developer may submit information to GCAD to correct any factual errors made by GCAD in determining the assessed taxable value of the Property or the Project, including, but not limited to, the use of the Property (if and to the extent that GCAD has not classified the use of the Property consistent with the Project described herein), the square footage of the Property, the square footage of the improvements located thereon, or the year in which construction of such improvements was completed. If Developer does not comply with this Section, the City, at its sole discretion, may suspend performance hereunder and begin procedures to terminate this Agreement for default, subject to the notice provisions contained in Article VIII.C., and the Developer shall repay to the City all portions of the TIRZ Contribution paid to the Developer hereunder.

F. Conveyance of Temporary Construction and Access Easements. Developer shall grant the City, at no cost, all required temporary construction and access easements necessary to maintain the Public Improvements. The City shall grant Developer, at no cost, all required temporary construction and access easements necessary to install and maintain the Public Improvements. The provisions of this Section shall survive the expiration or termination of the Agreement.

G. Payment of Fees. Developer agrees to pay all applicable monthly rates and charges for water and sewer services and shall pay all applicable City fees, including, but not limited to, impact fees and building permit fees, for the Project and the Public Improvements, it being understood that such fees shall be consistent with the charges and fees being charged to other similar developments in the City.

ARTICLE III REPRESENTATIONS

A. Representations of the City. The City hereby represents that as the date hereof:

The City is a duly created and existing municipal corporation and home rule municipality of the State of Texas under the laws of the State of Texas and is duly qualified and authorized to carry on the governmental functions and operations as contemplated by this Agreement.

The City has the power, authority and legal right under the laws of the State of Texas and the City Charter to enter into and perform this Agreement and the execution, delivery and performance hereof (i) will not, to the best of its knowledge, violate any applicable judgment, order, law or regulation, and (ii) do not constitute a default under, or result in the creation of, any lien, charge, encumbrance or security interest upon any assets of the City under any agreement or instrument to which the City is a party or by which the City or its assets may be bound or affected.

This Agreement has been duly authorized, executed and delivered by the City and constitutes a legal, valid and binding obligation of the City, enforceable in accordance with its terms except to the extent that (i) the enforceability of such instruments may be limited by bankruptcy, reorganization, insolvency, moratorium or other similar laws of general application in effect from time to time relating to or affecting the enforcement of creditors' rights and (ii) certain equitable remedies may be unavailable.

The execution, delivery and performance of this Agreement by the City do not require the consent or approval of any person which has not been obtained.

B. Representations of the Zone. The Zone Board hereby represents that:

The Zone is duly authorized, created and existing under the laws of the State and is duly qualified and authorized to carry on the governmental functions and operations as contemplated by this Agreement.

The Zone Board has the power, authority and legal right to enter into and perform this Agreement and the execution, delivery and performance hereof (i) have been duly authorized, (ii) will not, to the best of its knowledge, violate any applicable judgment, order, law or regulation, and (iii) does not constitute a default under, or result in the creation of, any lien, charge, encumbrance or security interest upon any assets of the Zone under any agreement or instrument to which the Zone is a party or by which the Zone or its assets may be bound or affected.

This Agreement has been duly authorized, executed and delivered by the Zone Board and constitutes a legal, valid and binding obligation of the Zone, enforceable in accordance with its terms except to the extent that (i) the enforceability of such instruments may be limited by bankruptcy, reorganization, insolvency, moratorium or other similar laws of general application in effect from time to time relating to or affecting the enforcement of creditors' rights and (ii) certain equitable remedies may be unavailable.

The execution, delivery and performance of this Agreement by the Zone Board does not require the consent or approval of any person which has not been obtained.

C. Representations of the Developer. The Developer hereby represents that:

The Developer has the power, authority and legal right under the laws of the State of Texas to enter into and perform this Agreement and the execution, delivery and performance hereof (i) will not, to the best of its knowledge, violate any applicable judgment, order, law or regulation, and (ii) do not constitute a default under, or result in the creation of, any lien, charge, encumbrance or security interest upon any assets of the Developer under any agreement or instrument to which the Developer is a party or by which the Developer or its assets may be bound or affected.

This Agreement has been duly authorized, executed and delivered and constitutes a legal, valid and binding obligation of the Developer, enforceable in accordance with its terms except to the extent that (i) the enforceability of such instruments may be limited by bankruptcy, reorganization, insolvency, moratorium or other similar laws of general application in effect from time to time relating to or affecting the enforcement of creditors' rights and (ii) certain equitable remedies may be unavailable.

The execution, delivery and performance of this Agreement by the Developer do not require the consent or approval of any person which has not been obtained.

ARTICLE IV DEVELOPER OBLIGATIONS

In consideration of the City and the Zone agreeing to pay the Developer the TIRZ Contribution in accordance with the terms, provisions and conditions of this Agreement, the Developer agrees to fulfill the following conditions in order to receive the TIRZ Contribution:

A. Commencement of Construction; Completion of Construction. Developer shall Commence Construction of the Public Improvements on or before the date that is sixty (60) days from the Effective Date (the "Commencement Deadline"). Developer shall Complete Construction of the Public Improvements on or before the date that is the later of (i) thirty-six (36) months from the date on which Developer Commences Construction

of the Public Improvements or (ii) eighteen (18) months from the date on which Developer obtains approval of the preliminary plans and specifications for the Road Improvements from the Texas Department of Transportation (the "Completion Deadline"). Notwithstanding any other provision of this Agreement, the City and the Zone, in their sole and absolute discretion, shall have the right, upon thirty (30) days' prior written notice to Developer, to terminate this Agreement if: (a) Developer does not Commence Construction of the Public Improvements on or before the Commencement Deadline; or (b) Developer does not Complete Construction of the Public Improvements on or before the Completion Deadline. Upon the termination of this Agreement by the City and/or the Zone pursuant to this Section, all rights and obligations of the Parties shall terminate and be of no further force or effect, except for any provisions of this Agreement that specifically survive termination of this Agreement.

B. Public Improvements Funding. The Developer will secure the funds necessary to design and construct the Public Improvements prior to contracting for the design or construction of the Public Improvements.

C. Ownership, Operation, and Maintenance of Public Improvements. As the acquisition and construction of the Public Improvements is completed and the Public Improvements become operational, the Director shall inspect the same and, if the Director finds that the same has been completed in accordance with the Plans and Specifications, or any modifications thereof, and in accordance with all Applicable Laws, the City will accept the same in writing to establish Completion of Construction of the Public Improvements, whereupon the Developer shall convey such Public Improvements to the City. Thereafter, such Public Improvements will belong to and be the absolute property of the City and will be operated and maintained by the City at its sole expense, subject to Section D. below.

D. Acquisition and Dedication of Property. If it is necessary to acquire property for completion of the Public Improvements, Developer shall acquire all such necessary property; provided, however, that, in the event that Developer is unable to acquire all necessary right-of-way to construct the Road Improvements, the City shall exercise reasonable efforts to acquire such right-of-way through any means lawfully available to the City, subject to separate approval by City Council. All property owned or acquired by the Developer for Public Improvements pursuant to this Section shall be conveyed to the City within thirty (30) days following acceptance of the Public Improvements as described in Section C. above and shall be considered part of the Public Improvements Costs.

E. Maintenance of Records. The Developer shall be responsible for maintaining records of all costs incurred and payments made for the Public Improvements and records evidencing compliance with all of the Developer commitments required by this Article and shall make such records available to the City for examination at a location within the corporate limits of the City at the City's

reasonable request and at no cost to the City. The City shall have the right to review and audit such records upon five (5) business days' prior written notice to the Developer.

F. Additional Projects and Public Improvements. This Agreement does not apply to any projects except the Project specifically defined herein and does not apply to any Public Improvements except the Public Improvements specifically defined herein unless this Agreement is amended to provide for the design and construction of additional projects and public improvements.

ARTICLE V REIMBURSEMENT OF DEVELOPER ADVANCES; DEVELOPER INTEREST PAYMENTS

A. In consideration of the development and construction of the Public Improvements, subject to Developer's compliance with the terms and conditions of this Agreement, the City, on behalf of the Zone, shall pay the TIRZ Contribution to the Developer solely from Available Tax Increment.

B. Provided that Developer has Commenced Construction of the Public Improvements on or before the Commencement Deadline and Completed Construction of the Public Improvements on or before the Completion Deadline, Developer may submit a request for payment of the TIRZ Contribution with respect to the Public Improvements upon Completion of the Public Improvements. With each request for payment of the Public Improvements Costs, Developer shall deliver to the City the following items:

- (i) a written request for payment;
- (ii) a summary of all Public Improvements Costs incurred to-date;
- (iii) a summary of all Developer Advances as of the date of the request for payment;
- (iv) evidence that all contractors, subcontractors, laborers, materialmen, architects, engineers and all other parties who have performed work on or furnished materials to-date have been paid in full, together with executed and delivered releases of lien or customary affidavits executed by such contractors;
- (v) a sworn affidavit executed by an officer authorized to bind the Developer certifying that all contractors, subcontractors, laborers, materialmen, architects, engineers and all other parties who have performed work on or furnished materials to-date have been paid in full; and
- (vi) a sworn affidavit executed by an officer authorized to bind the Developer certifying that the Public Improvements Costs for which the Developer is

seeking reimbursement from the TIRZ Contribution have not been paid from, and will not be reimbursed from, any public funding sources other than Available Tax Increment.

C. The City, on behalf of the Zone shall make annual payments to the Developer in the amount equal to the Available Tax Increment to reimburse outstanding Developer Advances on March 1 of each year. Payments for the Public Improvements shall begin no earlier than on March 1 of the year after which Completion of Construction of the Public Improvements has occurred. Payments shall continue until the TIRZ Contribution is fully paid.

D. If Developer has met the requirements set forth in Section B. above to begin receiving annual payments of the TIRZ Contribution, and has satisfied the criteria for payment of the first tranche of Developer Interest payments (and, if applicable, the second tranche of Developer Interest payments) set forth in this Section, Developer may submit a request for payment of the TIRZ Contribution for Developer Interest. With each request for payment of Developer Interest, Developer shall deliver to the City a written request for payment and a sworn affidavit that includes the calculation of Developer Interest and the amount due, along with documentation evidencing that the minimum taxable value requirement(s) set forth below have been met for the applicable period(s) of time set forth below:

1. First Tranche of Developer Interest Payments: If, on or before December 31, 2026, (a) the taxable value of the Property is not less than \$49,440,000, and (b) Developer has satisfied all other requirements for payment of Developer Interest set forth herein, Developer Interest shall accrue for up to two (2) consecutive years from the Effective Date; provided, however, that should the taxable value of the Property fall below \$49,400,000, no Developer Interest payment will be due for that year.

2. Second Tranche of Developer Interest Payments: If, on or before December 31, 2029, (a) the taxable value of the Property is not less than \$113,000,000, (b) Developer has met the criteria to receive the first tranche of Developer Interest payments for two (2) consecutive years subject to the preceding subsection, and (c) Developer has satisfied all other requirements for payment of Developer Interest set forth herein, Developer Interest shall accrue for up to an additional two (2) consecutive years; provided, however, that should the taxable value of the Property fall below \$113,000,000, no Developer Interest payment will be due for that year.

E. The City is not required to make any payment to the Developer in any year in which:

(i) Completion of Construction of the Public Improvements has not occurred and/or Developer has not submitted a payment request in compliance with the requirements of this Article;

(ii) funds are not available from the Available Tax Increment;

(iii) the taxable value of the Property for that year is less than or equal to the Base Year Value, regardless of whether there is Available Tax Increment; or

(iv) the Developer has not fully paid all ad valorem property taxes owed on the Project or the Property (including any delinquent or rollback taxes).

In addition to the foregoing, the City is not required to make any payment to the Developer of Developer Interest except as expressly set forth in and subject to the conditions of Section D. above. In the event that Developer has met the criteria to receive a Developer Interest payment and sufficient funds are not available from the Available Tax Increment that year to reimburse the outstanding Developer Advances and make the Developer Interest payment, the Available Tax Increment will be allocated first toward reimbursement of the outstanding Developer Advances, and then toward the Developer Interest payment, and any unpaid portion of the Developer Interest payment that would have been payable that year will be carried forward and will be made from Available Tax Increment in the next year in which sufficient Available Tax Increment remains, following reimbursement of outstanding Developer Advances, to pay the balance of such Developer Interest payment.

F. Prior to the payment of any portion of the TIRZ Contribution to the Developer, the City shall hire a certified public accountant to review the invoices and appropriate proof of payment for all Public Improvement Costs paid for by Developer Advances for which Completion of Construction has occurred and submit a report to the City certifying the (i) amounts due from the Available Tax Increment for the Developer Advances being repaid, and (ii) that funds are available from Available Tax Increment to make such payment.

G. In the event all or a portion of the Public Improvements Costs (and, if applicable, the payment of Developer Interest thereon) is determined to be ineligible under the Act or is inconsistent with the Plan, the TIRZ Contribution shall be reduced by the amount attributable to the ineligible component(s) or cost(s). If the City has already repaid the Developer for such ineligible Public Improvements Costs (or Developer Interest thereon) in accordance with this Agreement, the Parties hereby agree that (i) the amount repaid to the Developer by the City for such ineligible Public Improvements Costs (or Developer Interest thereon) shall be offset against future repayments by the City, or (ii) in the event there are not future repayments to be made by the City, or such amounts are insufficient, (x) the Developer shall reimburse the City for such amount

owed within thirty (30) days of receipt of an invoice from the City, and (y) interest will accrue on any amounts not reimbursed by Developer within thirty (30) days of receipt of an invoice from the City at the rate of interest specified in Texas Government Code Section 2251.025.

H. Developer agrees that it will exercise reasonable efforts to seek reimbursement from the City for Public Improvements Costs eligible for payment from public funding sources other than Available Tax Increment, to the maximum extent permitted by Applicable Law and/or by agreement. Public Improvements Costs reimbursable to Developer under this Agreement shall be reduced to the extent that such Project Costs are reimbursed to, or are contracted to be reimbursed to, Developer from any public funding sources other than Available Tax Increment, and the obligations of the City to reimburse Developer under this Agreement will be decreased by the amount of the payments to the Developer from such other funding public sources.

ARTICLE VI ADDRESS AND NOTICE

Any and all notices and communications under this Agreement shall be mailed by first-class mail, or delivered, or sent by electronic transmission confirmed by mailing written confirmation at substantially the same time as such electronic transmission, to the Developer at the following address:

Castle Biosciences, Inc.
c/o Partners
1360 Post Oak Blvd, Suite 1900
Houston, Texas 77056
Attention: Carter Perrin, Managing Director
Email: carter.perrin@partnersrealestate.com

With a copy to:

Allen Boone Humphries Robinson LLP
3200 Southwest Freeway, Suite 2600
Houston, Texas 77027
Attention: Jessica Holoubek
Email: jholoubek@abhr.com

Any and all notices and communications under this Agreement shall be mailed by first-class mail, or delivered, or sent by electronic transmission confirmed by mailing written confirmation at substantially the same time as such electronic transmission, to the City at the following address:

City Manager, City of Friendswood, Texas
910 S. Friendswood Drive
Friendswood, Texas 77546
Email: fwdcity@friendswood.com

Any and all notices and communications under this Agreement shall be mailed by first-class mail, or delivered, or sent by electronic transmission confirmed by mailing written confirmation at substantially the same time as such electronic transmission, to the Zone at the following address:

Reinvestment Zone Number Two, City of Friendswood
c/o City Secretary
910 S. Friendswood Drive
Friendswood, Texas 77546
Email: citysecretary@friendswood.com

ARTICLE VII INSURANCE, INDEMNIFICATION AND RELEASE

A. Insurance. With no intent to limit any contractor's liability or obligation for indemnification, Developer shall require that each contractor providing work or service on the Public Improvements provide and maintain certain insurance in full force and effect at all times during the construction of the Public Improvements and shall require that the City and the Zone are named as additional insureds under such contractor's insurance policies.

The insurance, at a minimum, must include the following coverages and limits of liability:

<u>Coverage</u>	<u>Limit of Liability</u>
Worker's Compensation	Statutory for Workers Compensation
Employer's Liability (each accident) (policy limit) (each employee)	Bodily Injury by Disease \$500,000 Bodily Injury by Accident \$100,000 Bodily Injury by Disease \$100,000
Comprehensive General Liability:	Each Occurrence Limit of \$1,000,000 Personal and Advertising Limit of \$1,000,000 General Aggregate Limit of \$2,000,000 Products - Completed Operations

	Aggregate Limit of \$2,000,000
Automobile Liability Insurance (for automobiles used by the contractor in the course of its performance under this Agreement including employer's non-owned and hired auto coverage)	\$1,000,000 combined single limit per occurrence
Professional Liability Coverage (for professional service contract only)	\$500,000 per occurrence \$1,000,000 aggregate

If the amount of any contract awarded by Developer to construct Public Improvements shall exceed \$1,000,000, Developer shall contract with the contractor to maintain Commercial General Liability coverage for at least twice the combined minimum limits specified above.

B. Form of Policies. The City may approve the form of the insurance policies, but nothing the City does or fails to do relieves Developer of its obligation to provide the required coverage under this Agreement. The City's actions or inactions do not waive the Zone's or the City's rights under this Agreement.

C. Issuers of Policies. The issuer of each policy shall be a carrier that is licensed and admitted to do business in the State of Texas by the Texas Department of Insurance or a legally established self-insurance pool in the State of Texas and has a Best's rating of at least A and a Best's Financial Size Category of Class VII or better, according to the most current edition Best Key Rating Guide, Property-Casualty United States.

D. Insured Parties. Each policy, except those for Workers' Compensation, Employer's Liability, and Professional Liability, must name the City and the Zone (and their respective officers, agents, and employees) as additional insured parties on the original policy and all renewals or replacements.

E. Deductibles. Developer shall be responsible for and bear (or shall contract with each applicable contractor to bear and assume) any claims or losses to the extent of any deductible amounts and waives (and shall contract with each contractor to waive) any claim it may have for the same against the City or the Zone, or their respective officers, agents, or employees.

F. Cancellation. Each policy must state that it may not be canceled, materially modified, or nonrenewed unless the insurance company gives the City thirty (30) days' prior written notice. Developer shall (and shall contract with each contractor to) give written notice to the City within five (5) days of the date on which total claims by any party against such person reduce the aggregate amount of coverage below the amounts

required by this Agreement. In the alternative, the policy may contain an endorsement establishing a policy aggregate for the particular project or location subject to this Agreement.

G. Subrogation. Each policy must contain an endorsement to the effect that the issuer waives any claim or right of subrogation to recover against the City and the Zone, and their respective officers, agents, or employees.

H. Primary Insurance Endorsement. Each policy, except Workers' Compensation and Professional Liability (if any), must contain an endorsement that the policy is primary to any other insurance available to the additional insured with respect to claims arising under this Agreement.

I. Liability for Premium. Developer shall pay (or shall contract with contractors to pay) all insurance premiums for coverage required by this Article VII and the City and the Zone shall not be obligated to pay any premiums.

J. Subcontractors. Notwithstanding the other provisions of this Article VII, the amount of coverage contracted to be provided by subcontractors shall be commensurate with the amount of the subcontract, but in no case less than \$500,000 per occurrence.

K. Proof of Insurance. Promptly after the execution of this Agreement and from time to time during the Term at the request of the City, Developer shall furnish the City with certificates of insurance maintained by Developer in accordance with this Article VII, along with an affidavit from Developer confirming that the certificates accurately reflect the insurance coverage maintained. Prior to Commencement of Construction of any Public Improvements hereunder, Developer shall provide (or shall contract with its contractors or subcontractors to provide) copies of the insurance certificates to the City, and within ten (10) days before expiration of coverage, Developer shall deliver (or contract with its contractors or subcontractors to deliver) copies of renewal policies or certificates of insurance evidencing renewal and payment of premium. Developer shall maintain all current certificates of insurance on file with the City at all times during the Term until the Completion of all Public Improvements has occurred. If requested in writing by the City, Developer shall furnish the City Manager with certified copies of Developer's actual insurance policies. If Developer does not comply with the requirements of this Article VII, the City, at its sole discretion, may (1) suspend performance by the City and the hereunder and begin procedures to terminate this Agreement for default or (2) purchase the required insurance with City or Zone funds and deduct the cost of the premiums from amounts due to Developer under this Agreement. The City shall never waive or be estopped to assert its right to terminate this Agreement because of its acts or omissions regarding its review of insurance documents.

L. Other Insurance. If requested by the City, Developer shall furnish adequate evidence of social security and unemployment compensation insurance, to the extent applicable to Developer's operations under this Agreement.

M. Indemnification and Release.

DEVELOPER SHALL DEFEND, INDEMNIFY, AND HOLD THE CITY AND THE ZONE, THEIR AGENTS, EMPLOYEES, OFFICERS, AND LEGAL REPRESENTATIVES (COLLECTIVELY, THE "INDEMNIFIED PERSONS") HARMLESS FOR ALL CLAIM, CAUSES OF ACTION, LIABILITIES, FINES, AND EXPENSES (INCLUDING, WITHOUT LIMITATION, ATTORNEYS' FEES, COURT COSTS, AND ALL OTHER DEFENSE COSTS AND INTEREST) FOR INJURY, DEATH, DAMAGE, OR LOSS TO PERSONS OR PROPERTY SUSTAINED IN CONNECTION WITH OR INCIDENTAL TO PERFORMANCE UNDER THIS AGREEMENT, INCLUDING, WITHOUT LIMITATION, THOSE CAUSED BY:

DEVELOPER AND/OR ITS AGENTS', EMPLOYEES, OR OFFICERS' DIRECTORS', CONTRACTORS' OR SUBCONTRACTORS' (COLLECTIVELY "DEVELOPER'S") ACTUAL OR ALLEGED NEGLIGENCE OR INTENTIONAL ACTS OR OMISSIONS;

THE INDEMNIFIED PERSONS' AND DEVELOPER'S ACTUAL OR ALLEGED CONCURRENT NEGLIGENCE, WHETHER DEVELOPER IS IMMUNE FROM LIABILITY OR NOT; AND/OR

THE INDEMNIFIED PERSONS' AND DEVELOPER'S ACTUAL OR ALLEGED STRICT PRODUCTS LIABILITY OR STRICT STATUTORY LIABILITY, WHETHER DEVELOPER IS IMMUNE FROM LIABILITY OR NOT.

NOTWITHSTANDING ANY OTHER PROVISION OF THIS SECTION OR OTHER PROVISIONS OF THIS AGREEMENT, (1) DEVELOPER SHALL NOT BE OBLIGATED TO INDEMNIFY ANY INDEMNIFIED PERSON FOR THE INDEMNIFIED PERSON'S SOLE NEGLIGENCE; AND (2) DEVELOPER SHALL NOT BE OBLIGATED TO INDEMNIFY ANY INDEMNIFIED PERSONS TO THE EXTENT THAT ANY CLAIMS WHICH MIGHT OTHERWISE BE SUBJECT TO INDEMNIFICATION HEREUNDER RESULTED, IN WHOLE OR IN PART, FROM THE GROSS NEGLIGENCE, RECKLESSNESS OR INTENTIONAL ACT OR OMISSION OF ANY INDEMNIFIED PERSON OR PERSONS.

IF AN INDEMNIFIED PERSON OR DEVELOPER RECEIVES NOTICE OF ANY CLAIM OR CIRCUMSTANCE WHICH COULD GIVE RISE TO AN INDEMNIFIED LOSS, THE RECEIVING PARTY SHALL GIVE WRITTEN NOTICE TO THE OTHER PARTY WITHIN TEN (10) DAYS. THE NOTICE MUST INCLUDE A DESCRIPTION OF THE INDEMNIFICATION EVENT IN REASONABLE DETAIL, THE BASIS ON WHICH INDEMNIFICATION MAY BE DUE, AND THE ANTICIPATED AMOUNT

OF THE INDEMNIFIED LOSS. THIS NOTICE SHALL NOT ESTOP OR PREVENT AN INDEMNIFIED PERSON FROM LATER ASSERTING A DIFFERENT BASIS FOR INDEMNIFICATION OR A DIFFERENT AMOUNT OF INDEMNIFIED LOSS THAN THAT INDICATED IN THE INITIAL NOTICE. IF AN INDEMNIFIED PERSON DOES NOT PROVIDE THIS NOTICE WITHIN THE 10-DAY PERIOD, IT DOES NOT WAIVE ANY RIGHT TO INDEMNIFICATION EXCEPT TO THE EXTENT THAT DEVELOPER IS PREJUDICED, SUFFERS LOSS, OR INCURS EXPENSE BECAUSE OF THE DELAY.

DEVELOPER SHALL ASSUME THE DEFENSE OF THE CLAIM AT ITS OWN EXPENSE WITH COUNSEL CHOSEN BY IT THAT IS REASONABLY SATISFACTORY TO THE INDEMNIFIED PERSON. DEVELOPER SHALL THEN CONTROL THE DEFENSE AND ANY NEGOTIATIONS TO SETTLE THE CLAIM. WITHIN TEN (10) DAYS AFTER RECEIVING WRITTEN NOTICE OF THE INDEMNIFICATION REQUEST, DEVELOPER SHALL ADVISE THE INDEMNIFIED PERSON AS TO WHETHER OR NOT IT WILL DEFEND THE CLAIM. IF DEVELOPER DOES NOT ASSUME THE DEFENSE, THE INDEMNIFIED PERSON SHALL ASSUME AND CONTROL THE DEFENSE, AND ALL DEFENSE EXPENSES INCURRED BY IT SHALL CONSTITUTE AN INDEMNIFICATION LOSS.

IF DEVELOPER ELECTS TO DEFEND A CLAIM, THE INDEMNIFIED PERSON MAY RETAIN SEPARATE COUNSEL AT THE SOLE COST AND EXPENSE OF SUCH INDEMNIFIED PERSON TO PARTICIPATE IN (BUT NOT CONTROL) THE DEFENSE AND TO PARTICIPATE IN (BUT NOT CONTROL) ANY SETTLEMENT NEGOTIATIONS. DEVELOPER MAY SETTLE THE CLAIM WITHOUT THE CONSENT OR AGREEMENT OF THE INDEMNIFIED PERSON, UNLESS THE SETTLEMENT (I) WOULD RESULT IN INJUNCTIVE RELIEF OR OTHER EQUITABLE REMEDIES OR OTHERWISE REQUIRE THE INDEMNIFIED PERSON TO COMPLY WITH RESTRICTIONS OR LIMITATIONS THAT ADVERSELY AFFECT THE INDEMNIFIED PERSON, (II) WOULD REQUIRE THE INDEMNIFIED PERSON TO PAY AMOUNTS THAT DEVELOPER DOES NOT FUND IN FULL, OR (III) WOULD NOT RESULT IN THE INDEMNIFIED PERSON'S FULL AND COMPLETE RELEASE FROM ALL LIABILITY TO THE PLAINTIFFS OR CLAIMANTS WHO ARE PARTIES TO OR OTHERWISE BOUND BY THE SETTLEMENT.

DEVELOPER RELEASES EACH INDEMNIFIED PERSON FROM ALL LIABILITY FOR INJURY, DEATH, DAMAGE, OR LOSS TO PERSONS OR PROPERTY SUSTAINED IN CONNECTION WITH OR INCIDENTAL TO PERFORMANCE UNDER THIS AGREEMENT, EVEN IF THE INJURY, DEATH, DAMAGE, OR LOSS IS CAUSED BY THE INDEMNIFIED PERSON'S CONCURRENT NEGLIGENCE AND/OR THE INDEMNIFIED PERSON'S STRICT PRODUCTS LIABILITY OR

STRICT STATUTORY LIABILITY, BUT NOT SUCH INDEMNIFIED PERSON'S SOLE NEGLIGENCE OR FROM ANY DAMAGE OR LOSS TO THE EXTENT RESULTING FROM THE GROSS NEGLIGENCE, RECKLESSNESS OR INTENTIONAL ACT OR OMISSION OF THE INDEMNIFIED PERSON.

DEVELOPER SHALL REQUIRE ALL CONTRACTORS ENGAGED BY IT TO CONSTRUCT PUBLIC IMPROVEMENTS (AND THEIR SUBCONTRACTORS) TO RELEASE AND INDEMNIFY THE INDEMNIFIED PERSONS TO THE SAME EXTENT AND IN SUBSTANTIALLY THE SAME FORM AS ITS RELEASE OF AND INDEMNITY TO THE INDEMNIFIED PERSONS HEREUNDER.

N. **RELEASE.** DEVELOPER SHALL ALSO REQUIRE THAT ALL GENERAL CONTRACTORS INDEMNIFY THE CITY AND THE ZONE AND THEIR RESPECTIVE OFFICIALS AND EMPLOYEES FROM AND AGAINST ANY AND ALL CLAIMS, LOSSES, DAMAGES, CAUSES OF ACTION, SUITS AND LIABILITIES ARISING OUT OF SUCH CONTRACTOR'S WORK AND ACTIVITY RELATED TO THE PUBLIC IMPROVEMENTS.

O. **Survival.** The provisions of Sections M. and N. above shall survive the expiration or termination of the Agreement.

ARTICLE VIII DEFAULT AND REMEDY

A. **Payment Default.** The City and Zone agree that, so long as Developer has complied with the terms and provisions of this Agreement, the failure to pay the Developer any portion of the TIRZ Contribution within ten (10) days of the receipt of notice of such failure to pay is an event of default (a "Payment Default") and that the Developer shall be entitled to any and all of the remedies available in this Article or otherwise at law or equity.

B. **Developer Default.** In the event that the Developer fails to (i) Commence Construction of the Public Improvements on or before the Commencement Deadline, or (ii) Complete Construction of the Public Improvements on or before the Completion Deadline, such failure shall be an event of default by Developer and, in addition to any other remedies available to the City or the Zone at law or in equity, including the termination of this Agreement, the Developer shall release the City from the obligation to repay any Developer Advances or Developer Interest with respect to the Public Improvements Costs.

C. **General Events of Default.** A Party shall be deemed in default under this Agreement (which shall be deemed a breach hereunder) if such Party fails to materially

perform, observe or comply with any of its covenants, agreements or obligations hereunder or breaches or violates any of its representations contained in this Agreement.

Before any failure of any Party to perform its obligations under this Agreement, shall be deemed to be a breach of this Agreement, the Party claiming such failure shall notify the Party alleged to have failed to perform of the alleged failure, in writing, and shall demand performance. Except as otherwise provided in Section A. above with regard to a Payment Default, no breach of this Agreement may be found to have occurred if performance has commenced to the reasonable satisfaction of the complaining Party within 30 days of the receipt of such notice.

Upon a breach of this Agreement, the non-defaulting Party, in any court of competent jurisdiction, by an action or proceeding at law or in equity, may pursue any other remedy set forth herein or otherwise available to that Party at law or in equity. Except as otherwise set forth herein, no action taken by a Party pursuant to the provisions of this Section or pursuant to the provisions of any other Section of this Agreement shall be deemed to constitute an election of remedies; and all remedies set forth in this Agreement shall be cumulative and non-exclusive of any other remedy either set forth herein or available to any Party at law or in equity. Each Party shall have the affirmative obligation to mitigate its damages in the event of a default by another Party.

Notwithstanding anything in this Agreement which is or may appear to be to the contrary, if the performance of any covenant or obligation to be performed hereunder by any Party is delayed as a result of circumstances which are beyond the reasonable control of such Party (which circumstances may include, without limitation, pending or threatened litigation, acts of God, war, acts of civil disobedience, fire or other casualty, shortage of materials, adverse weather conditions [such as, by way of illustration and not limitation, severe rain storms or below freezing temperatures, or tornadoes], labor action, strikes or similar acts), the time for such performance shall be extended by the amount of time of such delay.

In addition to any other right or remedy available to the Parties pursuant to this Agreement, in the event of a default or a breach by either Party under this Agreement which continues for 30 days after written notice to the Party alleged to have defaulted or breached and the failure of the Party alleged to have defaulted or breached to cure or diligently proceed to cure such breach to the complaining Party's reasonable satisfaction, the complaining Party shall have the right (but not the obligation), in its sole discretion, to exercise the rights set forth herein or otherwise available to that Party at law or in equity to require the Party alleged to have defaulted or breached to perform.

ARTICLE IX GENERAL PROVISIONS

A. Time of the Essence. Time is of the essence of this Agreement. The Parties will make every reasonable effort to expedite the subject matters hereof and acknowledge that the successful performance of this Agreement requires their continued cooperation.

B. Amendments and Waivers. Any provision of this Agreement may be amended or waived if such amendment or waiver is in writing and is approved by the Developer, the Zone and the City. No course of dealing on the part of the Parties nor any failure or delay by the Parties with respect to exercising any right, power or privilege pursuant to this Agreement shall operate as a waiver thereof, except as otherwise provided in this Section.

C. Invalidity. In the event that any of the provisions contained in this Agreement shall be held unenforceable in any respect, such unenforceability shall not affect any other provisions of this Agreement; and, to that end, all provisions, covenants, agreements or portions of this Agreement are declared to be severable.

D. Inspections, Audits. Developer agrees to keep such operating records relating to the Public Improvements as may be reasonably required by the City, or by Applicable Law. Developer shall allow the City reasonable access to documents and records in Developer's possession, custody or control that the City deems necessary to assist the City in determining Developer's compliance with this Agreement. Prior to the City's acceptance of the Public Improvements (or any component thereof), Developer shall tender such records to the City for retention in accordance with the Texas Local Government Records Act.

E. Developer Operations and Employees. All personnel supplied or used by Developer in the performance of this Agreement shall be deemed employees or subcontractors of Developer and will not be considered employees, agents or subcontractors of the City for any purpose whatsoever. Developer shall be solely responsible for the compensation of all such personnel, for withholding of income, social security and other payroll taxes and for the coverage of all worker's compensation benefits.

F. Personal Liability of Public Officials. To the extent permitted by the laws of the State of Texas, no director, officer, employee or agent of the Zone, and no officer, employee or agent of the City, shall be personally responsible for any liability arising under or growing out of the Agreement.

G. Successors and Assigns. No Party may assign its rights or obligations hereunder without the consent of the other Parties, except that, i) upon written notice to the other Parties in accordance with this Agreement, the Developer may assign the

Agreement or the payment of the TIRZ Contribution to an affiliate of the Developer and ii) upon written notice to the other Parties in accordance with this Agreement, the Developer may assign all or a portion of the Developer's contractual right to any sum due or to become due under this Agreement to Developer's lender to aid and assist the Developer in financing the Public Improvements Costs. For purposes of this Section, an "affiliate" means any other person directly controlling, or directly controlled by or under direct common control with the Developer. As used in this definition, the term "control," "controlling" or "controlled by" shall mean the possession, directly, of the power either to (a) vote fifty percent (50%) or more of the securities or interests having ordinary voting power for the election of directors (or other comparable controlling body) of the Developer, or (b) direct or cause the direction of management or policies of the Developer, whether through the ownership of voting securities or interests, by contract or otherwise, excluding in each case, any lender of the Developer or any affiliate of such lender.

H. Exhibits, Titles of Articles, Sections and Subsections. The exhibits attached to this Agreement, if any, are incorporated herein and shall be considered a part of this Agreement for the purposes stated herein, except that in the event of any conflict between any of the provisions of such exhibits and the provisions of this Agreement, the provisions of this Agreement shall prevail. All titles or headings are only for the convenience of the Parties and shall not be construed to have any effect or meaning as to the agreement between the Parties hereto. Any reference herein to a section or subsection shall be considered a reference to such section or subsection of this Agreement unless otherwise stated. Any reference herein to an exhibit shall be considered a reference to the applicable exhibit attached hereto unless otherwise stated.

I. Applicable Law. This Agreement is a contract made under and shall be construed in accordance with and governed by the laws of the United States of America and the State of Texas, and any actions concerning this Agreement shall be brought in the State Courts of Galveston County, Texas.

J. State Law Requirements.

1. Iran, Sudan and Foreign Terrorist Organizations. The Developer represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, and posted on any of the following pages of such officer's internet website:

<https://comptroller.texas.gov/purchasing/docs/sudan-list.pdf>,

<https://comptroller.texas.gov/purchasing/docs/iran-list.pdf>, or

<https://comptroller.texas.gov/purchasing/docs/fto-list.pdf>.

The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, and excludes the Developer and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. The Developer understands “affiliate” to mean any entity that controls, is controlled by, or is under common control with the Developer and exists to make a profit. Notwithstanding anything contained herein, the representations and covenants contained in this Section shall survive termination of the Agreement until the statute of limitations has run.

2. Anti-Boycott Verification. The Developer hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and, will not boycott Israel during the Term. The foregoing verification is made solely to comply with Section 2271.002, Texas Government Code. As used in the foregoing verification, “boycott Israel” means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes. The Developer understands “affiliate” to mean an entity that controls, is controlled by, or is under common control with the Developer and exists to make a profit. Notwithstanding anything contained herein, the representations and covenants contained in this Section shall survive termination of the Agreement until the statute of limitations has run.

3. Petroleum. The Developer hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott energy companies and will not boycott energy companies during the Term. The foregoing verification is made solely to enable the City to comply with such Section. As used in the foregoing verification, “boycott energy companies” shall mean, without an ordinary business purpose, refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations with a company because the company (A) engages in the exploration, production, utilization, transportation, sale, or manufacturing of fossil fuel-based energy and does not commit or pledge to meet environmental standards beyond applicable federal and state law; or (B) does business with a company described by (A) above. The Developer understands “affiliate” to mean an entity that controls, is controlled by, or is under common control with the Developer within the meaning of SEC Rule 133(f), 17 C.F.R. §230.133(f), and exists to make a profit. Notwithstanding anything contained herein, the representations and covenants contained in this

Section shall survive termination of the Agreement until the statute of limitations has run.

4. Firearms. The Developer hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate during the Term against a firearm entity or firearm trade association. The foregoing verification is made solely to enable the City to comply with such Section. As used in the foregoing verification, “discriminate against a firearm entity or firearm trade association”: (a) means, with respect to the firearm entity or firearm trade association, to: (i) refuse to engage in the trade of any goods or services with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association; (ii) refrain from continuing an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association; or (iii) terminate an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association and (b) does not include: (i) the established policies of a merchant, retail seller, or platform that restrict or prohibit the listing or selling of ammunition, firearms, or firearm accessories; and (ii) a company’s refusal to engage in the trade of any goods or services, decision to refrain from continuing an existing business relationship, or decision to terminate an existing business relationship: (aa) to comply with federal, state, or local law, policy, or regulations or a directive by a regulatory agency; or (bb) for any traditional business reason that is specific to the customer or potential customer and not based solely on an entity’s or association’s status as a firearm entity or firearm trade association. As used in the foregoing verification, (a) “firearm entity” means a manufacturer, distributor, wholesaler, supplier, or retailer of firearms (i.e., weapons that expel projectiles by the action of explosive or expanding gases), firearm accessories (i.e., devices specifically designed or adapted to enable an individual to wear, carry, store, or mount a firearm on the individual or on a conveyance and items used in conjunction with or mounted on a firearm that are not essential to the basic function of the firearm, including detachable firearm magazines), ammunition (i.e., a loaded cartridge case, primer, bullet, or propellant powder with or without a projectile) or a sport shooting range (as defined by Section 250.001, Texas Local Government Code), and (b) “firearm trade association” means a person, corporation, unincorporated association, federation, business league, or business organization that: (i) is not organized or operated for profit (and none of the net earnings of which inures to the benefit of any private shareholder or individual); (ii) has two or more firearm entities as members; and (iii) is exempt from federal income taxation under Section 501(a), Internal Revenue Code of 1986, as an organization described by Section 501(c) of that code. The Developer understands “affiliate” to mean an entity that controls,

is controlled by, or is under common control with the Developer within the meaning of SEC Rule 133(f), 17 C.F.R. §230.133(f), and exists to make a profit. Notwithstanding anything contained herein, the representations and covenants contained in this Section shall survive termination of the Agreement until the statute of limitations has run.

K. No Arbitration. Notwithstanding anything to the contrary contained in this Agreement, the Parties hereby agree that no claim or dispute between the Parties arising out of or relating to this Agreement shall be decided by any arbitration proceeding including, without limitation, any proceeding under the Federal Arbitration Act (9 U.S.C. Sections 1 - 14), or any applicable State arbitration statute, including, but not limited to, the Texas General Arbitration Act, provided that in the event the City or the Zone Board is subjected to an arbitration proceeding notwithstanding this provision, the Developer consents to be joined in the arbitration proceeding if the Developer's presence is required or requested by the City or the Zone Board for complete relief to be recorded in the arbitration proceeding.

L. Entire Agreement. This Agreement represents the final agreement between the Parties and may not be contradicted by evidence of prior, contemporaneous, or subsequent oral agreements of the Parties. There are no unwritten oral agreements between the Parties.

M. Approval by the Parties. Whenever this Agreement requires or permits approval or consent to be hereafter given by any of the Parties, the Parties agree that such approval or consent shall not be unreasonably conditioned, withheld or delayed.

N. Counterparts. This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same agreement.

O. Interpretation. This Agreement has been jointly negotiated by the Parties and shall not be construed against a Party because that Party may have primarily assumed responsibility for the drafting of this Agreement.

[EXECUTION PAGES FOLLOW]

IN TESTIMONY OF WHICH this instrument has been executed in multiple counterparts, each of equal dignity and effect, on behalf of the Developer and the City effective as of the date first above written.

REINVESTMENT ZONE NUMBER TWO, CITY OF FRIENDSWOOD	CITY OF FRIENDSWOOD, TEXAS
By: _____ Mike Foreman Chair of the Board of Directors	By: _____ Morad Kabiri City Manager
ATTEST: By: _____ Name: _____ Title: _____	ATTEST: By: _____ Leticia Brysch City Secretary
	APPROVED AS TO FORM: By: _____ Karen L. Horner City Attorney

DEVELOPER:

CASTLE BIOSCIENCES, INC.

By: _____

Name: _____

Title: _____

EXHIBIT A

PROPERTY

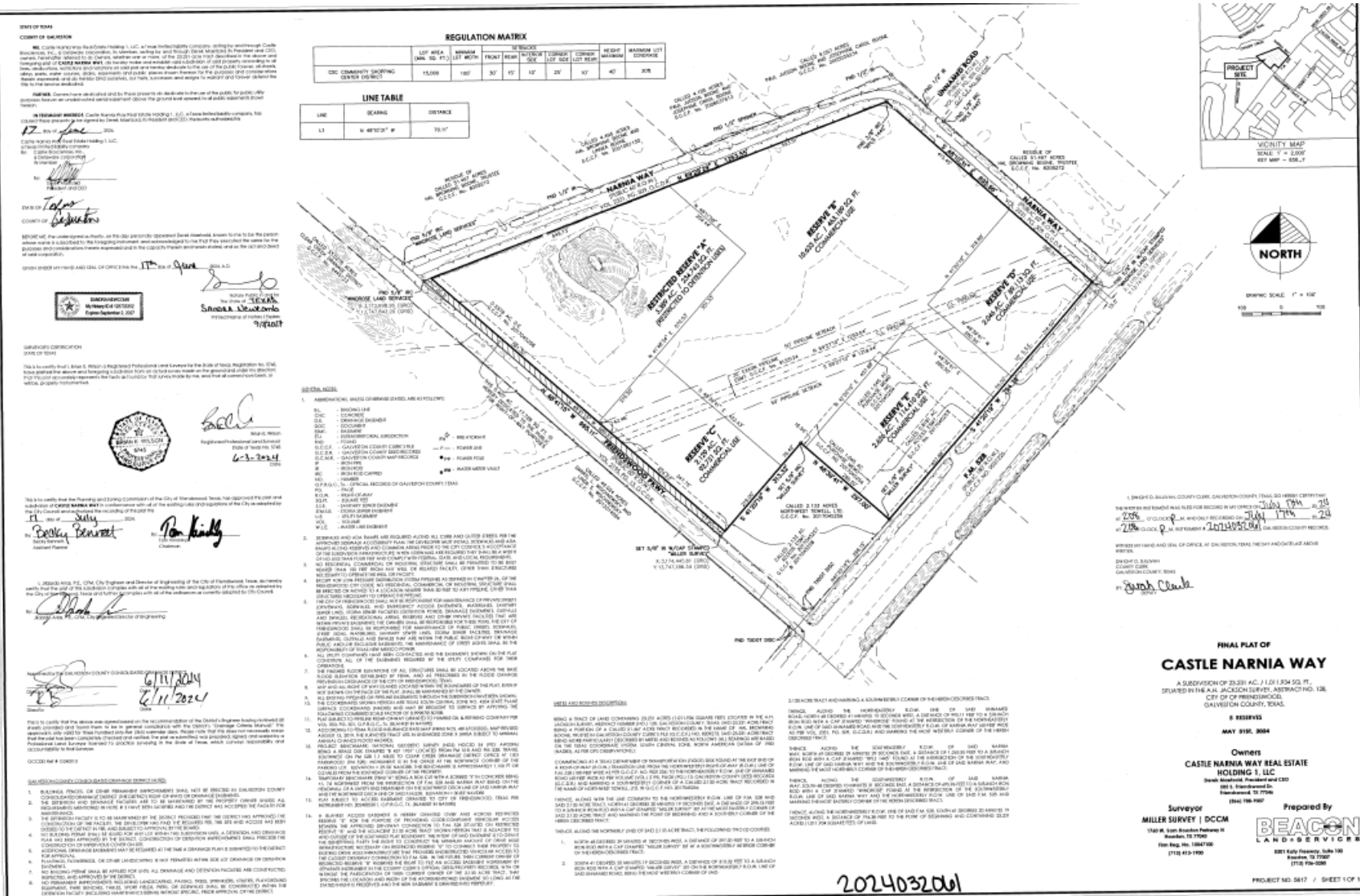


EXHIBIT B
PUBLIC IMPROVEMENTS

Public Improvements include the public infrastructure shown in **Exhibit B-1**, including but not limited to public infrastructure associated with the following permit numbers:

PLT2024-1543 - Castle Narnia Way Final Plat, recorded July 17, 2024, in the Galveston County Records under Document Number 2024032061

EAR2024-1447 - Clearing and grubbing work, including removal of existing trees, issued April 23, 2024

SUB2024-1609 - DETENTION & DRAINAGE FOR CASTLE NARNIA WAY

COM2024-3066 - 8" public water line

Public Improvements shall also include the additional public infrastructure listed in the cost estimate set forth below that is permitted after the Effective Date.

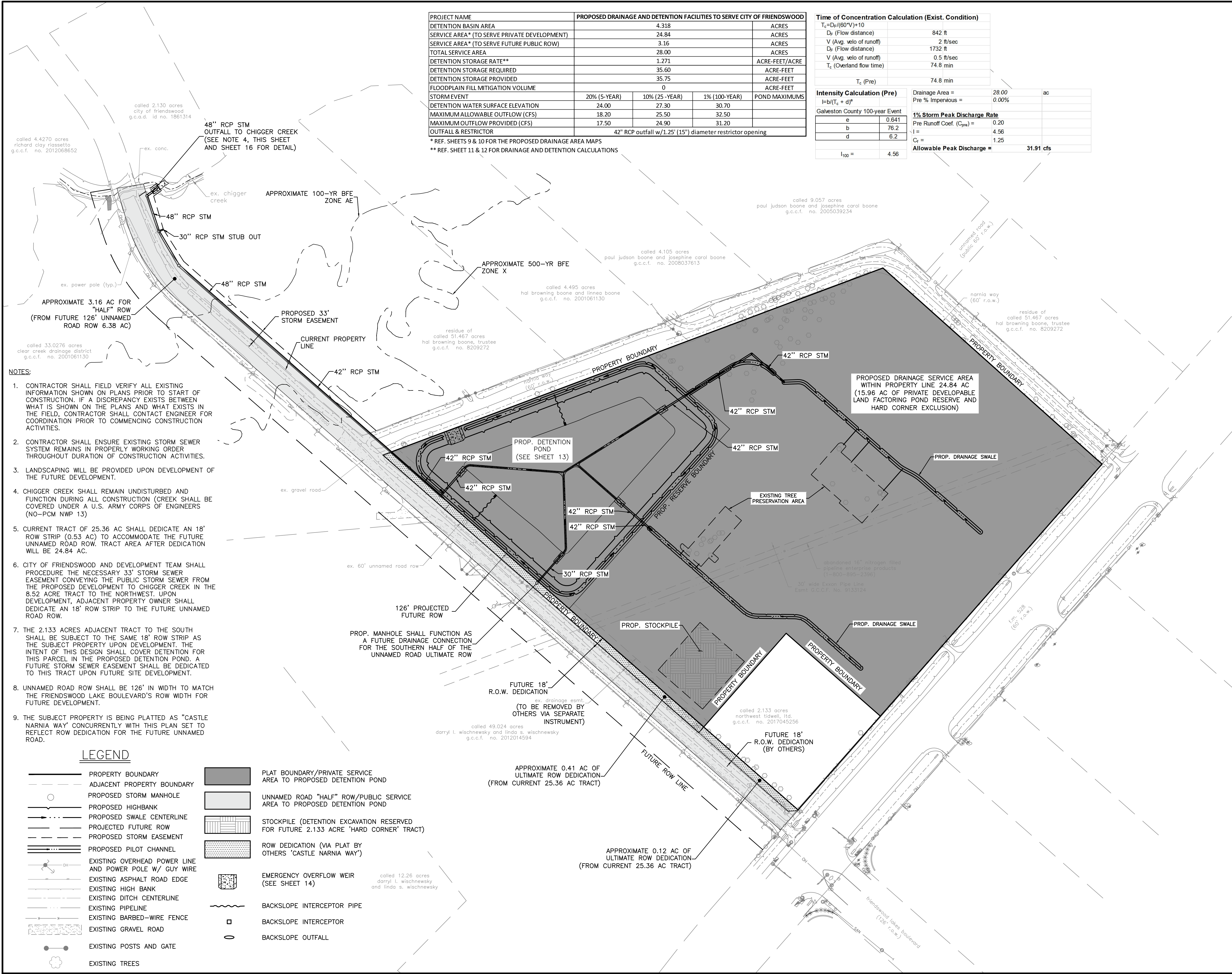
Castle Bioscience

Public Infrastructure | Friendswood, Texas

Description	Qty.	Unit	Unit Price	Amount	Anticipated Completion
LAND					
Land Cost	234,788.4	SF	\$ 7.25	\$ 1,702,215.90	2024
Clearing and Grubbing / Site Preparation	1	LS		\$ 216,040.00	2024
Storm Water Pollution Prevention	1	LS		\$ 30,350.10	2024
Construction Staking Services	1	LS		\$ 8,250.00	2024
Material Testing	1	LS		\$ 20,000.00	2024
Landscaping	1	LS		\$ 44,804.40	2025
ONSITE PUBLIC INFRASTRUCTURE					
Public fire water loop	1	ls		\$ 258,500.00	2024
PUBLIC STORM WATER COLLECTION SYSTEM					
54-Inch, CLIII R/G, RCP Storm Sewer	215	LF		\$ 657,800.00	2024
48-Inch, CLIII R/G, RCP Storm Sewer	748	LF		w/ above	2024
42-Inch, CLIII R/G, RCP Storm Sewer	135	LF		w/ above	2024
Standard Type "C" Manhole (48"-72")	7	EA		w/ above	2024
Reinforced Concrete Slope Paving/Rip Rap	50	SY		w/ above	2024
Chigger Creek Outfall	1	LS		w/ above	2024
DETENTION BASIN					
Detention Basin Excavation On-Site Disposal	56,490	CY		\$ 482,185.00	2024
5-Foot Wide Concrete Lined Pilot Channel	1,100	LF		\$ 104,264.60	2024
Reinforced Concrete Slope Paving	30	SY		w/ above	2024
Backslope Interceptor Structure	6	EA		w/ above	2024
Backslope Swale	2,697	LF		\$ 28,267.80	2024
Turf Establishment of Detention Pond	8	AC		\$ 12,802.90	2025
Floatable Collection Screen	1	LS		w/ above	2025
CONTRACTOR FEES					
Insurance				\$ 7,154.40	2024
General Conditions				\$ 121,841.50	2024
General Requirements				\$ 70,947.80	2024
Fee				\$ 47,847.80	2024
MANAGEMENT & FEES					
Permitting Fees				\$ 65,000.00	2024
Engineering Fees				\$ 250,000.00	2024
Management Fee			5.00%	\$ 121,302.82	2024
Maintenance Bond				\$ 20,000.00	2024
FRIENDSWOOD PARKWAY ROAD EXTENSION					
Clearing and Grubbing / Site Preparation	1	LS		\$ 24,401.00	2025
Excavation, Paving and Traffic Improvements	1	LS		\$ 437,707.40	2025
Public Storm Water Collection System	1	LS		\$ 271,128.00	2025
Storm Water Pollution Prevention	1	LS		\$ 14,664.73	2025
Construction Staking Services	1	LS		\$ 18,330.91	2025
Material Testing	1	LS		\$ 50,000.00	2025
Landscaping	1	LS		\$ 150,000.00	2025
Permitting Fees	1	LS		\$ 14,145.82	2025
Engineering Fees	1	LS		\$ 113,166.58	2025
Management Fee			5.00%	\$ 54,677.22	2025
Total				\$ 5,417,796.67	

The total amount of the TIRZ Contribution for the Public Improvements Costs may not exceed the TIRZ Contribution as defined in the Agreement.

EXHIBIT B-1
MAP OF PUBLIC IMPROVEMENTS



PROJECT NAME		PROPOSED DRAINAGE AND DETENTION FACILITIES TO SERVE CITY OF FRIENDSWOOD			
DETENTION BASIN AREA	4.318			ACRES	
SERVICE AREA* (TO SERVE PRIVATE DEVELOPMENT)	24.84			ACRES	
SERVICE AREA* (TO SERVE FUTURE PUBLIC ROW)	3.16			ACRES	
TOTAL SERVICE AREA	28.00			ACRES	
DETENTION STORAGE RATE**	1.271			ACRE-FEET/ACRE	
DETENTION STORAGE REQUIRED	35.60			ACRE-FEET	
DETENTION STORAGE PROVIDED	35.75			ACRE-FEET	
FLOODPLAIN FILL MITIGATION VOLUME	0			ACRE-FEET	
STORM EVENT	20% (5-YEAR)	10% (25-YEAR)	1% (100-YEAR)	POND MAXIMUMS	
DETENTION WATER SURFACE ELEVATION	24.00	27.30	30.70		
MAXIMUM ALLOWABLE OUTFLOW (CFS)	18.20	25.50	32.50		
MAXIMUM OUTFLOW PROVIDED (CFS)	17.50	24.90	31.20		
OUTFALL & RESTRICTOR	42" RCP outfall w/1.25' (15") diameter restrictor opening				

* REF. SHEETS 9 & 10 FOR THE PROPOSED DRAINAGE AREA MAPS
** REF. SHEET 11 & 12 FOR DRAINAGE AND DETENTION CALCULATIONS

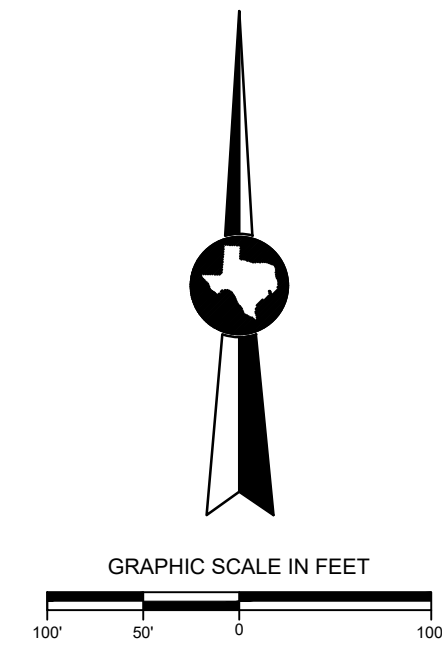
Time of Concentration Calculation (Exist. Condition)	
$T_c = D_r / (60 \cdot V) + 10$	
D_r (Flow distance)	842 ft
V (Avg. velo. of runoff)	2 ft/sec
D_r (Flow distance)	1732 ft
V (Avg. velo. of runoff)	0.5 ft/sec
T_c (Overland flow time)	74.8 min

T_c (Pre)	74.8 min		
Intensity Calculation (Pre)			
$I = b / (T_c + d)^a$		Drainage Area =	28.00 ac
Galveston County 100-year Event		Pre % Impervious =	0.00%
e	0.641	1% Storm Peak Discharge Rate	
b	76.2	Pre Runoff Coef. (C_{pre}) =	0.20
d	6.2	$I =$	4.56
		$C_t =$	1.25
		Allowable Peak Discharge =	31.91 cfs
$I_{100} =$	4.56		

- NOTES:**
- CONTRACTOR SHALL FIELD VERIFY ALL EXISTING INFORMATION SHOWN ON PLANS PRIOR TO START OF CONSTRUCTION. IF A DISCREPANCY EXISTS BETWEEN WHAT IS SHOWN ON THE PLANS AND WHAT EXISTS IN THE FIELD, CONTRACTOR SHALL CONTACT ENGINEER FOR COORDINATION PRIOR TO COMMENCING CONSTRUCTION ACTIVITIES.
 - CONTRACTOR SHALL ENSURE EXISTING STORM SEWER SYSTEM REMAINS IN PROPERLY WORKING ORDER THROUGHOUT DURATION OF CONSTRUCTION ACTIVITIES.
 - LANDSCAPING WILL BE PROVIDED UPON DEVELOPMENT OF THE FUTURE DEVELOPMENT.
 - CHIGGER CREEK SHALL REMAIN UNDISTURBED AND FUNCTION DURING ALL CONSTRUCTION (CREEK SHALL BE COVERED UNDER A U.S. ARMY CORPS OF ENGINEERS (NO-PCM NWP 13)
 - CURRENT TRACT OF 25.36 AC SHALL DEDICATE AN 18' ROW STRIP (0.53 AC) TO ACCOMMODATE THE FUTURE UNNAMED ROAD ROW. TRACT AREA AFTER DEDICATION WILL BE 24.84 AC.
 - CITY OF FRIENDSWOOD AND DEVELOPMENT TEAM SHALL PROCEDURE THE NECESSARY 33' STORM SEWER EASEMENT CONVEYING THE PUBLIC STORM SEWER FROM THE PROPOSED DEVELOPMENT TO CHIGGER CREEK IN THE 8.52 ACRE TRACT TO THE NORTHWEST. UPON DEVELOPMENT, ADJACENT PROPERTY OWNER SHALL DEDICATE AN 18' ROW STRIP TO THE FUTURE UNNAMED ROAD ROW.
 - THE 2.133 ACRES ADJACENT TRACT TO THE SOUTH SHALL BE SUBJECT TO THE SAME 18' ROW STRIP AS THE SUBJECT PROPERTY UPON DEVELOPMENT. THE INTENT OF THIS DESIGN SHALL COVER DETENTION FOR THIS PARCEL IN THE PROPOSED DETENTION POND. A FUTURE STORM SEWER EASEMENT SHALL BE DEDICATED TO THIS TRACT UPON FUTURE SITE DEVELOPMENT.
 - UNNAMED ROAD ROW SHALL BE 126' IN WIDTH TO MATCH THE FRIENDSWOOD LAKE BOULEVARD'S ROW WIDTH FOR FUTURE DEVELOPMENT.
 - THE SUBJECT PROPERTY IS BEING PLATTED AS "CASTLE NARNIA WAY" CONCURRENTLY WITH THIS PLAN SET TO REFLECT ROW DEDICATION FOR THE FUTURE UNNAMED ROAD.

LEGEND

	PROPERTY BOUNDARY		PLAT BOUNDARY/PRIVATE SERVICE AREA TO PROPOSED DETENTION POND
	ADJACENT PROPERTY BOUNDARY		UNNAMED ROAD "HALF" ROW/PUBLIC SERVICE AREA TO PROPOSED DETENTION POND
	PROPOSED STORM MANHOLE		STOCKPILE (DETENTION EXCAVATION RESERVED FOR FUTURE 2.133 ACRE "HARD CORNER" TRACT)
	PROPOSED HIGHBANK		ROW DEDICATION (VIA PLAT BY OTHERS "CASTLE NARNIA WAY")
	PROPOSED SWALE CENTERLINE		EMERGENCY OVERFLOW WEIR (SEE SHEET 14)
	PROJECTED FUTURE ROW		BACKSLOPE INTERCEPTOR PIPE
	PROPOSED STORM EASEMENT		BACKSLOPE INTERCEPTOR
	PROPOSED PILOT CHANNEL		BACKSLOPE OUTFALL
	EXISTING OVERHEAD POWER LINE AND POWER POLE W/ GUY WIRE		
	EXISTING ASPHALT ROAD EDGE		
	EXISTING HIGH BANK		
	EXISTING DITCH CENTERLINE		
	EXISTING PIPELINE		
	EXISTING BARBED-WIRE FENCE		
	EXISTING GRAVEL ROAD		
	EXISTING POSTS AND GATE		
	EXISTING TREES		



BENCHMARK(S) / FLOODPLAIN

BENCHMARK / FLOODPLAIN:
ACCORDING TO THE FEDERAL EMERGENCY MANAGEMENT AGENCY (FEMA) FLOOD INSURANCE RATE MAP NO. 48167C0202G, EFFECTIVE DATE OF 06/15/2019, THE SURVEYED PROPERTY LIES WITHIN ZONE "X" (UNSHADED). AREAS DETERMINED TO BE OUTSIDE THE 0.2% ANNUAL CHANGE FLOODPLAIN.

SEE SHEET 3 FOR BENCHMARK NOTES.

APPR.	REVISION	DATE

ODYSSEY
ENGINEERING GROUP
2500 Tanglewilde Street, Suite 300
Houston, Texas 77063
t: 281.306.0240 | www.odysseyeg.com
TBPE No. F-17637

05/28/2024

CITY OF FRIENDSWOOD
GALVESTON COUNTY, TEXAS

910 Friendswood Drive
Friendswood, Texas 77546

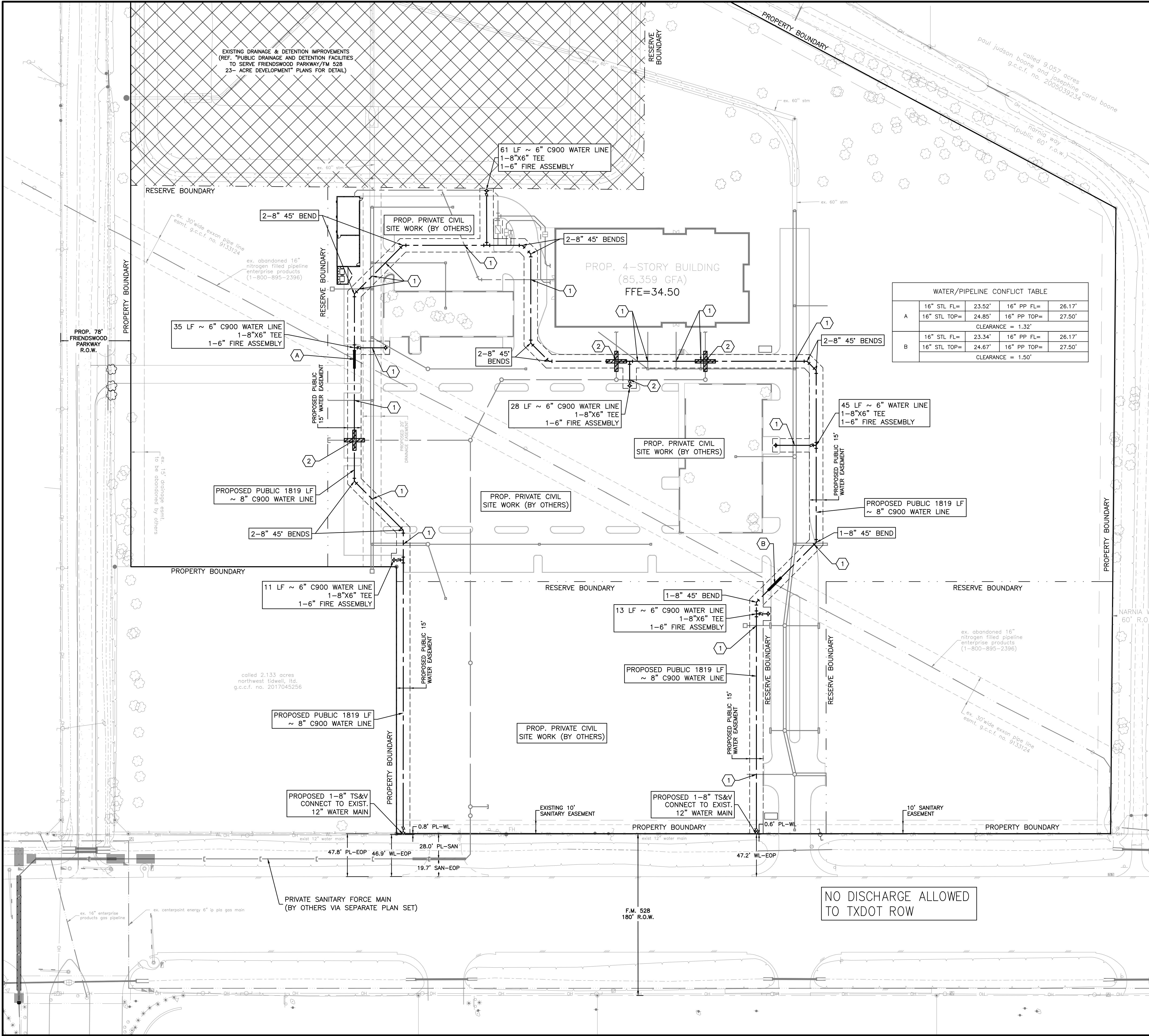
UNNAMED ROAD/FM 528 23-ACRE DEVELOPMENT
PROPOSED DRAINAGE AND DETENTION FACILITIES TO SERVE CITY OF FRIENDSWOOD
GCCDD REF. NO. G240013

OVERALL LAYOUT

SURV. <u>BUN</u>	DATE <u>11/09/2023</u>	JOB NO. <u>23-041-02</u>
DSGN. <u>LN/JS</u>	DATE <u>02/01/2024</u>	IMAGE NO. <u>I-2304100-02</u>
DWN. <u>SS</u>	DATE <u>02/01/2024</u>	
CHKD. <u>SS</u>	DATE <u>02/02/2024</u>	
APPR. <u>SLS</u>	DATE <u>04/18/2024</u>	

SCALE:	
HORIZ.	1" = 100'
VERT.	1" = 1'

SHEET **7** OF **24** SHEETS



LEGEND:

- PROPERTY LINE
- RESERVE BOUNDARY
- ADJACENT PROPERTY LINE
- PROPOSED BUILDING (BY OTHERS)
- PROPOSED 6" CURB (BY OTHERS)
- PROPOSED WATER EASEMENT
- PROPOSED SANITARY LINE (BY OTHERS)
- PROPOSED WATER LINE
- PROPOSED STORM LINE
- existing storm sewer
- existing sanitary sewer
- existing water main
- existing easement
- existing overhead power
- existing fence
- existing ditch highbank
- existing ditch centerline
- existing swale
- existing edge of pavement
- existing pipeline
- existing pipeline marker
- existing power pole
- existing fire hydrant
- existing storm manhole
- existing storm inlet
- existing light standard
- existing sign
- PROPOSED STORM INLET (BY OTHERS)
- PROPOSED STORM MANHOLE (BY OTHERS)
- PROPOSED BACKFLOW PREVENTOR (BY OTHERS)
- PROPOSED WATER METER (BY OTHERS)
- PROPOSED FIRE HYDRANT
- PROPOSED GATE VALVE
- PROPOSED T.S.&V.
- PROPOSED CLEANOUT
- PROPOSED SAN. SEWER/WATERLINE CROSSING. SEE KEY NOTE 2, BELOW.
- EXISTING TREE
- EXISTING CULVERT
- EXISTING DETENTION IMPROVEMENTS

GRAPHIC SCALE IN FEET

50' 25' 0' 25' 50'

Texas 811

Know what's below. Call before you dig.

CALL BEFORE YOU DIG!
TEXAS 811 CALL PARTICIPANTS REQUEST 48 HOURS NOTICE BEFORE YOU DIG, DRILL, OR BLAST - STOP CALL

Texas 811 Call System
811 or 1-800-344-8377

WARNING:

OVERHEAD AND UNDERGROUND UTILITIES MAY EXIST IN THE VICINITY OF THIS PROJECT. LOCATIONS SHOWN FOR EXISTING UTILITIES ARE APPROXIMATE AND OTHER UTILITIES MAY EXIST IN THE VICINITY OF THE PROJECT WHICH ARE NOT SHOWN IN THE PLANS.

IT IS THE RESPONSIBILITY OF THE CONTRACTOR TO LOCATE ALL EXISTING UTILITIES IN THE VICINITY OF THE PROJECT PRIOR TO BEGINNING CONSTRUCTION.

WATER/PIPELINE CONFLICT TABLE					
A	16" STL FL=	23.52'	16" PP FL=	26.17'	
	16" STL TOP=	24.85'	16" PP TOP=	27.50'	
	CLEARANCE = 1.32'				
B	16" STL FL=	23.34'	16" PP FL=	26.17'	
	16" STL TOP=	24.67'	16" PP TOP=	27.50'	
	CLEARANCE = 1.50'				

- NOTES:**
- PRIVATE STORM DRAINAGE PIPES AND STRUCTURES ARE PROPOSED BY OTHERS VIA SEPARATE PLAN SET.
 - PRIVATE SANITARY PIPES AND MANHOLES ARE PROPOSED BY OTHERS VIA SEPARATE PLAN SET.
 - CONTRACTOR TO FIELD VERIFY EXISTING PUBLIC 12" WATER LINE DEPTH ALONG SOUTHERN PROPERTY LINE.
 - CONTRACTOR PROPOSED PUBLIC WATER LINES IN THIS PLAN SET SHALL BE PAVED OVER IN A PRIVATE IMPROVEMENT PLAN SET BY OTHERS. A JOINTING PLAN IN THAT PLAN SET SHALL PROVIDE PROPER.
 - CONTRACTOR TO COORDINATE PUBLIC WATERLINE CONNECTION INTO PUBLIC SYSTEM WITH CITY OPERATOR PRIOR TO PROCUREMENT AND CONSTRUCTION.
 - CONTRACTOR TO ENSURE EACH FIRE HYDRANT TO SIT FLUSH WITH FINISHED GRADE AS INDICATED IN THE SEPARATE PLAN SET BY OTHERS. (CONTRACTOR TO REFERENCE THAT PLAN SET FOR ELEVATION DIRECTION).
 - DRY UTILITY ROUTING, CONDUIT, DESIGN AND DETAILS ARE TO BE PERFORMED BY OTHERS. THIS INCLUDES BUT NOT LIMITED TO ELECTRICAL, GAS, AND FIBER OPTIC.
 - ALL PROPOSED ON-SITE (OUT OF EASEMENT) STORM AND SANITARY SEWER FACILITIES ARE PRIVATE AND WILL NOT BE OWNED OR MAINTAINED BY A PUBLIC AGENCY.
 - EX. ABANDONED 16" ENTERPRISE PRODUCTS (EPROD) PIPELINE SHALL NOT REQUIRE APPROVAL FOR CROSSING SINCE THE PIPELINE IS ABANDONED AND CONFIRMED BY EPROD.
 - WHEN WATER AND SEWER MAINS, SERVICES, AND LATERALS ARE INSTALLED, THEY SHALL BE INSTALLED NO CLOSER TO EACH OTHER THAN 9' IN ALL DIRECTIONS AND PARALLEL LINES MUST BE INSTALLED IN SEPARATE TRENCHES. WHERE THE 9' SEPARATION DISTANCE CANNOT BE ACHIEVED, THE FOLLOWING TCEQ CHAPTERS SHALL APPLY:
10.1. TCEQ CHAPTER 217.53 PIPE DESIGN, SECTION (d) SEPARATION DISTANCES.
10.2. TCEQ CH. 290.44 WATER DISTRIBUTION, SECTION (e) LOCATION OF WATERLINES.

- KEY NOTES:**
- CONTRACTOR TO ENSURE 1-FT MINIMUM CLEARANCE BETWEEN STORM SEWER AND WATER LINE.
 - CONTRACTOR TO ENSURE 2-FT MINIMUM CLEARANCE BETWEEN SANITARY MAIN AND WATER LINE.

BENCHMARK(S) / FLOODPLAIN

BENCHMARK / FLOODPLAIN:
ACCORDING TO THE FEDERAL EMERGENCY MANAGEMENT AGENCY (FEMA) FLOOD INSURANCE RATE MAP NO. 48167C0202G, EFFECTIVE DATE OF 08/15/2019, THE SURVEYED PROPERTY LIES WITHIN ZONE "X" (UNSHADED), AREAS DETERMINED TO BE OUTSIDE THE 0.2% ANNUAL CHANCE FLOODPLAIN.

SEE SHEET 3 FOR BENCHMARK NOTES.

APPR.	REVISION	DATE

ODYSSEY ENGINEERING GROUP

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TBPE No. F-17637

CITY OF FRIENDSWOOD
GALVESTON COUNTY, TEXAS

910 Friendswood Drive
Friendswood, Texas 77546

GALVESTON COUNTY CONSOLIDATED DRAINAGE DISTRICT
PUBLIC WATER LINE NARNIA WAY

UTILITY PLAN

SURV.	DATE	JOB NO.
BUN	11/09/2023	23-041-04

DESIGN	DATE	IMAGE NO.
LN/PS	02/01/2024	I-2304100-04

CHKD.	DATE	SHEET
SLS	04/05/2024	7 OF 12 SHEETS

SCALE:	1" = XX'
HORIZ.	1" = XX'
VERT.	1" = X'

P:\23-041-03\Draws\POE\Friendswood Parkway Road Extension.dwg May 30, 2024 4:46pm



NARNIA WAY

Friendswood, Texas

FRIENDSWOOD PARKWAY ROAD EXTENSION

ODYSSEY
ENGINEERING GROUP
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DISCLAIMER: NO WARRANTY OR REPRESENTATION OF
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ARE MADE HEREIN. ALL PLANS FOR LAND OR FACILITIES
ARE SUBJECT TO CHANGE WITHOUT NOTICE.

05/30/2024

