



## **City of Kemah 2023 Adopted Budget**



**Adopted Version - 9/30/2022**

Last updated 10/24/22





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# **INTRODUCTION**



## **Adopted Budget FY 2023**

**City of Kemah, Texas**  
**Adopted Tax Rate and Budget**  
**October 1, 2022-September 30, 2023**  
**Adopted August 21, 2022**

This budget will raise more property taxes than last year's budget by an amount of \$82,600 which is an increase of 10.49% and will raise taxes on a \$100,000 home by approximately \$17.02.

### **The Mayor & City Council Record Vote- Tax Rate/Budget**

Each member of the governing body voted on the adoption of the tax rate as follows:

Mayor Joiner  
(only votes in case of a tie)

#### Members of Council:

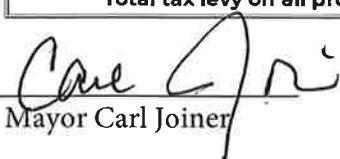
**FOR** the proposal:  
Teresa Vazquez-Evans  
Doug Meisinger  
Robin Collins  
Isaac Saldana

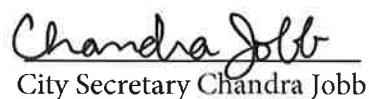
**AGAINST** the proposal:  
Darren Broadus

**Absent:**  
Robin Collins

Tax Rate	Adopted FY 2020-2021	Adopted FY 2021-2022	Adopted FY 2022-2023
<b>Property Tax Rate</b>	0.202838	0.179300	0.179300
<b>No New Revenue Rate</b>	0.198069	0.176167	0.162280
<b>Effective M&amp;O Tax Rate</b>	0.202838	0.179300	0.179300
<b>Voter Approval Tax Rate</b>	0.541927	0.753049	1.572967
<b>Debt Rate</b>	0.00	0.00	0.00

	2021	2022	Change
<b>Total Tax rate (per \$100 pf value)</b>	0.179300	0.179300	increase of 0.00 or 0.00%
<b>Average homestead taxable value</b>	\$240,183	\$254,600	increase of \$14,477 or 6.03%
<b>Tax on average homestead</b>	\$430.65	\$456.61	increase of 25.96 or 6.03%
<b>Total tax levy on all properties</b>	\$850,267	\$932,927	increase of 82,660 or 10.49%

  
Mayor Carl Joiner

  
City Secretary Chandra Jobb



## City of Kemah City Council Adopted Budget 2023



**Carl Joiner**  
Mayor  
[MayorJoiner@kemahtx.gov](mailto:MayorJoiner@kemahtx.gov)  
[More Information](#)



**Teresa Vazquez-Evans**  
City Council Position 1  
[TVazquezEvans@kemahtx.gov](mailto:TVazquezEvans@kemahtx.gov)  
[More Information](#)



**Coming Soon**

**Darren Broadus**  
City Council Position 2  
[DBroadus@kemahtx.gov](mailto:DBroadus@kemahtx.gov)  
[More Information](#)



**Doug Meisinger**  
City Council Position 3  
[DMeisinger@kemahtx.gov](mailto:DMeisinger@kemahtx.gov)  
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**Robin Collins**  
City Council Position 4  
[RCollins@kemahtx.gov](mailto:RCollins@kemahtx.gov)  
[More Information](#)



**Isaac Saldaña**  
City Council Position 5, Mayor Pro Tem  
[ISaldana@kemahtx.gov](mailto:ISaldana@kemahtx.gov)  
[More Information](#)



## **Appointed Officials**

Walter Gant	City Manager
Chandra Jobb	City Secretary
Chief Holland Jones PhD	Police Chief

## **Executive Managers**

Alfonso Acosta	Community Development Director
Gerri Alfaro	Court Administrator
Olivia Briley	Human Resources Manager
Bobby Hurman	Director of Technology & Operations
Kendra Murphy	Finance Director



## Introduction

### Reader's Guide

In order to present the City Council and public with a clear picture of services and their costs, this year's budget includes actual revenues and expenditures from the 2019-20 fiscal year and the 2020-21 fiscal year. Additionally, the original budget projections, and year-end estimates from FY 2021-22 are included along with the FY 2022-23 adopted budget projections.

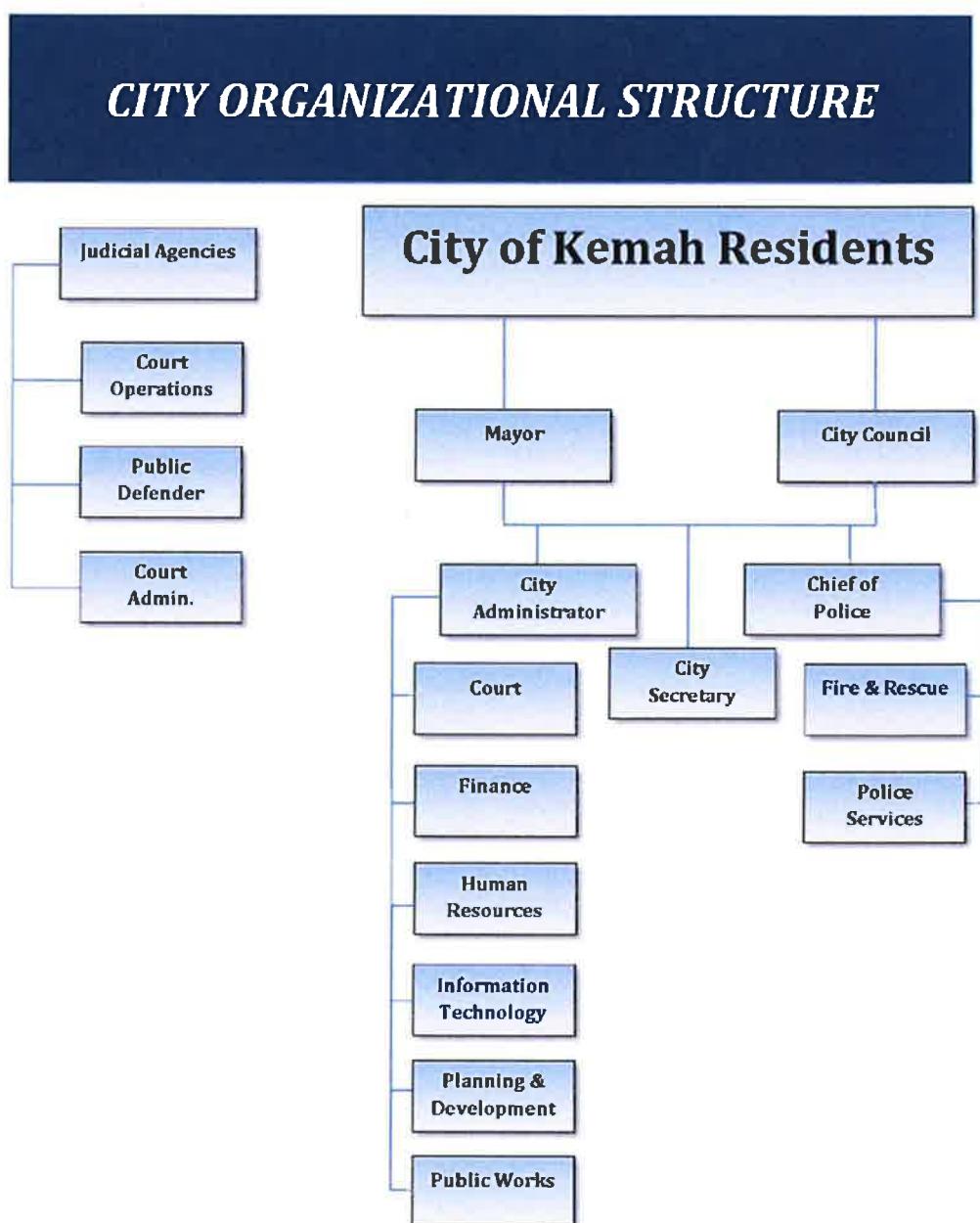
### Budget Format

This document is divided into six major sections: the introduction, budget overview, fund summaries, funding sources, departments and capital improvements. The introductory section contains the City Administrator's letter addressed to the Mayor and City Council explaining major policies and issues that affected the development of the fiscal year budget. This section also includes the City's organizational and staffing charts as well as a summary of all financial statements.



## Kemah Organizational Chart

The City of Kemah organizational chart (or hierarchy charts) a graphical representation of an organization's structure. Its purpose is to illustrate the reporting relationships and chains of command within the organization. The proposed organizational structure aligns and relates parts of the city's organization, so it can achieve its maximum performance. The structure chosen affects Kemah's success in carrying out its strategy and objectives. Employees are divided into departments which handle activities related to a functional area of the business, such as city administration, city secretary, human resources, information technology, finance, and building officials. Please note, this does not authorize nor eliminate positions, but simply provides an overall structure to one of the most important resources within the City.



## History of Kemah



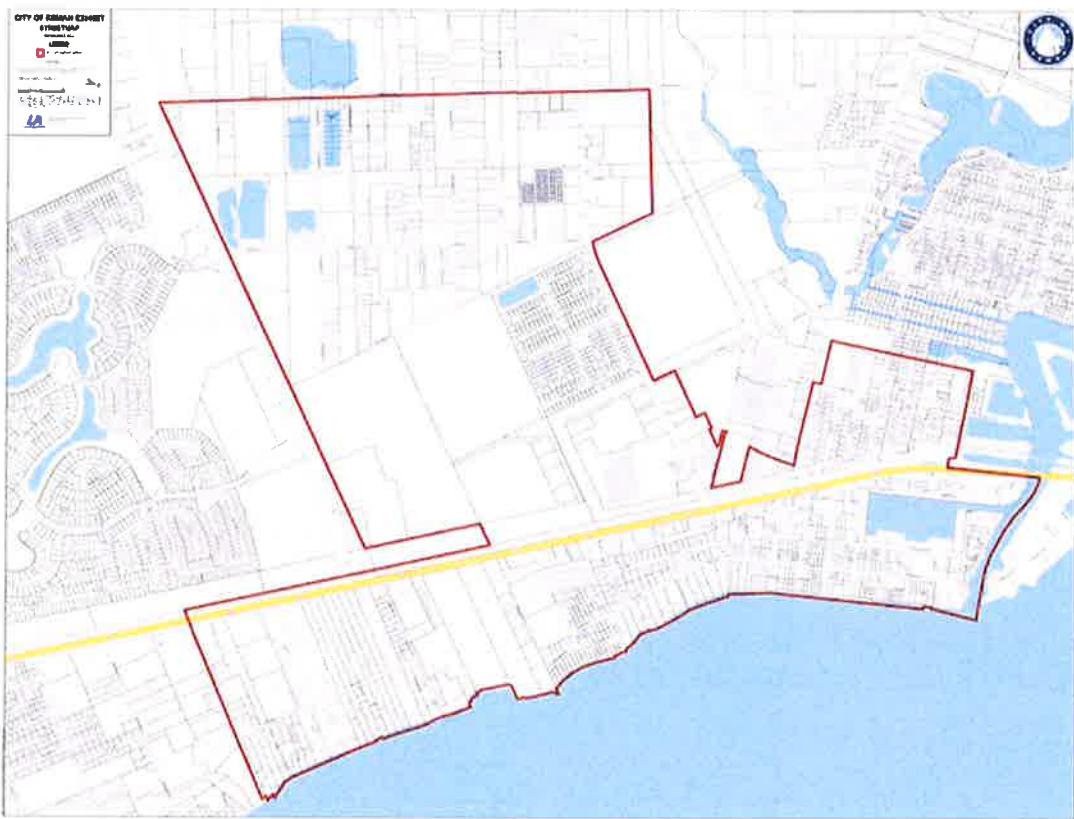
History Kemah was founded in 1898 on the Texas and New Orleans Railroad about 1898 and called Evergreen; it was also known as Shell Siding in the period when the railroad hauled shells from the area. The city is located on State Highway 146 and Farm Road 518 in a half-moonpocket on Galveston Bay twenty-five miles northwest of Galveston in northeastern Galveston County. The community was established on the Texas and New Orleans Railroad about 1898 and called Evergreen; it was also known as Shell Siding in the period when the railroad hauled shells from the area. It was renamed Kemah, an Indian word meaning "facing the winds," for its position on the bay in 1907 when the post office opened, because the former name was already in use by another community.

By 1914, Kemah had a population of 200, four hay producers, farm homes, summer homes belonging to residents of Galveston and Houston, and several fishing camps. During the Great Depression, the population dropped to 100. In 1936, state highway maps showed a church, a school, several businesses, and multiple dwellings at the townsite. World War II brought growth to a population of 550 by 1943. This number held steady until 1965, during which time the town had a maximum of thirty businesses serving primarily the oil and shipbuilding industries.

By then, Kemah had incorporated and become part of the Clear Creek Consolidated Independent School District. Thereafter, it reached a high of 2,000 residents and forty-three businesses in 1970, then began to decline. In 1972 the population was 1,144, and in 1988 Kemah had 1,591 residents and sixty-six businesses. Once considered a shrimping town, Kemah continues to celebrate an annual August Blessing of the Fleet. In 1990, the population was 1,094. With a 2020 population of 2,046, it is the 600th largest city in Texas and the 7546th largest city in the United States. Kemah is currently growing at a rate of 0.44% annually and its population has increased by 15.40% since the most recent census, which recorded a population of 1,773 in 2010. Spanning over 2 miles, Kemah has a population density of 1,111 people per square mile.



## Map of Kemah



**Kemah** is a city in the U.S. state of Texas within the Houston–The Woodlands–Sugar Land metropolitan area. The city's population is 1,807. Located in Galveston County, Kemah's main industry comes from shipping as it is located in Galveston Bay. Originally a small fishing town, the city has become a tourist destination for the area's restaurants and attractions, which are contained within the Kemah Entertainment District.

### Kemah, Texas Geographic Information

Country  
United States

DMS Lat  
29° 32' 21.984" N

Longitude  
-95.01889

Latitude  
29.53944

DMS Lat  
29° 32' 21.984" N

DMS Long  
95° 1' 8.004" W

CSS Lat  
29° 32' 21.984

CSS Long  
-6h 20m 4.534s

UTM Northing  
3,269,453.08

UTM Zone  
15R



## Population Overview



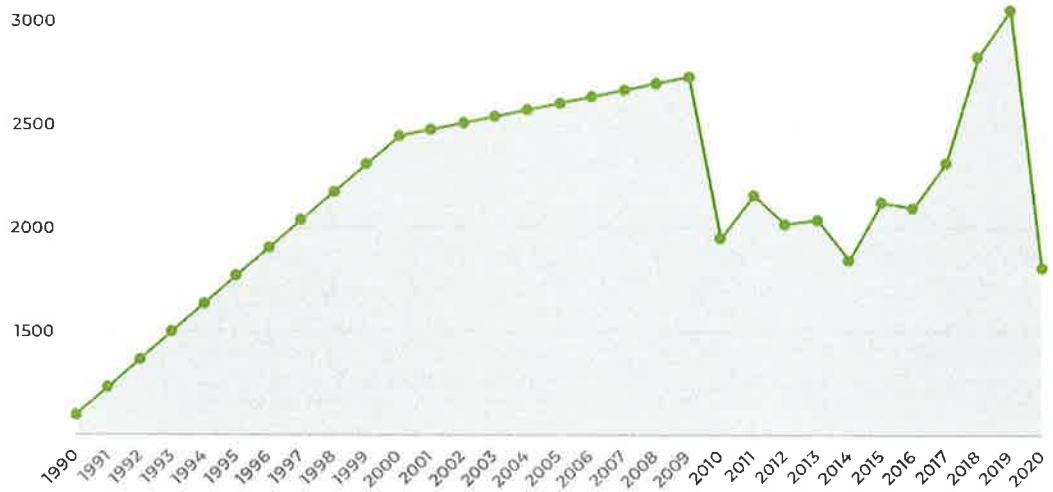
TOTAL POPULATION

**1,807**

▼ 40.9%  
vs. 2019

GROWTH RANK

**1096** out of **1218**  
Municipalities in Texas



<sup>1</sup>Data Source: U.S. Census Bureau American Community Survey 5-year Data and the 2020, 2010, 2000, and 1990 Decennial Censuses



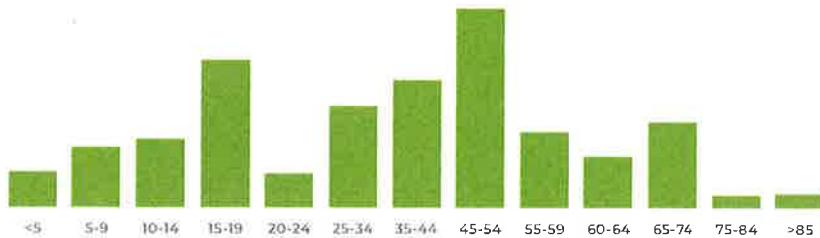
DAYTIME POPULATION

**4,294**

Daytime population represents the effect of persons coming into or leaving a community for work, entertainment, shopping, etc. during the typical workday. An increased daytime population puts greater demand on host community services which directly impacts operational costs.

<sup>2</sup>Data Source: American Community Survey 5-year estimates

### POPULATION BY AGE GROUP



Aging affects the needs and lifestyle choices of residents. Municipalities must adjust and plan services accordingly.

<sup>3</sup>Data Source: American Community Survey 5-year estimates

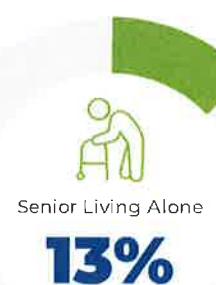
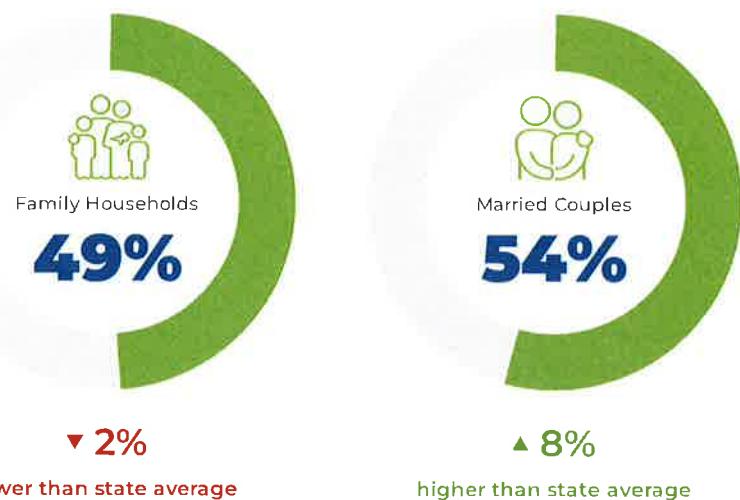


## Household Analysis

TOTAL HOUSEHOLDS

**778**

Municipalities must consider the dynamics of household types to plan for and provide services effectively. Household type also has a general correlation to income levels which affect the municipal tax base.



▲ 34%  
higher than state average

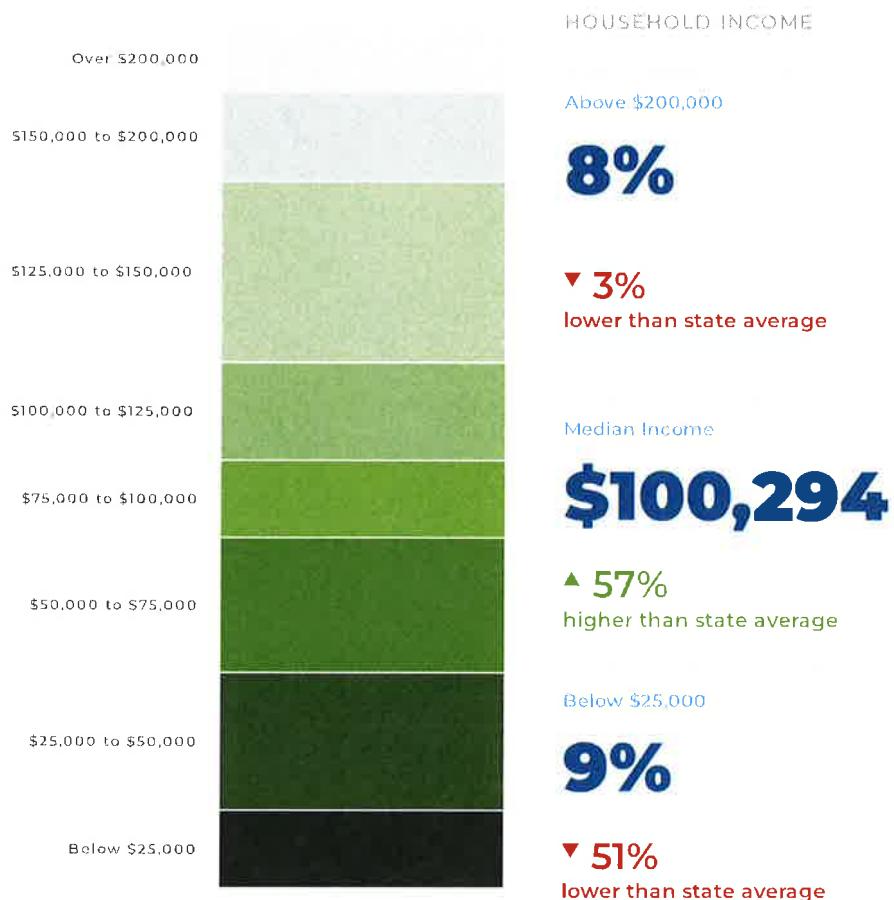
▼ 6%  
lower than state average

\* Data Source: American Community Survey 5-year estimates



## Economic Analysis

Household income is a key data point in evaluating a community's wealth and spending power. Pay levels and earnings typically vary by geographic regions and should be looked at in context of the overall cost of living.



\*Data Source: American Community Survey 5-year estimates

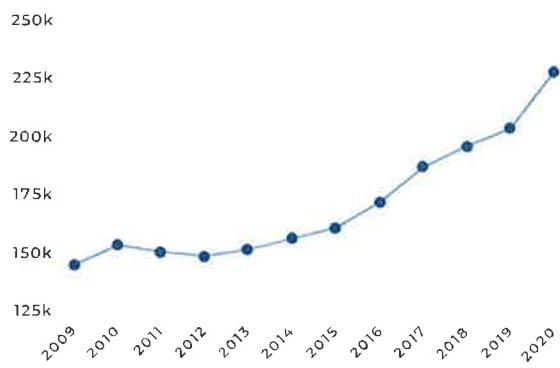


## Housing Overview



2020 MEDIAN HOME VALUE

**\$228,200**



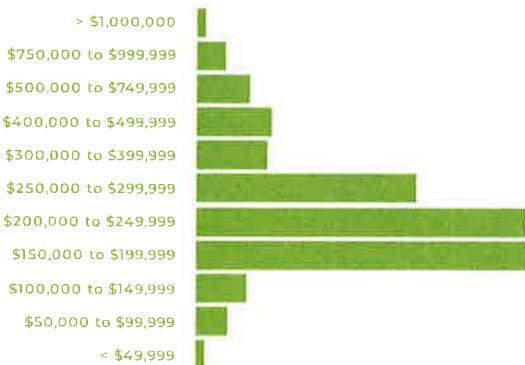
<sup>1</sup> Data Source: 2020 US Census Bureau (<http://www.census.gov/data/developers/data-sets.html>). American Community Survey. Home value data includes all types of owner-occupied housing.

HOME OWNERS VS RENTERS

Kemah State Avg.



### HOME VALUE DISTRIBUTION



<sup>1</sup> Data Source: 2020 US Census Bureau (<http://www.census.gov/data/developers/data-sets.html>). American Community Survey. Home value data includes all types of owner-occupied housing.

<sup>1</sup> Data Source: 2020 US Census Bureau (<http://www.census.gov/data/developers/data-sets.html>). American Community Survey. Home value data includes all types of owner-occupied housing.



## Planned Development Projects

The City of Kemah expects to realize the completion of the Kemah Crossing subdivision and the Evergreen Memorial Parkway planned over the next 2 years with an estimated total population nearing 4,000-5,000 residents. The Shoppes of Kemah and planned development along the corridor of State Highway 96 is expected to bring in new commercial development. Additionally, the City of Kemah, through the Kemah Community Development Corporation (KCDC), has planned a 57-Acre Nature Facility which is expected to break ground in 2023-2024.

EVERGREEN MEMORIAL PARKWAY & RALPH GORDY AVENUE

2 | LOCATION INFORMATION

### Local Development & Construction Plans

**HOTEL DEVELOPMENT ON RALPH GORDY AVENUE**

**PROPOSED RALPH GORDY BUSINESS PARK**

**HIGHWAY 148 FREEWAY EXPANSION**

**PROPOSED MERITAGE SUBDIVISION DEVELOPMENT**



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## FY 2022-2023 Budget Calendar

The City of Kemah's budget planning calendar is one of the most important tools the city has as it allows the team to allocate potentially available funds to future projects or reinvestment in our residents and community. Local government budgeting is crucial because it enables the City of Kemah to plan and manage its financial resources to support the implementation of various programs and projects that best promote the development of the region. Through the budget, the City can prioritize and put into action its plans, programs and policies within the constraints of financial capability as dictated by economic conditions. The process for the finance department includes preparation, authorization, execution, and accountability. We work closely with the Kemah City Council and Galveston County to ensure a balanced budget is approved for each new fiscal year.

- Jun 15, 2022  
Prepare a preliminary draft of the budget using the current tax rate
- Jul 5, 2022  
Submit Truth In Taxation Worksheet
- Jul 19, 2022  
Budget Workshop 1 City Hall Council Chambers 6:00 PM
- Jul 25, 2022  
Deadline for Chief Appraiser to certify tax rolls or certified estimate of value to taxing units
- Aug 2, 2022  
Budget Workshop 2 City Hall Council Chambers 6:00 PM
- Aug 8, 2022  
Rates and calculations are provided to governing bodies along with CPA Form 50-212 for posting on entity websites. Worksheets posted on Assessor Collector, CAD and entity websites; the Chief Appraiser delivers by mail or email notice of website location for property owners to find the estimated amount of taxes for 2022.
- Aug 10, 2022  
Budget Workshop 3 City Hall Council Chambers 6:00 PM
- Aug 17, 2022  
Date of meeting/public hearing to adopt proposed tax rate



Sep 7, 2022

Date of meeting/public hearing to adopt budget

Sep 21, 2022

Date of meeting/public hearing to adopt tax rate

Sep 30, 2022

Deadline to adopt tax rate and budget





## TRANSMITTAL LETTER

Walter Gant, City Administrator

September 30, 2022

To the Honorable Mayor and City Council

Re: 2023 Fiscal Year Adopted Operating & Capital Budget Transmittal Letter

Mayor, Council members and residents:

In accordance with the City of Kemah municipal code, I am pleased to present the City of Kemah's Fiscal Year 2023 Adopted Budget and Fiscal Year 2023 Adopted Capital Budget along with the 2023-2027 Capital Improvement Plan (CIP).

This Budget Message outlines a budget balancing strategy that addresses the community's immediate service needs, while positioning Kemah to increase services and evolve to meet our development needs. The adopted budgets are based on the Mayor and City Council directions, and the Finance Directors objective to utilize Long-Range Financial Forecasting, (the process of budgeting for operations and growth and renewal for buildings, infrastructure, and land), for financial planning, which outlines a conservative financial balancing approach assuming an increase in the investment in the cities' infrastructure projects over a three to five-year period. The Adopted Budget reflects our current fiscal reality as we navigate the challenges of operating through an extended pandemic, related economic challenges, and resource limitations. The City's long-term fiscal health must be addressed through more sustainable approaches to improve the community's service priorities in the future. The adopted budget includes several strategies to manage difficult changes in an effort to remain fiscally prudent, financially stable, and capable of demonstrating resilience. Discussed in greater detail throughout this document, the General Fund expects to see unprecedented changes in the composition of its revenue and expenditure mix, as residential and commercial projects near completion.

### **Pivoting Past Recovery Towards Sustainable Growth**

The work of the City is a true testament to our team's ability to remain nimble and think strategically when faced with navigating the challenges of the unknown and unexpected. This adopted budget begins a conversation on how best to deliver services and ensures the priorities of the community are maintained through the allocation of constrained resources. The Adopted Budget also recommends a balancing strategy that positions the City to increase previously reduced personnel. These strategies are continually revisited and adjusted as new and updated information becomes available, addressing the constraints and needs of today while planning for the future.



## Budget Message Elements

This Budget Message outlines the major Adopted Budget elements for the City Council's consideration including:

- Fiscal Reality and Council Directed Budget Approach
- Economic Development and Long-Term Financial Planning
- City Council Priorities
- Summary of Other Funds (including the FY 2023-2027 Capital Improvement Plan)
- Budget Process and Key Dates
- Acknowledgments

## Fiscal Reality and Council Directed Budget Approach

This Budget Message outlines the major Adopted Budget elements for the City Council's consideration, including: a growing need to address infrastructure development, community development, replacement of the aging fleet, emergency management needs, and an increase in staffing to support these initiatives. Overall, the City's General Fund is estimated to collect \$5.8 million in revenues and \$5.5 million in expenses, with the difference of 257,000 allocated for Capital Improvement, for a balanced budget for FY 2023. These funding levels reflect an \$82 thousand, or 9.72 percent, increase in ad valorem taxes and an \$195 thousand, or 7 percent increase in sales tax compared to the FY 2022 Adopted Budget. The City's Capital Improvement Plan reflects \$257,724 thousand from the General Fund and \$1,405,000 from the KCDC fund for the FY 2023 budget, and a \$4.8 million plan over the 2023-2027 five-year CIP. Of this, the Capital Improvement Fund reflects expected expenses of \$1.6 million in the FY 2023 budget and \$3.2 million over the five-year CIP.

The adopted budget balancing strategy seeks to focus City resources on funding services with the greatest community impact, maintaining core City services, and managing vulnerabilities and risk associated with such a diverse resident to visitor ratio. The balancing strategy also includes possible grant funding to offset additional costs in the areas of infrastructure repair/replacement and police resources.

## Community Economic Development and Long-Term Financial Planning

According to the GFOA (Government Finance Officers Association of the United States and Canada), "economic development strategies provide the context for policies, programs and capital investments that governments undertake to attract and retain business and residents, increase employment, promote private investment and influence the type and location of development within a community." Because development potentially increases demands on existing transportation and utility infrastructure as well as on schools, parks and public safety facilities and services, maintenance and upkeep must be planned. "Therefore, successful economic development strategies require coordinated long-term capital planning to ensure that the necessary infrastructure is in place to support development" (*Coordinating Economic Development and Capital Planning 2022*).

- Prioritize drainage
- Align the Organization-wide Goals and Objectives
- Coordinate Economic Development Strategies with other Initiatives and Government Entities
- Optimize the Time Element of Capital Planning
- Recognize the Value of Public Infrastructure as an Economic Development Strategy
- Identify Appropriate Opportunities for Developers to Fund Capital Assets



## **City Council Priorities**

This year's budget continues the City Council's hard work accomplished in FY 2022. The top priorities the City Council continues to highlight include:

- Commitment to investing in public safety
- Community engagement
- Facilities management (repair/ renovation)
  - Pocket Parks
  - Lighthouses
  - Community Center
  - Visitors Center
  - City Hall/Police Department
  - Public Works
- Kemah Clarity Program
  - The more a local government can provide in the way of transparency, the more it increases trust, honesty, and integrity in the government leaders.
- Long-Range Financial Forecasting in conjunction with the CIP plan
- Reallocation of city resources (trash service)
- Replacement of aging fleet (Police Department & Public Works)
- Address the growing need for additional City and Police personnel
- Emergency management response plans and resources
- An in-depth employee recruitment and retention strategy

## **Summary of Other Funds (including the FY 2023-2027 Capital Improvement Plan)**

The City's Enterprise funds, including the Hotel Fund and Kemah Growth Funds, reflect the priorities from the FY 2022 budget development with updates for FY 2023 rates and limited adjustments for the minimal rate increases approved for FY 2023. The capital budgets have been updated for the current status and cost estimates of projects based on engineering designs and prioritize investments of city resources. Some large scale projects may be deferred beyond the five-year CIP. The City will continue to maintain services and facilities for the community and the region. FY 2023 financial plans for the City's additional parking and revenues are earmarked to provide sufficient funding to cover increasing expenses for commodities, replenish reserves, and to repair and replace the City's aging infrastructure.

The City's Capital Improvement Plan reflects a \$1.6 million dollar budget in FY 2023 and a \$3.2 million plan over the 2023-2027 five-year CIP. Major investments will begin on infrastructure. The general Capital Improvement Fund, (Capital Projects), is currently depleted of funds in an effort for the council to start from scratch on defining and funding economic development within the City. Funding in the 2023-2027 CIP will occur as a joint effort between the Kemah Community Development Corp (KCDC), The City of Kemah, and future grant opportunities as they become available. Responsible investments and essential infrastructure are prioritized in this budget.

## **Acknowledgements**

I would like to thank the City Council for your direction and leadership, our Executive Leadership Team, and the entire staff and police department of the City of Kemah for providing outstanding service to our community. It is through the support of this team that we have overcome the challenges faced in the past few years, and through this resiliency, our experiences have prepared us for the challenges ahead. Together, we must take action to address issues in the near term to best position Kemah for the long-term so that we can meet the needs of the community today and beyond. The City of Kemah community should be proud of your



leadership and commitment to service. A budget document takes countless hours of teamwork, collaboration, and patience to produce. I would like to offer special thanks to Kendra Murphy, our Finance Director, Chandra Jobb, our City Secretary, and Kirstie Harris, Administrative Specialist. Completing this budget could not have been accomplished without the skill, dedication, and professionalism of this team. Their willingness to work through these unique circumstances and sacrifice countless hours are a testament to their commitment to this organization and to the community. I am also grateful to our Executive Leadership Team, especially our Department Directors, who worked on the budget materials and the leadership they have demonstrated. The budget could not have been produced without the senior/management analysts, managers, administrative assistants, and others throughout the organization who helped produce this budget.

Respectfully Submitted,



Walter Gant, City Administrator



Kendra Murphy, Finance Director



# Guiding Principles

## Mission

The City of Kemah, working in partnership with the community, is committed to enhancing our quality of life by promoting:

- A positive environment where people can live, work and play
- A vibrant local economy to enhance and sustain long-term fiscal stability
- A progressive workplace where dedicated employees can make a difference

The Comprehensive Plan includes five Guiding Principles with a primary focus on economic growth, the removal of barriers to critical infrastructure development, financing, and cultivating a more livable community. The influence of the Guiding Principles is seen throughout the Comprehensive Plan.

## Our Vision

A balanced community meeting tomorrow's needs while protecting the quality and character we value today. We strive to accomplish this by:

### **Enhancing the quality of community living, providing:**

- A safe, attractive community
- Protected natural resources and quality neighborhoods
- Diverse cultural and recreational opportunities
- Desirable balance of opportunities for living, working, and playing
- Responsive and user-friendly City services
- Programs, services, and events that meet community needs
- Safe streets and efficient transportation systems
- Reliable and effective infrastructure
- Citizens engaged in actively shaping our collective future

### **Promoting a vibrant local economy, including:**

- A spirit of partnership with the community
- A safe, accessible and attractive physical environment

### **Being an employer of choice by:**

- Creating an exciting, fulfilling and accountable work environment
- Promoting learning and growth opportunities
- Attracting and retaining employees who are committed to excellence and service
- Actively recognizing and appreciating individual contributions

## Our Values

We aspire to achieve our mission and vision by incorporating those values that help our community and each of us to realize our highest potential, emphasizing:

- Respect
- Integrity
- Excellence
- Teamwork
- Creativity
- Sustainability
- Resident and Environmental Health



## City of Kemah Guiding Principles

- Maintaining and boosting residents' quality of life (safety, services, walkability, amenities).
- Maintaining and building value in the community (parks/trails, infrastructure, sidewalks, amenities).
- Providing quality public services for residents, especially public safety services (police, fire, EMS.)
- Recognizing tourism and visitation as the lifeblood of the community, and expanding into other areas (arts, antiques, hobbies, weddings).
- Protecting and extending the Kemah 'brand', especially to include areas around the Boardwalk.
- Taking advantage of Kemah's waterfront location (economic development, recreation, public access).
- Supporting and promoting local businesses.
- Pursuing tax base growth and ongoing marketing of Kemah to provide more resources for community improvement.
- Pursuing responsible growth and redevelopment.



## Fund Structure

### Fund Structure

The City of Kemah funds are divided into two types:

- Governmental Fund Types
  - Revenue Budget/Capital Budget
- Proprietary Fund Types

### Governmental Funds

All of The City of Kemah's funds are governmental funds:

- **General Fund (01)** - The General Fund accounts for all financial activities funded by nonspecially designated and defined revenues, such as property and sales taxes, permits and fees, non-designated intergovernmental revenue, parking fees and fines and forfeitures. The General Fund accounts for expenses such as general government, public safety, including police and emergency medical services, and public works.
- **Hotel (HOT) Fund (04)** - This fund was created to enhance the City of Kemah's image through management of the City's art and cultural plan; promotion of business travel and hotel occupancy; and execution of protocol services. Under Texas law, local HOT revenue can be used only to directly promote tourism and the convention/hotel industry. This means the proceeds should be spent on projects or events that result in visitors or attendees staying overnight in the community, generating more hotel occupancy tax.
- **Kemah Community Development Corporation (KCDC) (06)** - The Kemah Community Development Committee has worked to encourage a collaborative public process that helps our public, private, labor, educational, nonprofit and environmental leaders focus on shared priorities. The shared goals outlined in this document serve as a "roadmap" to improve standards of living for all Kemah residents by fostering more broadly shared prosperity. These goals emphasize that economic opportunity emerges through a good-minded focus on expanding our city. Developing the action plans, measurements of success, and networks needed to fully execute the strategies contained in these shared goals will require a multi-pronged effort with broad participation and significant roles for everyone. The plan was developed collaboratively, and implementation requires broad collaboration too. We invite residents and the best and brightest leaders from the most creative organizations to participate and help our great city achieve its shared goals.
  - Invest in our people to provide greater opportunity
  - Be more business-friendly
  - Remove barriers to critical infrastructure development, financing, and delivery
  - Build more livable communities
- **Capital Projects Funds (09)** - Local governments undertake capital projects to acquire, develop, improve, or maintain various facilities, other infrastructure and/or equipment. These projects are generally large in scale, require large sums of money and are long-term. A capital projects fund is used to account for the financial resources supporting capital projects during the life of the project. However, because capital projects are budgeted on an individual basis, and legal and contractual requirements vary from one project to another, the complexity of accounting for them can be a challenge.  
The local governing board (board) is responsible for the oversight and management of capital projects, including ensuring that they are properly planned and managed, project funding is



authorized, and costs are kept within the approved budget. This guide is intended to provide local officials with an overview of the use of capital projects funds and guidance on the fundamentals of accounting for capital projects. Specifically, this guide will provide an overview of capital projects funds, including the purpose of the fund and required accounting records. There are many benefits to a robust capital planning process. Local governments should, and in some cases must, create a comprehensive inventory of their capital assets and "know what they own." The process of prioritizing capital investments can make sure key assets are repaired or replaced before an emergency occurs. Finally, local government leaders can engage their community in understanding the costs and benefits of maintaining capital infrastructure. This guide will address the process for developing an effective capital plan. It will discuss:

- Creating an asset inventory schedule
- Prioritizing capital projects
- Assessing budgetary impacts
- Adopt a capital plan & budget
- Monitoring plan results

The first step in building a multiyear capital plan is to gain consensus on the goals and objectives of the plan. Capital plans should have a clear mission – to maintain and improve a local government's capital assets over time. The plan must balance capital priorities with fiscal constraints, and be as comprehensive as possible, while encompassing all major public assets that have a significant useful life. It should address legal and policy requirements in all areas of economic development. It should consider opportunities to combine capital assets into a broader regional infrastructure network. It should establish some parameters for how capital assets will be financed. Finally, it must be flexible enough to respond to new needs and deal with emergencies.

- **Kemah Growth Fund (11)** - The City of Kemah's Chapter 380/381 Program of the Texas Local Government Code provides financial assistance in the form of loans and/or performance-based grants to qualified businesses for eligible projects located within the City of Kemah limits. Eligible projects must demonstrably stimulate business and commercial activity in Kemah. The City of Kemah is especially interested in supporting projects that have a meaningful impact on the City and its economy and the following:
  - The growth of business activity, employment, or investment in industries like manufacturing, research, development, residential, commercial, industrial and regional service facilities.
    - and either:
  - Documented creation of at least 25 new full-time jobs (40-hours per week), and retention of such jobs for a period of no less than five years; or
  - Chapter 380/381 Program grants shall be structured as performance-based grants which require repayment if required performance levels are not met.
- **Vehicle Replacement Fund (15)** - A vehicle replacement provides for the planned replacement of all fuel-consuming vehicles and equipment, their attachments and implements.
- **Grant Fund (proposed) (XX)** - Grants provide the City with the tools needed to fund your ideas and projects to provide public services and stimulate the economy. Grants support critical recovery initiatives, economic development, expansion of commerce, and many other programs.



## Budget Structure

10/01/2022-9/30/2023

Fund Name	Fund #	Dept #	Dept Name	Source of Funds Revenues	Restrictions
General Fund	01			<ul style="list-style-type: none"> <li>◦ Tax Proceeds</li> <li>◦ Charges for Services &amp; Leases</li> <li>◦ Licenses &amp; Permits</li> <li>◦ Interest Income</li> <li>◦ Fund Administration Charges</li> <li>◦ Reserve Transfers</li> <li>◦ Fines/Forfeitures &amp; Penalties</li> <li>◦ Court Fees &amp; Revenues</li> <li>◦ Misc. &amp; Donations</li> </ul>	<ul style="list-style-type: none"> <li>◦ Unrestricted</li> <li>◦ Revenues may be allocated to each department at the discretion of the City Council.</li> </ul>
		10	Administration		
		20	Court		
		25	Information Technology		
		30	Public Works		
		40	Police Department		
HOT	04		Non-Departmental	<ul style="list-style-type: none"> <li>◦ Hotels, motels and Bed and Breakfasts</li> <li>◦ Interest Income</li> <li>◦ Reserve Transfers</li> </ul>	<ul style="list-style-type: none"> <li>◦ Restricted</li> <li>◦ Must be utilized to directly promote tourism and the convention/hotel industry.</li> </ul>
KCDC	06		Non-Departmental	<ul style="list-style-type: none"> <li>◦ .25% City Sales Tax Proceeds</li> <li>◦ Interest Income</li> <li>◦ Reserve Transfers</li> </ul>	<ul style="list-style-type: none"> <li>◦ Restricted</li> <li>◦ Must be utilized to directly promote economic development</li> </ul>
Capital Projects	09		Non-Departmental	<ul style="list-style-type: none"> <li>◦ General Fund Revenues</li> <li>◦ KCDC Revenue</li> <li>◦ Reserve Transfers</li> </ul>	<ul style="list-style-type: none"> <li>◦ Restricted</li> <li>◦ Must be utilized to fund city capital projects</li> </ul>
Kemah Growth Fund	11		Non-Departmental	<ul style="list-style-type: none"> <li>◦ Sales tax per 380 Shoppes of Kemah Agreement (277,500)</li> <li>◦ KCDC portion of agreement satisfied FY 2022</li> </ul>	<ul style="list-style-type: none"> <li>◦ Restricted</li> <li>◦ Funds not to be utilized until 380 conditions are fulfilled</li> </ul>
Replacement Fund	15		PROPOSED NEW FUND	<ul style="list-style-type: none"> <li>◦ Transfer of funds determined for replacement of new vehicles/equipment</li> </ul>	<ul style="list-style-type: none"> <li>◦ Restricted</li> <li>◦ To fund the purchase of vehicles/equipment</li> </ul>
		60	Public Works-V&E		
		70	IT V&E		
		80	Police Department-V&E		



## **Basis of Accounting and Budgeting**

The City's finances are accounted for in accordance with generally accepted accounting principles (GAAP) established by the Government Accounting Standards Board (GASB). Both financial statements and budgeting documents are prepared on this basis, and all funds are included in both. The accounts of the City are organized and operated on the basis of funds and account groups. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements. Account groups are a reporting device to account for certain assets and liabilities of governmental funds not recorded in those funds. Governmental funds are used to account for the government's general government activities and include the General, Special Revenue, Debt Service and Capital Project Funds.

Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (when they are measurable and available).

"Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. Substantially, all revenues are considered to be susceptible to accrual. Ad valorem, sales, hotel, and franchise tax revenues recorded in the General fund and ad valorem revenues recorded in the Debt Service fund are recognized under the possibility to accrual concept. Licenses and permits, charges for services, fines and forfeitures, and miscellaneous revenues (except earnings on investments) are recorded as revenues when they are received in cash, because they are generally not measurable until they are actually received. Investment earnings are recorded as earned since they are measurable and available. Expenditures are recognized when the related fund liability is incurred, if measurable, except for principal and interest on long-term debt (which are all recorded when due) and compensated absences(which are recorded when payable) from currently available financial resources.

The City utilizes encumbrance accounting for its Government fund types, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation.

The City's Proprietary fund types are accounted for on a flow of economic resource measurement focus and use the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

The City's annual budgets are prepared and adopted on a basis consistent with generally accepted accounting principles (GAAP) for all governmental and proprietary funds except the capital projects fund, which adopts project-length budgets. Budgets can be amended at the department level of control by the City Council.

The issuance of Statement 34 by the Governmental Accounting Standards Board has influenced the creation and reporting of individual funds. GASB 34 essentially mandates dual accounting systems; one for government-wide (i.e. the government as a single entity) reporting and another for individual fund reporting. Under GASB 34 for individual funds, the City will continue utilizing the accounting and budgeting process as described above. However, because GASB 34 mandates the flow of economic resources measurement focus and accrual basis of accounting for government-wide reporting, extensive reconciliation must be performed to present aggregated fund information in the government-wide reporting model. Therefore, individual operating funds will be created with the objective of reducing funds for government-wide reconciliation as much as possible. When appropriate, individual funds will be examined as to whether it will be



appropriate to account for them as proprietary fund types. Also, the City will limit the use of internal service funds and incorporate the financial transactions of those funds into other governmental funds.

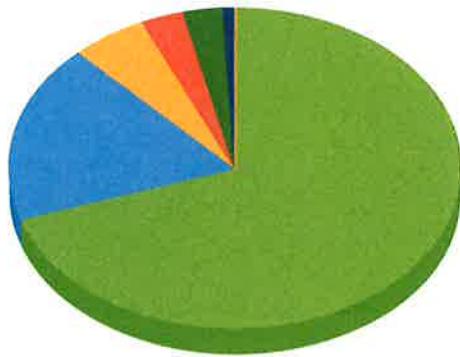


## **Statement of Revenues, Expenditures in Fund Balance Overview**

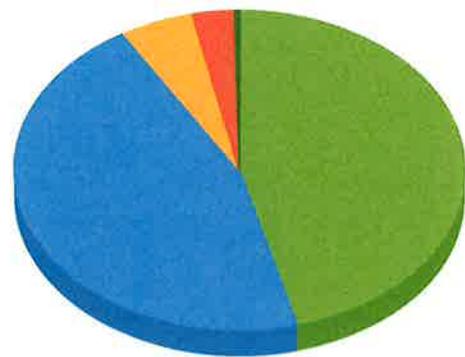
	General Fund	Hot Fund	KCDC Fund	Capital Projects	Kemah Growth Fund	Replacement Fund	Total
<b>Projected Fund Balance October 1, 2022</b>	<b>1,800,000</b>	<b>696,000</b>	<b>4,206,800</b>	<b>289,300</b>	<b>1,815,300</b>	<b>-</b>	<b>8,807,400</b>
<b>Projected Revenue</b>							
<b>Taxes</b>	4,491,427	515,000	1,105,000	-	-	-	6,111,427
<b>Fines &amp; Forefutures</b>	261,100	-	-	-	-	-	264,100
<b>Police Revenue</b>	2,000	-	-	-	-	-	2,000
<b>Management Fees</b>	75,000	-	-	-	-	-	75,000
<b>Licenses &amp; Permits</b>	478,500	-	-	-	-	-	478,500
<b>Other Income</b>	246,292	-	-	1,037,724	279,500	16,500	1,573,016
<b>Fire Department</b>	250,140	-	-	-	-	-	250,140
<b>Total Revenue</b>	<b>5,807,459</b>	<b>515,000</b>	<b>1,105,000</b>	<b>1,037,724</b>	<b>279,500</b>	<b>16,500</b>	<b>7,723,459</b>
<b>Projected Expenses</b>							
<b>Personnel</b>	3,535,635	-	-	-	-	-	3,535,635
<b>Employee Related</b>	32,600	-	-	-	-	-	32,600
<b>Supplies</b>	232,500	-	-	-	-	-	232,500
<b>Operations</b>	1,732,500	415,000	325,000	-	-	-	3,503,224
<b>Other Sources/Uses</b>	-	100,000		1,037,724	279,500	16,500	412,500
<b>Total Expenses</b>	<b>5,549,735</b>	<b>515,000</b>	<b>325,000</b>	<b>1,037,724</b>	<b>279,500</b>	<b>16,500</b>	<b>7,723,459</b>
<b>Transfers in (out)</b>	(274,224)	-	(780,000)	1,037,724	-	-	-
<b>GF 257,724/RF 16,500</b>							
<b>Projected Fund Balance September 30, 2023</b>	<b>1,800,000</b>	<b>696,000</b>	<b>4,206,800</b>	<b>289,300</b>	<b>2,094,800</b>	<b>16,500</b>	<b>9,103,100</b>



**Revenue Summary**



**Expense Summary**



| Taxes **\$6,111,427.00** (69.81%)  
| Other Income **\$1,573,016.00** (17.97%)  
| Licenses & Permits **\$478,500.00** (5.47%)  
| Fines & Foreitures **\$264,100.00** (3.02%)  
| Fire Department/State Reimbursement **\$250,140.00** (2.86%)  
| Management Fees **\$75,000.00** (0.86%)  
| Police Revenue **\$2,000.00** (0.02%)

● Personnel **3,535,635** (45.82%)  
● Operations **3,503,224** (45.40%)  
● Other Sources/Uses **12,500** (5.35%)  
● Supplies **232,500** (3.01%)  
● Employee Related **32,600** (0.42%)



## Financial Management Policies

The City of Kemah has an important responsibility to its citizens to carefully account for public funds, to manage municipal finances wisely, and to plan for adequate funding of services desired by the public. The main objective of the Financial Management Policies is to enable the City to achieve a long-term stable and positive financial condition. The key words of the City's financial management policy include integrity, prudent stewardship, planning, accountability, and full disclosure.

The purpose of the Financial Management Policy is to provide guidelines for planning and directing the City's day-to-day financial affairs and to assist staff in developing recommendations to the City Council.

### Importance of Financial Policies

- Institutionalizes good financial management practices
- Clarifies strategic intent for financial management
- Defines boundaries
- Supports good bond rating and lowers borrowing costs
- Promotes long-term strategic thinking
- Manages risks to financial condition
- Complies with established government management best practices

### Types of Financial Policies

1. Fund Balance/Reserves	6. Accounting, Auditing, and Financial Reporting
2. Debt Management	7. Operating Budget
3. Investments	8. Procurement and Purchasing
4. Capital Improvement Planning	9. Risk Management
5. Long-Term Financial Planning	10. Economic Development (KCDC)

### Fund Balance/Reserves

- **Kemah Growth Fund** - The Kemah Growth Fund was established as a separate account to be maintained by the City of Kemah.
  - This fund shall be designed to serve as an economic development fund for grants or loans to qualifying economic development initiatives for the purpose of growing the sales tax base, strengthening infrastructure and generally increasing the wealth of the City of Kemah.
  - All City related sales tax income from the Shoppes that is designed as General Fund revenue (as opposed to KCDC revenue) shall be deposited into the Kemah Growth Fund account until a total of \$3,000,000.00 has been collected.
  - Once a total of \$3,000,000, (approximately mid 2027), in cash has been deposited from the sales tax receipts from the Shoppes of Kemah tenants, any and all future sales tax revenue, excluding the portion designated to KCDC shall revert to the City of Kemah General Fund.
  - Upon collection of \$3,000,000.00, the fund shall be designated as the Kemah Growth and Resiliency Fund.
  - The Kemah Growth and Resiliency Fund shall continue to be designed to serve as an economic development fund for grants or loans to qualifying economic development initiatives for the purposes of growing the sales tax base, strengthening infrastructure and generally increasing the wealth of the City of Kemah.
  - The city shall automatically allocate 15% of each year's budgeted revenue from City related sales tax income that is designated as General Fund revenue (as opposed to



KCDC revenue). This budgeted revenue shall be deposited into this separate Kemah Growth and Resiliency Fund account.

- The allowable uses of Kemah Growth and Resiliency Fund shall include funding budgeted revenue shortfalls due to unanticipated events and funding capital projects once the fund has reached one year of total fiscal year budgeted expenses.

**Debt Management** - The City of Kemah has no outstanding debt.

**Investments** - An investment policy describes the parameters for investing government funds and identifies the investment objectives, preferences or tolerance for risk, constraints on the investment portfolio, and how the investment program will be managed and monitored. The document itself serves as a communication tool for the staff, elected officials, the public, rating agencies, bondholders, and any other stakeholders on investment guidelines and priorities. An investment policy enhances the quality of decision making and demonstrates a commitment to the fiduciary care of public funds, making it the most important element in a public funds investment program. A copy of the City of Kemah's investment policy can be accessed by visiting <https://www.kemahtx.gov/382/City-Finances> or clicking the link below.

**Capital Improvement Plan** - The CIP is a powerful tool for implementing a community's comprehensive plan, strategic plan, and other planning documents. By providing funding for strategic investments at a given time and location, the CIP helps ensure that development occurs consistent with a community's plans and vision. Kemah City Council is working vigilantly to identify, prioritize and assign funding to major capital expenditures such as public infrastructure, equipment, city-owned land and buildings.

- Projects under discussion (in no particular order)
  - Anders Widening
  - Evergreen Memorial Parkway
  - 57-Acre Nature Facility
  - Entrances/Signs
  - Parks/Piers
  - Parking Improvements
  - Traffic Improvements
  - Sidewalks Improvements
  - Harris Ave
- Drainage projects under discussion (in no particular order)
  - Anders
  - West Kemah

**Long-Term Financial Planning** - A long-term financial planning process allows decision makers to focus on long-term objectives, encourages strategic thinking, and promotes overall awareness for financial literacy in an organization. Long-term financial planning creates commitment and motivation to provide a guide for decision-making. Simply put, it helps you keep track of your income, expenses, and investments so that you can manage your finances better. The City of Kemah City Council continues to rely on the plans provided by Kendig Keast Collaborative and Ron Cox Consulting.

## **Accounting, Auditing, Internal Controls, and Financial Reporting**

### ◦ **Accounting**

- Preparation of GAAP financial statements
- Maintain an adequate accounting system
- Issue timely financial statements
- Document policies and procedures
- Have an appropriate level of management and authority



- **Auditing**

- Establish and audit committee
- Establish procedures
- Select services that include a broad scope of financial presentations

- **Internal Controls**

- Establish strategies for minimizing any potential negative effects resulting from items identified during the audit.
- In regards to internal control for grants, governments should adhere to the following framework: control the environment, risk assessment, control activities, information and communication, and monitoring.

- **Financial Reporting**

- Prepare GAAP financial statements, maintain an adequate accounting system, issue timely financial statements, and have said financial statements independently audited.

**Operating Budget** - The City of Kemah's operating budget consists of all revenues and expenses, of both the governmental and proprietary funds, over the year used to plan city operations.

**Procurement and Purchasing** - The purpose of Kemah's procurement and purchasing policy is to ensure that the City receives the best value- the most advantageous balance of price, quality, and performance. A copy of the City of Kemah's procurement policy can be accessed by visiting <https://www.kemahtx.gov/382/City-Finances> or clicking the link below.

**Risk Management** - Risk management is a program designed to identify potential events that may affect the government and to protect and minimize risks to the government's property, services, and employees. Effective risk management ensures the continuity of government operations. It is geared to achieving a government's objectives through strategic decisions that flow through high-level goals, effective use of resources, reliability of reporting, and compliance with applicable laws and regulations.

**Economic Development (KCDC)** - KCDC is committed to the growth of Kemah's economy and enhancing the prosperity and quality of life for all residents.



# **BUDGET OVERVIEW**

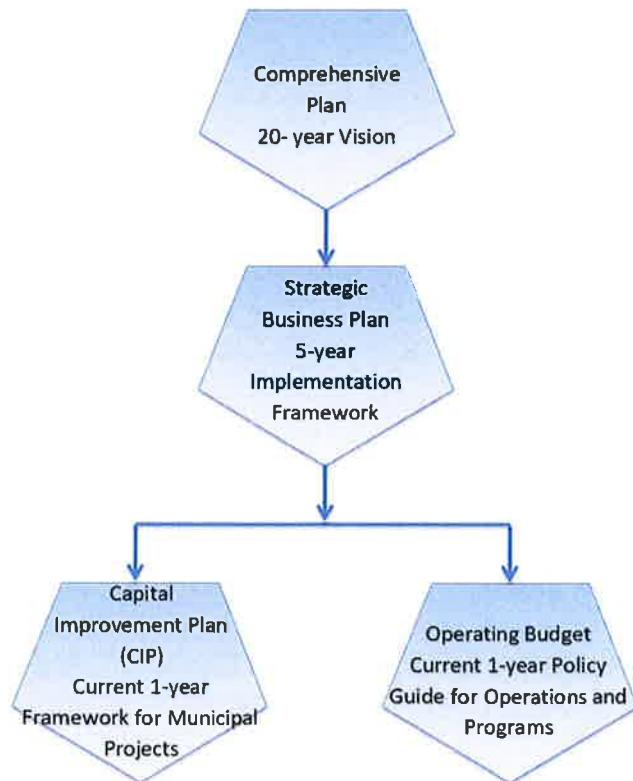


## Executive Overview

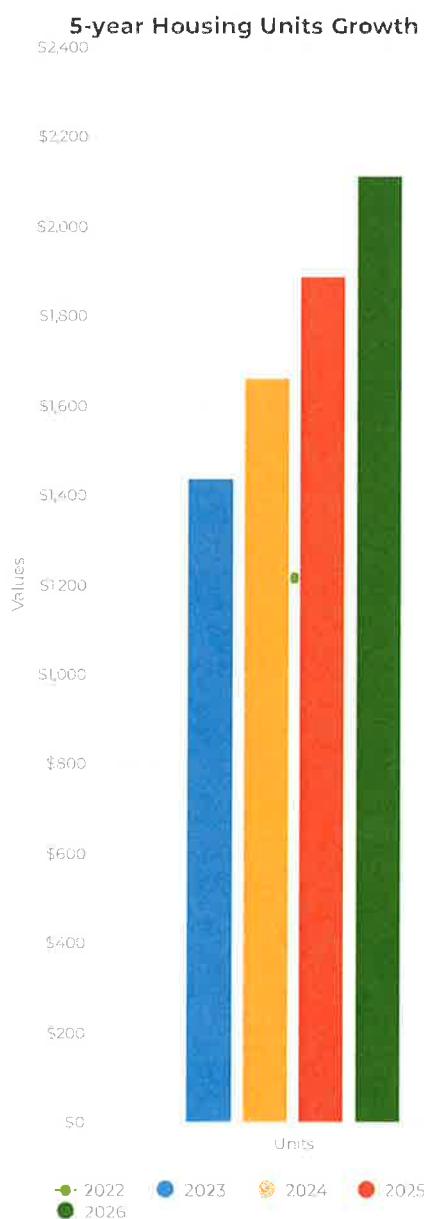
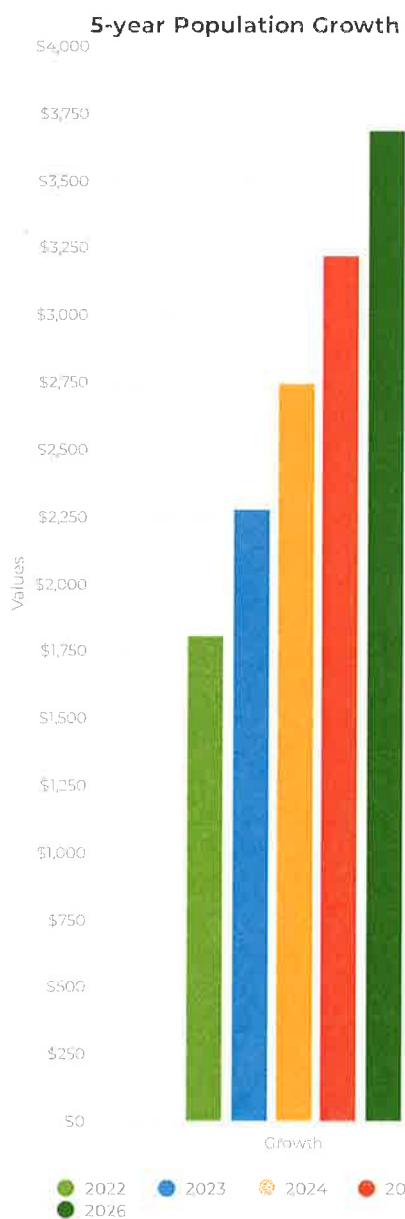
Kemah's future prosperity will rely on maintaining a sustainable quality of life through a mix of land uses (residential, commercial, and green space), a safe community with no visible signs of deterioration, abundant open space and recreational amenities and the completion of the 146 expansion program. These attributes along with a strong economic base will preserve and build upon Kemah's sense of uniqueness, cultural and social diversity and a strong sense of community. The overarching General Plan emphasizes a balance between residential, commercial and industrial development along with parks and open space.

The City of Kemah's Five-Year Joint Strategic Business Plan (Strategic Business Plan) has been developed to help the Kemah City Council assess the effects of today's policy decisions on the City's future and the quality of life of its residents. As a blueprint for prospective opportunities and endeavors, the Strategic Business Plan outlines the City's strategic goals, sets priorities for City operations and the annual budget, and helps guide the City's Capital Improvement Plan.

The Strategic Business Plan is one of the key tools for implementing the City's Comprehensive Plan. As illustrated below, the comprehensive plan provides an overarching vision and sets policies for guiding the physical, economic, social and cultural development of the City over the next twenty years. In contrast, the Strategic Business Plan looks at the next five years and outlines the strategies, projects and programs that will support a phased implementation of the Comprehensive Plan. The City's Capital Improvement Plan (CIP) and Operating Budget then prioritize these projects and programs on an annual basis. The Strategic Business Plan will support the City Council in ensuring that investment in financial, physical and staff resources made today enhances and preserves the community's quality of life into the future. The Council's priorities are to make sure that the City is clean, well-maintained and safe, with a prosperous business climate. Additionally, the Council is committed to cost-effective and responsive services to Kemah residents and businesses.



Slow but steady increases in population generates growth in the city's infrastructure inventory, which must be maintained on an annual basis and rehabilitated according to life-cycle schedules. With the completion of the planned community developments over the next five years, the City's population is projected to increase by 1.04% to approximately 3,889. This rate of growth has the potential to put Kemah at the forefront of Texas' fastest growing cities. With this rate of population increase, Kemah must invest in roads and other infrastructure commensurate with that growth. Otherwise, congestion has the potential to degrade economic productivity, dissuade local shopping, and potentially erode living standards due to lack of convenience channels to local shops and eateries. Parks and open space, along with landscape and street lanes are also projected to grow. In addition to meeting the growing demand for new services, Kemah must also address the need to upgrade its existing infrastructure, including street surfaces, culverts, wastewater system and drainage system. Over the last 125 years (Kemah was incorporated in 1898), much of this infrastructure has aged and is in need of rehabilitation or reconstruction.



During the past 125 years, Kemah has developed a rich heritage and significant cultural diversity. The City organization seeks to deliver high-quality services to the community in a way that upholds the vision and values that make Kemah the strong community it is today. The Five-Year Strategic Business Plan is a blueprint to help guide the City's day-to-day operations and its capital improvement and revitalization programs. This Strategic Business Plan is formulated with five distinct goals. These goals are based on the understanding that investment of financial, physical and staff resources made today ensures that the City's quality of life is enhanced and preserved for its future residents. The City Council and staff embrace the following five distinct strategic goals:

1. Promote Equitable Economic Growth and Recovery to enhance Economic Vitality
2. Enhance Security and Public Safety to encourage a Safe and Secure Community
3. Protect Financial Stability and Resiliency (Sound Financial Management)
4. Develop mature and embed strong customer experience practices across the City, solidifying Kemah's reputation for consistently positive experiences
5. Assess the competition and plan accordingly



## Master Plans

The City of Kemah utilizes a number of planning, development and capital improvement plans to develop strategies for successful growth. As the City continues to grow, so will the demands on the structure of the government and its capacity to serve its citizens in an efficient way. The City will continue to review, most often as a part of the budgetary process, its planning needs, staffing levels, and infrastructure needs. The following plans are future discussions of the City Council as guides for residents, businesses, and developers when working with the City:

- 20-Year Comprehensive Plan
- Capital Improvements Plan
- Master Drainage Plan
- Master Parks Plan
- Design Criteria Manual

### 20- Year Comprehensive Plan

In an effort to address growth and development within the city, Kemah City Council should seek council to create and adopt a 20-year Comprehensive Plan. The plan should provide strategies, short-term actions and long-term actions needed to implement the City's 20-year vision. The plan shall include a future land use analysis with guidelines for development intensity, transportation, utilities, drainage, governance, economic development, community image, public facilities and open space. The creation of a Planning and Development Commission (PDC) to include citizens of the community, the Mayor, City Council members, directors of the Kemah Community Development Corporation (KCDC), representatives from the Houston Galveston Area Council (HGAC), City staff and consultants, will aid in the establishment and implementation of the 20-Year Comprehensive Plan. This document will be designed to be a fluid document to guide the City's decisions over the next ten to twenty years.

Kemah seeks to maintain its character and small-town family-oriented values while managing its growth by:

- Benefiting from our strategic location by encouraging well-planned quality retail, commercial and residential development that reflects and enhances our small-town quality of life
- Preserving our rural characteristics by providing open space for recreation and protecting our natural environment
- Promoting a strong and diverse economic base that supports efficient, high-quality public infrastructure, municipal services, education, and collaborative governance
- Offering a variety of housing choices that reinforce our small-town values
- Preserving and protecting links to our past
- Establishing our reputation as the "home" of family fun in Galveston County

### Economic Development

While residential development partially stems from the growth pressures of the Houston region, Kemah is encouraging economic development in order to sustain a viable and healthy quality of life. A balance of residential and commercial is not only essential to creating a lively and vibrant community, but also creates a balance between the two tax incomes for the City coiffures. Communication between the Kemah Community Development Corporation (KCDC) and City Council is also needed to align the goals and priorities for the City. Additionally, the City wants to stand out as a desired location for businesses by capitalizing on the City's unique rural



characteristics. "Smart Growth Strategies" have an economic advantage as compact development creates higher revenue per acre of land, lowers infrastructure and service delivery, creates redevelopment and reuse opportunities, and spurs economic productivity and job creation.

### **Drainage**

Concerns that currently plague the City include the impact on the current drainage systems by new developments, and the importance of requiring drainage mitigation efforts in those newer developments. The extent to which Kemah will be impacted by the impending changes in the Federal Emergency Management Agency (FEMA) Flood Insurance Rate Maps (FIRM) and the National Flood Insurance Program (NFIP) remain an area of concern. Revisions to government policy have shifted the responsibility to owners of homes in flood-prone areas. As many of the proposed developments have land within the 100-year flood plain zone, map changes will have a significant impact on new and existing residents.

### **Open Space, Parks and Trails**

Encouraging more open space and added uses for parks and trails would not only preserve the semi-rural character of Kemah, but would also be a unique opportunity to foster recreational tourism. The creation of a Master Parks Plan will explore various ways to identify trail maintenance groups and work with developers or homeowners' associations (HOAs) in the management of open space. The City's Master Parks Plan shall be incorporated to feed into the Master Drainage Plan to capitalize on the use of right-of-way (ROW) easements along roads. This will help in the identification and indexing of the existing ROWs in the City's bike pathways, and familiarize those with programmed stops and destinations to promote tourism within Kemah.

### **Community Image**

The City shall take additional steps to promote, communicate and increase engagement with the community on Kemah's projects and vision.

### **Capital Improvement Plan**

The creation of a City Ordinance shall direct the City Administrator, with the input of the Mayor and City Council and a consultant or engineer, to submit a five-year Capital Improvements Program (CIP) for approval. This CIP is to be updated annually, and shall provide the following items:

- A summary of proposed programs
- A list of all capital facilities and property improvements that are proposed to be undertaken during the five (5) fiscal years next ensuing, with appropriate supporting information as to the necessity for such improvements
- Cost estimates, method of financing and recommended time schedules for each such improvement with the estimated effect on the tax levy
- The estimated annual cost of operating and maintaining the facilities to be constructed or acquired over the five-year period.

A minimum of \$25,000 shall be established as the threshold for capital projects. The goal of the CIP is to help maintain the same high quality of life for all citizens of Kemah, through the timely anticipation of the City's needs and the planning of improvement projects - and their funding sources - as the community grows. The CIP will continue to be reviewed and updated on an annual basis. The expected annual updates will consist of both new projects and updates to existing projects. Updates may include revised scope, cost, or scheduling, as appropriate.

\*\*\*\*\***Current staffing levels do not currently support this option**\*\*\*\*\*



## Master Drainage Plan

The City of Kemah Mayor and City Council shall review and recommit to the 2020 Master Drainage Plan developed by LJA Engineering, Inc. The Comprehensive Plan shall include a drainage portion that investigates general drainage problems and discusses the need for a Master Drainage Plan. In 2020, consultants created this plan to identify issues of concern, key drainage areas, and model a pattern for the intensity of future development within the City. Periodically, Kemah experiences flooding from stream and gulf overflows, ponding, and shallow sheet flow caused by high intensity rainfall.

### 2020 Recommendations

Each of the five areas within the City was studied as to the existing drainage issues with varying amounts of available data. In general, it was determined that the existing drainage facilities throughout the City have capacity issues for both conveyance and storage, which results in frequent localized flooding.

- Bayview Acres - Alternative 1, which includes upsizing the existing outfalls at Meadow Ln and Bay Ave as well as providing one (1) additional outfall along the northside of Yacht Club, is recommended for the Bayview Acres area. This alternative is less expensive than Alternative 2, which includes two (2) new outfalls. Although larger outfalls will be required for Yacht Club North and Bay Ave, this alternative prevents the City from acquiring two separate drainage easements and reduces the amount of storm sewer pipe that would need to be maintained by the City. This recommended alternative allows for faster construction since only three (3) outfalls would be installed rather than 4 outfalls and requires less right of way acquisition. This alternative would also provide a 100-year LOS. The cost of Alternative 1 is \$2,206,590.
- Kemah Oaks - Alternative 2, which expands the Bel Rd linear detention ditch southeast of the subdivision and would provide enough storage to avoid the installation of a stormwater pump station, is recommended for the Kemah Oaks subdivision. The existing Kemah Oaks detention basin can be converted to a dry bottom basin. If the City wishes to proceed with this alternative, this alternative would require further design analysis during final design to analyze and design the overflow spillway, adjust outfalls and evaluate the interaction between the two detention facilities to ensure no adverse impacts on the service area of the existing Bel Rd detention facility. The cost of Alternative 2 is \$2,062,850. It is recommended that while Alternative 2 is ultimately implemented, Alternative 4 is pursued by the City to provide some relief to the Kemah Oaks area. Alternative 4 provides an emergency spillway for the Kemah Oaks detention basin and can be implemented within the available capital improvement budget for the fiscal year and can provide much needed relief to this area while the City seeks routes to implement the recommendation to improve Jarbo Ditch and Alternative 2 for Kemah Oaks. The cost of Alternative 4 is \$171,650.
- South Kemah and Jarbo Ditch - Alternative 1, which includes conveyance improvements in three specific drainage conveyance routes, is recommended for the South Kemah area. This alternative allows for discharge only to Jarbo Ditch. The cost of Alternative 1 is \$3,884,510. Two scenarios for improvements were evaluated for Jarbo Ditch and it is recommended that both be implemented. While the improvements to Jarbo Ditch can be implemented in phases, Scenario 1 is recommended first to widen the lower section of Jarbo Ditch to a 25-year conveyance capacity, which provides the move conveyance for the recommended Alternative 1 for South Kemah. The cost of Scenario 1 is \$4,030,115, which includes land acquisition. It is then recommended that Scenario 2 is implemented, which provides conveyance improvements to the upper section of Jarbo Ditch to the most upstream point. The cost of Scenario 2 is \$1,359,915, which includes land acquisition. Additionally, Alternative 2 for South



Kemah is recommended to provide some regional detention storage for the South Kemah area, but it is recommended to reevaluate the amount of regional detention required once the Jarbo Bayou study is completed. The current cost of Alternative 2 is \$4,120,010, although this amount is expected to change after re-evaluating the amount of detention the City would provide in a less frequent, more intense storm event.

- Lighthouse District and West Kemah - It is recommended that the City continue implementing the recommendations made from previous drainage evaluations in these two areas. LJA is continuing to investigate if there are critical areas that need immediate improvements to alleviate flooding issues. It is likely that quick fixes beyond the recommendations in the previous report are not available and the City needs to plan to invest in re-constructing the storm sewer systems that are undersized in future capital improvement plans. The City also needs to determine the LOS for storm water drainage that it wishes to provide in these areas, since these areas directly discharge into Clear Creek Channel or to Galveston Bay.

Finally, in addition to the recommended improvements in the five areas within the City, the LJA was asked to review and provide recommendations for updates to Chapter 38 and Chapter 46 regarding stormwater management drainage criteria and floodplain regulations, respectively. Working with City staff, LJA finalized the recommendations for updates to drainage, detention, and floodplain fill criteria throughout the City for changes to Chapters 38 and 46. The recommended changes to Chapters 38 and 46 were adopted by the City in May and June of 2020, respectively.

The following concerns were addressed in the updates to Chapter 38:

- Adopt Galveston County detention rate requirements.
- Establish requirements to ensure developers are maintaining their on-site stormwater pump stations.
- Establish a minimum diameter pipe size for driveway replacement.
- Require further analysis when filling in ditches and replacing them with enclosed conduits.
- Establish a criteria for calculating Time of Concentration.
- Incorporate IDF empirical values for rain events.
- Establish minimum LOS criteria.
- Require removing and replacing infrastructure within a development's immediate vicinity if redevelopment occurs.

The following concerns were addressed in the updates to Chapter 46:

- Provide allowance for maintenance fill for gardens.
- Require drainage plans sealed by an engineer when fill exceeds 60 cubic yards.
- Require notification from the Floodplain Administrator for minor fill in the floodplain.
- Set permitting and mitigation requirements for fill in the floodplain.
- Provide requirements to maintain natural flow within the floodplain.

## **Master Parks Plan**

The City of Kemah Mayor and City Council shall review, update, and recommit to the updated version of the 2009 Master Parks Plan developed by Kendig Keast Collaborative.

\*\*\*\*\*Currently under revision\*\*\*\*\*

## **Design Criteria Manual**

Graphic requirements should exist for all construction drawings including City of Kemah (public) projects, non City of Kemah (private) projects, and all utility projects without a current Franchise Agreement. These include various design requirements such as CADD drawings, cover sheets,



specific mapping requirements, signatures, benchmark elevations, natural ground profiles, and other identifiers.

Specific sections for wastewater, water, paving, drainage, and site development criteria shall be included, prescribing various requirements from easements to FEMA rate maps. Site development plans include describing how all site developments within the City of Kemah and its ETJ shall be approved as they affect public water, wastewater, storm drainage, and paving facilities. The last section is a modification form allowing for an appeal process.



# Strategic Goals and Strategies



## FY 2022-2026 JOINT STRATEGIC PLAN FRAMEWORK

GOAL 1: Promote Equitable Economic Growth and Recovery.	GOAL 2: Enhance Security & Public Safety	GOAL 3: Protect Financial Stability and Resiliency (Sound Financial Management)	GOAL 4: Develop mature and embed strong customer experience practices across the City, solidifying Kemah's reputation for consistently positive experiences.	GOAL 5: Assess the competition and plan accordingly.
<b>Objective 1.1:</b> Improve conditions for more sustainable and inclusive economic growth in all economies.	<b>Objective 2.1:</b> Identify and acquire or develop the critical skills needed to support disaster recovery through recruitment and learning.	<b>Objective 3.1:</b> Promote good governance and accountability through the creation of a long-range financial plan.	<b>Objective 4.1:</b> Build an inclusive culture, improve team engagement, promote an inclusive, resilient, and dynamic workforce. Increase focus on developing a diverse pipeline for hiring and promotions and investing in training and development opportunities to improve retention and inclusion.	<b>Objective 5.1:</b> Engage our marketing channels, messages, and tactics to identify the strengths and weaknesses of competitors and exploit the key brand differentiators. Utilize the information to expose any material weaknesses the City of Kemah may possess as we begin to fight for market share.
<b>Objective 1.2:</b> Secure climate mitigation and adaptation outcomes by ensuring infrastructure accommodates future growth.	<b>Objective 2.2:</b> Promote comparable, consistent, and reliable measures to improve the quantification, and any necessary mitigation, of climate-related events.	<b>Objective 3.2:</b> Enhance the ability of the City to respond to and recover from an economic crisis.	<b>Objective 4.2:</b> Protect our personnel, information, and physical infrastructure from 21st century threats by modernizing IT, coordinating City, Municipal and Police Department functions, and leveraging data to support informed decision-making. This will include a mature workforce and succession planning.	
<b>Objective 1.3:</b> Enable a broader suite of secure collaboration and communication tools for use with local and future businesses to successfully engage counterparts and key stakeholders.	<b>Objective 2.3:</b> Regular engagement with partners to coordinate efforts to address operational vulnerabilities.	<b>Objective 3.3:</b> Prevent, expose, and eliminate corruption through financial literacy and transparency.	<b>Objective 4.3:</b> Improve customer experience for all services/journeys. Increase percentage of high impact services/journeys that have dedicated human-centered design/process improvement teams that are using customer-focused methods.	<b>Objective 5.2:</b> Develop an early warning system so that the City of Kemah is not caught off guard by moves neighboring cities make. Develop effective countermeasures to ensure Kemah retains its core audience.
<b>Objective 1.4:</b> Increase diversity in the applicant pool for HOT funding through targeted outreach	<b>Objective 2.4:</b> Prepare for, mitigate, and effectively respond to emergencies and special events.	<b>Objective 3.4:</b> Recognize the needs of the community and create a plan through the use of ad valorem tax adjustments and sales tax expectations, to achieve established goals.		
<b>Objective 1.5:</b> Increase the supply of residential housing inventory that is affordable for rent and purchase for households across social and economic demographics		<b>Objective 3.5:</b> Increased alignment of financial flows which is consistent with the goals of the Capital Improvement Plan.		



## Short-term Factors

Investments in basic infrastructure support economic activity. We are not only living with aging roads and infrastructure, but are missing out on the advances of the 21st century. Failing to make these investments hurts the competitiveness of local businesses and the economic security of Kemah.

Public infrastructure consists of a range of facilities, including streets and transportation systems, sewer, storm drainage, flood control and solid and liquid waste disposal facilities; water, gas and electrical utilities; telecommunications facilities; recreation and landscape facilities; and other local government facilities. Many Kemah public facilities play a critical role in providing social services to residents, which enhance neighborhood stability, supplement housing and economic opportunities for current and future community members and otherwise affect day-to-day life in the City.

The City of Kemah, along with many cities across the nation, has faced unprecedented economic, demographic, fiscal and environmental challenges that make it imperative for the public and private sectors to rethink how we do business. These new forces are incredibly diverse, but they share an underlying need for modern, efficient and reliable infrastructure. Kemah's need for adequate drainage and safe roads is vital to the long term economic development of the City. High-profile natural disasters, such as Hurricane Ike, Hurricane Rita, Hurricane Harvey and the winter storm in 2021, drew attention to problems with water and drainage infrastructure.

Overwhelmed waste water systems, washed-out roads, shorted electrical circuitry and flooded roads not only highlighted Kemah's reliance on these networks, but also revealed their deficient condition.

Kemah, like many cities and states nationwide, is enjoying budget surpluses because of property and sales tax revenues. However, it will take years to build back the reserves outlined by the council through the Kemah Growth Fund guidelines, and pay for deferred maintenance of roads and infrastructure. To manage changes in infrastructure throughout its entire lifecycle, the City of Kemah should implement a robust infrastructure lifecycle management program that's designed to meet the cities' needs.

### Short Term Factors

- **Investment in infrastructure (drainage/road projects)**

- Improving and rebuilding/replacing drainage, retention/detention ponds, roads, parking lots, public transit

- **Capital Improvements**

- The city council reviews, prioritizes and selects projects based on specific criteria, such as:
    - Project demand and Sustainability
    - Number of residents, businesses, or geographic area served
    - Return on investment, cost savings or revenue generation, consistency with community plans and policies
    - Economic, environmental, aesthetic or social impacts
    - Public health, safety or other legal concerns
  - Projects under discussion (in no particular order)
    - Anders Widening/Drainage
    - Evergreen Memorial Parkway
    - 57-Acre Nature Facility
    - Entrances/Signs/Parks/Piers
    - Parking/Traffic Improvements
    - Sidewalks Improvements



- Harris Ave
- West Kemah Drainage
- **Fee assessment**
  - The City of Kemah staff is reviewing the current fee structure to determine if the City is compensated accordingly for the level of services provided.
- **Use of reserves**
  - It is suggested that the City of Kemah codify the intentions of the Kemah Growth Fund to establish precedence and solidify intent.

Kemah's General Plan emphasizes the continued development of a diverse economic base by pursuing business sectors with the best potential to grow and prosper. Kemah's efforts to diversify its economic base may prove to be a stabilizing force through recent economic cycles, such as that experienced during downturns in 2001 and 2008.



## **Priorities & Issues**

### **Comprehensive Plan**

#### **20-Year Vision**

#### **Overarching Multi-Year Goals**

The plan has five multi-year goals. Each goal has a set of strategies for implementation through the five-year Strategic Plan. The following pages show the overarching strategies by goal.

#### **Goal 1. Building More Livable Communities**

- Kemah City Council is geared towards balancing a desire to maintain neighborhood character, improve aesthetics and quality of life, and protect natural features by creating a future land use plan for the City, improving the City's development regulations, eliminating obsolescence and land use conflicts, and addressing pressing issues of public safety.
- The ultimate goal is to provide opportunities for residents of all ages, ability levels, and backgrounds to engage fully in Kemah's civic, economic, and social life.
- Kemah will continue to create a livable community that is safe and secure, while equitably serving residents of all ages, ability levels, incomes, races, ethnicities, and other backgrounds.

#### **Goal 2. Business Retention and Recruitment**

- Communication and Outreach builds strong connections with community partners, residents, and employees.
  - Formation of a BR&R task force with professionals and stakeholders to be involved in gearing up for and implementing the program.
  - Task Force discussions should center around what industries or businesses should be targeted.
  - Invite and involve community stakeholders.
  - Share information with the general public in a well-publicized community forum, by the media or via any other appropriate outlets that the taskforce designates.

#### **Goal 3. Be More Business Friendly**

- The Kemah community boasts an active community of entrepreneurs, which means that business owners have a supportive environment in which to run and grow their businesses.
- Incentives, such as 380 agreements offered by the city, provide sales tax incentives in return for the business or project meeting performance benchmarks to promote economic development.
- Utilize the findings of the BR&R task force to attract new businesses to the area and retain our current local businesses.
- Facilitation of a greater number of commercial projects.
  - Anders Widening/Drainage
  - Evergreen Memorial Parkway
  - 57-Acre Nature Facility
  - Entrances/Signs/Parks/Piers
  - Parking/Traffic Improvements
  - Sidewalks Improvements
  - Harris Ave
  - West Kemah Drainage
  - Purchases of City Vehicles & Equipment



#### **Goal 4. Financial Stability and Sustainability**

- Remove barriers to critical infrastructure development, financing, and delivery. Foster fiscal health through disciplined long-term planning, cost control, heightened efficiency, increased revenue, and cost recovery.
- Create a plan to review the City's finances on a regular basis.
- Improve Fiscal Transparency to raise government efficiency and reduce corruption vulnerabilities.

#### **Goal 5. Invest in Our People**

- Create opportunities for employees to feel excited about learning and growing.
- Develop and communicate core values.
- Develop a succession plan.
- Provide insight into how their role is part of Kemah's mission.
- Benefits
  - Reduce the expense of losing skills, recruiting and training new employees, and other costs of employee turnover.
  - Increased morale, higher productivity, improved employer reputation, and preservation of institutional knowledge.



## Personnel Changes

### Fy 2023 Approved Positions

Department	FY 2022	FY 2023
<b>Administration</b>		
<b>City Administrator</b>	1	1
<b>City Secretary</b>	1.5	2
<b>Community Development</b>	2	2
<b>Finance</b>	1	1
<b>Human Resources</b>	1	1
<b>Court</b>	1.5	2
<b>Information Technology</b>	1	1
<b>Public Works</b>	4	5
<b>Police Department</b>		
<b>Chief of Police</b>	1	1
<b>Lieutenant</b>	2	2
<b>Investigator/Sergeant</b>	1	1
<b>Sergeant</b>	3	3
<b>Police Officers</b>	14.5	12.5
<b>Communications Operators</b>	5.5	5.5
<b>Total</b>	40	40
<b>Reserves</b>	4	2

The following positions, open until filled, are being advertised by the City:

- Communications Operator (Dispatch)
- Police Officer



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## **FUND SUMMARIES**

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## General Fund

The General Fund encompasses revenues accruing to the city from taxes, fees, interest earnings, and other sources which can be used for the general operation of the city government. General fund revenues are not specifically required in statute or in the constitution to support particular programs or agencies.

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## General Fund Overview

**Ad Valorem Tax Rate 0.1793**

**City Portion of Sales Tax Rate 0.0200**

**Beginning Fund Balance \$1,800,000**

**Revenue: \$5,807,459**

Revenue Source	FY 2022	FY 2023	Difference
Taxes	4,190,000	4,491,427	301,427
Fines & Forfeitures	343,600	264,100	(79,500)
Police Department	3,000	2,000	(1,000)
Management Fees	53,000	75,000	22,000
Licenses & Permits	299,000	478,500	179,500
Other Income	351,000	246,292	(104,708)
Fire Dept	250,140	250,140	-
<b>Total Revenue Increase</b>	<b>5,489,740</b>	<b>5,807,459</b>	<b>317,719</b>

### Major Changes Revenues

- Ad Valorem preliminary totals  $520,604,946 = 520,604,946 * (0.1793 / 100) = 932,927$
- Sales Tax 3,100,000
- Decrease in Fines & Forfeitures/Police Revenues- has not reached projections post COVID
- Approved KCDC Management Fee- 25,000
- HOT Management Fee- 40,000, HOT Facilities Fee- 10,000
- Decrease in other income- Interest, Community Center rental
- Increase of 450,000 (License & Permits) for Meritage apartments, Avalon, (development)
- Sale of decommissioned equipment and supplies 25,000
- Rental income to remain 64,392

**Expenses: \$5,807,459**

Expense Source	FY 2022	FY 2023	DIFFERENCE
Personnel	3,653,588	3,353,635	(117,952)
Employee Related	42,350	32,600	(9,750)
Supplies	273,769	232,500	(41,296)
Operations	1,480,006	1,732,500	252,494
Transfer to Capital Projects	40,000	257,724	217,724
Transfer to Replacement Fund	-	16,500	16,500
<b>Total Expense Increase</b>	<b>5,489,740</b>	<b>5,807,459</b>	<b>317,719</b>

### Major Changes Expenses

- Inspection Fee Expense increased to 225,000 to account for development fees
- Employee Increases
  - Admin- 19,800 (includes full-time PIR/AP position)
  - Court- 23,550 (includes full-time court clerk)
  - IT- 6,800
  - Public Works- 5,600
  - Police Department- STEP 57,000
- Gas/Utilities increase/Fuel
  - Admin- 65,000, Public Works- 165,000/17,000, Police Department- 45,000



## **Summary**

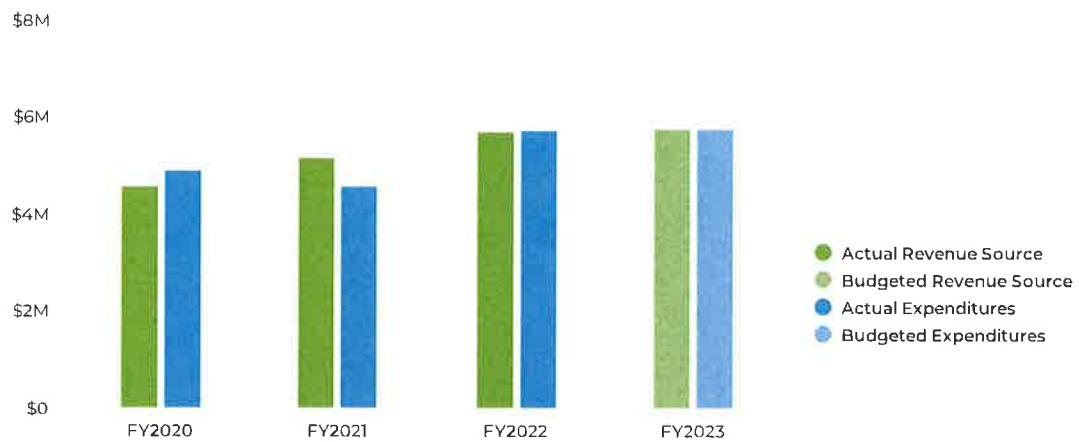
### **General Fund Revenue Sources**

Revenue sources for the General Fund projected for FY 2022-23 total \$5.8 million (excluding transfers). In any budget, transfers between departments as well as transfers inside funds (e.g., transfers from fund balances to recognize revenues previously collected to be used for current projects) should not be recognized as current year's revenue, since money is being moved instead of generated for the City. The largest source of these transfers occurs in the Capital Projects fund, where some projects are fully funded but take one or more fiscal years to complete or even begin. Excluding these transfers, the primary revenue categories are:

- **Tax revenues**
  - **Ad Valorem**- Revenues from ad valorem (or property) taxes represent \$932,927 thousand of total revenues. Property tax revenues are based on a tax rate proposed for FY 2022-23 of \$0.17930 per \$100 of assessed valuation.
  - **Franchise**- Franchise fees are anticipated to total \$458,500. Franchise fee revenues are derived from nonexclusive franchise agreements the City has with utility providers as well as the solid waste providers that use the City's right-of way to conduct business. Besides defining the responsibilities of the utilities maintaining their assets, the agreements contain a franchise fee clause that requires the utility companies to compensate the City for use of right-of-way and streets. Generally, the fees are based on a percentage of gross receipts or a per-unit usage charge (generated by customers located within the City's corporate limits) that ranges from 2% to 5%.
  - **Sales Tax**- Sales tax revenue is the major funding piece of the "Tax Revenues" category and accounts for \$3.1 million in the General Fund budget.
- **Fines & Forfeitures**- Fines and forfeitures represent \$264,100,470 of total City revenues. The revenue totals for this category decreased from the previous year as COVID restrictions made for a challenge to handle court dockets while maintaining healthy and safe protocols to protect staff and citizens. As this category is based on humans and how they behave, there will be some fluctuations, but the revenues do not seem to change too drastically from year-to-year.
- **Police Revenue**- Police revenues represent \$2,000 of the total City revenues. The revenue totals represent amounts collected through the issuance of reports requested from the public.
- **Management Fees**- Management fees represent \$75,000. The revenue totals for this category are funds received by the General Fund to provide services in the form of personnel for the City's HOT and KCDC projects and facilities.
- **Licenses and Permits Revenues**- Licenses and permits revenues are projected to generate \$478,500 of total City revenues. The estimated revenues for FY 2021-22 have topped the budgeted estimates during the year. The City expects high growth in new housing development to remain strong during FY 2022-23 which will likely result in above-budgeted revenues for this category again.
- **Other Income**- Other source revenues for FY 2022-23 are budgeted at \$246,292 of total revenues. This total includes the sale of property, billboard lease, PIR revenues, rental of the community center, parking lot revenues, interest and misc. rental income.

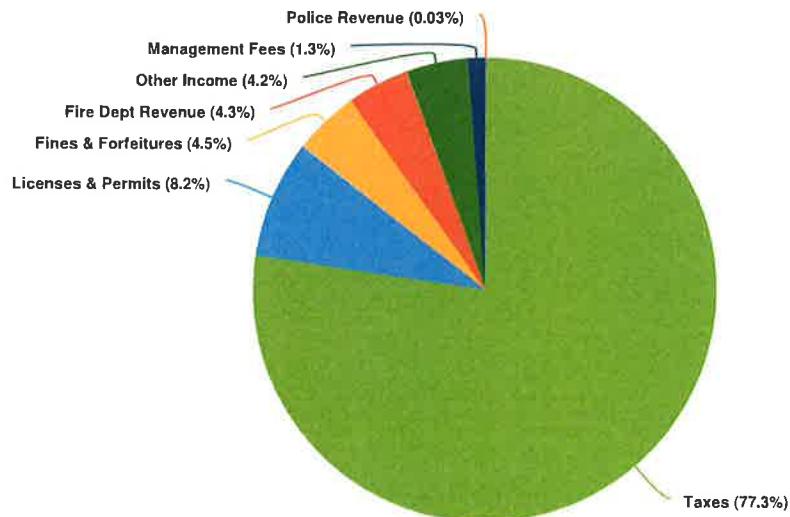


- **Fire Department Revenue-** To follow previous years' example, the finance director has budgeted FEMA/CARES funds under the Emergency management line of the fire department revenue. The amount expected for FY 2023 is \$250,140.

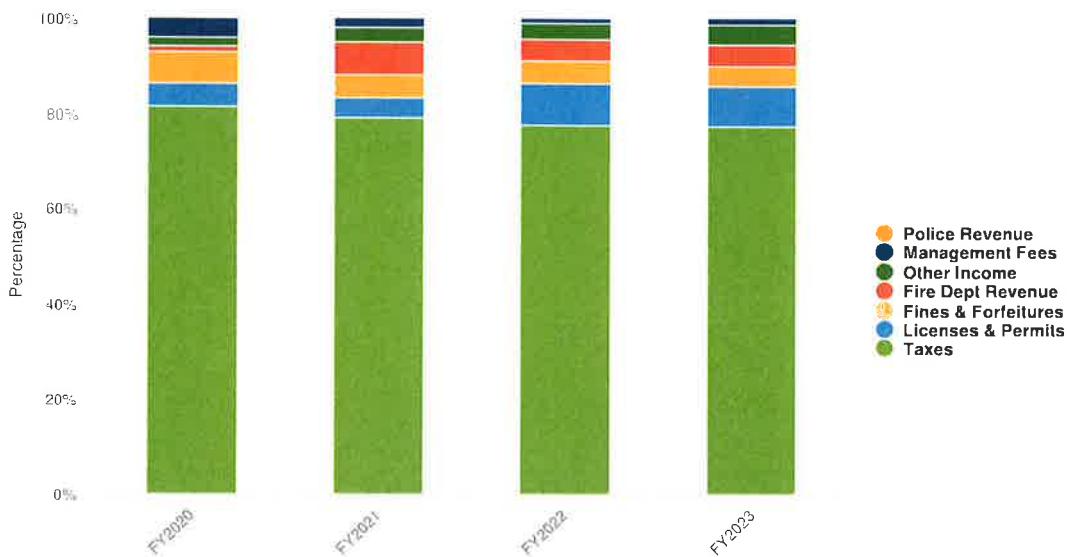


## Revenues by Source

### Projected 2023 Revenues by Source



## Budgeted and Historical 2023 Revenues by Source



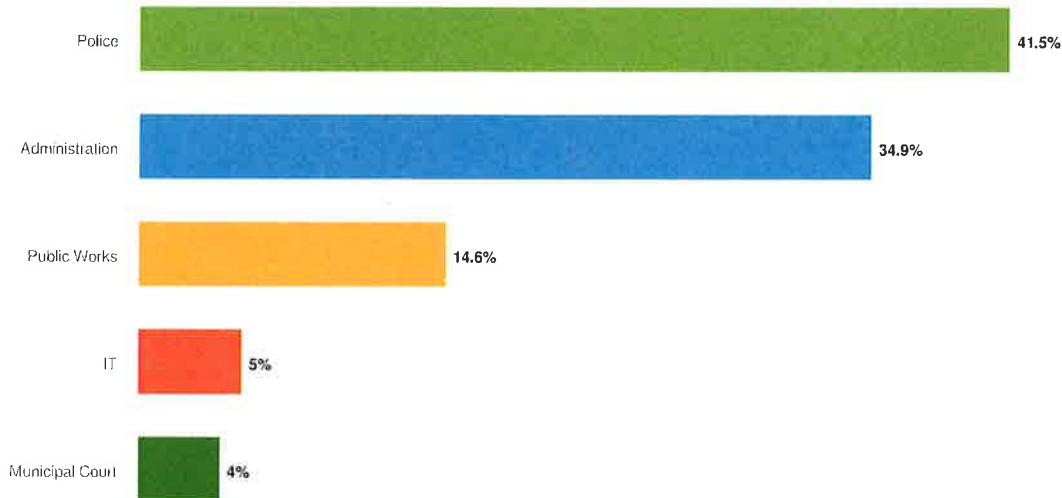
Name	FY2020 Actual	FY2021 Actual	FY2022 Approved Budget	FY2022 Actual	FY2023 Budgeted	FY2022 Approved Budget vs. FY2023 Budgeted (% Change)
Revenue Source						
Taxes						
Ad Valorem Taxes - Current	\$685,910	\$723,651	\$805,000	\$808,506	\$932,927	15.9%
Centerpoint Entergy	\$157,049	\$143,828	\$150,000	\$154,706	\$150,000	0%
Frontier/Verizon	\$1,740	\$365	\$1,000	\$926	\$500	-50%
Ameri Waste Franchise Fee	\$37,652	\$30,792	\$40,000	\$38,697	\$40,000	0%
Interest	-\$898,072	\$48,584	\$55,000	\$50,487	\$55,000	0%
Misc Revenue	\$3,624	\$4,094	\$4,000	\$2,882	\$3,000	-25%
Mixed Beverage Tax	\$218,634	\$266,193	\$230,000	\$240,418	\$210,000	-8.7%
Sales Tax	\$3,648,247	\$2,915,984	\$2,905,000	\$3,168,456	\$3,100,000	6.7%
Miscellaneous Revenue	-\$161,826	-\$20,127	\$0	\$0	\$0	0%
Guarantee Shops Of Kemah	\$74,960	\$0	\$0	\$0	\$0	0%
Kcdc Portion Of Shops Of Kemah	-\$1,269	\$0	\$0	\$0	\$0	0%
<b>Total Taxes:</b>	<b>\$3,766,649</b>	<b>\$4,113,364</b>	<b>\$4,190,000</b>	<b>\$4,465,077</b>	<b>\$4,491,427</b>	<b>7.2%</b>
Fines & Forfeitures						
Fines & Forfeitures	\$304,942	\$244,092	\$343,600	\$289,898	\$264,100	-23.1%
<b>Total Fines &amp; Forfeitures:</b>	<b>\$304,942</b>	<b>\$244,092</b>	<b>\$343,600</b>	<b>\$289,898</b>	<b>\$264,100</b>	<b>-23.1%</b>
Police Revenue						
Police Revenue	\$2,478	\$6,874	\$3,000	\$2,395	\$2,000	-33.3%
<b>Total Police Revenue:</b>	<b>\$2,478</b>	<b>\$6,874</b>	<b>\$3,000</b>	<b>\$2,395</b>	<b>\$2,000</b>	<b>-33.3%</b>



Name	FY2020 Actual	FY2021 Actual	FY2022 Approved Budget	FY2022 Actual	FY2023 Budgeted	FY2022 Approved Budget vs. FY2023 Budgeted (% Change)
Management Fees	\$170,000	\$90,000	\$53,000	\$53,000	\$75,000	41.5%
<b>Total Management Fees:</b>	<b>\$170,000</b>	<b>\$90,000</b>	<b>\$53,000</b>	<b>\$53,000</b>	<b>\$75,000</b>	<b>41.5%</b>
Licenses & Permits	\$231,401	\$221,988	\$299,000	\$496,965	\$478,500	60%
<b>Total Licenses &amp; Permits:</b>	<b>\$231,401</b>	<b>\$221,988</b>	<b>\$299,000</b>	<b>\$496,965</b>	<b>\$478,500</b>	<b>60%</b>
Other Income	\$93,407	\$150,574	\$351,000	\$198,038	\$246,292	-29.8%
<b>Total Other Income:</b>	<b>\$93,407</b>	<b>\$150,574</b>	<b>\$351,000</b>	<b>\$198,038</b>	<b>\$246,292</b>	<b>-29.8%</b>
Fire Dept Revenue	\$51,524	\$375,209	\$250,140	\$251,579	\$250,140	0%
<b>Total Fire Dept Revenue:</b>	<b>\$51,524</b>	<b>\$375,209</b>	<b>\$250,140</b>	<b>\$251,579</b>	<b>\$250,140</b>	<b>0%</b>
<b>Total Revenue Source:</b>	<b>\$4,620,401</b>	<b>\$5,202,101</b>	<b>\$5,489,740</b>	<b>\$5,756,952</b>	<b>\$5,807,459</b>	<b>5.8%</b>

## Expenditures by Function

### Budgeted Expenditures by Function



## General Fund Expense by Department Function

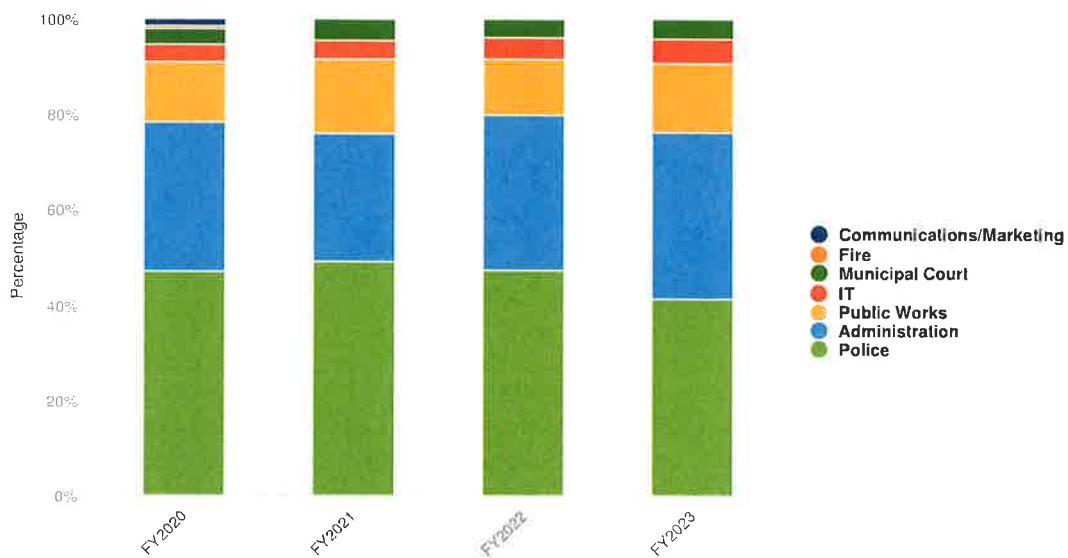
Expenses for the General Fund projected for FY 2022-23 total \$5.5 million (excluding transfers). Excluding these transfers, the primary expense categories are:

- **Administration**- \$2,027,083
- **Municipal Court**- \$229,510
- **Information Technology**- \$288,100



- **Public Works**- \$850,400
- **Police**- \$2,412,367

### Budgeted and Historical Expenditures by Function



Name	FY2020 Actual	FY2021 Actual	FY2022 Approved Budget	FY2022 Actual	FY2023 Budgeted	FY2022 Approved Budget vs. FY2023 Budgeted (% Change)
Expenditures						
Administration	\$1,540,250	\$1,242,908	\$1,443,510	\$1,893,800	\$2,027,083	40.4%
Communications/Marketing	\$60,994	\$3,868	\$0	\$0	\$0	0%
Municipal Court	\$167,033	\$196,528	\$232,150	\$212,444	\$229,510	-1.1%
IT	\$171,709	\$183,506	\$296,200	\$260,476	\$288,100	-2.7%
Public Works	\$637,167	\$725,779	\$809,550	\$674,099	\$850,400	5%
Police	\$2,328,335	\$2,276,859	\$2,708,330	\$2,730,460	\$2,412,367	-10.9%
Fire	\$29,180	\$0	\$0	\$0	\$0	0%
<b>Total Expenditures:</b>	<b>\$4,934,668</b>	<b>\$4,629,448</b>	<b>\$5,489,740</b>	<b>\$5,771,279</b>	<b>\$5,807,460</b>	<b>5.8%</b>



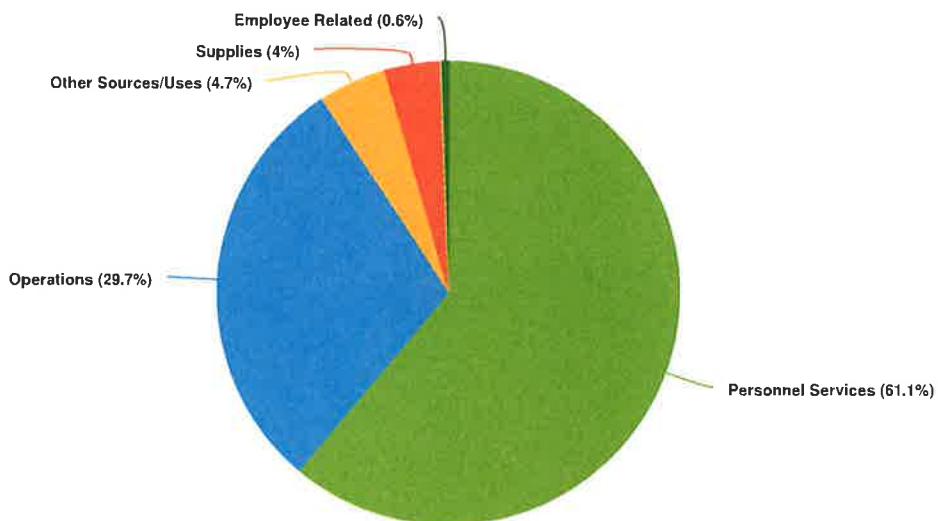
## Expenditures by Expense Type

Expenses for the General Fund projected for FY 2022-23 total \$5.5 million (excluding transfers). Excluding these transfers, the primary expense categories are:

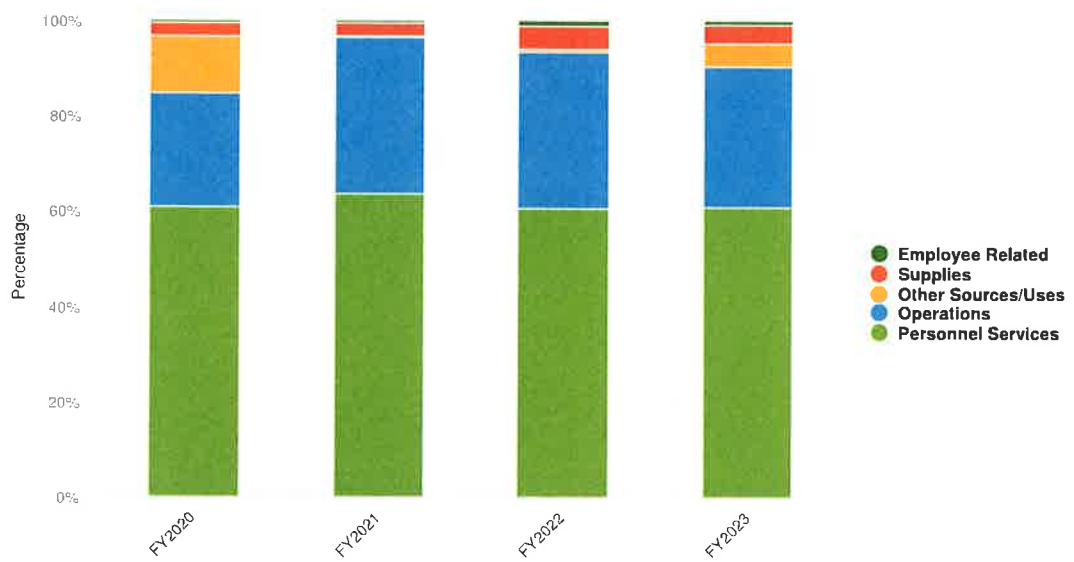
- **Personnel**- Includes salaries and benefits for any persons employed for the City of Kemah. \$3,353,635
- **Employee Related**- Includes training, new employee testing and other employee related expenses with the exclusion of salaries and benefits. \$32,600
- **Supplies**- Any and all supplies required to run the daily operations of the City. \$232,500
- **Operation**- Any and all expenses related to the operations of City-owned facilities. This includes electricity, fuel, and like expenses. \$1,732,500

Other sources and uses include the transfers to other funds, such as the Replacement Fund for vehicle replacement and the Capital Projects fund for planned development. \$274,224

**Budgeted Expenditures by Expense Type**



### Budgeted and Historical Expenditures by Expense Type



Name	FY2020 Actual	FY2021 Actual	FY2022 Approved Budget	FY2022 Actual	FY2023 Budgeted	FY2022 Approved Budget vs. FY2023 Budgeted (% Change)
Expense Objects						
Personnel Services	\$3,012,597	\$2,944,603	\$3,653,588	\$3,495,930	\$3,545,636	-3%
Employee Related	\$19,325	\$14,477	\$45,350	\$57,272	\$35,600	-21.5%
Supplies	\$123,565	\$124,835	\$270,796	\$265,378	\$229,500	-15.2%
Operations	\$1,179,722	\$1,525,054	\$1,480,006	\$1,912,699	\$1,722,500	16.4%
Other Sources/Uses	\$599,459	\$20,479	\$40,000	\$40,000	\$274,224	585.6%
<b>Total Expense Objects:</b>	<b>\$4,934,668</b>	<b>\$4,629,448</b>	<b>\$5,489,740</b>	<b>\$5,771,279</b>	<b>\$5,807,460</b>	<b>5.8%</b>



## Account Line Item Detail (Revenue)

<b>TAXES</b>		
4011	AD VALOREM TAXES - CURRENT	<b>Preliminary Total:</b> 520,316,300 = 520,316,300 * (0.1793/100)
4020	CENTERPOINT ENERGY	Average: Energy=11,500 per month, Gas= 2,700 per qtr
4021	FRONTIER/VERIZON	Franchise Fees
4022	AMERIWASTE FRANCHISE FEES	Average: 10,000 per qtr
4023	COMCAST FRANCHISE FEES	Average 12,600 per qtr
4024	MISC. FRANCHISE FEES	Average 650 per qtr
4025	MIXED BEVERAGE TAX	Average 18,000 per mth
4035	SALES TAX	Growth of 3%, Less Tookies (terms 1/1/2023), Shoppes 277,500

<b>FINES &amp; FORECLOSURES</b>		
4101	COURT TAX RETAINER	
4104	LINEBARGER FEES	
4105	FINES & FORFIETURES	The department was budgeted based on pre-pandemic trends. Budget expectations were reduced to reflect a slower recovery.
4106	OMNI FEES	
4107	SECURITY FUND REVENUE	
4109	0010-TIME PYMT FEE (10.00)	4105- History shows an average of 14,000 per month for 9 months.
4109	0025-TIME PYMT FEE (2.50)	(Gerri's success of the warrant round up saw a double in revenue from Feb 2022-March 2022 from 12K to 25K)
4110	WARRANT FEES	Warrant round ups to be scheduled for 11/22, 3/23, 7/23 average 25,000 for 3 mths
4111	TECHNOLOGY FUND REVENUE	
4013	MUNICIPIAL JURY FUND	
4014	LOCAL TRUANCY PREVENTION	
4115	COURT CREDIT CARD FEE	
4118	CT JUDICAL FUND	

<b>POLICE REVENUE</b>		
4215	POLICE REPORTS	The department was budgeted based on pre-pandemic trends. Budget expectations were reduced to reflect a slower recovery.
4216	LEOSE TRAINING	

<b>MANAGEMENT FEES</b>		
4312	HOTEL MANAGEMENT FEE	Olivia, Gerri (meetings, spreadsheets, follow-up, scheduling)
4314	HOTEL FACILITIES MGMT FEES	Public Works

<b>LICENSES &amp; PERMITS</b>		
4400	PERMITS & LICENSES	
4401	ALCOHOLIC BEVERAGE PERMIT	
4402	SIGN PERMIT	
4405	BURGLAR ALARM REGISTRATION	The department was budgeted based on trends of pre-Meritage agreement trends. Budget expectations were adjusted to reflect a slower recovery.
4406	STREET CULVERTS	
4440	TAXICAB PERMIT	
4445	WRECKER PERMIT	

<b>OTHER INCOME</b>		
4510	SALE OF PROPERTY	Gradall, Mis tools/equip, Assume 34,000 lb @ .69 per lb
4512	CLEAR CHANNEL LEASE	Annual contract (15K qtrly)
4515	OPEN RECORDS REQUEST	
4516	INTEREST	Average 250 per month
4517	COMMUNITY CENTER RENTAL	
4518	PARKING LOT REVENUE	Lack of historical data
4520	INSURANCE REIMBURSEMENTS	
4521	RENTAL INCOME	1200*12= 14,400 4166*12= 49,992
<b>GRANTS</b>		
4611	CARES ACT/TX DEPT REVENUE	2022 OR 2023, no data as of today (Sept 2022)



## Account Line Detail (Expense)- Administration 10

<b>PERSONNEL SERVICES</b>		
Acct	Description	Explanation
5125	CAR ALLOWANCE	W. Gant, a. Acosta
5150	CELL PHONE ALLOWANCE	C. Jobb, K. Murphy
5270	INSURANCE ADMINISTRATION	Life & AD&D, gap, health/vision/dental
5275	UNEMPLOYMENT	Workers' comp
5280	WORKERS COMP	FICA taxes
5370	PAYROLL TAX	Taxes
5400	RETIREMENT ADMINISTRATION	Retirement
5410	SALARIES	Base Salaries
5411	OVERTIME	Overtime (non-exempt)
5412	INCENTIVE PAY/CERTIFICATIONS	Certification
5413	LONGEVITY	Longevity (5.00 per month of service)

<b>EMPLOYEE RELATED</b>		
Acct	Description	Explanation
6000	HR EXPENSES	HR signage, Employee awards, job board posting (Indeed)
6002	EMPLOYEE TESTING	Employment screening
6005	FLEX CARDS ADMIN FEES	Benefit flex spending card (admin fee only)
6010	TRAINING - ALL ADMIN	City Administration training
6011	TRAINING - CITY COUNCIL	Council related training
6012	MAYOR/COUNCIL EXPENSES	Council related events (excludes non-Council attendees)

<b>SUPPLIES</b>		
Acct	Description	Explanation
7300	SMALL TOOLS & EQUIPMENT	Misc. Supplies
7350	OFFICE SUPPLIES	Paper, Toner, Binders, Dividers, Folders, Water (Council)
7400	POSTAGE	Mail

<b>OPERATIONS</b>		
Acct	Description	Explanation
8100	AUDIT	Annual w/interim
8125	ELECTION EXPENSES	Annual election
8130	INSPECTION FEES	BBG, Bureau Veritas (increased due to new development)
8200	INSURANCE-LIABILITY	Insurance
8275	CITY EVENTS/COMMUNITY RELATIONS	Leader in me (10K contract end 10/1/2022) (cont.) Easter, Christmas, Trunk or Treat, Arbor Day, Flags, Boat Parade (petting zoo, Santa, tree lighting, balloons, candy, entertainment)
8310	LEGAL EXPENSE	Gregg & Gregg, Lewis Brisbois
8325	RENTALS/SERVICE AGREEMENTS	Pulsar (6K), GCAD(6K), Copier Rental (6K), Ethernet (7K)
8326	EMERGENCY SERVICES	EMS Services w/ catch up contingency
8400	OPERATION EXPENSES	Bank Fees (500), Service fees (500), Misc. operating items
8405	PUBLICATIONS	Galveston County Daily, TX Municipal
8425	ANNUAL DUES	Baytran (3.5 K), GCMA/SHRM/TML/HGAC (3K), League City Chamber (7K), Clear Lake Chamber (18k), BAHEP (15K)
8440	UTILITIES/GAS	Will double due to rate increases
8445	CITY HALL MAINTENANCE	Regular maintenance (power wash, striping, repairs)
8455	COMMUNITY CENTER EXPENSE	Regular maintenance (power wash, striping, repairs)
8460	CODIFICATION	Muni code updates
8465	RECORDS MANAGEMENT	Record retention
8515	CONTRACT SERVICES	Misc. admin assistance

<b>OTHER SOURCES/USES</b>		
Acct	Description	Explanation
9901	TRANS TO CAPITAL PROJECTS	Transfer of funds for CIP items



## **Account Line Detail (Expense)- Court 20**

<b>PERSONNEL SERVICES</b>		
Acct	Description	Explanation
5270	INSURANCE ADMINISTRATION	Life & AD&D, gap, health/vision/dental
5275	UNEMPLOYMENT	Workers' comp
5280	WORKERS COMP	FICA taxes
5370	PAYROLL TAX	Taxes
5400	RETIREMENT ADMINISTRATION	Retirement
5410	SALARIES	Base Salaries
5411	OVERTIME	Overtime (non-exempt)
5412	INCENTIVE PAY/CERTIFICATIONS	Certification
5413	LONGEVITY	Longevity (5.00 per month of service)

<b>EMPLOYEE RELATED</b>		
Acct	Description	Explanation
6010	TRAINING	Court training

<b>SUPPLIES</b>		
Acct	Description	Explanation
7350	OFFICE SUPPLIES	Paper, Toner, Binders, Dividers, Folders
7400	POSTAGE	Mail

<b>OPERATIONS</b>		
Acct	Description	Explanation
8310	LEGAL EXPENSE	Gregg & Gregg (litigation, prosecution)
8325	RENTALS/SERVICE AGREEMENTS	Sectic warrants, LexisNexis,
8413	LINEBARGER COLLECTION FEES	Collection Fees: Discussed expectations w/ court admin
8425	ANNUAL DUES	Sectic (national warrant system), LexisNexis
8430	TECHNOLOGY FUND EXPENSES	
8431	SECURITY FEE EXPENSES	
8470	CREDIT CARDS FEES	Credit card service fees



## Account Line Item Detail (Expense)- Information Technology 25

<b>PERSONNEL SERVICES</b>		
Acct	Description	Explanation
5270	INSURANCE ADMINISTRATION	Life & AD&D, gap, health/vision/dental
5275	UNEMPLOYMENT	Workers' comp
5280	WORKERS COMP	FICA taxes
5370	PAYROLL TAX	Taxes
5400	RETIREMENT ADMINISTRATION	Retirement
5410	SALARIES	Base Salaries
5411	OVERTIME	Overtime (non-exempt)
5412	INCENTIVE PAY/CERTIFICATIONS	Certification
5413	LONGEVITY	Longevity (5.00 per month of service)

<b>SUPPLIES</b>		
Acct	Description	Explanation
6010	TRAINING	IT training
7300	SMALL TOOLS & EQUIPMENT	Misc. small tools (wire, cords, misc. small items)
7350	OFFICE SUPPLIES	Paper, Toner, Binders, Dividers, Folders
7700	SOFTWARE PURCHASES	Anything needed for new server or AV if implemented
7701	SOFTWARE RENEWALS	Tyler Tech (60K), Procam (35K), TLC phones (15K), GoToMeeting (Council), logmein, PD, Court, Admin, software
7706	WEBSITE/DOMAIN EXPENSE	Discover, kemahgov/discover Kemah/Kemah.com

<b>OPERATIONS</b>		
Acct	Description	Explanation
8515	CONTRACT SERVICES	Misc. assistance



## **Account Line Item Detail (Expense)- Public Works 30**

<b>PERSONNEL SERVICES</b>		
Acct	Description	Explanation
5270	INSURANCE ADMINISTRATION	Life & AD&D, gap, health/vision/dental
5275	UNEMPLOYMENT	Workers' comp
5280	WORKERS COMP	FICA taxes
5370	PAYROLL TAX	Taxes
5400	RETIREMENT ADMINISTRATION	Retirement
5410	SALARIES	Base Salaries
5411	OVERTIME	Overtime (non-exempt)
5412	INCENTIVE PAY/CERTIFICATIONS	Certification
5413	LONGEVITY	Longevity (5.00 per month of service)

<b>EMPLOYEE RELATED</b>		
Acct	Description	Explanation
6002	EMPLOYEE TESTING	Employment screening
6010	TRAINING	Public Works training

<b>SUPPLIES</b>		
Acct	Description	Explanation
7200	FUEL	Fuel
7300	SMALL TOOLS	Misc. small tools
7500	CHEMICALS	Chemicals

<b>OPERATIONS</b>		
Acct	Description	Explanation
8215	STORM WATER MGMT PROG	Unidentified project
8230	RESIDENTIAL SOLID WASTE DISPO	Contract ends 9/30/2023
8300	UNIFORMS	Uniforms
8325	RENTAL/SERVICES	Phone/internet, Boom/other equip rental
8330	MATERIALS	Sand, Gravel, Dirt
8335	LANDSCAPING	Mowing/Misc. landscaping needs (by employees)
8440	UTILITIES	Will double due to rate increases
8445	MAINT BUILDING/GROUND	Mowing Contracts and misc. city building needs, street sweep
8450	EQUIPMENT MAINT	Vehicles and other motorized equipment
8460	OTHER OPERATING	Misc. operating, paper, pens
8470	TRAFFIC CONTROL	Bollards, Speed humps

<b>OTHER SOURCES/USES</b>		
Acct	Description	Explanation
9400	TRANS TO CAPITAL PROJECTS	Transfer of funds for vehicle replacement (Gradall)



## Account Line Item Detail (Expense)- Police Department 40

<b>PERSONNEL SERVICES</b>		
Acct	Description	Explanation
5270	INSURANCE ADMINISTRATION	Life & AD&D, gap, health/vision/dental (EAP)
5275	UNEMPLOYMENT	Workers' comp
5280	WORKERS COMP	FICA taxes
5370	PAYROLL TAX	Taxes
5400	RETIREMENT ADMINISTRATION	Retirement
5410	SALARIES	Base Salaries
5411	OVERTIME	Overtime (nonexempt)
5412	INCENTIVE PAY/CERTIFICATIONS	Certification
5413	LONGEVITY	Longevity (5.00 per month of service)
5415	PART TIME PERSONNEL	Part time

<b>EMPLOYEE RELATED</b>		
Acct	Description	Explanation
6002	EMPLOYEE TESTING	Employment screening
6010	TRAINING	PD training

<b>SUPPLIES</b>		
Acct	Description	Explanation
7200	POLICE VEHICLES	Fuel
7300	SMALL TOOLS/EQUIPMENT	Misc. small tools
7350	OFFICE SUPPLIES	Paper, Toner, Binders, Dividers, Folders
7400	POSTAGE	Postage
7500	MISC. SUPPLIES	Supplies
7600	K-9 EXPENSE	K-9
7606	WEBSITE RENEWAL AND SUPPORT	PD Website

<b>OPERATIONS</b>		
Acct	Description	Explanation
8210	COMPUTER TECHNOLOGY	Budget moved to IT
8250	RADIO COMMUNICATIONS	Beardom, Batteries, annual serv agreement
8276	LEOSE TRAINING	Training: Law Enforcement officer Standards and Education
8300	UNIFORMS POLICE	Uniforms
8301	AMMO	Ammo
8325	RENTAL/SERVICE AGREEMENT	Consortium, Phones, Water, Comcast, Phones, Animal Ctrl
8350	DETENTIONS POLICE	Jail supplies
8375	COMMUNITY ORIENTED POLICING	PD community initiatives
8400	SUPPLIES OPERATIONS	Evidence supplies, Test kits, misc. supplies
8425	DUES/SUBSCRIPTIONS	Best practices program, Co-op membership
8450	MAINTENANCE-VEHICLES	Vehicle Maintenance
8460	MIS OPERATIONAL COST POLICE	Evidence room/kitchen/dps records/flyers items
8475	EMPLOYEE AWARDS/PRESENTATIONS	PD/dispatch awards
8600	EMERGENCY MANAGEMENT	Emergency Items

<b>OTHER SOURCES</b>		
Acct	Description	Explanation
9400	CAPITAL OUTLAY-EQUIPMENT	Vehicle replacement plan (PD 2 newest vehicles)



## Retention/COLA/Merit Worksheet

### Admin

Dept	Personnel	Description	Proposed Increase	Decision	Special Notes
10	Community Service Dir.	New Hire	0.00		
10	Human Resources	Cola 7%	4,025.11		
10	City Administrator	Contractual	0.00		
10	City Secretary	Cola 3% / Merit 4%	5,039.94		
10	Finance Director	Cola 3% / Merit 4%	5,768.09		
10	Permit Manager	Cola 4%	2,839.20		
<b>Total Admin/ w/ TMRS/Soc Sec/MEDIC</b>			<b>23,000</b>		

### Court

Dept	Personnel	Description	Proposed Increase	Decision	Special Notes
20	Court Administrator	Cola 3% / Merit 4%	3,276.00		
<b>Total Court w/ TMRS/Soc Sec/MEDIC</b>			<b>5,300</b>		

### Information Technology

Dept	Personnel	Description	Proposed Increase	Decision	Special Notes
25	IT Director	Cola 3% / Merit 4%	5,768.09		
<b>Total IT w/ TMRS/Soc Sec/MEDIC</b>			<b>6,800</b>		

### Public Works

Dept	Personnel	Description	Proposed Increase	Decision	Special Notes
30	Public Works Maint.	Cola 3%	1,055.81		
30	Public Works Super.	Cola 3%	1,750.13		
30	Public Works Maint.	Cola 3%	1,272.34		
30	Public Works Maint.	Cola 3%	1,517.44		
<b>Total Public Works w/ TMRS/Soc Sec/MEDIC</b>			<b>6,600</b>		

### Police Department- Dispatch

Dept	Personnel	Description	Proposed Increase	Decision	Special Notes
40-D	Dispatch	STEP 3%	1,481.43		Council approved program
40-D	Dispatch	STEP 0%	0.00		Council approved program
40-D	Dispatch	STEP 0%	0.00		Council approved program
40-D	Dispatch	STEP 3%	1,443.57		Council approved program
40-D	Dispatch	STEP 0%	0.00		Council approved program
40-D	Dispatch Supervisor	STEP 3%	4,165.08		Council approved program
40-D	Dispatch	STEP 3%	738.75		Council approved program
<b>Total Dispatch w/ TMRS/Soc Sec/MEDIC</b>			<b>9,828</b>		

### Police Department- Officers

Dept	Personnel	Description	Proposed Increase	Decision	Special Notes
40-O	Police Officer	STEP 8%	4,623.41		Council approved program
40-O	Police Officer	STEP 1%	895.96		Council approved program
40-O	Police Officer	STEP 0%	0.00		Council approved program
40-O	Police Officer	STEP 8%	4,623.41		Council approved program
40-O	Police Officer	STEP 8%	4,623.41		Council approved program
40-O	Police Officer	STEP 8%	4,623.41		Council approved program
40-O	Police Officer	Contractual	0.00		Council approved program
40-O	Police Officer	STEP 0%	0.00		Council approved program
40-O	Police Officer	STEP 4%	2,307.78		Council approved program



40-O	Police Officer	STEP 0%	0.00	Council approved program
40-O	Police Officer	STEP 0%	0.00	Council approved program
40-O	Police Officer	STEP 2.24%	1,815.28	Council approved program
40-O	Police Officer	STEP 1.42%	1,016.67	Council approved program
40-O	Police Officer	STEP 2%	1,122.77	Council approved program
40-O	Police Officer	STEP 2.59%	1,762.81	Council approved program
40-O	Police Officer	STEP 8%	4,623.69	Council approved program
40-O	Police Officer	STEP 2%	957.90	Council approved program
40-O	Police Officer	STEP 0%	0.00	Council approved program
40-O	Police Officer	STEP 8%	4,623.41	Council approved program
40-O	Police Officer	STEP 3.86%	2,815.20	Council approved program
40-O	Police Officer	STEP 1.5%	980.03	Council approved program
<b>Total PD w/ TMRS/Soc Sec/MEDIC</b>		<b>47,225</b>		

<b>Total General Fund Increases</b>	<b>122,929.06</b>
<b>TMRS</b>	<b>10,00.00</b>
<b>Soc Sec/MEDIC</b>	<b>10,500.00</b>
<b>Total General Fund Increases w/benefits</b>	<b>143,429.06</b>





Lodging properties operating in Texas are subject to a six percent state hotel occupancy tax. Governed under Chapter 156 of the Texas Tax Code, the state hotel occupancy tax is administered by the Texas Comptroller. Funds from the state's six percent hotel occupancy tax flow directly to the Texas Comptroller's office and are largely used for the general governmental operations of the State. A portion of the state hotel occupancy tax revenue also goes toward funding tourism promotion through Texas's ad campaign.

## Hotel Fund Overview

### Hotel/Motel Tax Rate 0.06

**Beginning Fund Balance \$696,000**

**Revenue: \$515,000**

Revenue Source	FY 2022	FY 2023	Difference
Taxes	502,000	515,000	12,500
<b>Total Revenue Increase</b>	<b>502,500</b>	<b>515,000</b>	<b>12,500</b>

### Major Changes Revenues

- Addition of STR management tool

**Expenses: \$515,000**

Expense Source	FY 2022	FY 2023	Difference
Operations	397,500	371,800	(25,700)
Other Sources/Uses	105,000	143,200	38,200
<b>Total Expense Increase</b>	<b>502,500</b>	<b>515,000</b>	<b>12,500</b>

### Major Changes Expenses

- No significant changes in HOT revenues/expenses.
  - 10,000 for full STR monitoring services
  - Non-renewal of Bay Area CVB contract
  - City Sponsored events increased from 84,500 to 91,800
  - Utilities increased to 45,000 (increase in rates)
  - Administrative support and facilities management fees remain unchanged
    - Admin- 45,000
    - Facilities- 10,000
  - Reserved for Contingency (savings that, if unused, will remain in fund balance)- 143,200

**Ending Fund Balance \$841,000 (if contingency is not used)**

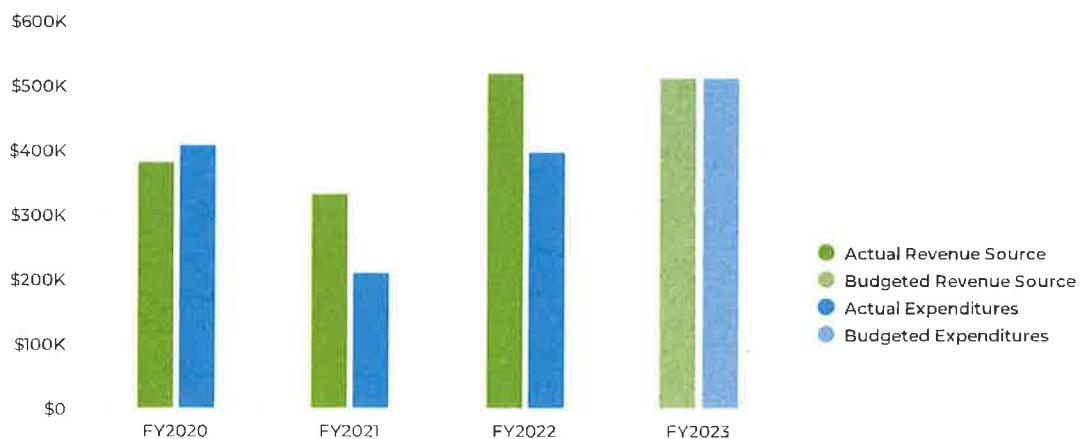


## Summary

### HOT Fund Revenue Sources

Revenue sources for the HOT Fund projected for FY 2022-23 total \$515,000 thousand (excluding transfers). In any budget, transfers between departments as well as transfers inside funds (e.g., transfers from fund balances to recognize revenues previously collected to be used for current projects) should not be recognized as current year's revenue, since money is being moved instead of generated for the City. The largest source of these transfers occurs in the Capital Projects fund, where some projects are fully funded but take one or more fiscal years to complete or even begin. Excluding these transfers, the primary revenue categories are:

- **Hotel Occupancy Tax revenues**
  - Landry's Boardwalk Inn- \$176,000
  - Scottish Inn & Suites- \$12,000
  - Palace Inn- \$15,000
  - Holiday Inn- \$200,000
  - Kemah Trading Company- \$10,000
  - Clipper House Inn- \$1,000
  - Days Inn- \$35,000
  - Misc Vacation Rentals- \$65,000
  - Misc Hotel/Motel Tax- \$1,000
- **Interest**- Interest revenue is a minor funding piece of the revenue category and accounts for \$1,000 in the HOT Fund budget.



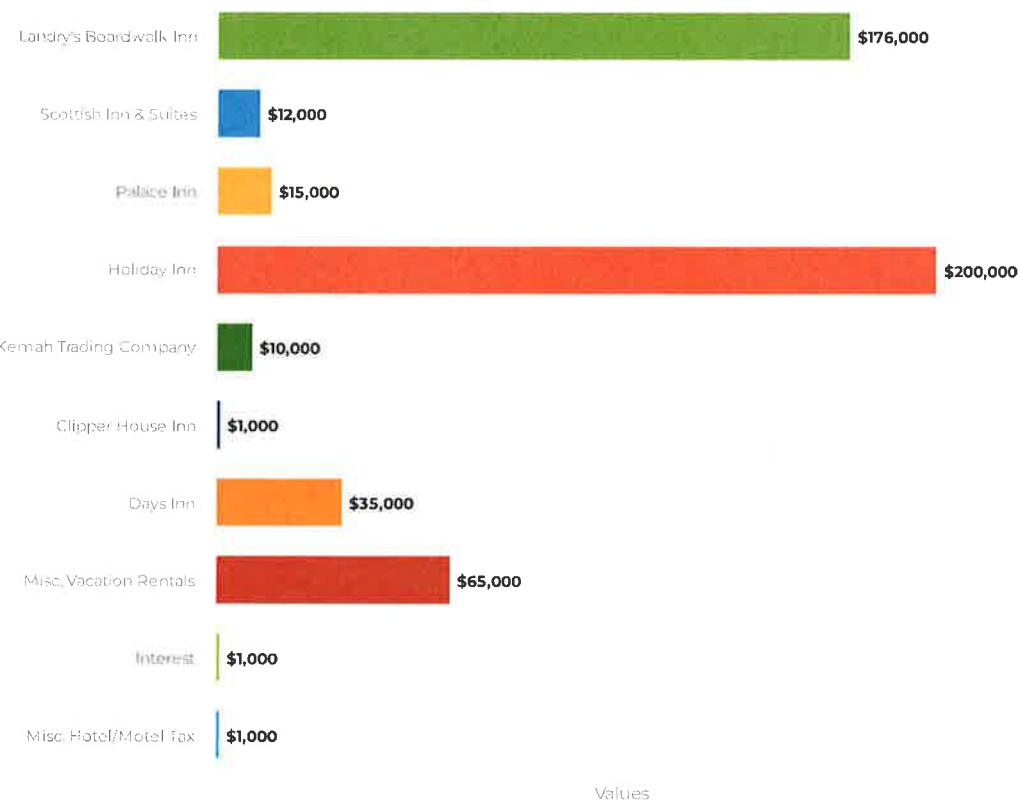
For many Texas cities, such as Kemah, tourism is a driving factor in economic development. To help promote tourism, the Texas Legislature, in the 1980s, allowed local communities to adopt a local hotel occupancy tax, commonly called H.O.T., to impose a tax on visitors who stay in hotels. It is important to remember that the tax is imposed on an individual renting hotel rooms, not on a hotel.



Once the City receives the H.O.T. funds, it must ultimately use the monies to promote tourism, conventions, and the hotel industry. The city may hold some of the money in reserve for future expenditure. The following types of activities can receive HOT monies:

- Constructing, maintaining, and operating a convention or visitor center
- Facilities and personnel for the registration of convention delegates
- Advertising and promotional programs to attract tourists
- Encouragement and promotion of the arts
- Historical restoration and preservation projects and advertising to encourage tourists to visit historic sites and museums
- Sports facilities that routinely host regional or national tournaments
- Coliseums or multi-use facilities
- Signage directing the public to sights and attractions frequently visited by tourists
- Transportation to tourist attractions.

**Revenue By Source**



### **Revenues by Source**

Name	FY2020 Actual	FY2021 Actual	FY2022 Approved Budget	FY2022 Actual	FY2023 Budgeted	FY2022 Approved Budget vs. FY2023 Budgeted (% Change)
<b>Revenue Source</b>						
Taxes	\$385,194	\$334,885	\$502,500	\$522,228	\$515,000	2.5%
<b>Total Revenue Source:</b>	<b>\$385,194</b>	<b>\$334,885</b>	<b>\$502,500</b>	<b>\$522,228</b>	<b>\$515,000</b>	<b>2.5%</b>



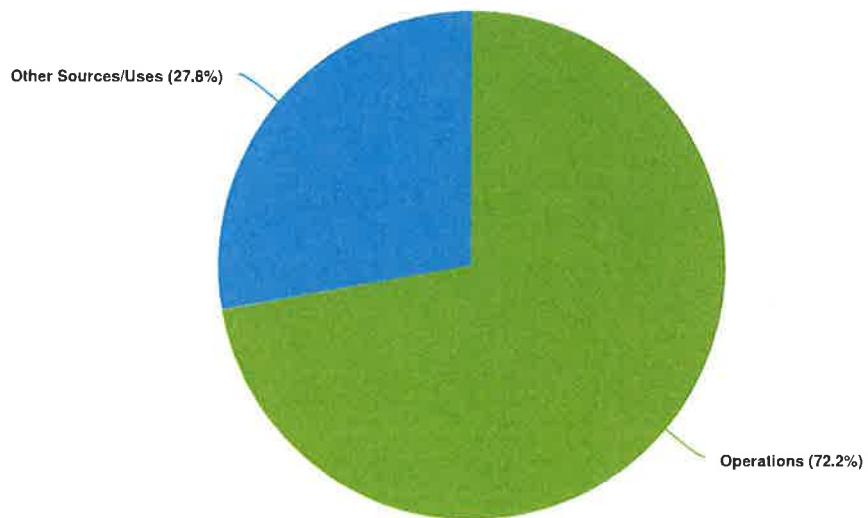
## Expenditures by Expense Type

### FY 2023 Approved Events

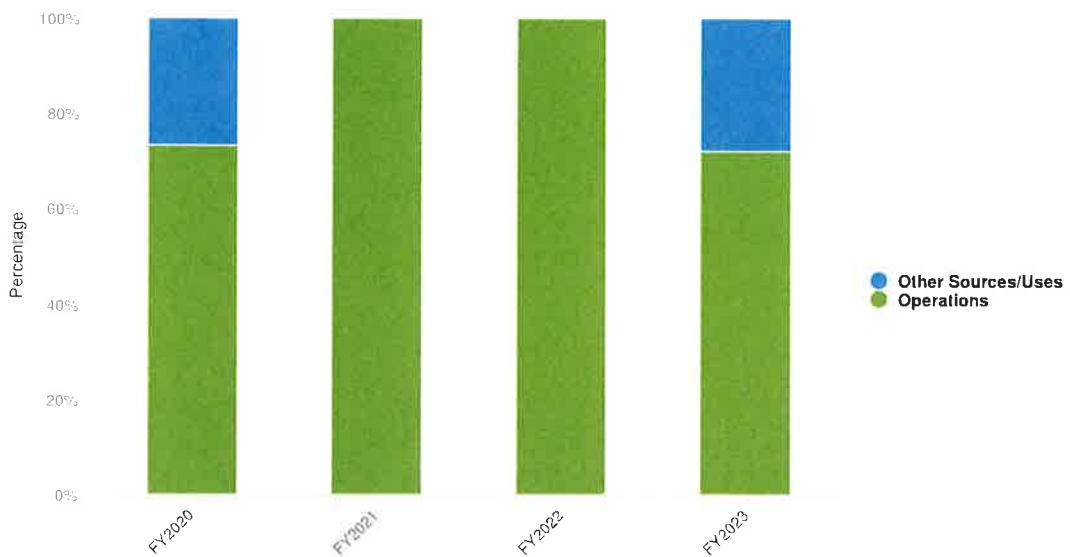
Total City Sponsored Events (04-510-8450) \$91,800

Event	Host	Date	Award
Bayou Scramble Charity Golf	Bayou Scramble Charity Golf	October 3, 2022	\$10,000
Salute to Military	Children of Fallen Soliders Relief Fund	November 3-6, 2022	\$21,800
Christmas Boat Parade	Christmas Boat Parade	December 10-11, 2022	\$7,500
Yachty Gras	Yachty Gras	February 11, 2023	\$10,000
Krewe du Lac	Krewe du Lac	February-September	\$6,000
Texas Outlaw Challenge	Texas Outlaw Challenge	June 21-25, 2023	\$15,000
Party Parrotss	Party Parrots	Varies	\$4,000
Elite Redfish	Elite Redfish	TBD	\$17,500

### Budgeted Expenditures by Expense Type



### Budgeted and Historical Expenditures by Expense Type



Name	FY2020 Actual	FY2021 Actual	FY2022 Approved Budget	FY2022 Actual	FY2023 Budgeted	FY2022 Approved Budget vs. FY2023 Budgeted (% Change)
<b>Expense Objects</b>						
Operations	\$301,792	\$213,465	\$397,500	\$399,168	\$371,800	-6.5%
Other Sources/Uses	\$109,323	\$0	\$105,000	\$0	\$143,200	36.4%
<b>Total Expense Objects:</b>	<b>\$411,115</b>	<b>\$213,465</b>	<b>\$502,500</b>	<b>\$399,168</b>	<b>\$515,000</b>	<b>2.5%</b>



## **Line Item Detail (Revenue & Expense)**

### **Revenue**

<b>Taxes</b>		
4022	HOTEL/MOTEL TAX	Hotel Tax revenue from listed source
4022-01	LANDRY'S BOARDWALK INN	
4022-02	SCOTTISH INN & SUITES	
4022-03	PALACE INN	
4022-04	HOLIDAY INN	
4022-05	KEMAH TRADING COMPANY	
4022-06	CLIPPER INN	
4022-07	DAYS INN	
4022-10	MISC. VACATION RENTALS	
4023	INTEREST	
4024	MISCELLANEOUS	

### **Expense**

<b>PERSONNEL SERVICES</b>		
Acct	Description	Explanation
8100	BAY AREA HOUSTON CVB	Annual Dues
8130	CONTRACT SERVICES	
8135	TRAFFIC CONTROL	Bollards/Traffic Control Event Items
8150	KEMAH VISITOR CENTER MAINT	Building maintenance/ mowing
8315	PROF FEES- CONSULTING	
8400	ADVERTISING & PROMOTIONS	MDR
8410	TOURISM WEBSITE/DOMAIN	Website/STR service
8425	ANNUAL DUES	
8435	UTILITIES	Utilities
8440	CITY EVENTS	
8450	CITY SPONSORED EVENTS	Funds used for events
8501	AVIAN PIRATES	
8502	BAY DAY	
8503	BLESSING THE FLEET	
8504	CHRISTMAS BOAT PARADE	
8505	GALVESTON BAY SONGWRITERS	
8507	KEELS & WHEELS CONCOURSE	
8508	KEMAH SALUTE TO MILITARY	
8509	KEMAH TRIATHION	
8510	KREWE DU LAC	
8511	MISS KEMAH/MISS KEMAH TEEN	
8513	TEXAS OUTLAW CHALLENGE	
8514	YACHTY GRAS NIGHT BOAT PARADE	
8515	ELITE REDFISHING	
8800	ADMINISTRATIVE SUPPORT	Admin Support fees
8801	FACILITIES MANAGEMENT FEES	Facilities Support fees





The Kemah Community Development Corporation began in 1998. In our 24-year history, we've worked with numerous corporations, developers, and entrepreneurs to expand, improve, and relocate in Kemah. Our work has brought thousands of jobs and well over \$1 million in capital investment to the city. And we support our local businesses once they're here by helping them navigate through what they need to succeed, grow, and expand. We are proud to say we love the companies that have settled here, all of whom make Kemah a great place to work and live.

### **City Portion of Sales Tax Rate 0.0200**

**Beginning Fund Balance \$3,100,000**

**Revenue: \$1,107,000**

Revenue Source	FY 2022	FY 2023	Difference
Taxes	1,101,800	1,105,000	3,200
Other Sources/Uses	-	-	-
<b>Total Revenue Increase</b>	<b>1,101,800</b>	<b>1,105,000</b>	<b>3,200</b>

#### **Major Changes Revenues**

- KCDC receives 25% of collected sales tax

**Expenses: \$1,107,000**

Expense Source	FY 2022	FY 2023	Difference
Operations	406,800	325,000	(81,800)
Other Sources/Uses	695,000	780,000	85,000
<b>Total Expense Increase</b>	<b>1,101,800</b>	<b>1,105,000</b>	<b>3,200</b>

#### **Major Changes Expenses**

- No significant changes in KCDC/expenses
- Funded Projects
  - 57-acre park- 400,000
  - Evergreen Memorial Parkway- 250,000
  - Parks- 10,000
  - Entrance/Signs- 35,000
  - Pier- 50,000
  - Parking/traffic/sidewalks- 35,000
- Administrative support increased from 3,000 to 25,000
  - Admin- 25,000

**Ending Fund Balance \$3,100,000**



The Kemah Community Development Committee has worked to encourage a collaborative public process that helps our public, private, labor, educational, nonprofit and environmental leaders focus on shared priorities.

The shared goals outlined in this document serve as a "roadmap" to improve standards of living for all Kemah residents by fostering more broadly shared prosperity. These goals emphasize that economic opportunity emerges through a single-minded focus on developing our city. Beyond many traditional economic development roles, we also advocate for companies throughout the entire project life cycle, from initial contact through move-in and beyond. We assess all aspects of a potential project and determine which local, state, federal and regional incentives may apply based on the business' specifics.

Developing the action plans, measurements of success, and networks needed to fully execute the strategies contained in these shared goals will require a multi-pronged effort with broad participation and significant roles for everyone. The plan was developed collaboratively, and implementation requires broad collaboration too. We invite residents and the best and brightest leaders from the most creative organizations to participate and help our great city achieve its shared goals.

- Be more business-friendly
- Remove barriers to critical infrastructure development, financing, and delivery
- Build more livable communities
- Invest in our people to provide greater opportunity

An economic development strategy should have community acceptance and be regarded as the official statement of economic development efforts. The strategy should be reviewed and approved by both the planning commission and the local governing body. The economic development should be available online and reviewed annually and updated along with the CIP and other planning documents. It should drive major community decisions and be a reliable predictor for future public actions that will support economic development.

#### **Strategies to prioritize market-orientation**

- Develop a long-term capital plan for infrastructure repair, maintenance, and hurricane resilience upgrades.
- Create a mechanism for regional agencies across jurisdictions to coordinate overlapping infrastructure needs and respond regionally to natural or other disasters.
- Improve overall safety and disaster emergency response and resiliency, including small business emergency risk management and post-hazard resiliency.
- Coordinate regional transit approaches with local infrastructure improvements that enable active transportation, i.e., good sidewalks, bike paths, golf cart paths, live-work recreation density, and proximity to transit options, to reduce congestion.
- Carry out environmental sustainability actions that support environmental and economic co-benefits and integrate regional investments with local decision-making on land use, housing, transportation, infrastructure, energy, and environmental practices.
- Combat labor and other code violations consistently and fund enforcement adequately.
- Educate local and state officials on the value of private sector businesses as generators of output, jobs, and tax revenue, and encourage government officials to conduct economic impact assessments on regulations prior to adoption and after implementation.
- Engage businesses regularly in the design and administration of business-facing services, conduct regular site visits with businesses to be more responsive to their needs, and establish a uniform business prospect handling process that increases retention and recruitment efforts.



- Develop and implement an analytically based economic development element as part of a General Plan with benchmarks, performance measures, responsible parties, and regular reviews.
- Use reliable data, business satisfaction surveys and regional benchmarking to inform the design of economic development programs and services.
- Establish one-stop centers for technical, financial, and regulatory assistance for small businesses, leveraging technical and financial support from the private sector.
- Adopt model ordinances and best practices for key industries.
- Establish clear and consistent taxation, regulation, and code enforcement policies; provide timely and easy-to-follow permit, entitlement, and online business license approval processing, development flow charts with timelines and costs, 24/7 online project status tracking, and parallel processing of permits.

## Goals & Objectives FY 2023

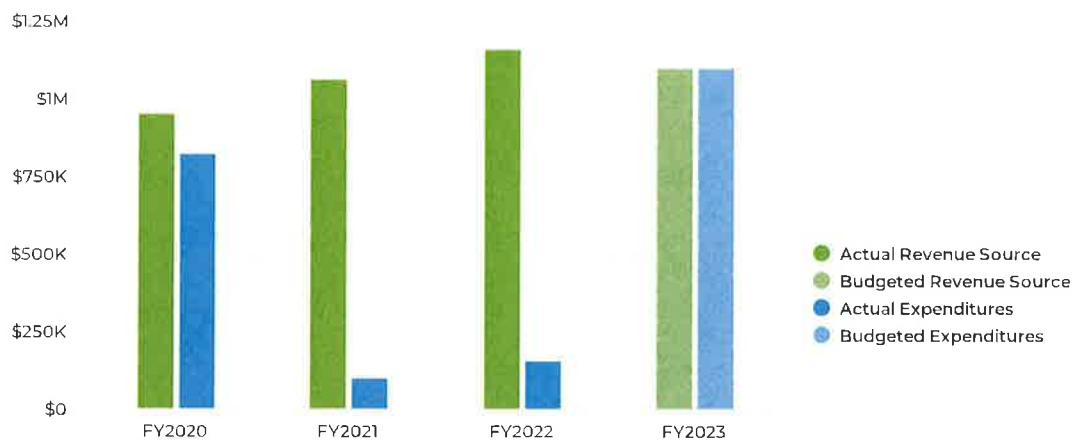
- 57-Acre Nature Facility- \$400,000
  - Initial soil/ground test and development plans
    - Estimated Completion: FY 2023 (Phase 1)
    - Responsible Party: R. Richards
- Evergreen Memorial Parkway- 250,000
  - Connection of residential areas to business areas within Kemah.
  - Estimated Completion: FY 2023 (Phase 1)
  - Responsible Party: R. Richards
- Parks- 10,000
  - Upgrade of parks and park essentials
    - Estimated Completion: September 30, 2023
    - Responsible Party: R. Richards
- Entrance/Signs- 35,000
  - Improve/upgrade the many signs around Kemah. The signs provide the first introduction and impression of our community to visitors and investors.
    - Estimated Completion: September 30, 2023
    - Responsible Party: R. Richards
- Pier- 50,000
  - Development of Pier
    - Estimated Completion: TBD
    - Responsible Party: R. Richards
- Parking/traffic/sidewalks- 35,000
  - Improvement of common areas
    - Estimated Completion: September 30, 2023
    - Responsible Party: R. Richards

## Accomplishments FY 2022

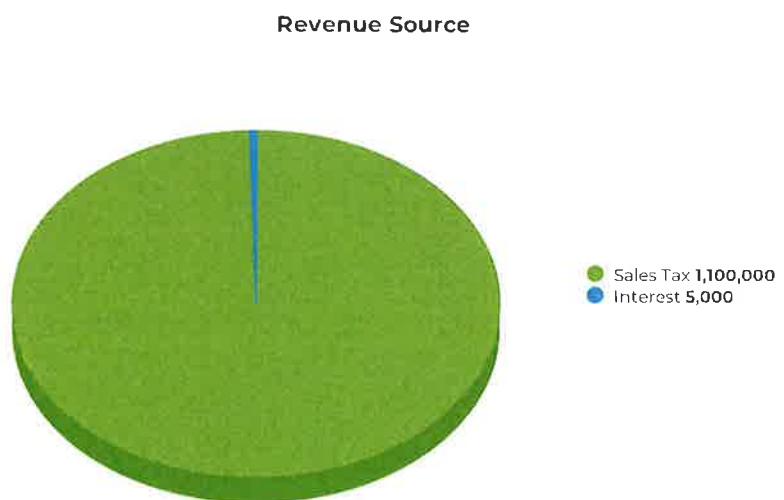
- Parks- 10,000
  - Upgrade of parks and park essentials (benches, slides, pet waste stations)
    - Completion: September 30, 2022
    - Responsible Party: B. Shoaf, A. Acosta, R. Richards, D. Conrad
- Parking/traffic/sidewalks- 35,000
  - Improvement of common areas (trashcans, improved bollards)
    - Completion: September 30, 2022
    - Responsible Party: B. Shoaf, A. Acosta



## Summary



## Revenues by Source



## Revenues by Source

### Kemah Community Development Corporation (KCDC) Revenue Sources

Revenue sources for the KCDC projected for FY 2022-23 total \$1.1 million (excluding transfers). In any budget, transfers between departments as well as transfers inside funds (e.g., transfers from fund balances to recognize revenues previously collected to be used for current projects) should not be recognized as current year's revenue, since money is being moved instead of generated for the City. The largest source of these transfers occurs in the Capital Projects fund, where some projects are fully funded but take one or more fiscal years to complete or even begin. Excluding these transfers, the primary revenue categories are:

- **Tax revenues**
  - **Sales Tax-** Sales tax revenue is the major funding piece of the "Tax Revenues" category and accounts for \$1.1 million in the KCDC Fund budget.
- **Interest-** Interest revenue is a minor funding piece of the revenue category and accounts for \$5,000 in the KCDC Fund budget.

Name	FY2020 Actual	FY2021 Actual	FY2022 Approved Budget	FY2022 Actual	FY2023 Budgeted	FY2022 Approved Budget vs. FY2023 Budgeted (% Change)
Revenue Source						
Taxes						
Interest	\$7,114	\$3,417	\$1,800	\$5,066	\$5,000	177.8%
Sales Tax	\$916,128	\$1,073,135	\$1,100,000	\$1,161,610	\$1,100,000	0%
Miscellaneous Revenue	\$0	-\$6,709	\$0	\$0	\$0	0%
Guarantee Shops Of Kemah	\$35,388	-\$1	\$0	\$0	\$0	0%
<b>Total Taxes:</b>	<b>\$958,630</b>	<b>\$1,069,842</b>	<b>\$1,101,800</b>	<b>\$1,166,676</b>	<b>\$1,105,000</b>	<b>0.3%</b>
<b>Total Revenue Source:</b>	<b>\$958,630</b>	<b>\$1,069,842</b>	<b>\$1,101,800</b>	<b>\$1,166,676</b>	<b>\$1,105,000</b>	<b>0.3%</b>



## Expenditures by Expense Type

### Kemah Community Development Corporation (KCDC) Expense by Type

Expenses for the KCDC projected for FY 2022-23 total \$1.1 million (excluding transfers). Excluding these transfers, the primary expense categories are:

- **Operations**

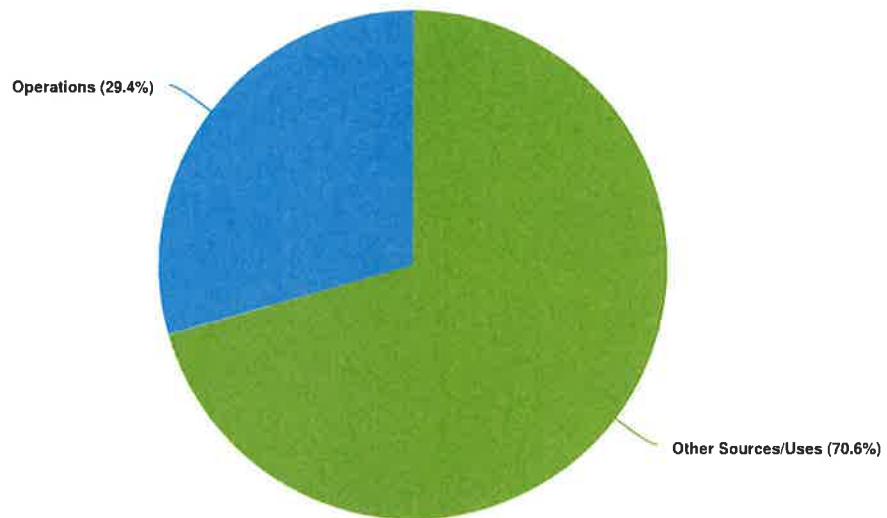
- **Management Fees-** Support provided to the General Fund to aid in the administrative tasks and supplies for city staff. \$25,000
- **Audit Fees-** Funds budgeted for the annual audit. \$10,000
- **Training Workshops-** Funds budgeted for training expenses for the KCDC board and contractors. \$5,000
- **Legal Fees-** Funds budgeted for the use of KDCD legal expenses. \$20,000
- **Marketing/Website Development-** Funds budgeted for the use of the marketing contractor and related expenses. \$55,000
- **Contract Labor-** Funds allocated to the KCDC contract staff. \$36,500
- **Business Retention & Recruitment-** Funds allocated towards the use of any business retention and recruitment function. \$50,000
- **Beautification Committee-** Funds budgeted for the use of the beautification committee to aid in their efforts for the beautification of Kemah. \$75,000
- **Business Chamber Support-** Support of the local chambers. \$ 10,000
- **Misc Exp-** Reserved for miscellaneous expenses as they arise. \$38,500

- **Other Sources & Uses**

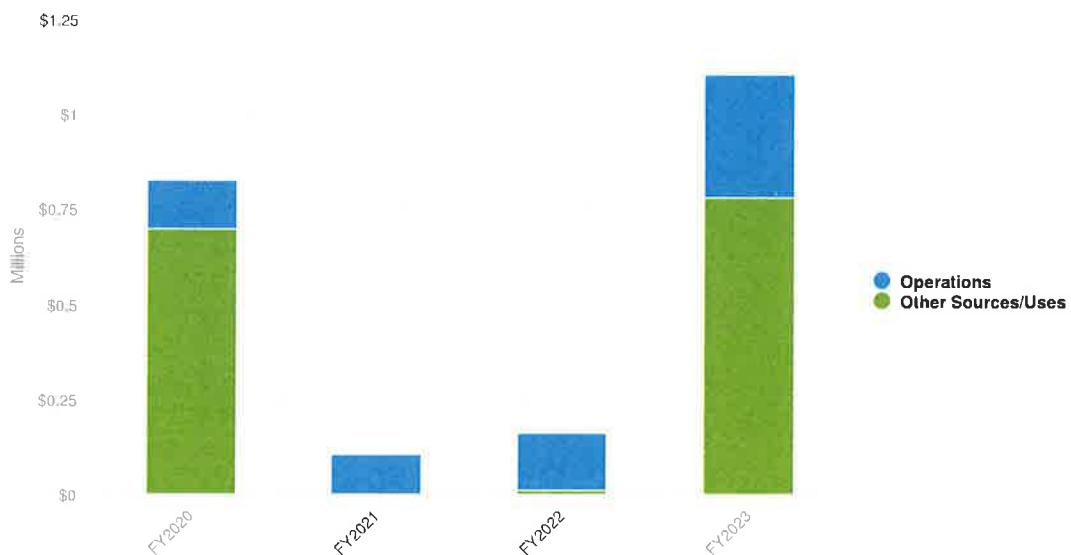
- Transfer to Capital Projects in the following manner and for the following use \$780,000:
  - **Road Improvements-** Evergreen Memorial Parkway \$250,000
  - **Park Improvements-** Parks \$10,000, 57 Acre Nature Facility \$400,000
  - **Community Entrances/Signs-** \$35,000
  - **Downtown Improvements-** Parking/Traffic/Sidewalks \$35,000
  - **Other-** Pier \$50,000



### Budgeted Expenditures by Expense Type



### Budgeted and Historical Expenditures by Expense Type



Name	FY2020 Actual	FY2021 Actual	FY2022 Approved Budget	FY2022 Actual	FY2023 Budgeted	FY2022 Approved Budget vs. FY2023 Budgeted (% Change)
<b>Expense Objects</b>						
Operations	\$127,079	\$107,130	\$184,000	\$151,407	\$325,000	76.6%
Other Sources/Uses	\$700,000	\$0	\$917,800	\$10,981	\$780,000	-15%



Name	FY2020 Actual	FY2021 Actual	FY2022 Approved Budget	FY2022 Actual	FY2023 Budgeted	FY2022 Approved Budget vs. FY2023 Budgeted (% Change)
<b>Total Expense Objects:</b>	<b>\$827,079</b>	<b>\$107,130</b>	<b>\$1,101,800</b>	<b>\$162,388</b>	<b>\$1,105,000</b>	<b>0.3%</b>





# Capital Projects Fund

The City of Kemah undertakes capital projects to acquire, develop, improve, or maintain various facilities, other infrastructure and/or equipment. These projects are generally large in scale, require large sums of money and are long-term. Our capital projects fund is used to account for the financial resources supporting capital projects during the life of the project.

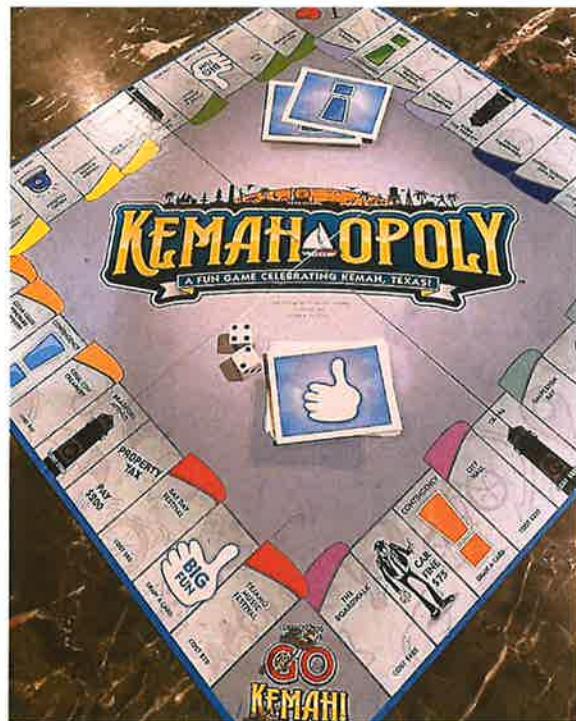
City council, in conjunction with the city administrator, and finance is responsible for the oversight and management of capital projects, including ensuring that they are properly planned and managed, project funding is authorized, and costs are kept within the approved budget. This guide is intended to provide local officials with an overview of the use of capital projects funds and guidance on the fundamentals of accounting for capital projects.

Specifically, this guide will provide an overview of capital projects funds, including the purpose of the fund and required accounting records.

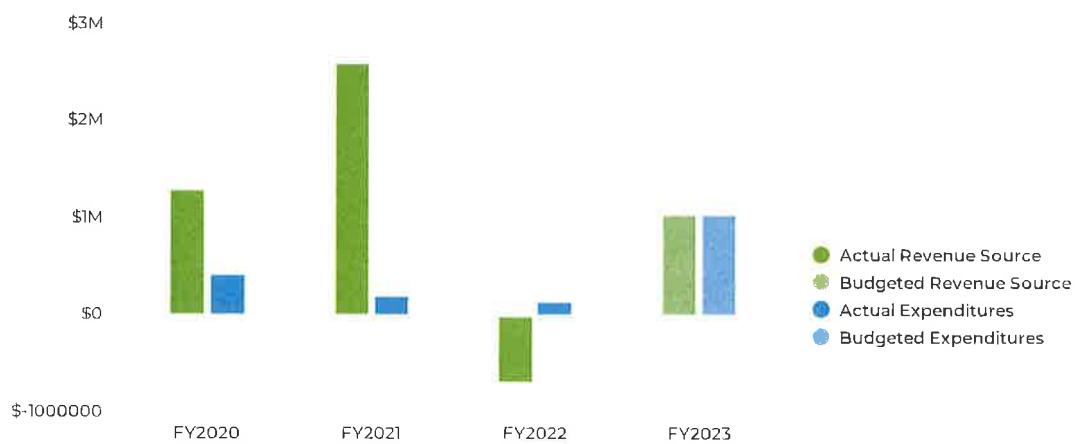
There are many benefits to a robust capital planning process. Local governments should, and in some cases must, create a comprehensive inventory of their capital assets and "know what they own." The process of prioritizing capital investments can make sure key assets are repaired or replaced before an emergency occurs. Finally, local government leaders can engage their community in understanding the costs and benefits of maintaining capital infrastructure.

This guide will address the process for developing an effective capital plan. It will discuss:

- Creating an asset inventory
- Prioritizing capital projects
- Assessing budgetary impacts
- Adopt a capital plan & budget
- Monitoring plan results

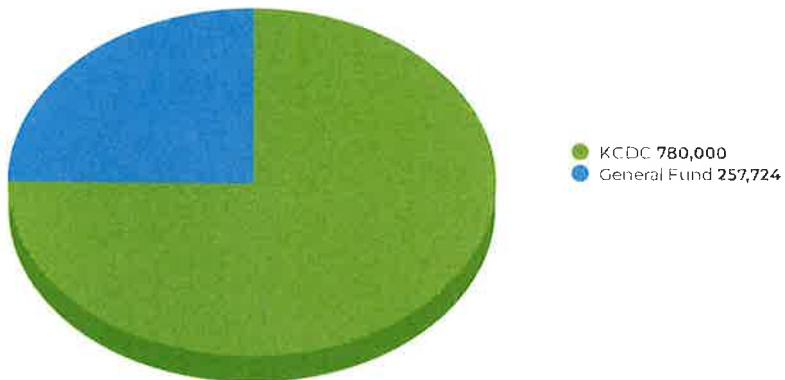


## Summary



## Revenue By Fund

Capital Projects Funding Sources



## Revenue by Fund

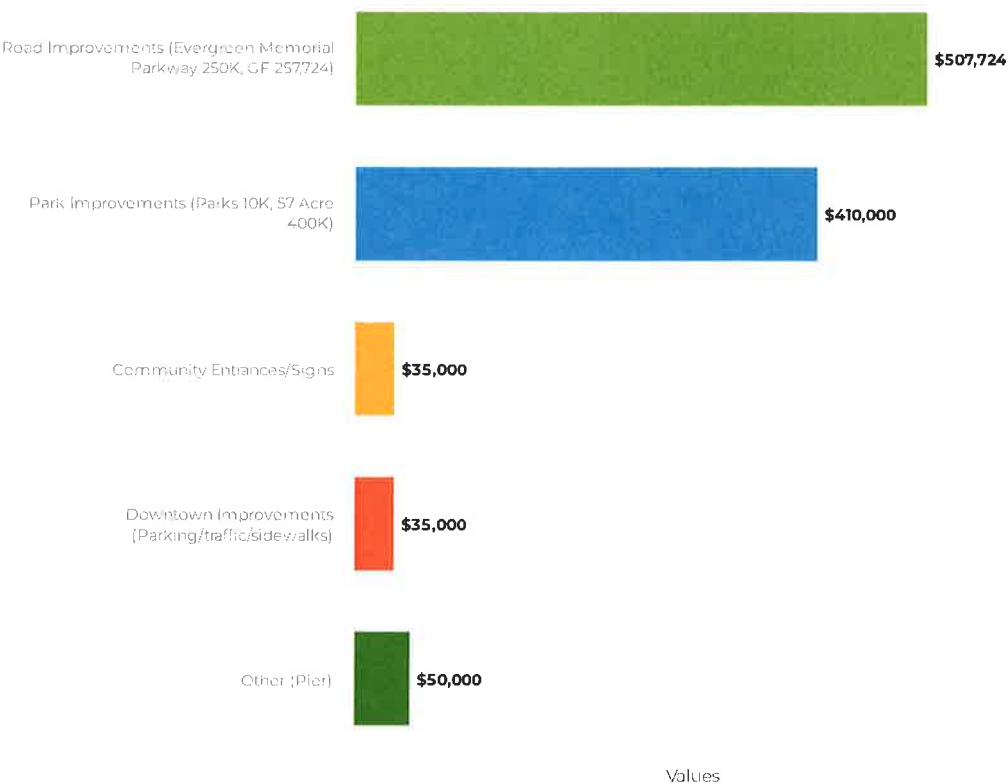
Name	FY2020 Actual	FY2021 Actual	FY2022 Approved Budget	FY2022 Actual	FY2023 Budgeted	FY2022 Approved Budget vs. FY2023 Budgeted (% Change)
Capital Projects	\$1,302,491	\$2,601,834	\$735,000	-\$697,989	\$1,038,224	41.3%
<b>Total Capital Projects:</b>	<b>\$1,302,491</b>	<b>\$2,601,834</b>	<b>\$735,000</b>	<b>-\$697,989</b>	<b>\$1,038,224</b>	<b>41.3%</b>



## Expenditures by Expense Type

Name	FY2020 Actual	FY2021 Actual	FY2022 Approved Budget	FY2022 Actual	FY2023 Budgeted	FY2022 Approved Budget vs. FY2023 Budgeted (% Change)
Expense Objects						
Other Sources/Uses	\$429,119	\$206,484	\$735,000	\$138,323	\$1,037,724	41.2%
<b>Total Expense Objects:</b>	<b>\$429,119</b>	<b>\$206,484</b>	<b>\$735,000</b>	<b>\$138,323</b>	<b>\$1,037,724</b>	<b>41.2%</b>

### Expenditure by Expense Type

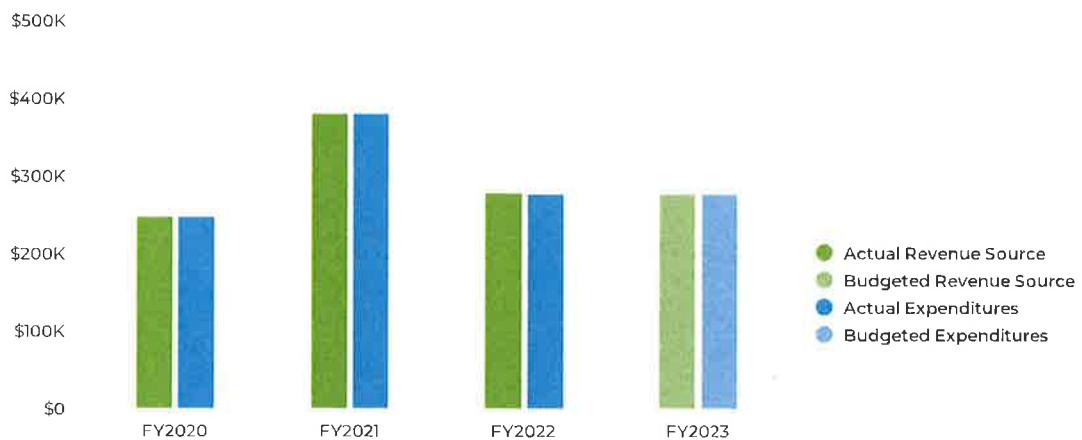




## Kemah Growth Fund

### Summary

The City of Kemah is projecting \$279K of revenue in FY2023, which represents a 0% increase over the prior year. Budgeted expenditures are projected to increase by 0% or N/A to \$279.9K in FY2023.



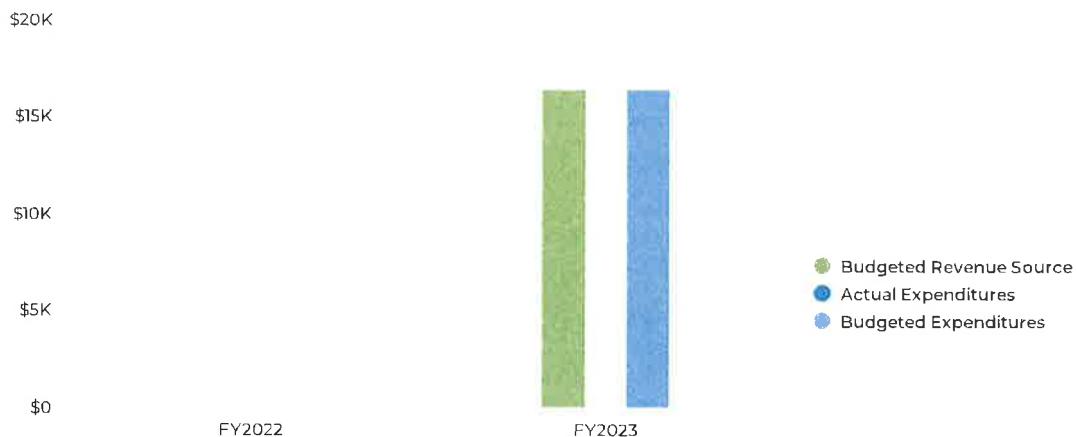


## Replacement Fund

The goal of the City of Kemah Replacement Fund is to budget all fuel costs, vehicle maintenance costs, heavy equipment, vehicle and business machine purchases by the department in the Replacement Fund.

As vehicles and equipment are purchased, replacement schedules will become available.

### Summary



### Revenue by Fund

Name	FY2023 Budgeted	FY2022 undefined vs. FY2023 Budgeted (% Change)
Replacement Fund	\$16,500	N/A
<b>Total Replacement Fund:</b>	<b>\$16,500</b>	<b>N/A</b>

### Revenues by Source

Name	FY2023 Budgeted	FY2022 undefined vs. FY2023 Budgeted (% Change)
Revenue Source		
Other Sources & Uses	\$16,500	N/A
<b>Total Revenue Source:</b>	<b>\$16,500</b>	<b>N/A</b>

### Expenditures by Expense Type

Name	FY2022 Approved Budget	FY2022 Actual	FY2023 Budgeted	FY2022 Approved Budget vs. FY2023 Budgeted (% Change)
Expense Objects				
Other Sources/Uses	\$0	\$0	\$16,500	N/A



Name	FY2022 Approved Budget	FY2022 Actual	FY2023 Budgeted	FY2022 Approved Budget vs. FY2023 Budgeted (% Change)
Total Expense Objects:	\$0	\$0	\$16,500	N/A



## **FUNDING SOURCES**



## Revenue By Type- All Funds

Revenue sources projected for FY 2022-23 total \$7.7 million (excluding transfers). In any budget, transfers between departments as well as transfers inside funds (e.g., transfers from fund balances to recognize revenues previously collected to be used for current projects) should not be recognized as current year's revenue, since money is being moved instead of generated for the City. The largest source of these transfers occurs in the Capital Projects fund, where some projects are fully funded but take one

or more fiscal years to complete or even begin. Excluding these transfers, the primary revenue categories are

- **Tax revenues**

- **Ad Valorem**- Revenues from ad valorem (or property) taxes represent \$932,927 thousand of total revenues. Property tax revenues are based on a tax rate proposed for FY 2022-23 of \$0.17930 per \$100 of assessed valuation.

- **Franchise**- Franchise fees are anticipated to total \$458,500. Franchise fee revenues are derived from nonexclusive franchise agreements the City has with utility providers as well as the solid waste providers that use the City's right-of-way to conduct business. Besides defining the responsibilities of the utilities maintaining their assets, the agreements contain a franchise fee clause that requires the utility companies to compensate the City for use of right-of-way and streets. Generally, the fees are based on a percentage of gross receipts or a per-unit usage charge (generated by customers located within the City's corporate limits) that ranges from 2% to 5%.

- **Sales Tax**- Sales tax revenue is the major funding piece of the "Tax Revenues" category and accounts for \$4.2 million in the budget. The sales tax rate in Kemah is 8.25% for goods or services sold or delivered within the boundaries of the City. The tax is collected by businesses that conduct the sale and is remitted to the State Comptroller of Public Accounts on a monthly, quarterly or annual basis. Of the 8.25% tax, the State retains 6.25%, Galveston County receives 0.0% and distributes 2.00% to the City. Of the total, 2.00% local share, 3/4 (75%) is retained by the City of Kemah and deposited to the General Fund and 1/4 (25%) is allocated to the Kemah Community Development Corporation (KCDC).

- **Miscellaneous**

- **Fines & Forfeitures**- Fines and forfeitures represent \$264,100,470 of total City revenues. The revenue totals for this category decreased from the previous year as COVID restrictions made for a challenge to handle court dockets while maintaining healthy and safe protocols to protect staff and citizens. As this category is based on humans and how they behave, there will be some fluctuations, but the revenues do not seem to change too drastically from year-to-year.

- **Police Revenue**- Police revenues represent \$2,000 of the total City revenues. The revenue totals represent amounts collected through the issuance of reports requested from the public.

- **Management Fees**- Management fees represent \$75,000. The revenue totals for this category are funds received by the General Fund to provide services in the form of personnel for the City's HOT and KCDC projects and facilities.

- **Licenses and Permits Revenues**- Licenses and permits revenues are projected to generate \$478,500 of total City revenues. The estimated revenues for FY 2021-22 have topped the budgeted estimates during the year. The City expects high growth in new housing development to remain strong during FY 2022-23 which will likely result in above-budgeted revenues for this category again.

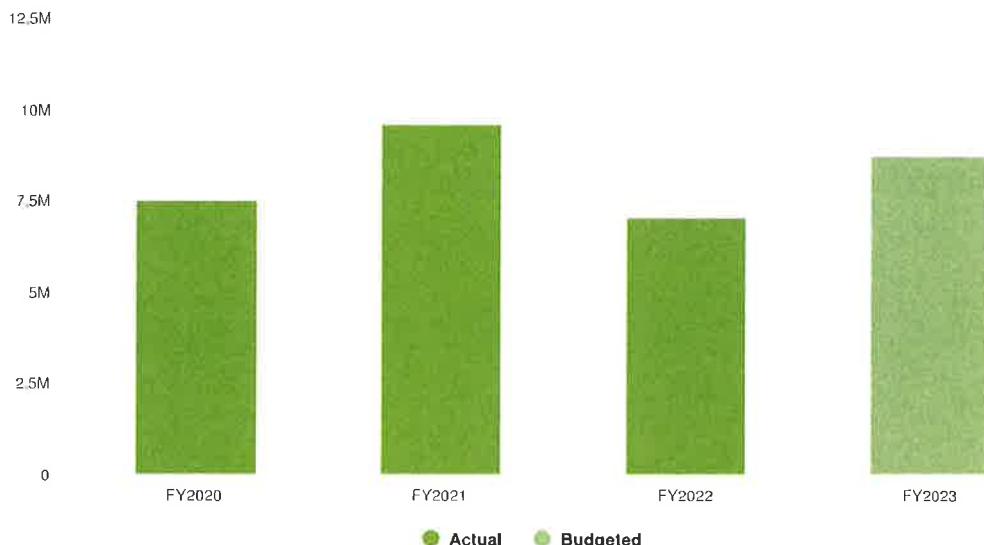


- **Other Income-** Other source revenues for FY 2022-23 are budgeted at \$246,292 of total revenues. This total includes the sale of property, billboard lease, PIR revenues, rental of the community center, parking lot revenues, interest and misc. rental income.
- **Fire Department Revenue-** To follow previous years' example, the finance director has budgeted FEMA/CARES funds under the Emergency management line of the fire department revenue. The amount expected for FY 2023 is \$250,140.

## Funding Sources Summary

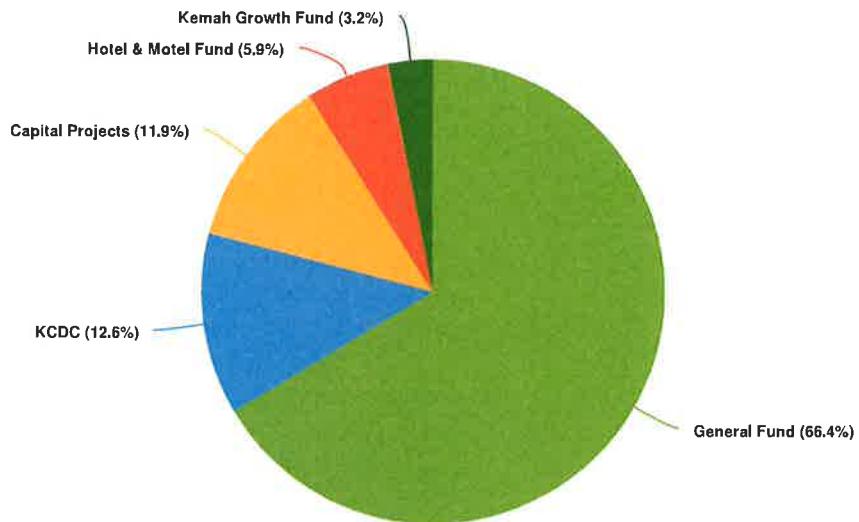
**\$8,744,683** **\$8,744,683**  
(% vs. prior year)

Funding Sources Proposed and Historical Budget vs. Actual

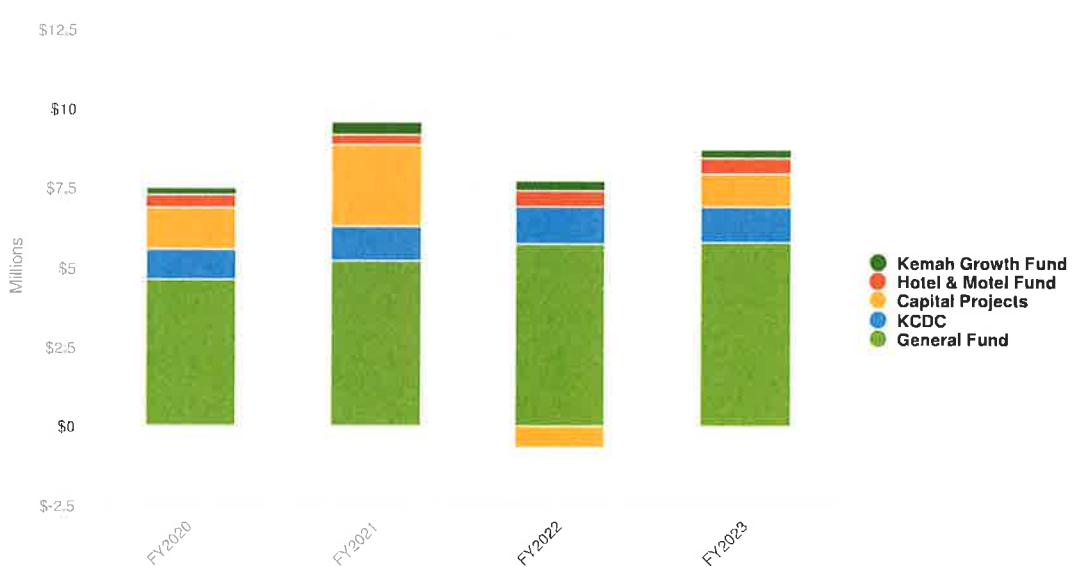


## Revenue by Fund

### 2023 Revenue by Fund



### Budgeted and Historical 2023 Revenue by Fund



Name	FY2020 Actual	FY2021 Actual	FY2022 Approved Budget	FY2022 Actual	FY2023 Budgeted	FY2022 Approved Budget vs. FY2023 Budgeted (% Change)
<b>General Fund</b>						
<b>Taxes</b>						
AD VALOREM TAXES - CURRENT	\$685,910	\$723,651	\$805,000	\$808,506	\$932,927	15.9%



Name	FY2020 Actual	FY2021 Actual	FY2022 Approved Budget	FY2022 Actual	FY2023 Budgeted	FY2022 Approved Budget vs. FY2023 Budgeted (% Change)
CENTERPOINT ENERGY	\$157,049	\$143,828	\$150,000	\$154,706	\$150,000	0%
FRONTIER/VERIZON	\$1,740	\$365	\$1,000	\$926	\$500	-50%
AMERI WASTE FRANCHISE FEE	\$37,652	\$30,792	\$40,000	\$38,697	\$40,000	0%
COMCAST FRANCHISE FEES	\$52,167	\$48,584	\$55,000	\$50,487	\$55,000	0%
KCDC SALES TAX	-\$950,239	\$0	\$0	\$0	\$0	0%
MISC. FRANCHISE FEES	\$3,624	\$4,094	\$4,000	\$2,882	\$3,000	-25%
MIXED BEVERAGE TAX	\$218,634	\$266,193	\$230,000	\$240,418	\$210,000	-8.7%
SALES TAX	\$3,648,247	\$2,915,984	\$2,905,000	\$3,168,456	\$3,100,000	6.7%
380 SALES TAX GRANTS	-\$161,826	-\$20,127	\$0	\$0	\$0	0%
GUARANTEED SHOPS OF KEMAH	\$74,960	\$0	\$0	\$0	\$0	0%
KCDC PORTION OF SHOPS OF	-\$1,269	\$0	\$0	\$0	\$0	0%
<b>Total Taxes:</b>	<b>\$3,766,649</b>	<b>\$4,113,364</b>	<b>\$4,190,000</b>	<b>\$4,465,077</b>	<b>\$4,491,427</b>	<b>7.2%</b>
<b>Fines &amp; Forfeitures</b>						
COURT TAX RETAINER	\$3,780	\$2,087	\$5,000	\$2,051	\$3,000	-40%
CASH SHORT/OVER	\$0	\$55	\$0	\$0	\$0	0%
LINEBARGER FEES	\$30,247	\$29,126	\$35,000	\$25,549	\$20,000	-42.9%
FINES & FORFIETURES	\$223,460	\$177,817	\$250,000	\$216,990	\$200,000	-20%
OMNI FEES	\$1,523	\$1,084	\$1,500	\$1,052	\$1,500	0%
SECURITY FUND REVENUE	\$3,908	\$2,951	\$5,000	\$6,030	\$3,000	-40%
TIME PYMT FEE (10.00)	\$3,356	\$1,974	\$3,500	\$2,272	\$500	-85.7%
TIME PYMT FEE (2.50)	\$739	\$373	\$1,000	\$330	\$500	-50%
WARRANT FEES	\$26,863	\$17,923	\$30,000	\$18,886	\$25,000	-16.7%
TECHNOLOGY FUND REVENUE	\$4,853	\$2,944	\$5,000	\$5,312	\$3,000	-40%
MUNICIPAL JURY FUND	\$15	\$39	\$100	\$108	\$100	0%
LOCAL TRUANCY PREVENTION F	\$746	\$1,924	\$2,500	\$5,384	\$3,500	40%
COURT CREDIT CARD FEE	\$2,819	\$3,085	\$3,500	\$5,538	\$3,500	0%
CT JUDICAL FUND	\$633	\$210	\$500	\$150	\$500	0%
K-9 REVENUE	\$2,000	\$2,500	\$1,000	\$0	\$0	-100%
DOT REVENUE			\$0	\$247	\$0	0%
<b>Total Fines &amp; Forfeitures:</b>	<b>\$304,942</b>	<b>\$244,092</b>	<b>\$343,600</b>	<b>\$289,898</b>	<b>\$264,100</b>	<b>-23.1%</b>
<b>Police Revenue</b>						
POLICE REPORTS	\$301	\$689	\$1,000	\$484	\$500	-50%
LEOSE TRAINING	\$1,907	\$0	\$1,000	\$1,411	\$1,500	50%
POLICE OFFICER REVENUES	\$20	\$6,185	\$1,000	\$0	\$0	-100%
CHILD SAFETY	\$250	\$0	\$0	\$0	\$0	0%



Name	FY2020 Actual	FY2021 Actual	FY2022 Approved Budget	FY2022 Actual	FY2023 Budgeted	FY2022 Approved Budget vs. FY2023 Budgeted (% Change)
POLICE DONATIONS VOODOO HUT				\$500	\$0	N/A
<b>Total Police Revenue:</b>	<b>\$2,478</b>	<b>\$6,874</b>	<b>\$3,000</b>	<b>\$2,395</b>	<b>\$2,000</b>	<b>-33.3%</b>
<b>Management Fees</b>						
KCDC MANAGEMENT FEE	\$85,000	\$30,000	\$3,000	\$3,000	\$25,000	733.3%
HOTEL MANAGEMENT FEE	\$85,000	\$20,000	\$40,000	\$40,000	\$40,000	0%
KCDC FACILITIES MGMT FEES	\$0	\$30,000	\$0	\$0	\$0	0%
HOTEL FACILITIES MGMT FEES	\$0	\$10,000	\$10,000	\$10,000	\$10,000	0%
<b>Total Management Fees:</b>	<b>\$170,000</b>	<b>\$90,000</b>	<b>\$53,000</b>	<b>\$53,000</b>	<b>\$75,000</b>	<b>41.5%</b>
<b>Licenses &amp; Permits</b>						
PERMITS & LICENSES	\$213,148	\$171,346	\$250,000	\$468,295	\$450,000	80%
ALCOHOLIC BEVERAGE PERMIT	\$7,225	\$15,035	\$12,000	\$11,950	\$10,000	-16.7%
SIGN PERMIT	\$1,678	\$2,400	\$2,000	\$2,250	\$1,500	-25%
BURGLAR ALARM REGISTRATION	\$700	\$2,925	\$3,000	\$2,250	\$3,000	0%
STREET CULVERTS	\$0	\$19,182	\$20,000	\$3,770	\$3,000	-85%
BUSINESS REGISTRATION	\$475	\$1,050	\$0	\$0	\$0	0%
PEDDLER PERMIT	\$125	\$0	\$0	\$450	\$0	0%
TAXI CAB PERMIT	\$2,000	\$2,000	\$2,000	\$200	\$1,000	-50%
WRECKER PERMIT	\$6,050	\$8,050	\$10,000	\$7,800	\$10,000	0%
<b>Total Licenses &amp; Permits:</b>	<b>\$231,401</b>	<b>\$221,988</b>	<b>\$299,000</b>	<b>\$496,965</b>	<b>\$478,500</b>	<b>60%</b>
<b>Other Income</b>						
SALE OF PROPERTY	\$16,872	\$0	\$0	\$1,346	\$25,000	N/A
CLEAR CHANNEL LEASE	\$30,000	\$67,500	\$60,000	\$60,000	\$60,000	0%
OPEN RECORDS REQUEST	\$669	\$967	\$1,000	\$852	\$500	-50%
INTEREST	\$5,880	\$2,254	\$10,000	\$2,601	\$2,400	-76%
COMMUNITY CENTER RENTAL	\$5,000	\$6,910	\$30,000	\$9,450	\$10,000	-66.7%
PARKING LOT REVENUE	\$0	\$4,972	\$150,000	\$60,910	\$82,000	-45.3%
INSURANCE REIMBURSEMENTS	\$12,224	\$16,107	\$35,000	\$2,645	\$2,000	-94.3%
RENTAL INCOME	\$16,600	\$45,400	\$65,000	\$60,233	\$64,392	-0.9%
MISC. INCOME	\$6,162	\$6,464	\$0	\$0	\$0	0%
<b>Total Other Income:</b>	<b>\$93,407</b>	<b>\$150,574</b>	<b>\$351,000</b>	<b>\$198,038</b>	<b>\$246,292</b>	<b>-29.8%</b>
<b>Fire Dept Revenue</b>						
FIRE DEPT REIMBURSEMENT	\$29,007	\$0	\$0	\$0	\$0	0%
FEMA REIMBURSEMENT	\$0	\$26,251	\$0	\$0	\$0	0%



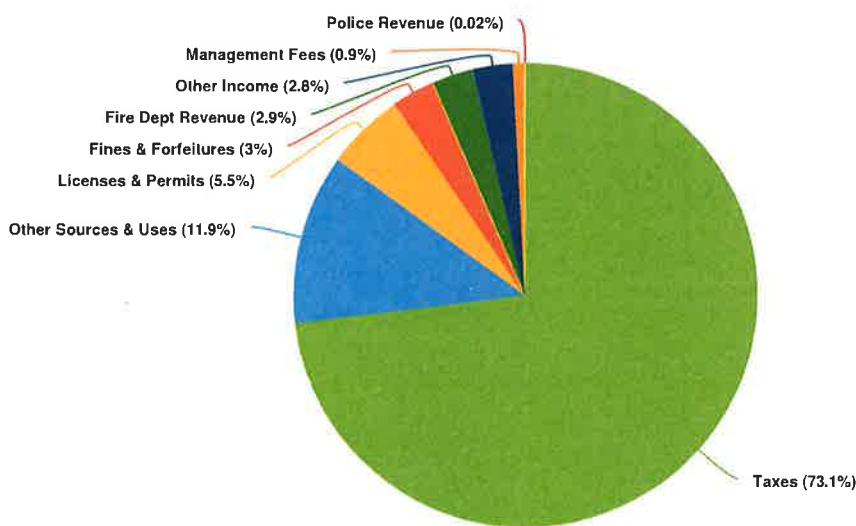
Name	FY2020 Actual	FY2021 Actual	FY2022 Approved Budget	FY2022 Actual	FY2023 Budgeted	FY2022 Approved Budget vs. FY2023 Budgeted (% Change)
CARES ACT/TX EMERGENCY MGM	\$22,517	\$348,958	\$250,140	\$251,579	\$250,140	0%
<b>Total Fire Dept Revenue:</b>	<b>\$51,524</b>	<b>\$375,209</b>	<b>\$250,140</b>	<b>\$251,579</b>	<b>\$250,140</b>	<b>0%</b>
<b>Total General Fund:</b>	<b>\$4,620,401</b>	<b>\$5,202,101</b>	<b>\$5,489,740</b>	<b>\$5,756,952</b>	<b>\$5,807,459</b>	<b>5.8%</b>
<b>Hotel &amp; Motel Fund</b>						
<b>Taxes</b>						
HOTEL/MOTEL TAX	\$0	\$0	\$0	\$915	\$1,000	N/A
LANDRY'S BOARDWALK INN	\$132,284	\$156,540	\$175,000	\$195,678	\$175,000	0%
SCOTTISH INN & SUITES	\$8,048	\$10,245	\$9,000	\$13,913	\$12,000	33.3%
PALACE INN	\$19,988	\$28,158	\$25,000	\$23,141	\$15,000	-40%
HOLIDAY INN	\$159,598	\$60,739	\$230,000	\$195,536	\$200,000	-13%
KEMAH TRADING COMPANY	\$8,381	\$6,259	\$10,000	\$6,946	\$10,000	0%
CLIPPER INN	\$504	\$195	\$2,000	\$0	\$1,000	-50%
DAVS INN	\$38,610	\$46,172	\$35,000	\$38,652	\$35,000	0%
MISC. VACATION RENTALS	\$15,893	\$25,175	\$15,000	\$46,437	\$65,000	333.3%
INTEREST	\$1,877	\$820	\$1,000	\$1,011	\$1,000	0%
MISCELLANEOUS	\$11	\$581	\$500	\$0	\$0	-100%
<b>Total Taxes:</b>	<b>\$385,194</b>	<b>\$334,885</b>	<b>\$502,500</b>	<b>\$522,228</b>	<b>\$515,000</b>	<b>2.5%</b>
<b>Total Hotel &amp; Motel Fund:</b>	<b>\$385,194</b>	<b>\$334,885</b>	<b>\$502,500</b>	<b>\$522,228</b>	<b>\$515,000</b>	<b>2.5%</b>
<b>KCDC</b>						
<b>Taxes</b>						
INTEREST	\$7,114	\$3,417	\$1,800	\$5,066	\$5,000	177.8%
SALES TAX	\$916,128	\$1,073,135	\$1,100,000	\$1,161,610	\$1,100,000	0%
MISCELLANEOUS REVENUE	\$0	-\$6,709	\$0	\$0	\$0	0%
SHOPS OF KEMAH	\$35,388	-\$1	\$0	\$0	\$0	0%
<b>Total Taxes:</b>	<b>\$958,630</b>	<b>\$1,069,842</b>	<b>\$1,101,800</b>	<b>\$1,166,676</b>	<b>\$1,105,000</b>	<b>0.3%</b>
<b>Total KCDC:</b>	<b>\$958,630</b>	<b>\$1,069,842</b>	<b>\$1,101,800</b>	<b>\$1,166,676</b>	<b>\$1,105,000</b>	<b>0.3%</b>
<b>Capital Projects</b>						
<b>Other Income</b>						
INTEREST	\$2,491	\$1,834	\$0	\$1,030	\$500	N/A
<b>Total Other Income:</b>	<b>\$2,491</b>	<b>\$1,834</b>	<b>\$0</b>	<b>\$1,030</b>	<b>\$500</b>	<b>N/A</b>
<b>Other Sources &amp; Uses</b>						
TRANS IN GF	\$500,000	\$0	\$40,000	\$40,000	\$257,724	544.3%



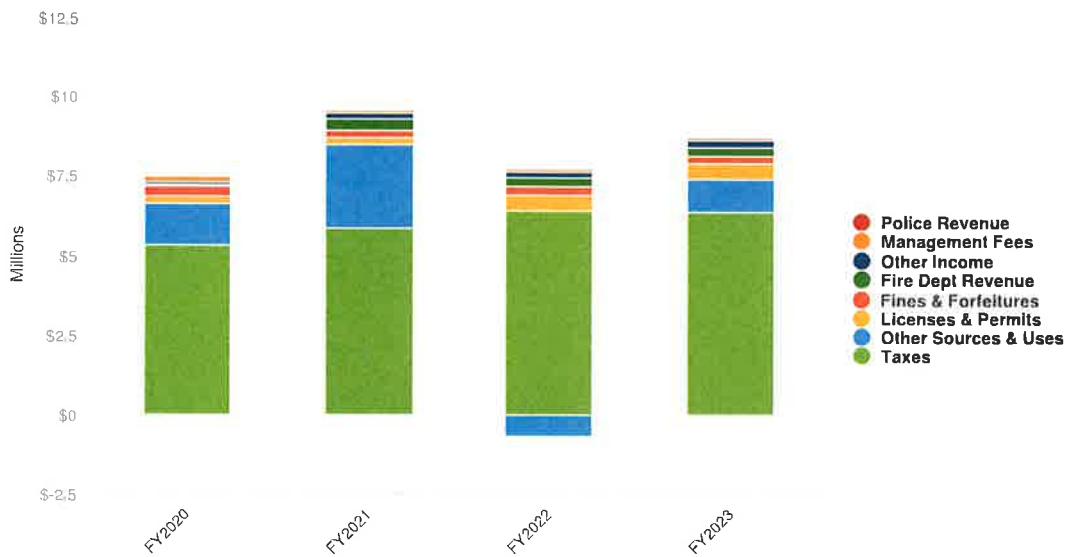
Name	FY2020 Actual	FY2021 Actual	FY2022 Approved Budget	FY2022 Actual	FY2023 Budgeted	FY2022 Approved Budget vs. FY2023 Budgeted (% Change)
TRANS IN HOTEL FUND PROJ	\$100,000	\$0	\$0	\$0	\$0	0%
TRANSFER IN KCDC	\$700,000	\$0	\$695,000	-\$739,019	\$780,000	12.2%
TRANSFER IN - FUND BALANCE	\$0	\$2,600,000	\$0	\$0	\$0	0%
<b>Total Other Sources &amp; Uses:</b>	<b>\$1,300,000</b>	<b>\$2,600,000</b>	<b>\$735,000</b>	<b>-\$699,019</b>	<b>\$1,037,724</b>	<b>41.2%</b>
<b>Total Capital Projects:</b>	<b>\$1,302,491</b>	<b>\$2,601,834</b>	<b>\$735,000</b>	<b>-\$697,989</b>	<b>\$1,038,224</b>	<b>41.3%</b>
<b>Kemah Growth Fund</b>						
<b>Taxes</b>						
GUARANTEE SHOPS OF KEMAH	\$247,366	\$380,990	\$277,500	\$273,565	\$277,500	0%
<b>Total Taxes:</b>	<b>\$247,366</b>	<b>\$380,990</b>	<b>\$277,500</b>	<b>\$273,565</b>	<b>\$277,500</b>	<b>0%</b>
<b>Other Income</b>						
INTEREST INCOME	\$2,507	\$1,635	\$1,500	\$8,181	\$1,500	0%
<b>Total Other Income:</b>	<b>\$2,507</b>	<b>\$1,635</b>	<b>\$1,500</b>	<b>\$8,181</b>	<b>\$1,500</b>	<b>0%</b>
<b>Total Kemah Growth Fund:</b>	<b>\$249,873</b>	<b>\$382,625</b>	<b>\$279,000</b>	<b>\$281,747</b>	<b>\$279,000</b>	<b>0%</b>
<b>Total:</b>	<b>\$7,516,589</b>	<b>\$9,591,288</b>	<b>\$8,108,040</b>	<b>\$7,029,614</b>	<b>\$8,744,683</b>	<b>7.9%</b>

## Revenues by Source

Projected 2023 Revenues by Source



## Budgeted and Historical 2023 Revenues by Source



Name	FY2020 Actual	FY2021 Actual	FY2022 Approved Budget	FY2022 Actual	FY2023 Budgeted	FY2022 Approved Budget vs. FY2023 Budgeted (% Change)
<b>Revenue Source</b>						
<b>Taxes</b>						
<b>Ad Valorem Taxes - Current</b>						
AD VALOREM TAXES - CURRENT	\$685,910	\$723,651	\$805,000	\$808,506	\$932,927	15.9%
<b>Total Ad Valorem Taxes - Current:</b>	<b>\$685,910</b>	<b>\$723,651</b>	<b>\$805,000</b>	<b>\$808,506</b>	<b>\$932,927</b>	<b>15.9%</b>
<b>Centerpoint Entergy</b>						
CENTERPOINT ENTERGY	\$157,049	\$143,828	\$150,000	\$154,706	\$150,000	0%
<b>Total Centerpoint Entergy:</b>	<b>\$157,049</b>	<b>\$143,828</b>	<b>\$150,000</b>	<b>\$154,706</b>	<b>\$150,000</b>	<b>0%</b>
<b>Frontier/Verizon</b>						
FRONTIER/VERIZON	\$1,740	\$365	\$1,000	\$926	\$500	-50%
<b>Total Frontier/Verizon:</b>	<b>\$1,740</b>	<b>\$365</b>	<b>\$1,000</b>	<b>\$926</b>	<b>\$500</b>	<b>-50%</b>
<b>Hotel/Motel Tax</b>						
HOTEL/MOTEL TAX	\$0	\$0	\$0	\$915	\$1,000	N/A
LANDRY'S BOARDWALK INN	\$132,284	\$156,540	\$175,000	\$195,678	\$175,000	0%
SCOTTISH INN & SUITES	\$8,048	\$10,245	\$9,000	\$13,913	\$12,000	33.3%
PALACE INN	\$19,988	\$28,158	\$25,000	\$23,141	\$15,000	-40%
HOLIDAY INN	\$159,598	\$60,739	\$230,000	\$195,536	\$200,000	-13%



Name	FY2020 Actual	FY2021 Actual	FY2022 Approved Budget	FY2022 Actual	FY2023 Budgeted	FY2022 Approved Budget vs. FY2023 Budgeted (% Change)
KEMAH TRADING COMPANY	\$8,381	\$6,259	\$10,000	\$6,946	\$10,000	0%
CLIPPER INN	\$504	\$195	\$2,000	\$0	\$1,000	-50%
DAYS INN	\$38,610	\$46,172	\$35,000	\$38,652	\$35,000	0%
MISC. VACATION RENTALS	\$15,893	\$25,175	\$15,000	\$46,437	\$65,000	333.3%
<b>Total Hotel/Motel Tax:</b>	<b>\$383,306</b>	<b>\$333,484</b>	<b>\$501,000</b>	<b>\$521,217</b>	<b>\$514,000</b>	<b>2.6%</b>
<b>Ameri Waste Franchise Fee</b>						
AMERI WASTE FRANCHISE FEE	\$37,652	\$30,792	\$40,000	\$38,697	\$40,000	0%
<b>Total Ameri Waste Franchise Fee:</b>	<b>\$37,652</b>	<b>\$30,792</b>	<b>\$40,000</b>	<b>\$38,697</b>	<b>\$40,000</b>	<b>0%</b>
<b>Interest</b>						
COMCAST FRANCHISE FEES	\$52,167	\$48,584	\$55,000	\$50,487	\$55,000	0%
KCDC SALES TAX	-\$950,239	\$0	\$0	\$0	\$0	0%
INTEREST	\$1,877	\$820	\$1,000	\$1,011	\$1,000	0%
INTEREST	\$7,114	\$3,417	\$1,800	\$5,066	\$5,000	177.8%
<b>Total Interest:</b>	<b>-\$889,081</b>	<b>\$52,821</b>	<b>\$57,800</b>	<b>\$56,564</b>	<b>\$61,000</b>	<b>5.5%</b>
<b>Misc Revenue</b>						
MISC. FRANCHISE FEES	\$3,624	\$4,094	\$4,000	\$2,882	\$3,000	-25%
MISCELLANEOUS	\$11	\$581	\$500	\$0	\$0	-100%
<b>Total Misc Revenue:</b>	<b>\$3,635</b>	<b>\$4,675</b>	<b>\$4,500</b>	<b>\$2,882</b>	<b>\$3,000</b>	<b>-33.3%</b>
<b>Mixed Beverage Tax</b>						
MIXED BEVERAGE TAX	\$218,634	\$266,193	\$230,000	\$240,418	\$210,000	-8.7%
<b>Total Mixed Beverage Tax:</b>	<b>\$218,634</b>	<b>\$266,193</b>	<b>\$230,000</b>	<b>\$240,418</b>	<b>\$210,000</b>	<b>-8.7%</b>
<b>Sales Tax</b>						
SALES TAX	\$3,648,247	\$2,915,984	\$2,905,000	\$3,168,456	\$3,100,000	6.7%
SALES TAX	\$916,128	\$1,073,135	\$1,100,000	\$1,161,610	\$1,100,000	0%
<b>Total Sales Tax:</b>	<b>\$4,564,375</b>	<b>\$3,989,119</b>	<b>\$4,005,000</b>	<b>\$4,330,066</b>	<b>\$4,200,000</b>	<b>4.9%</b>
<b>Miscellaneous Revenue</b>						
380 SALES TAX GRANTS	-\$161,826	-\$20,127	\$0	\$0	\$0	0%
MISCELLANEOUS REVENUE	\$0	-\$6,709	\$0	\$0	\$0	0%
<b>Total Miscellaneous Revenue:</b>	<b>-\$161,826</b>	<b>-\$26,836</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0%</b>
<b>Guarantee Shops Of Kemah</b>						



Name	FY2020 Actual	FY2021 Actual	FY2022 Approved Budget	FY2022 Actual	FY2023 Budgeted	FY2022 Approved Budget vs. FY2023 Budgeted (% Change)
GUARANTEED SHOPS OF KEMAH	\$74,960	\$0	\$0	\$0	\$0	0%
SHOPS OF KEMAH	\$35,388	-\$1	\$0	\$0	\$0	0%
GUARANTEE SHOPS OF KEMAH	\$247,366	\$380,990	\$277,500	\$273,565	\$277,500	0%
<b>Total Guarantee Shops Of Kemah:</b>	<b>\$357,714</b>	<b>\$380,989</b>	<b>\$277,500</b>	<b>\$273,565</b>	<b>\$277,500</b>	<b>0%</b>
<b>Kcdc Portion Of Shops Of Kemah</b>						
KCDC PORTION OF SHOPS OF	-\$1,269	\$0	\$0	\$0	\$0	0%
<b>Total Kcdc Portion Of Shops Of Kemah:</b>	<b>-\$1,269</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0%</b>
<b>Total Taxes:</b>	<b>\$5,357,839</b>	<b>\$5,899,082</b>	<b>\$6,071,800</b>	<b>\$6,427,546</b>	<b>\$6,388,927</b>	<b>5.2%</b>
<b>Fines &amp; Forfeitures</b>						
<b>Court Tax Retainer</b>						
COURT TAX RETAINER	\$3,780	\$2,087	\$5,000	\$2,051	\$3,000	-40%
<b>Total Court Tax Retainer:</b>	<b>\$3,780</b>	<b>\$2,087</b>	<b>\$5,000</b>	<b>\$2,051</b>	<b>\$3,000</b>	<b>-40%</b>
<b>Cash Short/Over</b>						
CASH SHORT/OVER	\$0	\$55	\$0	\$0	\$0	0%
<b>Total Cash Short/Over:</b>	<b>\$0</b>	<b>\$55</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0%</b>
<b>Linebarger Fees</b>						
LINEBARGER FEES	\$30,247	\$29,126	\$35,000	\$25,549	\$20,000	-42.9%
<b>Total Linebarger Fees:</b>	<b>\$30,247</b>	<b>\$29,126</b>	<b>\$35,000</b>	<b>\$25,549</b>	<b>\$20,000</b>	<b>-42.9%</b>
<b>Fines &amp; Forfietures</b>						
FINES & FORFIETURES	\$223,460	\$177,817	\$250,000	\$216,990	\$200,000	-20%
<b>Total Fines &amp; Forfietures:</b>	<b>\$223,460</b>	<b>\$177,817</b>	<b>\$250,000</b>	<b>\$216,990</b>	<b>\$200,000</b>	<b>-20%</b>
<b>OMni Fees</b>						
OMNI FEES	\$1,523	\$1,084	\$1,500	\$1,052	\$1,500	0%
<b>Total OMni Fees:</b>	<b>\$1,523</b>	<b>\$1,084</b>	<b>\$1,500</b>	<b>\$1,052</b>	<b>\$1,500</b>	<b>0%</b>
<b>Security Fund Revenue</b>						
SECURITY FUND REVENUE	\$3,908	\$2,951	\$5,000	\$6,030	\$3,000	-40%
<b>Total Security Fund Revenue:</b>	<b>\$3,908</b>	<b>\$2,951</b>	<b>\$5,000</b>	<b>\$6,030</b>	<b>\$3,000</b>	<b>-40%</b>
<b>Time Pymt Fee (2.50)</b>						



Name	FY2020 Actual	FY2021 Actual	FY2022 Approved Budget	FY2022 Actual	FY2023 Budgeted	FY2022 Approved Budget vs. FY2023 Budgeted (%) Change
TIME PYMT FEE (10.00)	\$3,356	\$1,974	\$3,500	\$2,272	\$500	-85.7%
TIME PYMT FEE (2.50)	\$739	\$373	\$1,000	\$330	\$500	-50%
<b>Total Time Pymt Fee (2.50):</b>	<b>\$4,095</b>	<b>\$2,347</b>	<b>\$4,500</b>	<b>\$2,603</b>	<b>\$1,000</b>	<b>-77.8%</b>
<b>Warrant Fees</b>						
WARRANT FEES	\$26,863	\$17,923	\$30,000	\$18,886	\$25,000	-16.7%
<b>Total Warrant Fees:</b>	<b>\$26,863</b>	<b>\$17,923</b>	<b>\$30,000</b>	<b>\$18,886</b>	<b>\$25,000</b>	<b>-16.7%</b>
<b>Technology Fund Revenue</b>						
TECHNOLOGY FUND REVENUE	\$4,853	\$2,944	\$5,000	\$5,312	\$3,000	-40%
<b>Total Technology Fund Revenue:</b>	<b>\$4,853</b>	<b>\$2,944</b>	<b>\$5,000</b>	<b>\$5,312</b>	<b>\$3,000</b>	<b>-40%</b>
<b>Municipal Jury Fund</b>						
MUNICIPAL JURY FUND	\$15	\$39	\$100	\$108	\$100	0%
<b>Total Municipal Jury Fund:</b>	<b>\$15</b>	<b>\$39</b>	<b>\$100</b>	<b>\$108</b>	<b>\$100</b>	<b>0%</b>
<b>Local Truancy Prevention Fund</b>						
LOCAL TRUANCY PREVENTION F	\$746	\$1,924	\$2,500	\$5,384	\$3,500	40%
<b>Total Local Truancy Prevention Fund:</b>	<b>\$746</b>	<b>\$1,924</b>	<b>\$2,500</b>	<b>\$5,384</b>	<b>\$3,500</b>	<b>40%</b>
<b>Court Credit Card Fee</b>						
COURT CREDIT CARD FEE	\$2,819	\$3,085	\$3,500	\$5,538	\$3,500	0%
<b>Total Court Credit Card Fee:</b>	<b>\$2,819</b>	<b>\$3,085</b>	<b>\$3,500</b>	<b>\$5,538</b>	<b>\$3,500</b>	<b>0%</b>
<b>Ct Judicial Fund</b>						
CT JUDICIAL FUND	\$633	\$210	\$500	\$150	\$500	0%
<b>Total Ct Judicial Fund:</b>	<b>\$633</b>	<b>\$210</b>	<b>\$500</b>	<b>\$150</b>	<b>\$500</b>	<b>0%</b>
<b>K-9 Revenue</b>						
K-9 REVENUE	\$2,000	\$2,500	\$1,000	\$0	\$0	-100%
<b>Total K-9 Revenue:</b>	<b>\$2,000</b>	<b>\$2,500</b>	<b>\$1,000</b>	<b>\$0</b>	<b>\$0</b>	<b>-100%</b>
<b>DOT Revenue</b>						
DOT REVENUE			\$0	\$247	\$0	0%
<b>Total DOT Revenue:</b>			<b>\$0</b>	<b>\$247</b>	<b>\$0</b>	<b>0%</b>
<b>Total Fines &amp; Forfeitures:</b>	<b>\$304,942</b>	<b>\$244,092</b>	<b>\$343,600</b>	<b>\$289,898</b>	<b>\$264,100</b>	<b>-23.1%</b>



Name	FY2020 Actual	FY2021 Actual	FY2022 Approved Budget	FY2022 Actual	FY2023 Budgeted	FY2022 Approved Budget vs. FY2023 Budgeted (% Change)
<b>Police Revenue</b>						
<b>Police Reports</b>						
POLICE REPORTS	\$301	\$689	\$1,000	\$484	\$500	-50%
<b>Total Police Reports:</b>	<b>\$301</b>	<b>\$689</b>	<b>\$1,000</b>	<b>\$484</b>	<b>\$500</b>	<b>-50%</b>
<b>Leose Training</b>						
LEOSE TRAINING	\$1,907	\$0	\$1,000	\$1,411	\$1,500	50%
<b>Total Leose Training:</b>	<b>\$1,907</b>	<b>\$0</b>	<b>\$1,000</b>	<b>\$1,411</b>	<b>\$1,500</b>	<b>50%</b>
<b>Police Officer Revenues</b>						
POLICE OFFICER REVENUES	\$20	\$6,185	\$1,000	\$0	\$0	-100%
<b>Total Police Officer Revenues:</b>	<b>\$20</b>	<b>\$6,185</b>	<b>\$1,000</b>	<b>\$0</b>	<b>\$0</b>	<b>-100%</b>
<b>Child Safety</b>						
CHILD SAFETY	\$250	\$0	\$0	\$0	\$0	0%
<b>Total Child Safety:</b>	<b>\$250</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0%</b>
<b>null (4203, 4221, 4222)</b>						
POLICE DONATIONS VOODOO HUT				\$500	\$0	N/A
<b>Total null (4203, 4221, 4222):</b>				<b>\$500</b>	<b>\$0</b>	<b>N/A</b>
<b>Total Police Revenue:</b>	<b>\$2,478</b>	<b>\$6,874</b>	<b>\$3,000</b>	<b>\$2,395</b>	<b>\$2,000</b>	<b>-33.3%</b>
<b>Management Fees</b>						
<b>Kcdc Management Fee</b>						
KCDC MANAGEMENT FEE	\$85,000	\$30,000	\$3,000	\$3,000	\$25,000	733.3%
<b>Total Kcdc Management Fee:</b>	<b>\$85,000</b>	<b>\$30,000</b>	<b>\$3,000</b>	<b>\$3,000</b>	<b>\$25,000</b>	<b>733.3%</b>
<b>Hotel Management Fee</b>						
HOTEL MANAGEMENT FEE	\$85,000	\$20,000	\$40,000	\$40,000	\$40,000	0%
<b>Total Hotel Management Fee:</b>	<b>\$85,000</b>	<b>\$20,000</b>	<b>\$40,000</b>	<b>\$40,000</b>	<b>\$40,000</b>	<b>0%</b>
<b>Kcdc Facilities Mgmt Fees</b>						
KCDC FACILITIES MGMT FEES	\$0	\$30,000	\$0	\$0	\$0	0%
<b>Total Kcdc Facilities Mgmt Fees:</b>	<b>\$0</b>	<b>\$30,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0%</b>
<b>Hotel Facilities Mgmt Fees</b>						



Name	FY2020 Actual	FY2021 Actual	FY2022 Approved Budget	FY2022 Actual	FY2023 Budgeted	FY2022 Approved Budget vs. FY2023 Budgeted (% Change)
HOTEL FACILITIES MGNT FEES	\$0	\$10,000	\$10,000	\$10,000	\$10,000	0%
<b>Total Hotel Facilities Mgmt Fees:</b>	<b>\$0</b>	<b>\$10,000</b>	<b>\$10,000</b>	<b>\$10,000</b>	<b>\$10,000</b>	<b>0%</b>
<b>Total Management Fees:</b>	<b>\$170,000</b>	<b>\$90,000</b>	<b>\$53,000</b>	<b>\$53,000</b>	<b>\$75,000</b>	<b>41.5%</b>
<b>Licenses &amp; Permits</b>						
<b>Permits &amp; Licenses</b>						
PERMITS & LICENSES	\$213,148	\$171,346	\$250,000	\$468,295	\$450,000	80%
<b>Total Permits &amp; Licenses:</b>	<b>\$213,148</b>	<b>\$171,346</b>	<b>\$250,000</b>	<b>\$468,295</b>	<b>\$450,000</b>	<b>80%</b>
<b>Alcoholic Beverage Permit</b>						
ALCOHOLIC BEVERAGE PERMIT	\$7,225	\$15,035	\$12,000	\$11,950	\$10,000	-16.7%
<b>Total Alcoholic Beverage Permit:</b>	<b>\$7,225</b>	<b>\$15,035</b>	<b>\$12,000</b>	<b>\$11,950</b>	<b>\$10,000</b>	<b>-16.7%</b>
<b>Sign Permit</b>						
SIGN PERMIT	\$1,678	\$2,400	\$2,000	\$2,250	\$1,500	-25%
<b>Total Sign Permit:</b>	<b>\$1,678</b>	<b>\$2,400</b>	<b>\$2,000</b>	<b>\$2,250</b>	<b>\$1,500</b>	<b>-25%</b>
<b>Burglar Alarm Registration</b>						
BURGLAR ALARM REGISTRATION	\$700	\$2,925	\$3,000	\$2,250	\$3,000	0%
<b>Total Burglar Alarm Registration:</b>	<b>\$700</b>	<b>\$2,925</b>	<b>\$3,000</b>	<b>\$2,250</b>	<b>\$3,000</b>	<b>0%</b>
<b>Street Culverts</b>						
STREET CULVERTS	\$0	\$19,182	\$20,000	\$3,770	\$3,000	-85%
<b>Total Street Culverts:</b>	<b>\$0</b>	<b>\$19,182</b>	<b>\$20,000</b>	<b>\$3,770</b>	<b>\$3,000</b>	<b>-85%</b>
<b>Business Registration</b>						
BUSINESS REGISTRATION	\$475	\$1,050	\$0	\$0	\$0	0%
<b>Total Business Registration:</b>	<b>\$475</b>	<b>\$1,050</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0%</b>
<b>Peddler Permit</b>						
PEDDLER PERMIT	\$125	\$0	\$0	\$450	\$0	0%
<b>Total Peddler Permit:</b>	<b>\$125</b>	<b>\$0</b>	<b>\$0</b>	<b>\$450</b>	<b>\$0</b>	<b>0%</b>
<b>Taxi Cab Permit</b>						
TAXI CAB PERMIT	\$2,000	\$2,000	\$2,000	\$200	\$1,000	-50%
<b>Total Taxi Cab Permit:</b>	<b>\$2,000</b>	<b>\$2,000</b>	<b>\$2,000</b>	<b>\$200</b>	<b>\$1,000</b>	<b>-50%</b>



Name	FY2020 Actual	FY2021 Actual	FY2022 Approved Budget	FY2022 Actual	FY2023 Budgeted	FY2022 Approved Budget vs. FY2023 Budgeted (%) Change)
<b>Wrecker Permit</b>						
WRECKER PERMIT	\$6,050	\$8,050	\$10,000	\$7,800	\$10,000	0%
<b>Total Wrecker Permit:</b>	<b>\$6,050</b>	<b>\$8,050</b>	<b>\$10,000</b>	<b>\$7,800</b>	<b>\$10,000</b>	<b>0%</b>
<b>Total Licenses &amp; Permits:</b>	<b>\$231,401</b>	<b>\$221,988</b>	<b>\$299,000</b>	<b>\$496,965</b>	<b>\$478,500</b>	<b>60%</b>
<b>Other Income</b>						
<b>Sale Of Property</b>						
SALE OF PROPERTY	\$16,872	\$0	\$0	\$1,346	\$25,000	N/A
<b>Total Sale Of Property:</b>	<b>\$16,872</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,346</b>	<b>\$25,000</b>	<b>N/A</b>
<b>Clear Channel Lease</b>						
CLEAR CHANNEL LEASE	\$30,000	\$67,500	\$60,000	\$60,000	\$60,000	0%
<b>Total Clear Channel Lease:</b>	<b>\$30,000</b>	<b>\$67,500</b>	<b>\$60,000</b>	<b>\$60,000</b>	<b>\$60,000</b>	<b>0%</b>
<b>Interest</b>						
OPEN RECORDS REQUEST	\$669	\$967	\$1,000	\$852	\$500	-50%
INTEREST	\$2,491	\$1,834	\$0	\$1,030	\$500	N/A
<b>Total Interest:</b>	<b>\$3,160</b>	<b>\$2,801</b>	<b>\$1,000</b>	<b>\$1,882</b>	<b>\$1,000</b>	<b>0%</b>
<b>Interest Income</b>						
INTEREST	\$5,880	\$2,254	\$10,000	\$2,601	\$2,400	-76%
INTEREST INCOME	\$2,507	\$1,635	\$1,500	\$8,181	\$1,500	0%
<b>Total Interest Income:</b>	<b>\$8,387</b>	<b>\$3,889</b>	<b>\$11,500</b>	<b>\$10,783</b>	<b>\$3,900</b>	<b>-66.1%</b>
<b>Community Center Rental</b>						
COMMUNITY CENTER RENTAL	\$5,000	\$6,910	\$30,000	\$9,450	\$10,000	-66.7%
<b>Total Community Center Rental:</b>	<b>\$5,000</b>	<b>\$6,910</b>	<b>\$30,000</b>	<b>\$9,450</b>	<b>\$10,000</b>	<b>-66.7%</b>
<b>Parking Lot Revenue</b>						
PARKING LOT REVENUE	\$0	\$4,972	\$150,000	\$60,910	\$82,000	-45.3%
<b>Total Parking Lot Revenue:</b>	<b>\$0</b>	<b>\$4,972</b>	<b>\$150,000</b>	<b>\$60,910</b>	<b>\$82,000</b>	<b>-45.3%</b>
<b>Insurance Reimbursements</b>						
INSURANCE REIMBURSEMENTS	\$12,224	\$16,107	\$35,000	\$2,645	\$2,000	-94.3%
<b>Total Insurance Reimbursements:</b>	<b>\$12,224</b>	<b>\$16,107</b>	<b>\$35,000</b>	<b>\$2,645</b>	<b>\$2,000</b>	<b>-94.3%</b>
<b>Rental Income</b>						
RENTAL INCOME	\$16,600	\$45,400	\$65,000	\$60,233	\$64,392	-0.9%
<b>Total Rental Income:</b>	<b>\$16,600</b>	<b>\$45,400</b>	<b>\$65,000</b>	<b>\$60,233</b>	<b>\$64,392</b>	<b>-0.9%</b>



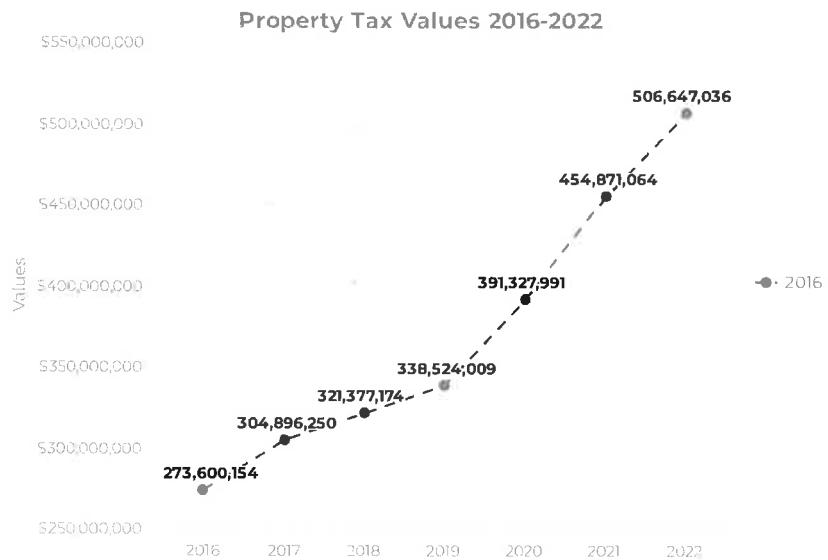
Name	FY2020 Actual	FY2021 Actual	FY2022 Approved Budget	FY2022 Actual	FY2023 Budgeted	FY2022 Approved Budget vs. FY2023 Budgeted (%) Change
<b>Misc. Income</b>						
MISC. INCOME	\$6,162	\$6,464	\$0	\$0	\$0	0%
<b>Total Misc. Income:</b>	<b>\$6,162</b>	<b>\$6,464</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0%</b>
<b>Total Other Income:</b>	<b>\$98,405</b>	<b>\$154,043</b>	<b>\$352,500</b>	<b>\$207,250</b>	<b>\$248,292</b>	<b>-29.6%</b>
<b>Fire Dept Revenue</b>						
<b>Fire Dept Reimbursement</b>						
FIRE DEPT REIMBURSEMENT	\$29,007	\$0	\$0	\$0	\$0	0%
<b>Total Fire Dept Reimbursement:</b>	<b>\$29,007</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0%</b>
<b>Fema Reimbursement</b>						
FEMA REIMBURSEMENT	\$0	\$26,251	\$0	\$0	\$0	0%
<b>Total Fema Reimbursement:</b>	<b>\$0</b>	<b>\$26,251</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0%</b>
<b>Cares Act/Tx Emergency Mgmt</b>						
CARES ACT/TX EMERGENCY MGM	\$22,517	\$348,958	\$250,140	\$251,579	\$250,140	0%
<b>Total Cares Act/Tx Emergency Mgmt:</b>	<b>\$22,517</b>	<b>\$348,958</b>	<b>\$250,140</b>	<b>\$251,579</b>	<b>\$250,140</b>	<b>0%</b>
<b>Total Fire Dept Revenue:</b>	<b>\$51,524</b>	<b>\$375,209</b>	<b>\$250,140</b>	<b>\$251,579</b>	<b>\$250,140</b>	<b>0%</b>
<b>Other Sources &amp; Uses</b>						
<b>Trans In Cf</b>						
TRANS IN GF	\$500,000	\$0	\$40,000	\$40,000	\$257,724	544.3%
<b>Total Trans In Cf:</b>	<b>\$500,000</b>	<b>\$0</b>	<b>\$40,000</b>	<b>\$40,000</b>	<b>\$257,724</b>	<b>544.3%</b>
<b>Trans In Hotel Fund Projects</b>						
TRANS IN HOTEL FUND PROJ	\$100,000	\$0	\$0	\$0	\$0	0%
<b>Total Trans In Hotel Fund Projects:</b>	<b>\$100,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0%</b>
<b>Transfer In Kcdc</b>						
TRANSFER IN KCDC	\$700,000	\$0	\$695,000	-\$739,019	\$780,000	12.2%
<b>Total Transfer In Kcdc:</b>	<b>\$700,000</b>	<b>\$0</b>	<b>\$695,000</b>	<b>-\$739,019</b>	<b>\$780,000</b>	<b>12.2%</b>
<b>Transfer In - Fund Balance</b>						
TRANSFER IN - FUND BALANCE	\$0	\$2,600,000	\$0	\$0	\$0	0%



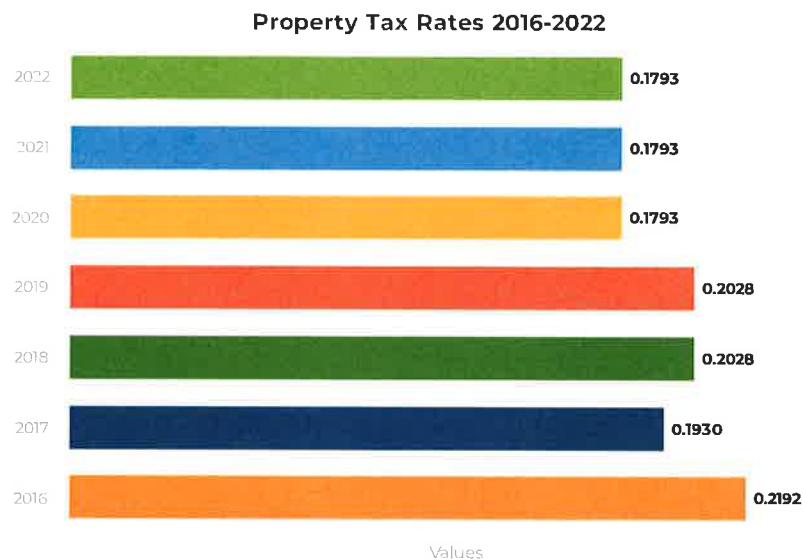
Name	FY2020 Actual	FY2021 Actual	FY2022 Approved Budget	FY2022 Actual	FY2023 Budgeted	FY2022 Approved Budget vs. FY2023 Budgeted (% Change)
<b>Total Transfer In - Fund Balance:</b>	<b>\$0</b>	<b>\$2,600,000</b>		<b>\$0</b>	<b>\$0</b>	<b>0%</b>
<b>Total Other Sources &amp; Uses:</b>	<b>\$1,300,000</b>	<b>\$2,600,000</b>	<b>\$735,000</b>	<b>-\$699,019</b>	<b>\$1,037,724</b>	<b>41.2%</b>
<b>Total Revenue Source:</b>	<b>\$7,516,589</b>	<b>\$9,591,288</b>	<b>\$8,108,040</b>	<b>\$7,029,614</b>	<b>\$8,744,683</b>	<b>7.9%</b>

## Property Taxes

Tax Rate	Adopted FY 2018-2019	Adopted FY 2019-2020	Adopted FY 2020-2021	Adopted FY 2021-2022	Adopted FY 2022-2023
<b>Total Taxable Value</b>	<b>\$321,337,174</b>	<b>\$38,524,009</b>	<b>\$391,327,991</b>	<b>\$454,871,064</b>	<b>\$506,647,036</b>
<b>Property Tax Rate</b>	<b>0.202838</b>	<b>02023838</b>	<b>0.202838</b>	<b>0.179300</b>	<b>0.179300</b>
<b>No New Revenue Rate</b>	<b>0.186107</b>	<b>0.198069</b>	<b>0.198069</b>	<b>0.176167</b>	<b>0.162280</b>
<b>Effective M&amp;O Tax Rate</b>	<b>0.186107</b>	<b>0.198069</b>	<b>0.202838</b>	<b>0.179300</b>	<b>0.179300</b>
<b>Voter Approval Tax Rate</b>	<b>0.225170</b>	<b>0.541927</b>	<b>0.541927</b>	<b>0.753049</b>	<b>1.572967</b>
<b>Debt Rate</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>General Fund Revenues</b>	<b>\$653,242</b>	<b>\$685,910</b>	<b>\$723,651</b>	<b>\$808,506</b>	<b>\$932,927</b>

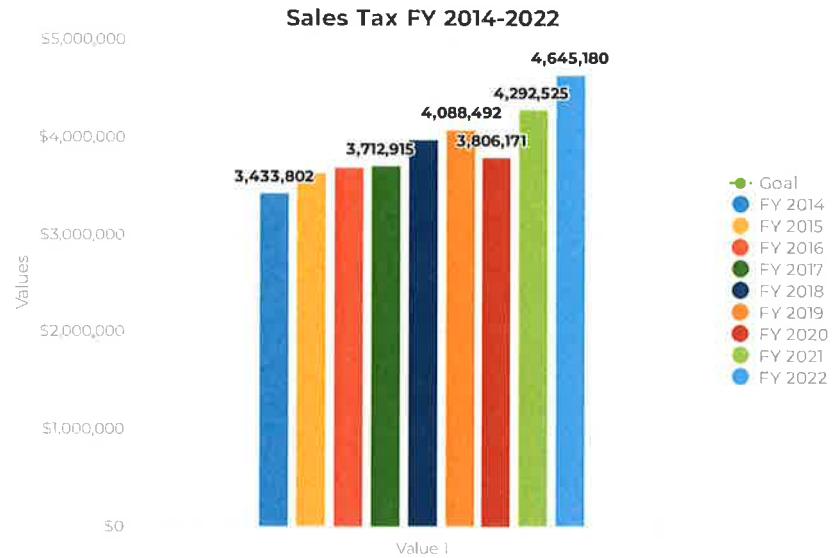


## Property Tax Rates 7-Year Historical Comparison



## Sales Tax 9-Year Historical Comparison

Total City sales taxes collected, including the Kemah Community Development Corporation (KCDC), over the past 9 years have increased from \$3.4 million in FY 2014 to \$4.6 million collected in FY 2022.



## **DEPARTMENTS**



## Administration



**Walter Gant**  
City Administrator

As City Manager, I, Walter Gant, am responsible for all operations of city government, and making recommendations to the City Council on a variety of issues as well as carrying out the decisions of the Council.

The City of Kemah is changing. We are building more neighborhoods, engaging partners strategically, and aligning our priorities to address our overarching areas of focus. Kemah is an amazing community that has something to offer everyone: a vibrant downtown bursting with great restaurants, shows and festivals, unique neighborhoods, wonderful family-friendly parks and beautiful trees. We are a city of Great Neighbors, who care about this community. We are committed to being champions of change, working toward a future that embraces community, businesses, partnerships and igniting a passion for service, innovation and accountability. We encourage you to let us know how we're doing as you experience City services - your input is important to me and helps us provide exceptional service.

The City of Kemah has a lot to be thankful for this year. I'm reminded of our many accomplishments throughout the last year and the dedicated community and City staff who have made it all possible.

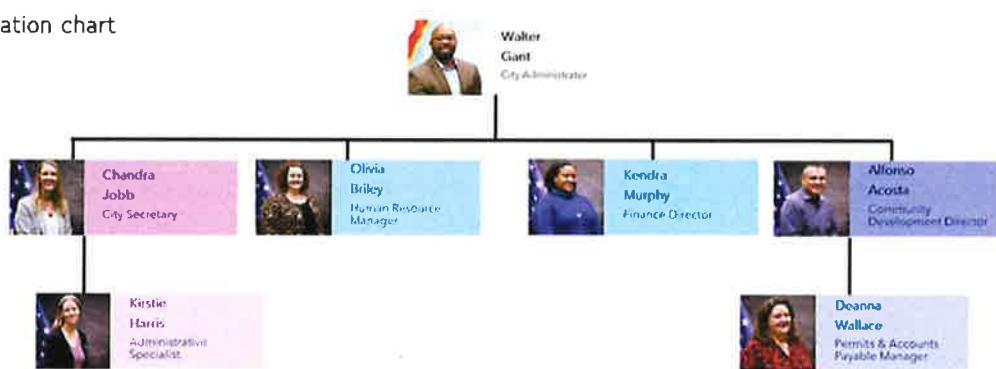
We've been through a lot since the start of the pandemic, but we've also grown as a City and as a community. It's been amazing to see all the ways we've come together to support and sustain each other during this unprecedented time. Now that 2023 is just around the corner, we are excited and confident that even better things are ahead.

On behalf of the mayor, city council and the executive team, we wish to thank both employees and members of Kemah's community for your tireless efforts and incredible contributions in 2022. We are optimistic that 2023 will continue to bring new connections to strengthen Kemah.

## Organizational Chart

### City of Kemah Administration

Organization chart



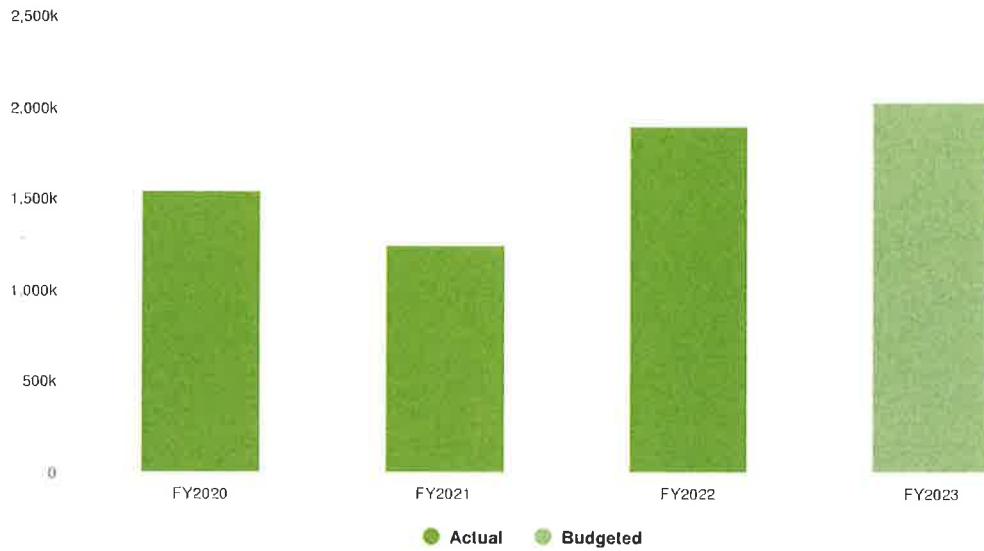
## Expenditures Summary

**\$2,027,083**

**\$2,027,083**

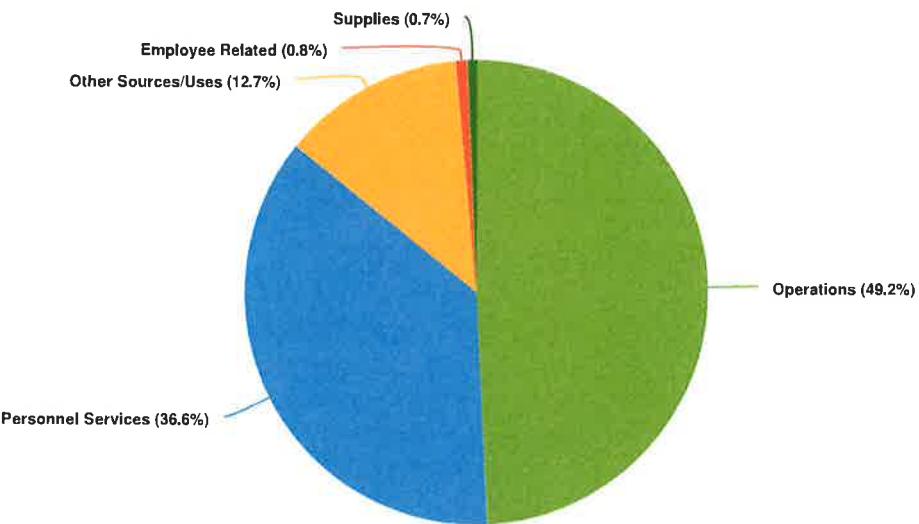
(% vs. prior year)

### Administration Proposed and Historical Budget vs. Actual

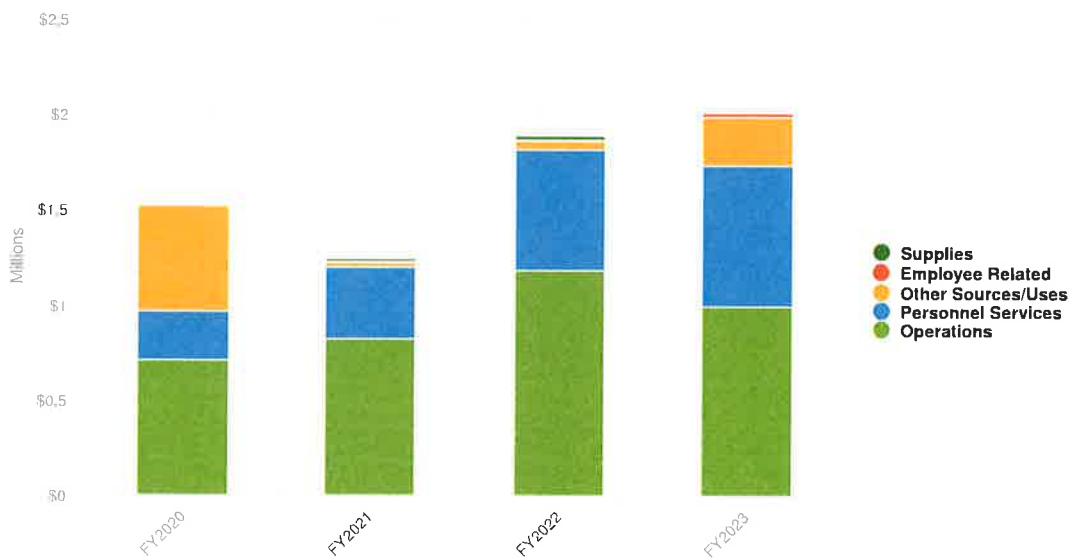


## Expenditures by Expense Type

### Budgeted Expenditures by Expense Type



### Budgeted and Historical Expenditures by Expense Type



Name	FY2020 Actual	FY2021 Actual	FY2022 Approved Budget	FY2022 Actual	FY2023 Budgeted	FY2022 Approved Budget vs. FY2023 Budgeted (% Change)
<b>Expense Objects</b>						
Personnel Services						



Name	FY2020 Actual	FY2021 Actual	FY2022 Approved Budget	FY2022 Actual	FY2023 Budgeted	FY2022 Approved Budget vs. FY2023 Budgeted (% Change)
CAR ALLOWANCE	\$3,573	\$0	\$5,000	\$5,024	\$8,000	60%
CELL PHONE ALLOWANCE	\$1,987	\$2,287	\$1,820	\$1,805	\$2,000	9.9%
INSURANCE ADMINISTRATION	\$36,040	\$40,674	\$55,000	\$67,256	\$80,000	45.5%
UNEMPLOYMENT	\$452	\$1,105	\$2,000	\$273	\$2,000	0%
WORKERS COMP	\$704	\$4,020	\$8,000	\$1,128	\$5,000	-37.5%
PAYROLL TAX	\$14,427	\$21,877	\$35,000	\$37,083	\$47,459	35.6%
RETIREMENT ADMINISTRATION	\$14,582	\$17,567	\$21,190	\$31,097	\$35,000	65.2%
SALARIES	\$185,029	\$290,126	\$445,000	\$485,443	\$549,800	23.6%
OVERTIME			\$0	\$999	\$1,000	N/A
INCENTIVE PAY/CERTIFICATIO	\$4,400	\$2,308	\$7,000	\$6,847	\$10,000	42.9%
LONGEVITY	\$1,250	\$1,227	\$428	\$428	\$1,000	133.6%
<b>Total Personnel Services:</b>	<b>\$262,444</b>	<b>\$381,191</b>	<b>\$580,438</b>	<b>\$637,382</b>	<b>\$741,259</b>	<b>27.7%</b>
<b>Employee Related</b>						
HR EXPENSES	\$1,387	\$916	\$3,000	\$3,005	\$3,000	0%
EMPLOYEE TESTING	\$0	\$90	\$150	\$138	\$500	233.3%
FLEX CARDS ADMIN FEES	\$1,100	\$1,100	\$1,100	\$1,100	\$1,100	0%
TRAINING - ALL ADMIN	\$623	\$5,099	\$5,000	\$7,986	\$8,000	60%
TRAINING - CITY COUNCIL	\$2,661	\$1,214	\$2,000	\$727	\$2,000	0%
MAYOR/COUNCIL EXPENSE			\$0	\$0	\$2,000	N/A
<b>Total Employee Related:</b>	<b>\$5,771</b>	<b>\$8,419</b>	<b>\$11,250</b>	<b>\$12,957</b>	<b>\$16,600</b>	<b>47.6%</b>
<b>Supplies</b>						
SMALL TOOLS & EQUIPMENT	\$0	\$117	\$1,000	\$465	\$2,000	100%
OFFICE SUPPLIES	\$2,624	\$5,091	\$5,072	\$8,112	\$6,000	18.3%
POSTAGE	\$5,204	\$4,200	\$6,000	\$9,034	\$6,000	0%
<b>Total Supplies:</b>	<b>\$7,828</b>	<b>\$9,408</b>	<b>\$12,072</b>	<b>\$17,612</b>	<b>\$14,000</b>	<b>16%</b>
<b>Operations</b>						
AUDIT	\$33,500	\$20,677	\$45,000	\$81,529	\$55,000	22.2%
ELECTION EXPENSES	\$0	\$20,493	\$20,000	\$55,334	\$15,000	-25%
INSPECTION FEES	\$101,309	\$104,486	\$80,000	\$268,059	\$225,000	181.3%
INSURANCE-LIABILITY	\$78,646	\$103,385	\$85,000	\$64,901	\$88,000	3.5%
COMMUNITY RELATIONS	\$20,117	\$18,440	\$25,000	\$21,907	\$30,000	20%
LEGAL EXPENSE	\$129,993	\$147,140	\$175,000	\$211,327	\$165,000	-5.7%
RENTALS/SERVICE AGREEMENTS	\$35,508	\$40,718	\$21,000	\$22,882	\$25,000	19%



Name	FY2020 Actual	FY2021 Actual	FY2022 Approved Budget	FY2022 Actual	FY2023 Budgeted	FY2022 Approved Budget vs. FY2023 Budgeted (% Change)
EMERGENCY SERVICES	\$165,000	\$200,580	\$181,000	\$175,290	\$181,000	0%
OPERATION EXPENSES	\$8,562	\$5,195	\$3,000	\$8,727	\$6,000	100%
PUBLICATIONS	\$57	\$0	\$3,000	\$2,283	\$2,500	-16.7%
ANNUAL DUES	\$8,668	\$24,410	\$28,750	\$37,261	\$37,000	28.7%
UTILITIES/GAS	\$19,160	\$22,346	\$20,000	\$38,674	\$65,000	225%
CITY HALL MAINTENANCE	\$36,475	\$27,820	\$36,500	\$85,049	\$45,000	23.3%
COMMUNITY CENTER EXPENSE	\$20,209	\$59,750	\$65,000	\$94,469	\$45,000	-30.8%
CODIFICATION	\$225	\$3,668	\$3,000	\$4,375	\$1,000	-66.7%
RECORDS MANAGEMENT	\$3,057	\$3,908	\$4,000	\$4,021	\$2,000	-50%
CONTRACT SERVICES	\$46,778	\$20,395	\$4,500	\$9,762	\$10,000	122.2%
<b>Total Operations:</b>	<b>\$707,264</b>	<b>\$823,411</b>	<b>\$799,750</b>	<b>\$1,185,850</b>	<b>\$997,500</b>	<b>24.7%</b>
<b>Other Sources/Uses</b>						
CAPITAL OUTLAY - EQUIPMENT	\$56,013	\$0	\$0	\$0	\$0	0%
TRANSF TO CAPITAL PROJECTS	\$500,000	\$0	\$40,000	\$40,000	\$257,724	544.3%
CARES ACT/TX EMERGENCY MGM	\$930	\$20,479	\$0	\$0	\$0	0%
<b>Total Other Sources/Uses:</b>	<b>\$556,943</b>	<b>\$20,479</b>	<b>\$40,000</b>	<b>\$40,000</b>	<b>\$257,724</b>	<b>544.3%</b>
<b>Total Expense Objects:</b>	<b>\$1,540,250</b>	<b>\$1,242,908</b>	<b>\$1,443,510</b>	<b>\$1,893,800</b>	<b>\$2,027,083</b>	<b>40.4%</b>



## Goal #1: Operational Enhancements

### Office of City Secretary

- Update council agenda ordinance.
- Provide council agenda policies and procedures.
- Reorganize and keep a record of all ordinances of the City, and of all written resolutions adopted by the Council, in such manner that the information contained therein will be readily accessible to the public.
- Enhance the process of receiving and processing Public Records Requests and response times.

### Office of Human Resources

- Update employee handbook.
- Creation and Implementation of the Code of Conduct Ordinance
- Recruit and retain a qualified and diverse workforce to meet the varied needs of Kemah.
- Develop a Succession Plan that will identify future leaders of the organization.

### Office of Finance

- 1st ever GFOA Distinguished Budget Award Submittal for the City of Kemah.
- STR software implementation and successful public rollout.
- Assess and recommend strategies for long-term fiscal sustainability for city operations.
- Identify and pursue new and alternative revenue sources.
- Review of City Council Financial Policies to ensure they meet the needs of the City.

### City Wide Goals

- Identify City needs for existing or new services and create a list to determine priorities.
- Encourage and increase public awareness of City policies, decisions, programs and all public processes and meetings, by investigating effective methods of communication and obtaining feedback from the community.
- Develop List of Capital Improvement Projects to be accomplished.
- Create a program using set aside funds for street and road repair or replacements.
- Create and Maintain the 5 year rolling Capital Improvement List with Prioritized Projects.
- Pursue other financial participation from federal, state, and local agencies such as grants or matching programs.
- Develop building maintenance plans for each city building.
- Provide, develop and preserve clean, wellmaintained and accessible streets and sidewalks, facilities, amenities, parks recreational facilities that are accessible to all.



## Goal #2: Economic Development

### Office of Community Development

The City of Kemah's Economic Development Plan focuses on the long-term goals of enhancing the quality of the local economic base, improving community "infrastructure" for economic development, promoting Kemah with a positive image, and developing leadership and cooperation for local economic development.

- With the aid of an economic development contractor/advisor, develop strategies and a comprehensive plan for funding and construction of projects that consider the multiple funding options.
- Develop a comprehensive Economic Development Strategy that captures the efforts of our community partners that drives growth in the region.
- Develop a new Strategic Plan that will guide staff toward Council priorities, with intentional goal-setting, benchmarks, and performance metrics.
  - Establish Kemah's competitive edge.
  - Become a hub for creative businesses.
  - Ensure community vitality.
- Engage and train the community to serve as ambassadors of Kemah's "brand".
- Increase in Code enforcement response time to complaints received from the community.
- Encourage conversations to move development forward, such as:
  - Opportunities for Kemah's partners to expand and add to current baseline economic development activities.
  - New initiatives are required to take Kemah to the next level.
  - Favorable perceptions of the city among commercial real estate brokers should be emphasized in marketing efforts.
  - Economic development, marketing efforts, consistent messaging as well as a regional perspective.
    - Competitiveness
    - External Visibility
    - Reengaging Kemah's share responsibility among local entities
      - Attractions
      - Residents
      - Partners
      - Philantropists
      - Major Employers
      - Districts (Lighthouse and Shoppes)



## Municipal Court



**Gerri Alfaro**  
Court Administrator

The mission of the court is to serve all individuals with pride, justice, and integrity by providing an impartial forum, trust, confidence, and expeditious resolution of all court matters.

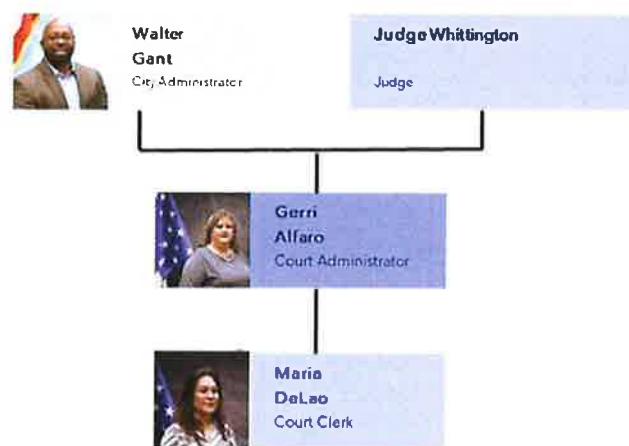
The Municipal Court is the judicial branch of the city government. The Kemah Municipal Court helps defendants understand court proceedings and informs defendants of their rights in court. The City of Kemah court includes one municipal judge, one associate judge, and one prosecutor, a court administrator, and a court clerk.

The Municipal Court is the legal forum for a person accused of violating Class C Misdemeanors under the Texas Penal Code and City Ordinances. The court maintains legal documents regarding violations committed in the City of Kemah's jurisdiction, schedules court dates, records court proceedings, collects fines levied by the Municipal Court Judge, issues warrants ordered by the Judge, and handles the proper disposition of each case filed in court.

## Organizational Chart

### City of Kemah Court

Organization chart

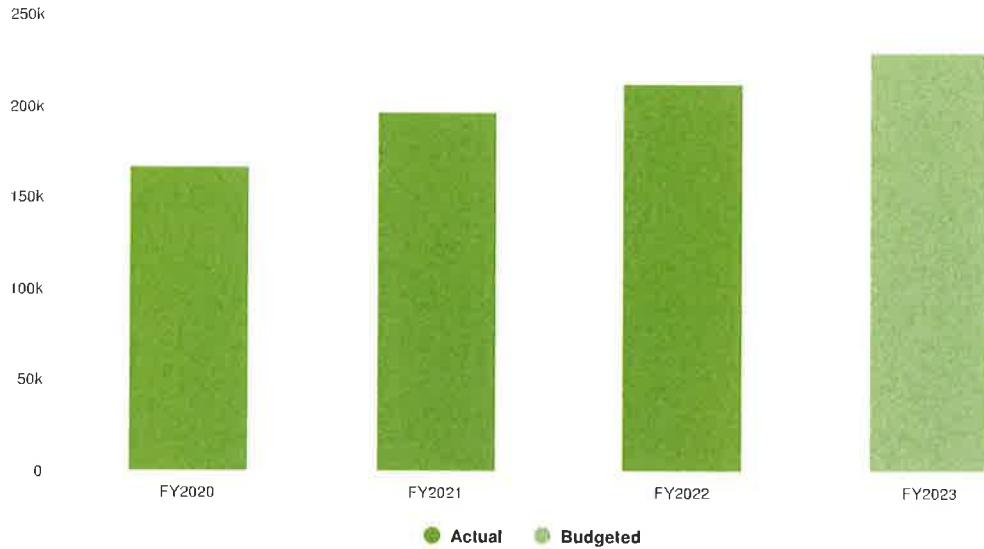


## Expenditures Summary

**\$229,510** **\$229,510**

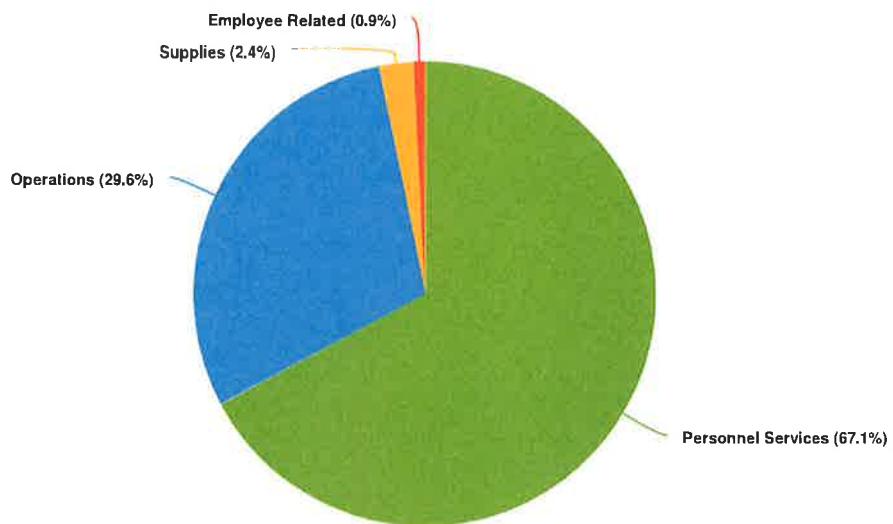
(% vs. prior year)

### Municipal Court Proposed and Historical Budget vs. Actual

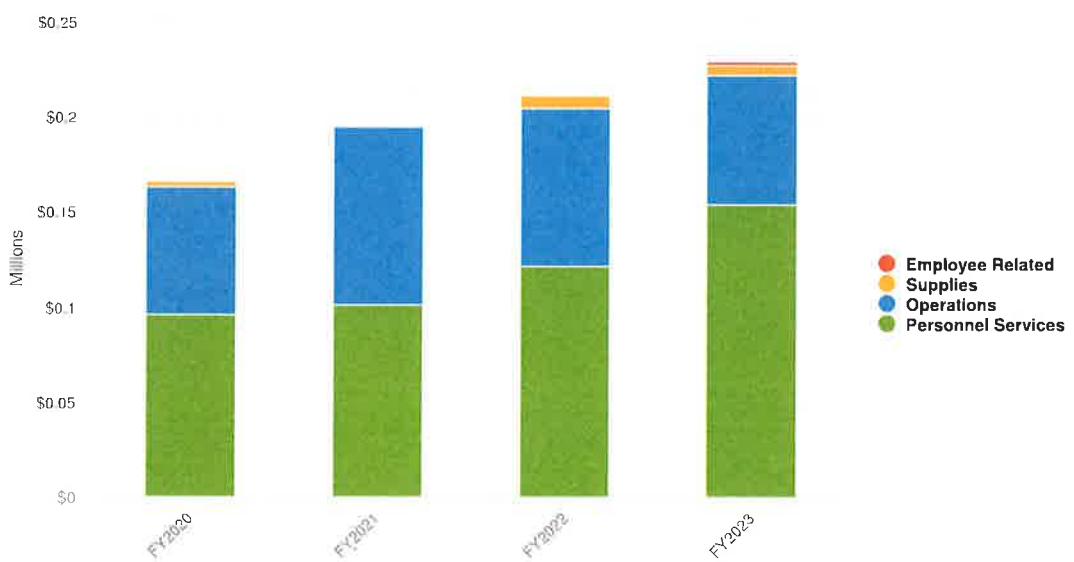


## Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



Name	FY2020 Actual	FY2021 Actual	FY2022 Approved Budget	FY2022 Actual	FY2023 Budgeted	FY2022 Approved Budget vs. FY2023 Budgeted (% Change)
<b>Expense Objects</b>						
Personnel Services						



Name	FY2020 Actual	FY2021 Actual	FY2022 Approved Budget	FY2022 Actual	FY2023 Budgeted	FY2022 Approved Budget vs. FY2023 Budgeted (% Change)
INSURANCE COURT	\$14,569	\$12,806	\$20,000	\$13,957	\$22,000	10%
UNEMPLOYMENT INSURANCE	\$366	\$891	\$1,500	\$425	\$1,200	-20%
WORKERS COMP INS	\$613	\$777	\$1,000	\$497	\$1,200	20%
PAYROLL TAX	\$5,182	\$5,211	\$10,000	\$7,499	\$7,000	-30%
RETIREMENT COURT	\$3,574	\$3,267	\$5,000	\$3,617	\$5,500	10%
SALARIES	\$70,488	\$76,527	\$115,000	\$95,201	\$116,550	1.3%
OVERTIME	\$422	\$0	\$1,000	\$140	\$500	-50%
INCENTIVE PAY/CERTIFICATIO	\$600	\$1,437	\$0	\$0	\$0	0%
LONGEVITY	\$200	\$548	\$0	\$0	\$60	N/A
<b>Total Personnel Services:</b>	<b>\$96,014</b>	<b>\$101,464</b>	<b>\$153,500</b>	<b>\$121,336</b>	<b>\$154,010</b>	<b>0.3%</b>
<b>Employee Related</b>						
TRAINING - CLERK/JUDGE	\$849	\$539	\$2,000	\$785	\$2,000	0%
<b>Total Employee Related:</b>	<b>\$849</b>	<b>\$539</b>	<b>\$2,000</b>	<b>\$785</b>	<b>\$2,000</b>	<b>0%</b>
<b>Supplies</b>						
OFFICE EXPENSE	\$882	\$211	\$2,500	\$6,466	\$4,000	60%
POSTAGE	\$1,940	\$778	\$1,500	\$692	\$1,500	0%
<b>Total Supplies:</b>	<b>\$2,822</b>	<b>\$989</b>	<b>\$4,000</b>	<b>\$7,157</b>	<b>\$5,500</b>	<b>37.5%</b>
<b>Operations</b>						
LEGAL EXPENSE	\$18,975	\$32,437	\$25,000	\$45,063	\$35,000	40%
RENTAL/SERVICE AGREEMENT	\$3,952	\$2,902	\$3,000	\$6,846	\$3,500	16.7%
LINEBARGER COLLECTION FEES	\$30,150	\$26,449	\$35,000	\$20,660	\$20,000	-42.9%
DELETE TAX ATTORNEY	\$0	\$3,519	\$0	\$0	\$0	0%
ANNUAL DUES	\$0	\$150	\$150	\$0	\$500	233.3%
TECHNOLOGY FUND EXPENSES	\$6,937	\$24,256	\$5,000	\$3,299	\$2,500	-50%
SECURITY FEE EXPENSES	\$1,186	\$0	\$1,000	\$94	\$1,500	50%
CREDIT CARDS FEES	\$6,148	\$3,823	\$3,500	\$7,204	\$5,000	42.9%
<b>Total Operations:</b>	<b>\$67,348</b>	<b>\$93,536</b>	<b>\$72,650</b>	<b>\$83,166</b>	<b>\$68,000</b>	<b>-6.4%</b>
<b>Total Expense Objects:</b>	<b>\$167,033</b>	<b>\$196,528</b>	<b>\$232,150</b>	<b>\$212,444</b>	<b>\$229,510</b>	<b>-1.1%</b>



## Goal #1: Customer Service

### Office of Municipal Court

The primary goal of the Municipal Court Department is to provide each defendant with a speedy and impartial trial when requested. This task is accomplished by having a well trained, knowledgeable, and dedicated municipal judge. The City of Kemah Municipal Court currently oversees daily arraignments, jury trials, trials by Judge, jail arraignment and trials, property disposition hearings, and juvenile dockets.

- To perform the administrative support activities required for the prompt enforcement of judicial rulings by conscientiously and with integrity collecting funds due to the City and the State, by promptly and correctly processing court actions, and by accurately providing court-related information with a high standard of customer service excellence.
  - Process payments within 24 hours of receipt.
  - Process bonds/resets with 98% accuracy.
  - Process court actions (DSC/Deferred Disposition) within 24hrs.
  - Quality review of 150 transactions per year.
- To perform the administrative support functions required for the efficient operation of judicial proceedings and due process adjudication of violations filed in the Municipal Courts of the City of Kemah and ensure these activities are handled accurately, expeditiously and with a high standard of customer service excellence.
  - Prompt and accurate filing of cases within 72 hours of receipt.
  - Prompt and accurate filing of complaints within 10 days of the court date.
  - Prompt and accurate response to warrant inquiries within 10 minutes.



## Goal #2: Resource Management

- Effectively manage departmental resources, oversee all projects, programs and contract implementation. Present information to the Mayor's Office, City Council, et. al., on departmental initiatives and accomplishments. Ensure compliance with State laws and City Ordinances.
  - Provide annual skills-based training for staff.
  - Track % increase rate of paid-to-filed violations.
  - Respond to public information (PIO) requests within 10 days of the request.
  - Track cost per citation rate.
  - Track the citation and warning ratios.
  - Reduce officer wait time for trial appearances.
  - Reduce defendant wait time for jury trial appearances.
  - Reduce defendant's wait time for trial by judge appearances.



## Information Technology



**Bobby Hurman**  
Director of Technology & Operations

The City of Kemah Information Technology & Operations department oversees the organization's daily business activities, and is responsible for managing its resources, developing and implementing an operational plan and ensuring that procedures are carried out properly. As the Director of Operations, the department regularly evaluates organizational efficiencies and makes the necessary changes to maximize staff productivity, and assess the needs of the organization.

As the Director of Technology, the department is responsible for planning, organizing, directing, and executing or managing the activities of information technology procurement, architecture, implementation, administration, documentation, support and refresh/maintenance, as well as oversight of and accountability for all technology assets of the City. Additionally, The City of Kemah IT department is responsible for the following tasks:

- Provides support for all City departments and facilities, including City Hall, the Police Department, the Visitor's Center, Community Center, and outlet locations.
- Drives the City's IT strategy and its implementation, including assessment of IT capabilities, policies, assets, and requirements.
- Develops or directs implementation plans for IT projects, including website releases, automation projects, and technology refreshes.
- Oversees strategic public communication program, which includes (but is not limited to) the development of media releases, newsletters, television/radio station operations, live streaming on social media outlets, website and social media content, collateral materials and press conferences.
- Plans and coordinates the collection, compilation, and presentation of information to the news media, public and City departments.
- Manages content development and presentation of the City's Internet website and social media.
- Manages operations of the City's Government Access television station including the routine installation and maintenance of equipment in the Council Chambers.

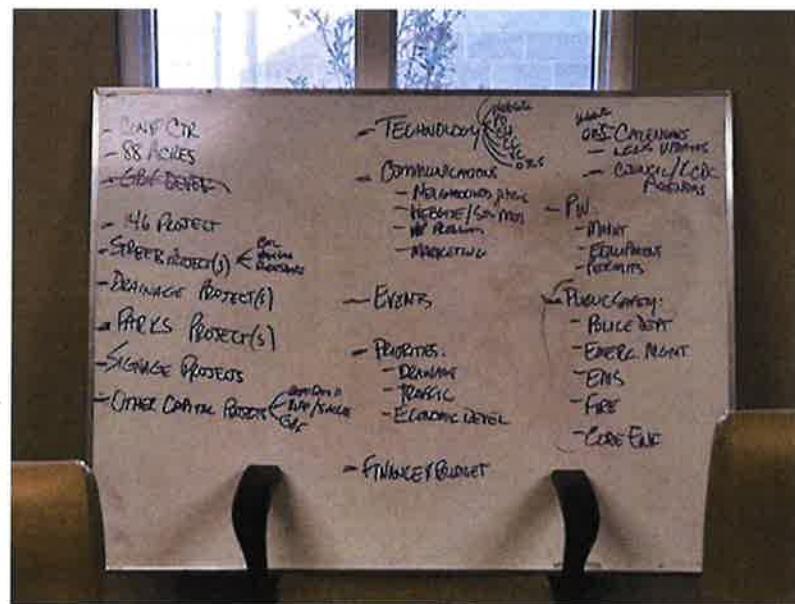
## Organizational Chart

### City of Kemah Information Technology & Operations

Organization chart



## Highlights



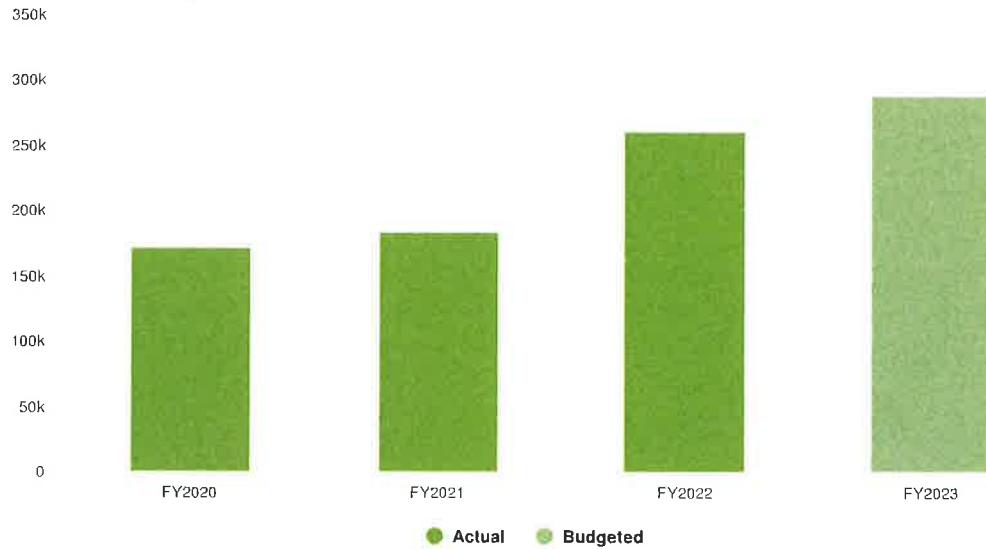
## Expenditures Summary

**\$288,100**

**\$288,100**

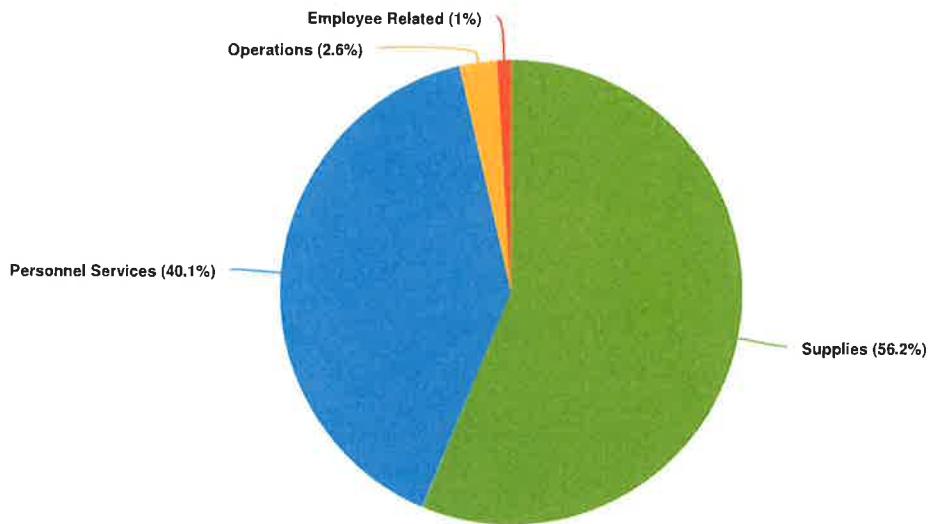
(% vs. prior year)

### Information Technology Proposed and Historical Budget vs. Actual

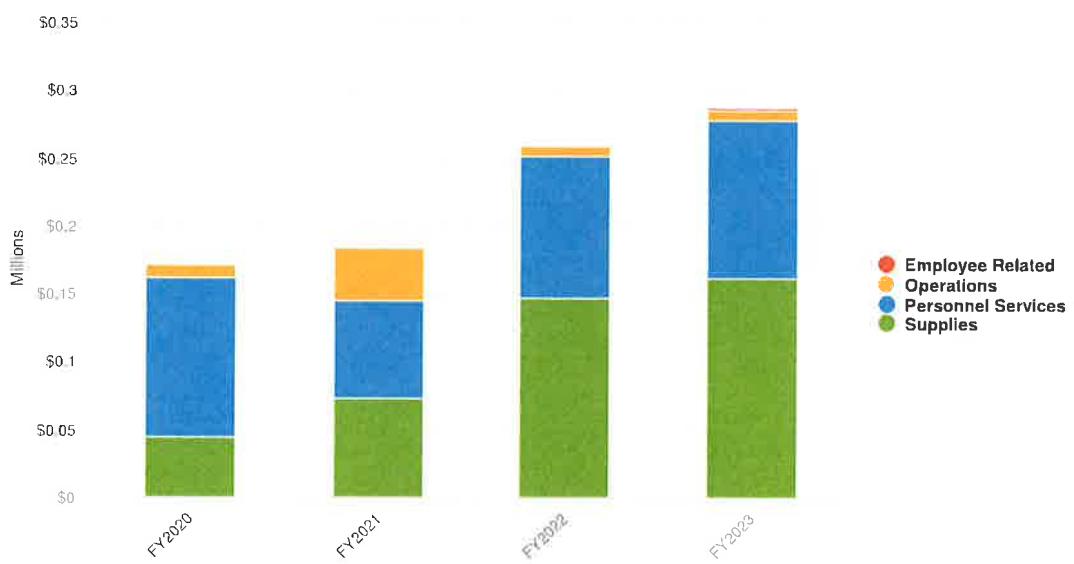


## Expenditures by Expense Type

### Budgeted Expenditures by Expense Type



### Budgeted and Historical Expenditures by Expense Type



Name	FY2020 Actual	FY2021 Actual	FY2022 Approved Budget	FY2022 Actual	FY2023 Budgeted	FY2022 Approved Budget vs. FY2023 Budgeted (% Change)
<b>Expense Objects</b>						
Personnel Services						



Name	FY2020 Actual	FY2021 Actual	FY2022 Approved Budget	FY2022 Actual	FY2023 Budgeted	FY2022 Approved Budget vs. FY2023 Budgeted (% Change)
GROUP INSURANCE	\$5,087	\$8,821	\$9,500	\$9,181	\$9,500	0%
UNEMPLOYMENT	\$144	\$252	\$500	\$0	\$500	0%
WORKERS COMP	\$291	\$552	\$500	\$336	\$500	0%
PAYROLL TAX	\$4,946	\$6,410	\$6,500	\$6,344	\$7,000	7.7%
RETIREMENT	\$4,714	\$5,609	\$6,000	\$5,229	\$6,000	0%
SALARIES	\$94,621	\$47,317	\$82,400	\$82,615	\$89,800	9%
OVERTIME	\$6,263	\$1,959	\$5,000	\$0	\$1,500	-70%
INCENTIVES/CERT.PAY	\$600	\$600	\$600	\$600	\$600	0%
LONGEVITY	\$0	\$55	\$200	\$115	\$200	0%
<b>Total Personnel Services:</b>	<b>\$116,666</b>	<b>\$71,575</b>	<b>\$111,200</b>	<b>\$104,420</b>	<b>\$115,600</b>	<b>4%</b>
<b>Employee Related</b>						
TRAINING			\$3,000	\$1,500	\$3,000	0%
<b>Total Employee Related:</b>			<b>\$3,000</b>	<b>\$1,500</b>	<b>\$3,000</b>	<b>0%</b>
<b>Supplies</b>						
SMALL TOOLS & EQUIPMENT	\$2,682	\$3,264	\$12,000	\$10,646	\$15,000	25%
OFFICE SUPPLIES	\$156	\$0	\$2,000	\$1,918	\$2,000	0%
SOFTWARE PURCHASES	\$11,168	\$27,714	\$40,000	\$26,990	\$40,000	0%
SOFTWARE RENEWALS	\$14,358	\$19,834	\$115,924	\$84,350	\$95,000	-18%
HARDWARE PURCHASES	\$9,484	\$16,095	\$0	\$18,576	\$0	0%
AV SYSTEM MAINTENANCE	\$32	\$0	\$0	\$0	\$0	0%
WEBSITE/DOMAIN EXPENSES	\$7,052	\$6,279	\$5,000	\$5,000	\$10,000	100%
<b>Total Supplies:</b>	<b>\$44,932</b>	<b>\$73,186</b>	<b>\$174,924</b>	<b>\$147,480</b>	<b>\$162,000</b>	<b>-7.4%</b>
<b>Operations</b>						
CONTRACT SERVICES	\$10,111	\$38,745	\$7,076	\$7,076	\$7,500	6%
<b>Total Operations:</b>	<b>\$10,111</b>	<b>\$38,745</b>	<b>\$7,076</b>	<b>\$7,076</b>	<b>\$7,500</b>	<b>6%</b>
<b>Total Expense Objects:</b>	<b>\$171,709</b>	<b>\$183,506</b>	<b>\$296,200</b>	<b>\$260,476</b>	<b>\$288,100</b>	<b>-2.7%</b>



## Goal #1: Compliance

### Office of Technology & Operations

- **CJIS Compliance**

- CJIS compliance is an important compliance standard for law enforcement at the local, state, and federal levels, and is designed to ensure data security in law enforcement. The Criminal Justice Information Services Division is the largest division of the Federal Bureau of Investigation.
- The CJIS Security Policy includes procedures for how information is handled and what should be in user agreements. Companies and agencies that use criminal justice information must include specific processes and parameters in their information exchange agreements, including:
  - Audits
  - Logging
  - Quality assurance
  - Pre-employment screening
  - Security
  - Timeliness
  - Training
  - Use of systems

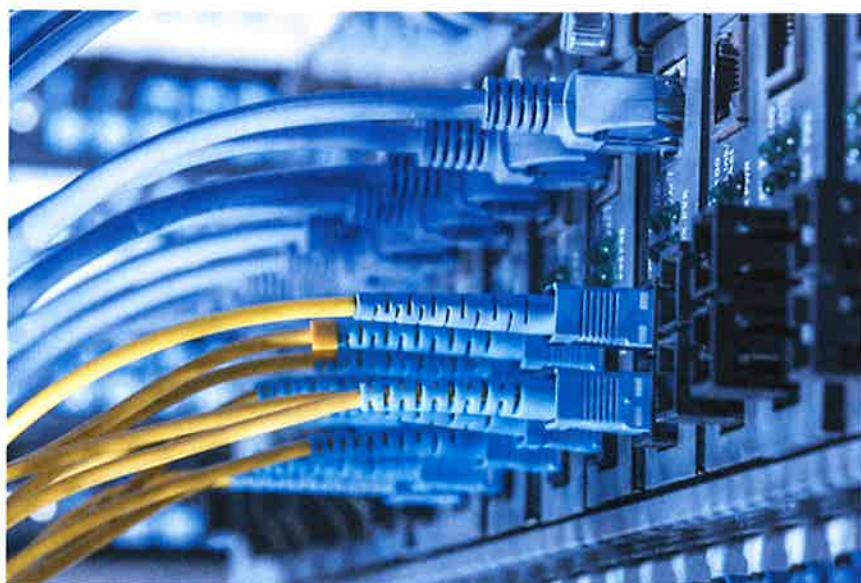
- **Cybersecurity Awareness & Compliance**

- Protect the integrity of the Department's information and IT assets by strengthening our cybersecurity posture.
- In conjunction with external networks, the IT department provides security monitoring to detect and respond to cyber threats. We monitor on-premises computers, networks and cloud-based information assets for malicious activity such as cybercrime, ransomware, and malicious software attacks.
  - Develop a city-wide identity management system (IDMS) to materially enhance the cybersecurity and utility of the City's systems and applications across networks and databases.
- We assist City Council and employees in recognizing and neutralizing social engineering attacks and human error through microlearning content, automated phishing tests, and awareness coaching. This includes:
  - Security awareness training
  - Automated phishing tests
  - Account takeover monitoring



## Goal #2: Modernized IT Infrastructure

- **Deploy a modernized IT infrastructure that enables seamless access to information resources.**
  - Develop a multi-year plan, modernizing our systems, networks, and platforms to protect business-critical applications and data.
  - Adapt the City's network architecture to counteract increasingly sophisticated threats by isolating and segmenting critical business data and IT assets to protect sensitive and personally identifiable information.
  - Develop a multi-year plan to modernize and secure IT infrastructure that harnesses new information delivery models which will enhance the City's voice, network, data, radio, and video capabilities, providing secure platforms for the City's communications and emergency life-safety and command and control situations.
    - Increase development, modernization, and enhancement (DME) spending by 15 percent.
    - Increase virtualization in data center modernization and optimization projects.
- **Improve secure mobile and remote access to appropriate the City resources.**
  - Mobility is a top priority for the City, as much of our relationship building and mission execution takes place outside the walls of our physical Department facilities. It is imperative that our approach effectively handles the needs of our residents, processes, and technology required to effectively and securely manage mobile devices, their associated wireless networks, and mobile computing services and applications.
  - As the need arises, centralized configuration management and security services will continue to enhance remote access options.
    - Increase the number of employees with a mobile device by 30 percent. (increase in work from home opportunities)
    - Implement a centralized, automated enterprise service management solution (ticketing system) to manage requests for services and increase transparency.
    - Develop a baseline IT Workforce Database to assess staffing needs, current statistics, and future trends for IT positions.



## Public Works



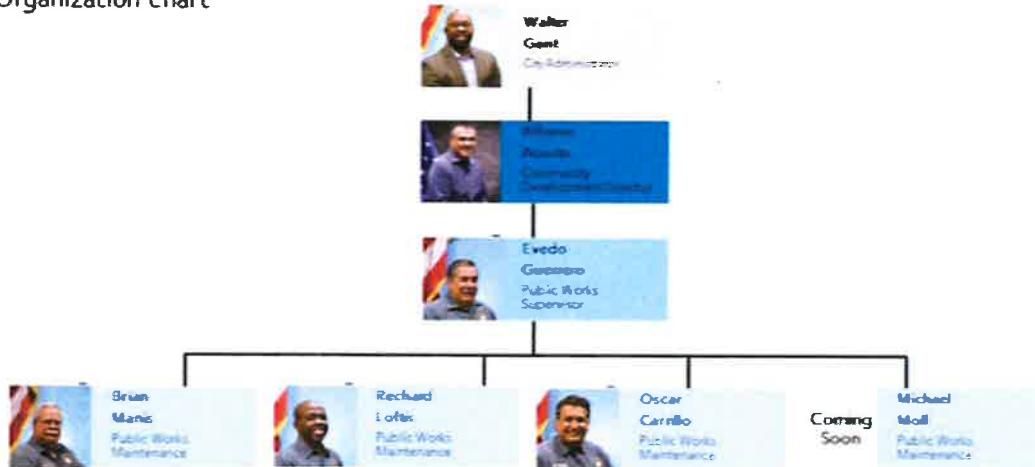
The City of Kemah Public Works Department enhances the quality of life, health and safety of all citizens and visitors by providing top quality services through a very responsive and responsible team committed to high ethical standards, accountability and effective maintenance of the city's infrastructure (facilities, highways and parks and open spaces).

The City of Kemah Public Works is a solid foundation of knowledge and experience. Supervisors have decades of experience conducting maintenance operations (highway, equipment, and facilities), and, all personnel have ample pride. Combined with ambitious new goals and leadership expectations, and leadership development opportunities...expect department-wide growth in the years to come.

### Organizational Chart

#### City of Kemah Public Works

Organization chart



## Who Are We?

### Our Values

- High Ethical Standards
- Teamwork
- Good steward of City's investments
- Highly responsive
- Service driven

### Mission

The mission of the City of Kemah Public Works Department is to provide high quality, appropriate infrastructure, parks, and open space for all residents. By establishing positive relationships with the community, the Department is able to provide safe, effective, and well-managed streets, parks and public facilities. The Department will be stewards of the environment and be fiscally responsible in all aspects of its operation. All Public Works employees will be highly qualified individuals and will be provided with the opportunity to continually increase their knowledge through experience, education and training.

### Vision

To be a well-managed, highly effective department that responds to current and future needs through creativity and innovation in order to maintain and enhance the community's essential infrastructure and natural resources.

### Values

- Safety
- Customer Service
- Professionalism
- Accountability
- Respect
- Dedication
- Integrity
- Team Work
- Adaptability
- Communication
- Innovation

The City of Kemah Department of Public Works is comprised of 5 full-time employees, who each possess special skills and knowledge acquired through education, training and experience to meet the public's needs. Some of the many responsibilities of the Department include:

- Emergency response preparedness
- Ice removal
- Management of the Citywide stormwater program
- Maintain greater than 55 acres of open space and park land
- Oversee all City facility maintenance

### Guiding Principles

- Provide all services in a safe and efficient manner.
- Provide safe and efficient equipment and a safe work environment for City employees.
- Protect Kema's environment and natural resources.
- Provide opportunities for education and training all employees.
- Use the City's website to communicate information to residents about upcoming and ongoing maintenance and construction activities.

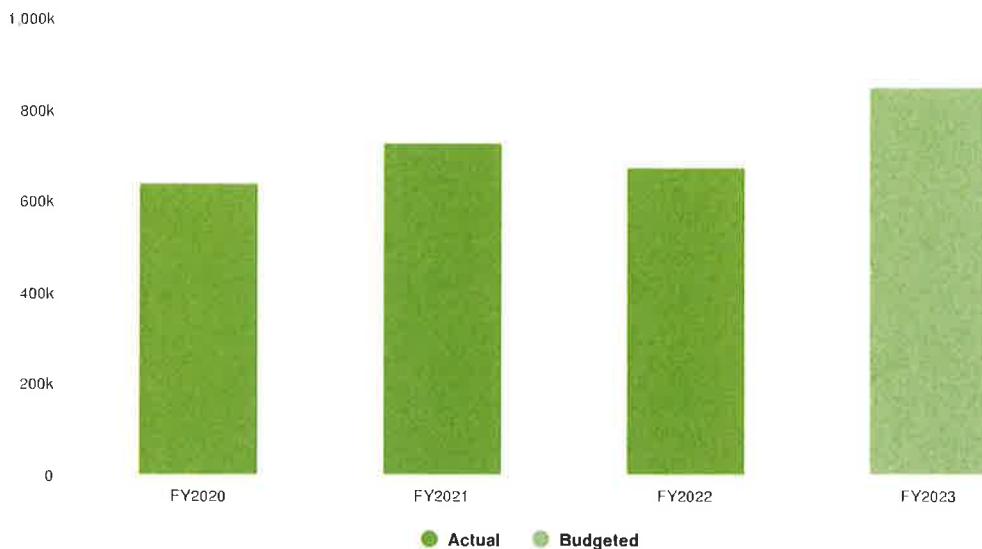


## Expenditures Summary



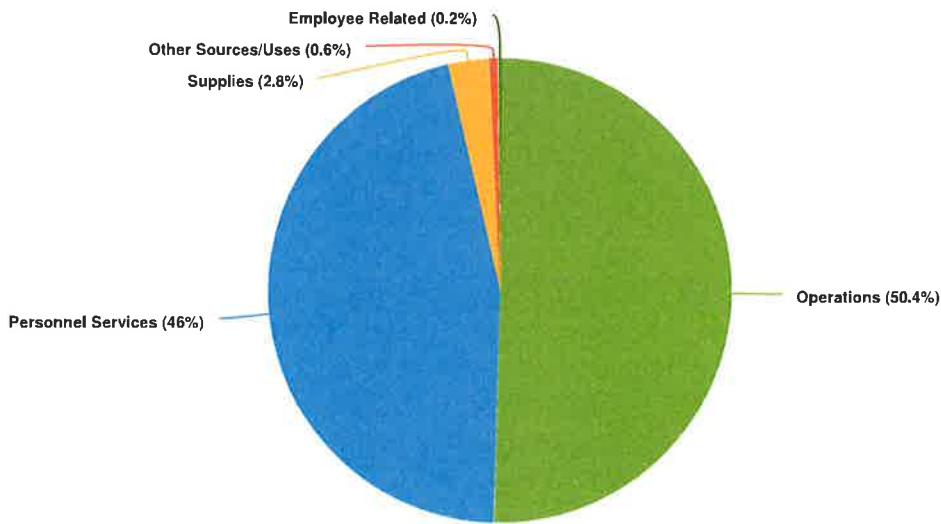
**\$850,400** **\$850,400**  
(% vs. prior year)

**Public Works Proposed and Historical Budget vs. Actual**

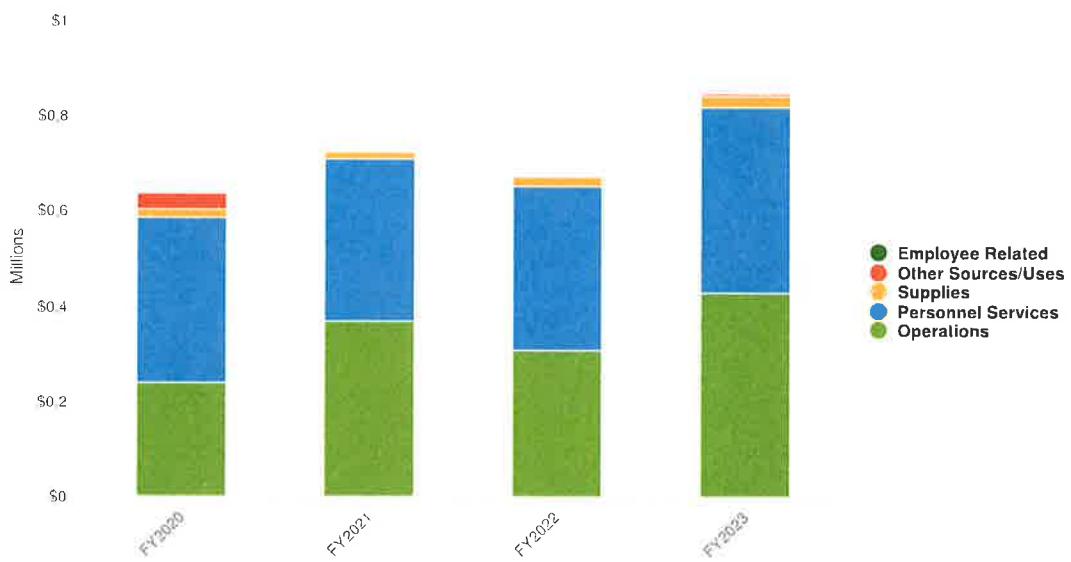


**Expenditures by Expense Type**

**Budgeted Expenditures by Expense Type**



## Budgeted and Historical Expenditures by Expense Type



Name	FY2020 Actual	FY2021 Actual	FY2022 Approved Budget	FY2022 Actual	FY2023 Budgeted	FY2022 Approved Budget vs. FY2023 Budgeted (% Change)
<b>Expense Objects</b>						
<b>Personnel Services</b>						
GROUP INSURANCE	\$69,018	\$65,882	\$80,000	\$63,956	\$84,000	5%
UNEMPLOY,TAX	\$864	\$1,279	\$2,000	\$144	\$1,000	-50%
W/COMP	\$14,186	\$22,472	\$15,000	\$13,125	\$15,000	0%
P/R TAX -	\$16,079	\$15,418	\$16,500	\$16,478	\$17,000	3%
RETIREMENT PUBLIC WORKS	\$16,624	\$14,819	\$17,000	\$14,753	\$16,000	-5.9%
SALARIES	\$219,765	\$208,020	\$260,000	\$216,589	\$243,600	-6.3%
OVERTIME	\$1,660	\$5,411	\$5,000	\$10,192	\$6,000	20%
INCENTIVE/CERTIFICATION	\$1,800	\$1,800	\$2,400	\$1,800	\$1,800	-25%
LONGEVITY	\$6,085	\$6,255	\$7,000	\$6,555	\$6,500	-7.1%
<b>Total Personnel Services:</b>	<b>\$346,081</b>	<b>\$341,356</b>	<b>\$404,900</b>	<b>\$343,594</b>	<b>\$390,900</b>	<b>-3.5%</b>
<b>Employee Related</b>						
EMPLOYEE TESTING			\$150	\$126	\$500	233.3%
TRAINING	\$215	\$215	\$1,000	\$215	\$1,000	0%
<b>Total Employee Related:</b>	<b>\$215</b>	<b>\$215</b>	<b>\$1,150</b>	<b>\$341</b>	<b>\$1,500</b>	<b>30.4%</b>
<b>Supplies</b>						
FUEL	\$11,719	\$10,893	\$11,000	\$14,452	\$17,000	54.5%
SMALL TOOLS	\$3,602	\$2,327	\$3,000	\$3,911	\$3,500	16.7%
CHEMICALS	\$1,832	\$2,577	\$2,500	\$2,515	\$3,500	40%



Name	FY2020 Actual	FY2021 Actual	FY2022 Approved Budget	FY2022 Actual	FY2023 Budgeted	FY2022 Approved Budget vs. FY2023 Budgeted (% Change)
<b>Total Supplies:</b>	<b>\$17,153</b>	<b>\$15,797</b>	<b>\$16,500</b>	<b>\$20,878</b>	<b>\$24,000</b>	<b>45.5%</b>
<b>Operations</b>						
STORM WATER MGMT PROG.	\$7,024	\$366	\$15,000	\$100	\$1,000	-93.3%
RESIDENTIAL SOLID WASTE DI	\$79,159	\$136,248	\$135,000	\$99,150	\$150,000	11.1%
UNIFORMS	\$5,057	\$5,658	\$6,000	\$5,306	\$6,000	0%
RENTAL/SERVICES	\$6,117	\$44,672	\$15,000	\$14,430	\$15,000	0%
MATERIALS	\$14,542	\$19,764	\$15,000	\$23,824	\$20,000	33.3%
LANDSCAPING	\$16,954	\$17,080	\$18,000	\$32,290	\$25,000	38.9%
UTILITIES	\$63,254	\$67,691	\$65,000	\$68,903	\$135,000	107.7%
MAINT BUILDING/GROUND	\$19,953	\$14,490	\$70,000	\$34,838	\$40,000	-42.9%
EQUIPMENT MAINT.	\$19,683	\$29,213	\$20,000	\$22,479	\$20,000	0%
OTHER OPERATING	\$3,464	\$2,339	\$3,000	\$858	\$1,500	-50%
TRAFFIC CONTROL	\$4,312	\$30,890	\$25,000	\$7,109	\$15,000	-40%
<b>Total Operations:</b>	<b>\$239,519</b>	<b>\$368,411</b>	<b>\$387,000</b>	<b>\$309,286</b>	<b>\$428,500</b>	<b>10.7%</b>
<b>Other Sources/Uses</b>						
CAPITAL OUTLAY	\$34,199	\$0	\$0	\$0	\$5,500	N/A
<b>Total Other Sources/Uses:</b>	<b>\$34,199</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$5,500</b>	<b>N/A</b>
<b>Total Expense Objects:</b>	<b>\$637,167</b>	<b>\$725,779</b>	<b>\$809,550</b>	<b>\$674,099</b>	<b>\$850,400</b>	<b>5%</b>

## Goal #1: Enhance Resident Quality of Life

### Office of Public Works

Ensure and enhance the quality of life for all residents by implementing proactive programs to improve all city-owned rights-of-way, parks, and open spaces.

- Improve the aesthetics of city parks, open spaces, and rights-of-way through trash and weed abatement, landscaping, hardscaping and other methods of enrichment.
- Continue to improve and update all entry features at entrances into the City.
- Continue to develop methods to measure customer satisfaction.
- Develop and maintain customer service response system (requests for service).
- Increase citizen understanding of the function, practices and procedures of the



Public Works Department.

- Enhance core services by defining service standards. Accreditation by American Public Works Association

## **Goal #2: Staff Development**

Develop and maintain an exceptionally qualified and well-trained staff to carry out the Department's mission.

- Empower employees to use their knowledge and expertise to improve services and solve problems.
- Provide resources so employees can meet expectations.
- Continue performance management and training to increase technical and leadership skills.
- Recognize employees for innovative problem solving and creative solutions.
- Maintain a safe work environment for all Public Works employees.
- Develop and implement a succession plan to effectively recruit and retain well qualified employees and ensure critical staffing needs are met.



## Police



**Chief Holland Jones PhD**  
Chief of Police

The Kemah Police Department is a professional law enforcement agency, located in the northeast corner of Galveston County, Texas. The Kemah Police Department employs a diverse group of individuals that strives daily to provide a safe and conducive environment for our residents and visitors. The City of Kemah is a coastal tourist destination that attracts millions of visitors annually to its Kemah Boardwalk and Kemah Lighthouse District. Even though Kemah is approximately 1.91 square miles and with a resident population of approximately 1,807, we still have the feel of a small town and so much to offer our visitors.



## Our Mission

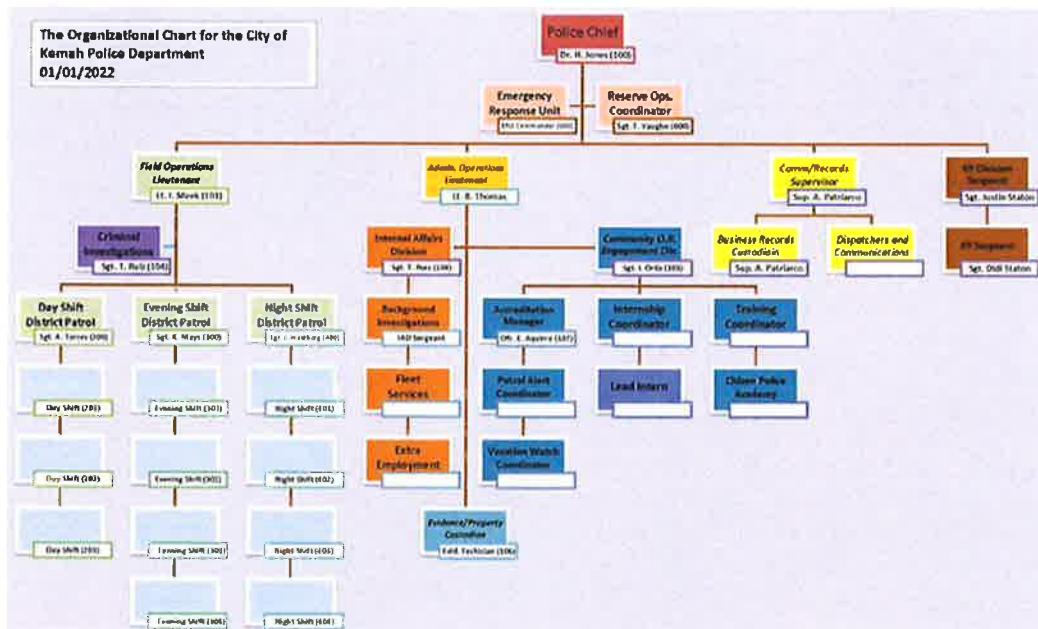
The mission of KPD is to ensure the protection, health, welfare, and safety of our citizens and community in an ethical manner while maintaining our professional integrity in every aspect of our public safety responsibilities.

## Our Values

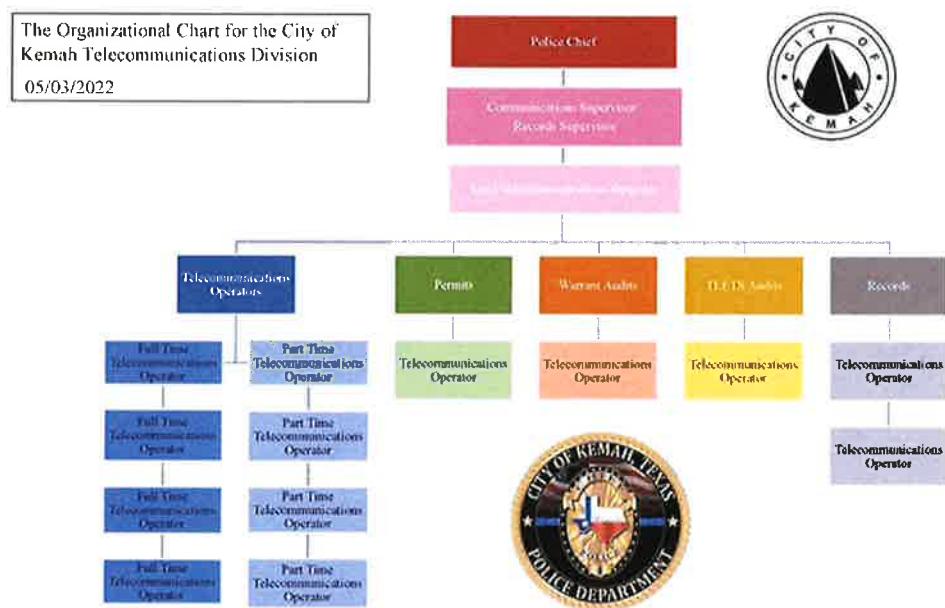
- Professional
- Forward-Thinking
- Innovative
- Inclusive



## **Organizational Chart Kemah Police Department**



## Organizational Chart Kemah Dispatch

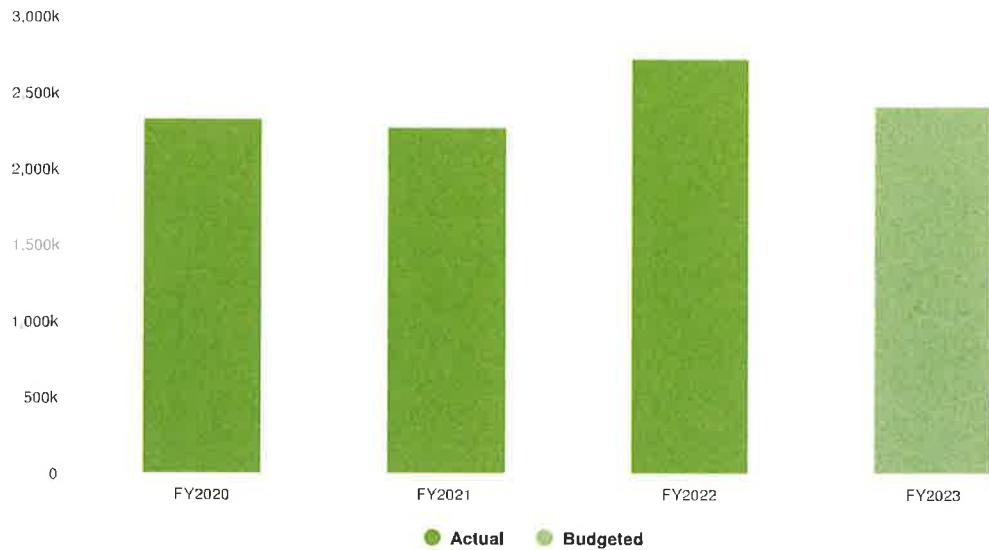


## Expenditures Summary

**\$2,412,367** **\$2,412,367**

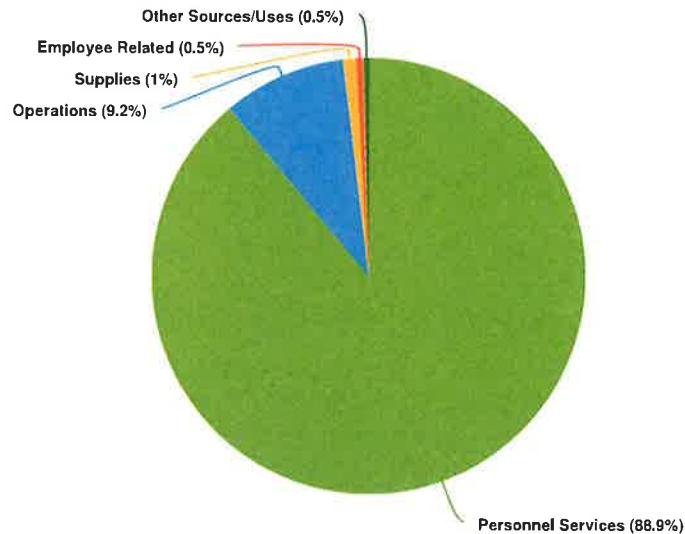
(% vs. prior year)

### Police Proposed and Historical Budget vs. Actual

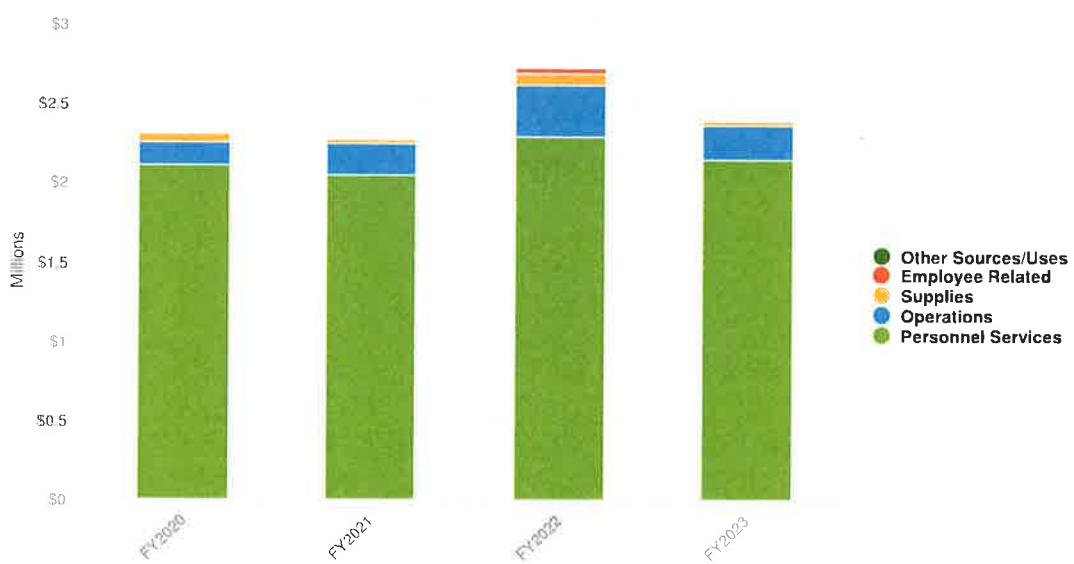


## Expenditures by Expense Type

### Budgeted Expenditures by Expense Type



### Budgeted and Historical Expenditures by Expense Type



Name	FY2020 Actual	FY2021 Actual	FY2022 Approved Budget	FY2022 Actual	FY2023 Budgeted	FY2022 Approved Budget vs. FY2023 Budgeted (% Change)
<b>Expense Objects</b>						
Personnel Services						



Name	FY2020 Actual	FY2021 Actual	FY2022 Approved Budget	FY2022 Actual	FY2023 Budgeted	FY2022 Approved Budget vs. FY2023 Budgeted (% Change)
INSURANCE POLICE	\$220,779	\$235,633	\$285,000	\$272,148	\$290,000	1.8%
UNEMPLOYMENT	\$3,486	\$7,978	\$9,500	\$3,048	\$6,000	-36.8%
WORKER'S COMP	\$56,304	\$77,730	\$113,000	\$43,025	\$64,000	-43.4%
PAYROLL TAX POLICE	\$116,168	\$101,614	\$130,000	\$128,208	\$130,000	0%
RETIREMENT POLICE	\$113,505	\$92,202	\$130,000	\$106,883	\$130,000	0%
SALARIES POLICE	\$1,291,598	\$1,204,385	\$1,630,000	\$1,584,650	\$1,428,367	-12.4%
OVERTIME	\$228,659	\$142,473	\$25,000	\$70,572	\$20,000	-20%
INCENTIVE PAY/CERTIFICATIO	\$63,218	\$42,308	\$48,050	\$48,048	\$50,000	4.1%
LONGEVITY	\$12,980	\$6,639	\$8,000	\$7,876	\$5,500	-31.2%
PART TIME PERSONNEL	\$4,749	\$138,055	\$25,000	\$24,741	\$20,000	-20%
<b>Total Personnel Services:</b>	<b>\$2,111,446</b>	<b>\$2,049,017</b>	<b>\$2,403,550</b>	<b>\$2,289,198</b>	<b>\$2,143,867</b>	<b>-10.8%</b>
<b>Employee Related</b>						
EMPLOYEE TESTING	\$1,365	\$775	\$2,450	\$3,338	\$2,500	2%
TRAINING/WORKSHOP	\$10,944	\$4,529	\$25,500	\$38,351	\$10,000	-60.8%
<b>Total Employee Related:</b>	<b>\$12,309</b>	<b>\$5,304</b>	<b>\$27,950</b>	<b>\$41,689</b>	<b>\$12,500</b>	<b>-55.3%</b>
<b>Supplies</b>						
POLICE VEHICLES	\$29,380	\$12,011	\$46,500	\$23,712	\$0	-100%
SMALL TOOLS/EQUIPMENT	\$2,492	\$2,202	\$5,000	\$4,551	\$5,500	10%
OFFICE SUPPLIES	\$5,689	\$4,767	\$6,300	\$13,348	\$9,000	42.9%
POSTAGE	\$1,058	\$238	\$1,000	\$300	\$1,000	0%
MISC. SUPPLIES	\$2,808	\$3,124	\$3,000	\$29,782	\$2,000	-33.3%
K-9 EXPENSE	\$9,401	\$3,113	\$1,500	\$558	\$1,500	0%
WEBSITE RENEWAL AND SUPPORT			\$0	\$0	\$5,000	N/A
<b>Total Supplies:</b>	<b>\$50,828</b>	<b>\$25,455</b>	<b>\$63,300</b>	<b>\$72,251</b>	<b>\$24,000</b>	<b>-62.1%</b>
<b>Operations</b>						
COMPUTER TECHNOLOGY	\$78	\$0	\$0	\$0	\$0	0%
RADIO COMMUNICATIONS	\$17,245	\$8,643	\$10,700	\$11,835	\$11,000	2.8%
LEOSE TRAINING			\$1,500	\$0	\$1,000	-33.3%
UNIFORMS POLICE	\$13,166	\$20,373	\$45,000	\$45,893	\$10,000	-77.8%
AMMO	\$0	\$1,472	\$2,000	\$10,360	\$2,000	0%
RENTAL/SERVICE AGREEMENT	\$68,436	\$107,546	\$79,375	\$155,811	\$130,000	63.8%
DETENTIONS POLICE	\$579	\$555	\$1,000	\$1,742	\$2,500	150%
COMMUNITY ORIENTED POLICIN	\$80	\$0	\$15,000	\$12,913	\$3,000	-80%
SUPPLIES OPERATIONS	\$1,397	\$1,546	\$1,575	\$9,654	\$2,500	58.7%
DUES/SUBSCRIPTIONS	\$237	\$360	\$550	\$651	\$1,000	81.8%
MAINTENANCE-VEHICLES	\$42,333	\$37,250	\$35,000	\$61,180	\$35,000	0%



Name	FY2020 Actual	FY2021 Actual	FY2022 Approved Budget	FY2022 Actual	FY2023 Budgeted	FY2022 Approved Budget vs. FY2023 Budgeted (% Change)
MISC OPERATIONAL COST POLI	\$446	\$3,555	\$11,330	\$10,834	\$12,000	5.9%
EMPLOYEE AWARDS/PRESENTATI	\$300	\$697	\$500	\$222	\$1,000	100%
EMERGENCY MANAGEMENT	\$1,138	\$15,086	\$10,000	\$6,227	\$10,000	0%
<b>Total Operations:</b>	<b>\$145,435</b>	<b>\$197,083</b>	<b>\$213,530</b>	<b>\$327,322</b>	<b>\$221,000</b>	<b>3.5%</b>
<b>Other Sources/Uses</b>						
CAPITAL OUTLAY- EQUIPMENT			\$0	\$0	\$11,000	N/A
COVID-19 FEMA	\$8,317	\$0	\$0	\$0	\$0	0%
<b>Total Other Sources/Uses:</b>	<b>\$8,317</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$11,000</b>	<b>N/A</b>
<b>Total Expense Objects:</b>	<b>\$2,328,335</b>	<b>\$2,276,859</b>	<b>\$2,708,330</b>	<b>\$2,730,460</b>	<b>\$2,412,367</b>	<b>-10.9%</b>



## **Goal #1: Emergency Response Team**

June 15, 2022- The City of Kemah City Council, in conjunction with Chief Holland Jones, PhD, committed resources to building the first ever Kemah Emergency Response Team.

September 2022- Procuring the necessary resources of the Kemah Emergency Response Team.

September 23, 2022- Kemah celebrates Police Officer SWAT School Graduates Eklund, Cruz, and Rangel.

Fiscal Year 2023- Continuation of training, recruitment and procurement of personnel and supplies.

The Kemah Police Department Emergency Response Team supports the Kemah Police Department with tactical response to critical incidents.

The mission of Kemah Emergency Response Team is to safely resolve high-risk situations through the professional utilization of specialized equipment, negotiation, and tactics. The Kemah emergency response team will seek to resolve incidents through negotiation whenever possible, and all actions taken by the team will be based on the following safety priorities:

- Residents
- Officers
- Suspects.

The Emergency Response Team responds to such critical incidents as:

- Hostage Situations
- Barricaded Armed Subjects
- Sniper Situations
- High Risk Warrant Service
- Personal Protection (Dignitaries or People in Danger)
- Stakeouts and Undercover Surveillance
- Civil Disorder
- Special Assignments by Chief of Police

When a situation dictates the need of the specialized equipment and the tactically trained personnel that the Emergency Response Team is comprised of, the Team responds and assumes tactical command of the incident. Kemah Emergency Response Team handles any incident which has a propensity for armed confrontations, where thorough containment and specialized tactics would more likely be resolved without injury or loss of life.

≈ 75% complete



## **Goal #2: TPCAF Accreditation**

Under the leadership of Chief Holland Jones PhD, the City of Kemah is near the completion of the TPCAF Accreditation Program.

### **Goal #4 of Chief Jones 90-180 Day Transition Plan**

Evaluate and assess all departmental policies, procedures, rules, and regulations; then take immediate actions to secure compliance with statutory/procedural best practices via the successful pursuit of accreditations, and then appoint an Accreditation Manager while providing public access to our Policy Manual.

#### **Objective 4.1: Create a "Policy & Procedure Assessment Team" to review our policies.**

- Strategy: I will create a team of departmental personnel consisting of sworn and unsworn staff of various ranks and assignments to review our policies and procedures and submit suggested changes (this will be an ongoing process).
- ACHIEVED: In September 2021, I created a Policy & Procedure Assessment Team to ensure our policies evolve with the changing times and our procedures are compliant with best practices.  
Furthermore, our Accreditation Manager is currently reviewing departmental policies and procedures and creating a new Standard Operating Procedure (SOP) for the City of Kemah PD.

#### **Objective 4.2: Initiate the process for obtaining National/State Police Accreditation.**

- Strategy: I will assess the feasibility of our ability to obtain the following accreditation and certifications (for example: IACLEA, CALEA, TPCA, PSCA, CCOCP)
  - Commission on Accreditation for Law Enforcement Agencies
  - Texas Police Chief Law Enforcement Best Practice
  - Public Safety Communications Accreditation
- ACHIEVED: Since September 2021, I have assessed and affirmed the feasibility of our ability to pursue dual accreditation. Our Accreditation Manager has taken immediate action to secure compliance to statutory and procedural best practices via the successful pursuit of recognition by the Commission on Accreditation for Law Enforcement Agencies (CALEA) and the Texas Police Chiefs Association (TPCA). Furthermore, our contracts for the Commission on Accreditation for Law Enforcement Agencies (CALEA) and the Texas Police Chiefs Association (TPCA) have been signed and approved to move forward with accreditation.

#### **Objective 4.3: Establish an Accreditation Manager/Staff Inspector.**

- Strategy: I will designate and train a member of our staff as an Accreditation Manager/Staff Inspector to specifically oversee and ensure the implementation of contemporary policy and procedures. His/her additional duty will include evaluation and compliance inspections. The vital importance of risk mitigation necessitates the appointment of an individual that is dedicated to the drafting, editing, amending, and the implementation of public safety and law enforcement departmental best practices, policies, and procedures.
- ACHIEVED: Since September 2021, I have fulfilled the position of Accreditation Manager with a highly qualified and accomplished peace officer with extensive experience in graduate-level research, global security, and loss prevention. Our Accreditation Manager assesses City of

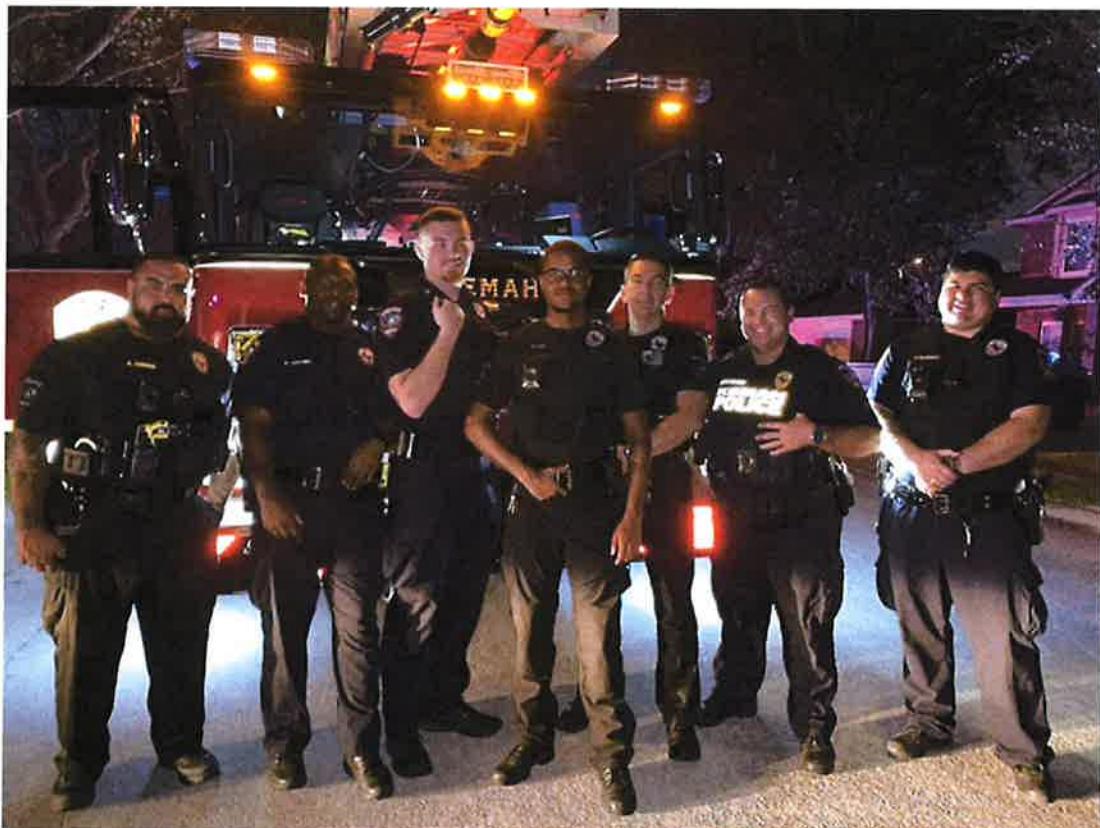


Kemah PD policies and procedures, conducts evaluation and compliance inspections, and oversees our applications for accreditation. Furthermore, we expect to become accredited by October 2022, demonstrating our professional and progressive philosophy and compliance with best practices.

**Objective 4.4:** Reflect Accountability/Transparency within City of Kemah PD's Policy Manual.

- Strategy: I will ensure that City of Kemah PD's Policy and Procedure Manual will be completely accessible to our external/internal stakeholders and City of Kemah's community via City of Kemah PD's website and open records request.
- ACHIEVED: Since September 2021, we have developed a website that will allow citizens to learn about our services and upcoming events, request senior welfare checks, sign up for vacation watch, subscribe to patrol alerts, view Monthly Activity and Geospatial Reports, give compliments and complaints, and more. Once completed, our website will allow our external/internal stakeholders and the City of Kemah's community to easily access our Policy and Procedure Manual and make open records requests. Furthermore, our website will ensure accountability and provide transparency for the entire City of Kemah PD.

≈ 85% complete



## **CAPITAL IMPROVEMENTS**



There are no submitted Capital Requests



There are no submitted Capital Requests



# **APPENDIX**



## Glossary

**Abatement:** A reduction or elimination of a real or personal property tax, motor vehicle excise, a fee, charge, or special assessment imposed by a governmental unit. Granted only on application of the person seeking the abatement and only by the committing governmental unit.

**Accounting System:** The total structure of records and procedures that identify, record, classify, and report information on the financial position and operations of a governmental unit or any of its funds, account groups, and organizational components.

**Accrued Interest:** The amount of interest that has accumulated on the debt since the date of the last interest payment, and on the sale of a bond, the amount accrued up to but not including the date of delivery (settlement date). (See Interest)

**Amortization:** The gradual repayment of an obligation over time and in accordance with a predetermined payment schedule.

**Appropriation:** A legal authorization from the community's legislative body to expend money and incur obligations for specific public purposes. An appropriation is usually limited in amount and as to the time period within which it may be expended.

**Arbitrage:** As applied to municipal debt, the investment of tax-exempt bonds or note proceeds in higher yielding, taxable securities. Section 103 of the Internal Revenue Service (IRS) Code restricts this practice and requires (beyond certain limits) that earnings be rebated (paid) to the IRS.

**Assessed Valuation:** A value assigned to real estate or other property by a government as the basis for levying taxes.

**Audit:** An examination of a community's financial systems, procedures, and data by a certified public accountant (independent auditor), and a report on the fairness of financial statements and on local compliance with statutes and regulations. The audit serves as a valuable management tool in evaluating the fiscal performance of a community.

**Audit Report:** Prepared by an independent auditor, an audit report includes: (a) a statement of the scope of the audit; (b) explanatory comments as to application of auditing procedures; (c) findings and opinions. It is almost always accompanied by a management letter which contains supplementary comments and recommendations.

**Available Funds:** Balances in the various fund types that represent non-recurring revenue sources. As a matter of sound practice, they are frequently appropriated to meet unforeseen expenses, for capital expenditures or other one-time costs.

**Balance Sheet:** A statement that discloses the assets, liabilities, reserves and equities of a fund or governmental unit at a specified date.

**Betterments (Special Assessments):** Whenever a specific area of a community receives benefit from a public improvement (e.g., water, sewer, sidewalk, etc.), special property taxes may be assessed to reimburse the governmental entity for all or part of the costs it incurred. Each parcel receiving benefit from the improvement is assessed for its proportionate share of the cost of such improvements. The proportionate share may be paid in full or the property owner may request that the assessors apportion the betterment over 20 years. Over the life of the betterment, one year's apportionment along with one year's committed interest computed from October 1 to October 1 is added to the tax bill until the betterment has been paid.

**Bond:** A means to raise money through the issuance of debt. A bond issuer/borrower promises in writing to repay a specified sum of money, alternately referred to as face value, par value or bond principal, to the buyer of the bond on a specified future date (maturity date), together with periodic interest at a specified rate. The term of a bond is always greater than one year. (See Note)

**Bond and Interest Record:** (Bond Register) – The permanent and complete record maintained by a treasurer for each bond issue. It shows the amount of interest and principal coming due each date and all other pertinent information concerning the bond issue.

**Bonds Authorized and Unissued:** Balance of a bond authorization not yet sold. Upon completion or abandonment of a project, any remaining balance of authorized and unissued bonds may not be used for other purposes, but must be rescinded by the community's legislative body to be removed from community's books.

**Bond Issue:** Generally, the sale of a certain number of bonds at one time by a governmental unit.



**Bond Rating (Municipal):** A credit rating assigned to a municipality to help investors assess the future ability, legal obligation, and willingness of the municipality (bond issuer) to make timely debt service payments. Stated otherwise, a rating helps prospective investors determine the level of risk associated with a given fixed-income investment. Rating agencies, such as Moody's and Standard and Poors, use rating systems, which designate a letter or a combination of letters and numerals where AAA is the highest rating and C1 is a very low rating.

**Budget:** A plan for allocating resources to support particular services, purposes and functions over a specified period of time. (See Performance Budget, Program Budget)

**Capital Assets:** All real and tangible property used in the operation of government, which is not easily converted into cash, and has an initial useful life extending beyond a single financial reporting period. Capital assets include land and land improvements; infrastructure such as roads, bridges, water and sewer lines; easements; buildings and building improvements; vehicles, machinery and equipment. Communities typically define capital assets in terms of a minimum useful life and a minimum initial cost. (See Fixed Assets)

**Capital Budget:** An appropriation or spending plan that uses borrowing or direct outlay for capital or fixed asset improvements. Among other information, a capital budget should identify the method of financing each recommended expenditure, i.e., tax levy or rates, and identify those items that were not recommended. (See Capital Assets, Fixed Assets)

**Cash:** Currency, coin, checks, postal and express money orders and bankers' drafts on hand or on deposit with an official or agent designated as custodian of cash and bank deposits.

**Cash Management:** The process of monitoring the ebb and flow of money in an out of municipal accounts to ensure cash availability to pay bills and to facilitate decisions on the need for short- term borrowing and investment of idle cash.

**Certificate of Deposit (CD):** A bank deposit evidenced by a negotiable or non-negotiable instrument, which provides on its face that the amount of such deposit plus a specified interest payable to a bearer or to any specified person on a certain specified date, at the expiration of a certain specified time, or upon notice in writing.

**Classification of Real Property:** Assessors are required to classify all real property according to use into one of four classes: residential, open space, commercial, and industrial. Having classified its real properties, local officials are permitted to determine locally, within limitations established by statute and the Commissioner of Revenue, what percentage of the tax burden is to be borne by each class of real property and by personal property owners.

**Collective Bargaining:** The process of negotiating workers' wages, hours, benefits, working conditions, etc., between an employer and some or all of its employees, who are represented by a recognized labor union, regarding wages, hours and working conditions.

**Consumer Price Index:** The statistical measure of changes, if any, in the overall price level of consumer goods and services. The index is often called the "cost-of-living index."

**Cost-Benefit Analysis:** A decision-making tool that allows a comparison of options based on the level of benefit derived and the cost to achieve the benefit from different alternatives.

**Debt Burden:** The amount of debt carried by an issuer usually expressed as a measure of value (i.e., debt as a percentage of assessed value, debt per capita, etc.). Sometimes debt burden refers to debt service costs as a percentage of the total annual budget.

**Debt Service:** The repayment cost, usually stated in annual terms and based on an amortization schedule, of the principal and interest on any particular bond issue.

**Encumbrance:** A reservation of funds to cover obligations arising from purchase orders, contracts, or salary commitments that are chargeable to, but not yet paid from, a specific appropriation account.

**Enterprise Funds:** An enterprise fund is a separate accounting and financial reporting mechanism for municipal services for which a fee is charged in exchange for goods or services. It allows a community to demonstrate to the public the portion of total costs of a service that is recovered through user charges and the portion that is subsidized by the tax levy, if any. With an enterprise fund, all costs of service delivery--direct, indirect, and capital costs—are identified. This allows the community to recover total service costs through user fees if it chooses. Enterprise accounting also enables communities to reserve the



"surplus" or net assets unrestricted generated by the operation of the enterprise rather than closing it out to the general fund at year-end. Services that may be treated as enterprises include, but are not limited to, water, sewer, hospital, and airport services.

**Equalized Valuations (EQVs):** The determination of the full and fair cash value of all property in the community that is subject to local taxation.

**Estimated Receipts:** A term that typically refers to anticipated local revenues often based on the previous year's receipts and represent funding sources necessary to support a community's annual budget. (See Local Receipts)

**Exemptions:** A discharge, established by statute, from the obligation to pay all or a portion of a property tax. The exemption is available to particular categories of property or persons upon the timely submission and approval of an application to the assessors. Properties exempt from taxation include hospitals, schools, houses of worship, and cultural institutions. Persons who may qualify for exemptions include disabled veterans, blind individuals, surviving spouses, and seniors.

**Expenditure:** An outlay of money made by municipalities to provide the programs and services within their approved budget.

**Fiduciary Funds:** Repository of money held by a municipality in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and other funds. These include pension (and other employee benefit) trust funds, investment trust funds, private- purpose trust funds, and agency funds.

**Fixed Assets:** Long-lived, assets such as buildings, equipment and land obtained or controlled as a result of past transactions or circumstances.

**Fixed Costs:** Costs that are legally or contractually mandated such as retirement, FICA/Social Security, insurance, debt service costs or interest on loans.

**Float:** The difference between the bank balance for a local government's account and its book balance at the end of the day. The primary factor creating float is clearing time on checks and deposits. Delays in receiving deposit and withdrawal information also influence float.

**Full Faith and Credit:** A pledge of the general taxing powers for the payment of governmental obligations. Bonds carrying such pledges are usually referred to as general obligation or full faith and credit bonds.

**Fund:** An accounting entity with a self-balancing set of accounts that are segregated for the purpose of carrying on identified activities or attaining certain objectives in accordance with specific regulations, restrictions, or limitations.

**Fund Accounting:** Organizing financial records into multiple, segregated locations for money. A fund is a distinct entity within the municipal government in which financial resources and activity (assets, liabilities, fund balances, revenues, and expenditures) are accounted for independently in accordance with specific regulations, restrictions or limitations. Examples of funds include the general fund and enterprise funds. Communities whose accounting records are organized according to the Uniform Municipal Accounting System (UMAS) use multiple funds.

**GASB 34:** A major pronouncement of the Governmental Accounting Standards Board that establishes new criteria on the form and content of governmental financial statements. GASB 34 requires a report on overall financial health, not just on individual funds. It requires more complete information on the cost of delivering value estimates on public infrastructure assets, such as bridges, road, sewers, etc. It also requires the presentation of a narrative statement the government's financial performance, trends and prospects for the future.

**GASB 45:** This is another Governmental Accounting Standards Board major pronouncement that each public entity account for and report other postemployment benefits in its accounting statements. Through actuarial analysis, municipalities must identify the true costs of the OPEB earned by employees over their estimated years of actual service.

**General Fund:** The fund used to account for most financial resources and activities governed by the normal appropriation process.

**General Obligation Bonds:** Bonds issued by a municipality for purposes allowed by statute that are backed by the full faith and credit of its taxing authority.

**Governing Body:** A board, committee, commission, or other executive or policymaking body of a municipality or school district.



**Indirect Cost:** Costs of a service not reflected in the operating budget of the entity providing the service. An example of an indirect cost of providing water service would be the value of time spent by non-water department employees processing water bills. A determination of these costs is necessary to analyze the total cost of service delivery. The matter of indirect costs arises most often in the context of enterprise funds.

**Interest:** Compensation paid or to be paid for the use of money, including amounts payable at periodic intervals or discounted at the time a loan is made. In the case of municipal bonds, interest payments accrue on a day-to-day basis, but are paid every six months.

**Interest Rate:** The interest payable, expressed as a percentage of the principal available for use during a specified period of time. It is always expressed in annual terms.

**Investments:** Securities and real estate held for the production of income in the form of interest, dividends, rentals or lease payments. The term does not include fixed assets used in governmental operations.

**Line Item Budget:** A budget that separates spending into categories, or greater detail, such as supplies, equipment, maintenance, or salaries, as opposed to a program budget.

**Local Aid:** Revenue allocated by the state or counties to municipalities and school districts.

**Maturity Date:** The date that the principal of a bond becomes due and payable in full.

**Municipal(s):** (As used in the bond trade) "Municipal" refers to any state or subordinate governmental unit. "Municipals" (i.e., municipal bonds) include not only the bonds of all political subdivisions, such as cities, towns, school districts, special districts, counties but also bonds of the state and agencies of the state.

**Note:** A short-term loan, typically with a maturity date of a year or less.

**Objects of Expenditures:** A classification of expenditures that is used for coding any department disbursement, such as "personal services," "expenses," or "capital outlay."

**Official Statement:** A document prepared for potential investors that contains information about a prospective bond or note issue and the issuer. The official statement is typically published with the notice of sale. It is sometimes called an offering circular or prospectus.

**Operating Budget:** A plan of proposed expenditures for personnel, supplies, and other expenses for the coming fiscal year.

**Overlapping Debt:** A community's proportionate share of the debt incurred by an overlapping government entity, such as a regional school district, regional transit authority, etc.

**Performance Budget:** A budget that stresses output both in terms of economy and efficiency.

**Principal:** The face amount of a bond, exclusive of accrued interest.

**Program:** A combination of activities to accomplish an end.

**Program Budget:** A budget that relates expenditures to the programs they fund. The emphasis of a program budget is on output.

**Purchased Services:** The cost of services that are provided by a vendor.

**Refunding of Debt:** Transaction where one bond issue is redeemed and replaced by a new bond issue under conditions generally more favorable to the issuer.

**Reserve Fund:** An amount set aside annually within the budget of a town to provide a funding source for extraordinary or unforeseen expenditures.

**Revaluation:** The assessors of each community are responsible for developing a reasonable and realistic program to achieve the fair cash valuation of property in accordance with constitutional and statutory requirements. The nature and extent of that program will depend on the assessors' analysis and consideration of many factors, including, but not limited to, the status of



the existing valuation system, the results of an in-depth sales ratio study, and the accuracy of existing property record information.

**Revenue Anticipation Note (RAN):** A short-term loan issued to be paid off by revenues, such as tax collections and state aid. RANs are full faith and credit obligations.

**Revenue Bond:** A bond payable from and secured solely by specific revenues and thereby not a full faith and credit obligation.

**Revolving Fund:** Allows a community to raise revenues from a specific service and use those revenues without appropriation to support the service.

**Sale of Real Estate Fund:** A fund established to account for the proceeds of the sale of municipal real estate other than proceeds acquired through tax title foreclosure.

**Stabilization Fund:** A fund designed to accumulate amounts for capital and other future spending purposes, although it may be appropriated for any lawful purpose.

**Surplus Revenue:** The amount by which cash, accounts receivable, and other assets exceed liabilities and reserves.

**Tax Rate:** The amount of property tax stated in terms of a unit of the municipal tax base; for example, \$14.80 per \$1,000 of assessed valuation of taxable real and personal property.

**Tax Title Foreclosure:** The procedure initiated by a municipality to obtain legal title to real property already in tax title and on which property taxes are overdue.

**Trust Fund:** In general, a fund for money donated or transferred to a municipality with specific instructions on its use. As custodian of trust funds, the treasurer invests and expends such funds as stipulated by trust agreements, as directed by the commissioners of trust funds or by the community's legislative body. Both principal and interest may be used if the trust is established as an expendable trust. For nonexpendable trust funds, only interest (not principal) may be expended as directed.

**Uncollected Funds:** Recently deposited checks included in an account's balance but drawn on other banks and not yet credited by the Federal Reserve Bank or local clearinghouse to the bank cashing the checks. (These funds may not be loaned or used as part of the bank's reserves and they are not available for disbursement.)

**Undesignated Fund Balance:** Monies in the various government funds as of the end of the fiscal year that are neither encumbered nor reserved, and are therefore available for expenditure once certified as part of free cash.

**Unreserved Fund Balance (Surplus Revenue Account):** The amount by which cash, accounts receivable, and other assets exceed liabilities and restricted reserves. It is akin to a "stockholders' equity" account on a corporate balance sheet. It is not, however, available for appropriation in full because a portion of the assets listed as "accounts receivable" may be taxes receivable and uncollected. (See Free Cash)

**Valuation (100 Percent):** The legal requirement that a community's assessed value on property must reflect its market, or full and fair cash value.

