



where quality meets life

PFLUGERVILLE

T E X A S



ANNUAL BUDGET 2007-2008

On the cover . . .

The City of Pflugerville contracted with Aha Communications to develop a new official logo for the City as it continues to grow and develop. After numerous meetings and consultations, the logo on the cover was selected. It represents the green spaces in our City, miles of park trails, and the recently constructed reservoir named Lake Pflugerville with its many recreational activities in addition to providing a water supply.

City of Pflugerville, Texas City Council



Jeff Coleman, Mayor



**Wayne Cooper
Council – Place 1**



**Bruce Wood
Mayor Pro-Tem
Council - Place 2**



**Darelle White
Council - Place 3**



**Mark Gladney
Council - Place 4**



**Victor Gonzales
Council – Place 5**





GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Pflugerville
Texas**

For the Fiscal Year Beginning

October 1, 2006

President

Executive Director



Table of Contents

Introduction

Vision and Mission Statements

Budget Message i

User Information

Organization Wide Goals 1

The City Organization 2

The Budget Process 3

City Funds 4

Basis of Accounting and Budgeting 5

Revenue Descriptions 6

Financial Policies 7

Financial

Budget Summaries

Financial Summary – Governmental Funds 11

Financial Summary – Enterprise Fund 15

Revenue Descriptions 19

Revenue Summary 21

Expense Summary 22

Revenue Comparison 23

Expense Comparison 24

General Fund

Administration 25

City Manager 27

Finance / Human Resources 33

Building Inspection 39

Engineering 43

Table of Contents

General Fund (continued)

Library	49
Parks and Recreation	55
Planning	61
Police / Municipal Court	67
Street	77

Utility Fund

Water	83
Wastewater	89

Special Revenues

Deutschen Pfest	95
Law Enforcement	97
Municipal Court	99

Capital Outlay

General Fund	101
Utility Fund	102

Debt Service Funds

General Fund	103
Utility Fund	107

Capital Improvement Projects

Capital Projects Summary	111
Program Detail – Completed Projects	113
Program Detail – Projects in Progress	119
Five-Year General Fund CIP Summary	128
Five-Year Utility Fund CIP Summary	129

Table of Contents

Statistical Section

History of Pflugerville	131
Organization Chart	132
City Officials	133
Budgeted Positions	136
City and Area Demographics	138
Population History and Projected Growth	141
Property Tax Analysis	142
Historical Tax Levy Data	143
Historical Taxable Assessed Value Data	144
Principal Property Taxpayers	145
Principal Employers	146
Utility Customer Growth	147
Tax Revenues by Source	148

Reference

Budget Ordinance	149
Budget Schedule	150
Charter – Budget and Financial Administration	153
Investment Policy	159
Charter – The City Council	167
Charter – Boards and Commissions	171
Charter – Administrative Services	175

Budget Glossary



Vision Statement

Pflugerville will be a well-planned, well-maintained, clean and safe community comprised of commercial and residential diversity, providing community-friendly streetscapes that create a desirable destination for Central Texas.

Mission Statement

To preserve and enhance the quality of life and character of Pflugerville by:

- *Preserving the neighborhoods, parks and trails which promote family activities;*
- *Promoting well-planned development and desirable economic development opportunities;*
- *Providing cost effective professional management and competent, efficient and courteous services;*
- *Protecting its citizens, its heritage and all other assets.*



September 25, 2007

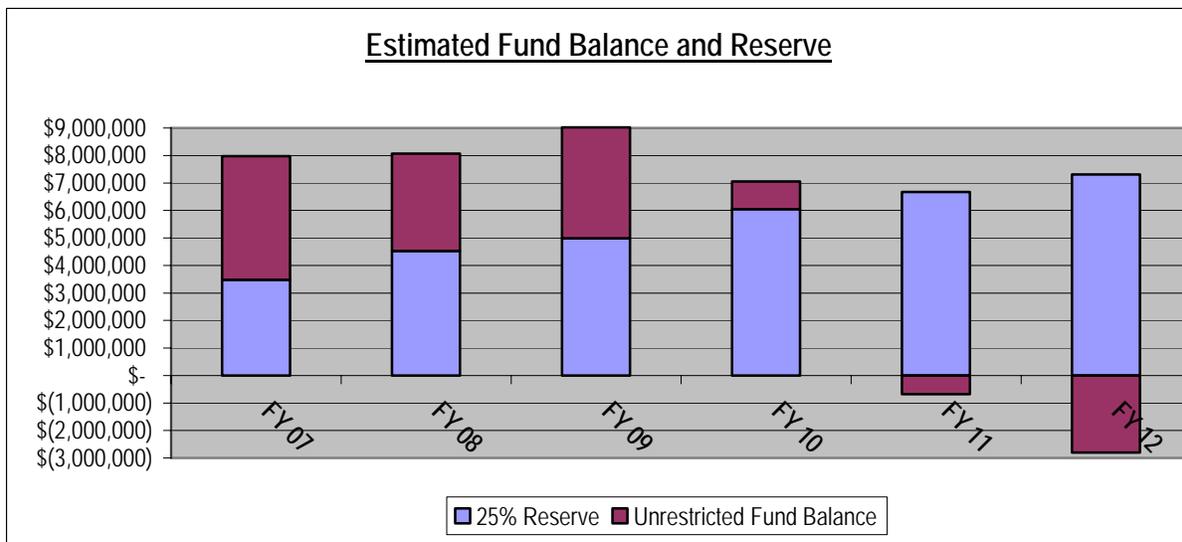
Honorable Mayor and Members of the Pflugerville City Council:

It is our pleasure to submit a complete approved budget for fiscal year 2008 for the City of Pflugerville. This document contains the revenue estimates and the proposed expenses for the City of Pflugerville for the upcoming year. It represents the product of many hours of difficult deliberation by City staff to set the course for the next year and successive years as we strive to deliver the best municipal services possible to the citizens of Pflugerville.

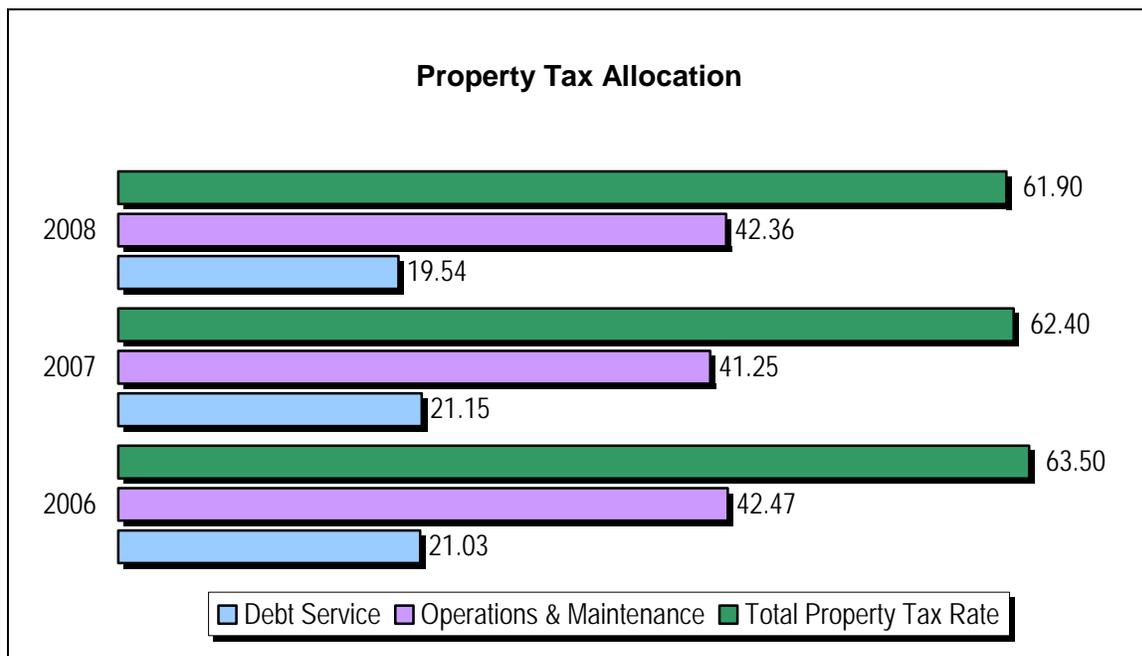
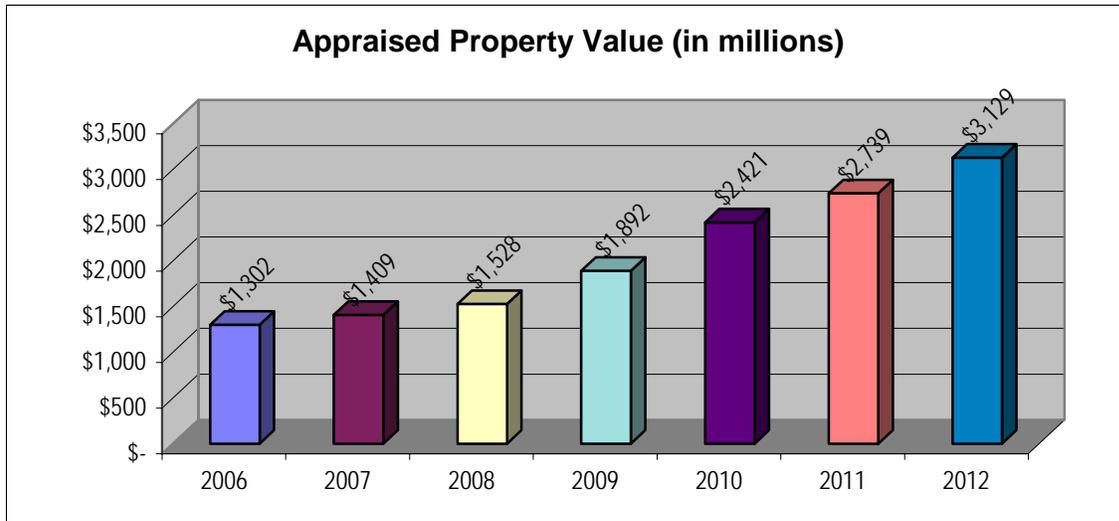
The effects of projected future revenues and expenses and the costs of City development were analyzed through the use of pro formas which reflect multi-year forecasting for both the general and utility funds. Property tax projections for the general fund and rate adjustments for the utility fund are integral parts of the pro formas. The general fund emphasis is the charter requirement mandating a minimum fund balance of 25% of the current year operations and maintenance budget for the City departments within the general fund. The utility fund emphasis is providing sufficient coverage as a relationship between revenues and expenses to satisfy requirements for future debt issuance.

This document represents a conservative but real budget of both expenses and revenues. We believe it represents the Council’s priorities as staff knows them to be. The budget maintains a reasonable level of service and a status quo until the City has a more well-rounded revenue base.

The chart below shows the status of the general fund balance as projected in the pro forma.



The appraised property value for fiscal year 2008 increased over the appraised value for fiscal year 2007 by 23.9%. This increase is 8.7% higher than the prior year projections. This budget acknowledges the Council’s commitment to maintaining the level of service that Pflugerville citizens are accustomed to, while remaining sensitive to local economic conditions that affect our taxpayers. Following the mandate from the City Council to reduce the property tax each year, difficult spending and revenue decisions were made during budget deliberations which resulted in setting the tax rate at \$0.619. This is the third consecutive year that the tax rate has been reduced by at least ½ cent.



General Fund Revenue

Even though property tax revenue increased by \$2.12 million, the percentage of general fund revenue received through property tax increased slightly, from 40.6% to 41.6%. The amount of property tax dedicated to general obligation debt service increased from \$3.2 million to \$3.7 million (13.6%).

Sales tax and franchise fee revenues are budgeted with increases of 36% and 33%, respectively, over the FY 07 projected levels for the FY 08 approved budget. This reflects sales tax from Wal-Mart which will have a full year of operation during FY 08, and an additional six months of sales tax for the planned Home Depot. Increased franchise taxes will come from annexations and other population growth.

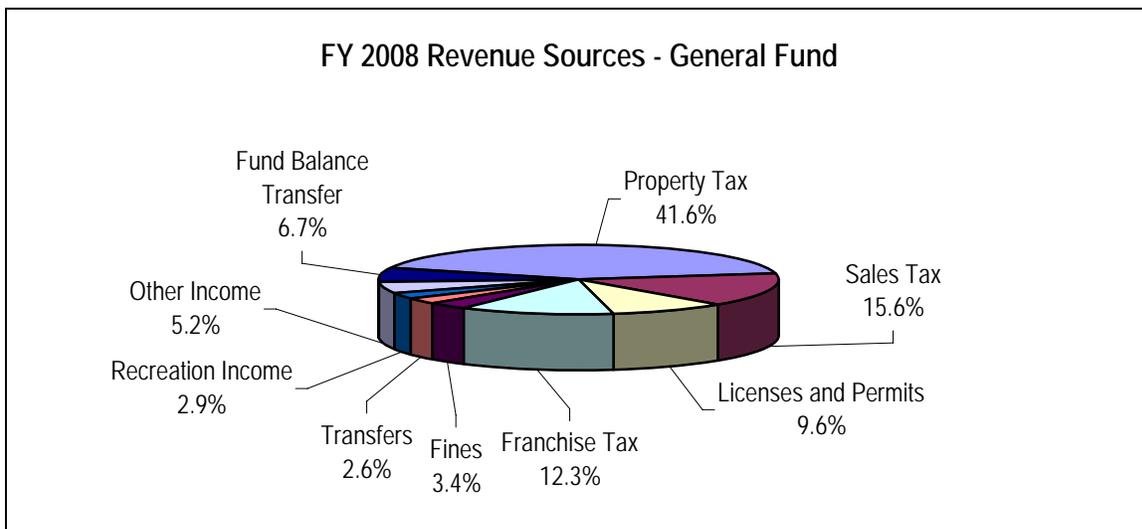
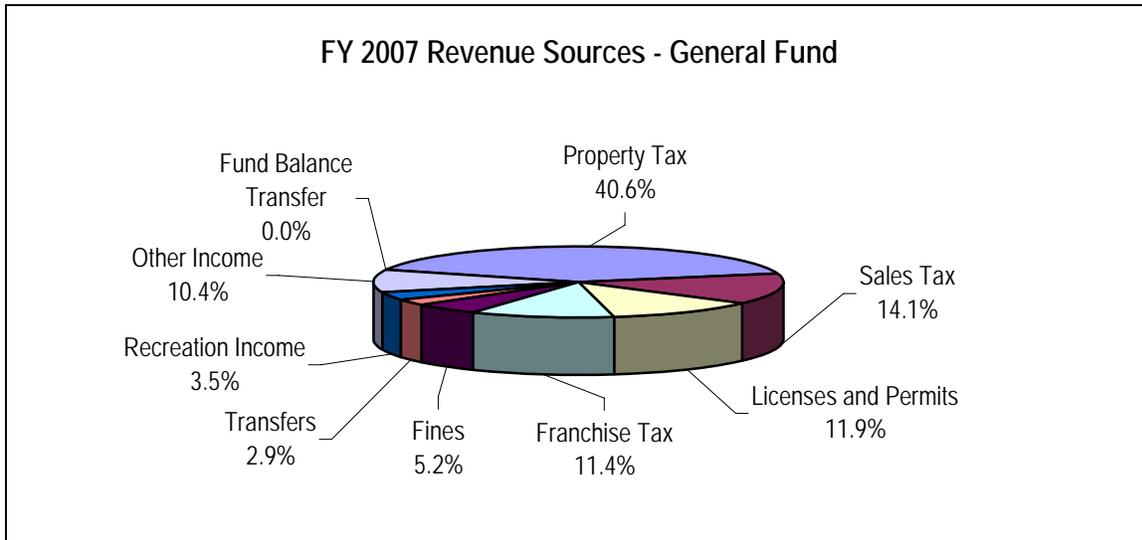
Revenue from property taxes and sales taxes is expected to grow as development proceeds on the NewQuest property at the intersection of SH 45 and SH 130. New Quest Properties is developing a shopping center to be named Stone Hill Town Center. It will have approximately one million square feet of retail space. One major anchor for the center is a Home Depot which is expected to open during FY 08. During FY 07, the City Council entered into an economic development agreement with NewQuest Properties. The agreement specifies that the City of Pflugerville will reimburse NewQuest out of the sales tax generated by the subject project. The total reimbursement is approximately \$13.2 million, which is \$12 million plus two years of interest. The project is projected to generate \$4 million in sales tax and \$800,000 in ad-valorem tax annually beginning in 2010 when the shopping center is fully occupied.

As directed by the City Council, the fund balance transfer was increased significantly. This allowed the property tax rate to be reduced from \$0.624 in FY 07 to an approved rate of \$0.619 for FY 08; the budget to be balanced; and to retain a minimum fund balance of 25% of operating funds.

Revenue received from plat review fees and subdivision construction inspection fees increased during FY 07. Building permit revenue has declined since the same period in FY 06, however, City staff projects growth in this revenue activity into FY 08. Site development plan review fee revenue has declined 32% from the same period in FY 06. Site development revenues should increase with the development of new commercial property.

Revenues received from the Recreation Center and Pfun Camp remain flat as the facilities used for these activities are being utilized fully. The only increase in parks revenue has come from the expanding City swim team. An urban forestry grant was received in FY 07 and funding will continue through FY 09. The City received a Lower Colorado River Authority grant in the amount of \$200,000 for recreational improvements at Lake Pflugerville. The City is required to match this grant amount through labor, services, and cash from parks escrow funds. The lake project to be called Northshore Park will include a pavilion, parking area, and restrooms. The total project cost is estimated at \$761,000.

The following charts illustrate the City of Pflugerville's sources of funds on a percentage basis in the General Fund for fiscal years 2007 and 2008.



Transfers

The transfer from the Utility Fund to the General Fund was increased from \$450,000 to \$500,000 for the new fiscal year. The responsibilities of the City Attorney and the Public Works Director who are budgeted for in the General Fund include functions in the Utility Fund. These positions were approved during the FY 07 budget year.

The budget for fiscal year 2008 also includes as a revenue source a transfer from the fund balance in the General Fund. Fund balance transfers in the general fund began in fiscal year 2001 and are a part of the projected revenue budget through

fiscal year 2008. The projected fiscal year 2008 fund balance as a percentage of General Fund operations and maintenance is 31.91%.

General Fund Expenditures

The approved FY 2008 general fund budget of \$19,156,963 is \$4,247,635, or 30.5%, higher than the prior year's budget. A priority of the City Council was to expand the City staff due to increased demands from an expanding population. Beginning in FY 2007 and projected through FY 2010, the City is annexing an estimated 14,000 people. This is in addition to growth within the existing City limits.

Described below are new full-time personnel in the FY 2008 budget.

The City's information technology (IT) needs increased to the point that an in-house staff is required. A single center for all computer purchases and maintenance, and long-range planning for the City's needs will be the greatest benefit of these positions. The Administration department requested an IT Director and a Customer Support Technician. The City's human resources and finance functions have also expanded and the budget includes one additional professional staff for each function.

During FY 07 the Building Department added a Building Inspector III position to be prepared for the commercial growth. In FY 08 an additional Building Inspector I position was approved.

In order to extend the Pflugerville Community Library hours to include being open on Sundays from 1 p.m. to 6 p.m., one additional Library Tech position was approved.

As a result of annexations and other growth, the Parks Department requested three additional full-time parks maintenance personnel and two additional seasonal laborers. During the FY 08 fiscal year the Parks Department will assume the responsibility of maintaining Lake Pflugerville recreational areas. The City of Pflugerville applied for and received a grant from the Lower Colorado River Authority in the amount of \$200,000 to develop the property and facilities around Lake Pflugerville.

The Planning Department requested and was approved for the position of GIS Coordinator. This position allows for expansion of the GIS function and the development of a GIS plan for the City's future growth.

The Police Department requested 12 new personnel in FY 08. The approved positions include eight patrol officers: four to be hired in October; and four to be hired in April. When the City annexes a new area, it is required to keep the current ratio of officers to citizens as it was before the annexation. The Code Enforcement responsibility has been moved to the Police Department. The Code Enforcement Official currently in the Building Department will move to the Police Department; and one additional code enforcement officer is requested. Other new positions in the

Police Department are a Corporal/Detective; a Dispatch Supervisor; and an Administrative Tech to work with the City Attorney and the Police Chief.

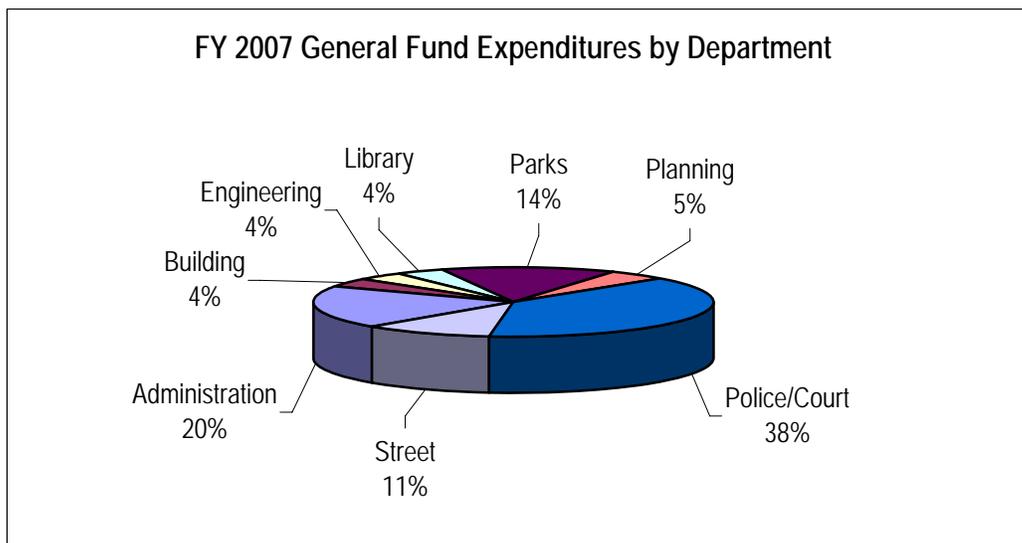
The Street Department requested three new personnel; two laborers and one Street Foreman. Again, due to annexations and other growth, responsibilities for maintaining streets and rights-of-way have increased. The curbside chipping program which has been a Street Department responsibility will be moved to the Wastewater Treatment Department in the Utility Fund during the FY 08 fiscal year. This change reflects the resumption of the City's composting program through the Wastewater Treatment Department.

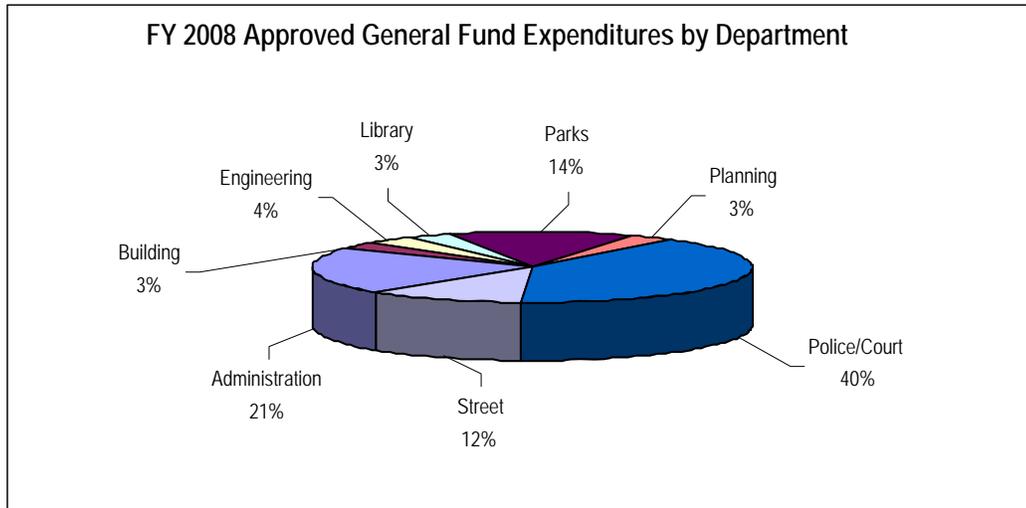
The increase in personnel reflects the growth in City population and the anticipation of additional growth through annexation. These additional employees and accompanying new equipment will provide more timely and thorough services throughout the City.

Per City policy, a comparative salary survey was conducted by Human Resources during this budget preparation resulting in market adjustments as needed for City positions. The City Council also approved a merit-based salary increase of 5%.

During the budget process we addressed as a priority: citizen safety in maintenance of streets, parks, city facilities, and staffing of police. We included areas of equipment replacement, employee training, and employee safety.

The following charts illustrate the City of Pflugerville's uses of funds on a percentage basis in the general fund for fiscal year 2007 and approved for fiscal year 2008.





General Fund Debt Service

The City's outstanding general fund indebtedness is \$118,420,000, as of September 31, 2007. This number includes the 2002, 2003, 2003A, 2004, and 2005 series combination tax and revenue certificates that were issued for water and wastewater projects. Since these bonds carry a tax pledge, they are considered general fund debt for analysis and rating purposes. Funding for the water and wastewater portion of the debt service is included in the water and wastewater budgets. Outstanding revenue bond debt is \$4,761,000 and is funded in its entirety by the utility system.

This budget document includes a list of current bonds and annual payments as well as the property tax revenue required to pay the principal, interest, and fees. It also includes a summary of the purpose of the bonds, the principal balance, and funds remaining to be spent. The City's general obligation bond ratings are as follows: Moody's, A1; Standard and Poor's, A.

Utility Fund

The utility fund is comprised of the water, wastewater, and solid waste divisions. The solid waste category works on a contractual, privatized basis and consists of revenues billed to customers and expenses for sales tax, franchise fees, and for providing the solid waste services (IESI is our current provider). Except for the billing and receipting functions, no City employees or other resources are utilized for the solid waste service.

The utility systems of the City are of the highest priority. They have commanded the efforts of the City. The water and wastewater utilities are undergoing massive changes at this time. Further development of the utility system includes the expansion of the central wastewater plant, begun in fiscal year 2006, and additional wastewater lines to serve new development in the SH130 toll way corridor.

By using projections of customer base, revenues from user fees and other sources, and expenses including additional debt service from new bond issues, City staff and financial consultants have developed a schedule that should meet the City's needs for the next five years, and provides a planning basis through 2037. Many assumptions are built into the pro forma that will be compared with actual figures every six months for needed adjustments.

It should be noted that the City's water customer base has changed from the historical fact that all customers are served with City water. A portion of the total number of water customers is not served with water from the City of Pflugerville, but is served through wholesale water agreements with the districts designated to provide service to those customers. Out of 10,410 water customers, the number of City of Pflugerville water customers is 7,172. However, all 11,340 wastewater customers are served by City facilities.

A rate study update was undertaken during fiscal year 2007 and the results indicate that water rates can be lowered for FY 08 and wastewater rates should be restructured. Water rates were reduced by an average of 3.5%. The water rates were changed from an 8-tier structure to a 4-tier structure. Wastewater rates were lowered by 5.4%. The structure of the wastewater rates was changed from 4,000 gallons included in the minimum bill with no cap on the number of gallons billed to 3,000 gallons included in the minimum bill and a cap on the number of gallons billed of 20,000.

The City's revenue bond covenants require that annual operating revenues exceed operating expenses by a certain factor, generally 1.25. Moreover, rating agencies, such as Moody's and S&P, factor into their rating evaluations this same coverage ratio. This is a minimum factor – any ratio higher can sometimes reduce net interest costs on future debt. The pro forma developed by the City Council and staff maintains this ratio throughout the entire time period, even after factoring in additional debt.

Capital Improvement Project Funds

Utility. The largest capital improvement project (CIP) ever undertaken by the City was the construction of the Colorado River supply project. This project consisted of a water treatment plant, reservoir, intake system and various transmission lines. The reservoir has been named Lake Pflugerville. Bonds totaling \$52,204,000 were issued in fiscal years 2002, 2003, 2004, and 2005 for this project. With the completion of the project during fiscal year 2008, the City of Pflugerville is assured an adequate water supply for its current and future customers.

Other improvements to the water supply system will be funded with Water Capital Recovery Fees. Water projects funded in the FY 08 fiscal year include the Pfennig Lane booster station which will allow the use of water from the reservoir for all customers on the City water system.

Wastewater collection projects funded in the FY 08 fiscal year are preliminary engineering for the Wilbarger interceptor project, the Highland Park lift station expansion, and the Southside interceptor capacity improvements. Additionally, land will be purchased for a future additional wastewater treatment plant.

No bonds were issued for utility projects during the FY 2007 fiscal year and none will be issued during the FY 2008 fiscal year.

Governmental. Street projects that are in various stages of planning and construction will improve mobility throughout the City of Pflugerville. Bonds were issued in FY 07 for \$4,785,000 to complete the extension of Wells Branch Parkway; begin and partially fund construction of Pflugerville Parkway West; and partially fund improvements to Pecan Street East. This will increase connectivity within the City and to the new toll way.

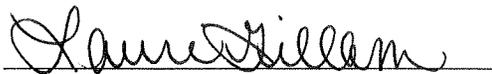
During fiscal year 2008 combination tax and revenue certificates of obligation will be issued for constructing and improving street and drainage projects within the City, following the 5-year CIP plan. For at least the next five years, debt will be issued each year for constructing new roads and widening, realigning, and extending existing roads.

A General Capital Improvements Bond Committee was appointed in January 2007. The Committee was charged with researching projects and making a recommendation to the City Council in time to call an election in May 2008. Projects being considered are an expansion to the existing library, an additional recreational center to include a swimming pool, and a city hall. The population explosion has created a necessity for more City facilities.

It is our hope that this expanded budget document enables City leaders and the citizens of the City of Pflugerville to actively participate in the ongoing budgeting and planning process.

We wish to thank all of the City department managers and their staffs who contributed so much time and effort to the creation of this budget. We want to especially thank Beth Davis and Amy Good for preparation of this document. The additional information and analysis contained within this document could not have been developed without the many hours spent in gathering the information and developing the format in which to present it.


David Buesing
City Manager


Lauri Gillam
Finance Director



Organization Wide Goals

Economic development is the cornerstone of the efforts that are being made by the staff in the following areas.

- Expand the comprehensive plan to include more facets of the City.
- Continue development of the State Highway 45 - State Highway 130 corridor to its highest and best use.
- Develop recreational facilities at Lake Pflugerville north shore park.
- Develop short-term and long-term requirements for City facilities.
- Further develop the wastewater master plan to include a second basin system.
- Maintain a clean, green, and safe City.

The City of Pflugerville continues to grow from both newly constructed homes and planned annexations. This growth forces the City to maintain focus on how to provide a consistent level of service to all residents.

Also with this growth is the need to increase the City's infrastructure. As noted in the Capital Projects section of this document, many of the projects are focused on expanding the City's roadways.

The City Organization

The City of Pflugerville is a home-rule city operating under a council-manager form of government. All powers of the City are vested in an elected council, consisting of a mayor and five council members. The City Council enacts local legislation, determines City policies, and employs the City Manager. The section of the City Charter which outlines the function of the City Council is included in the Reference section of this document.

The City Manager is the chief executive officer and the head of the administrative branch of the City government. He is responsible to the Council for the proper administration of all affairs of the City. The City Charter, Section IV, outlines the duties of the City Manager and other specific positions. It can be found in the Reference section of this document.

The City government provides a broad range of goods and services to its citizens. The activities and personnel required to provide these goods and services are organized into broad managerial areas called funds. Funds are separate fiscal and accounting entities with their own resources and budgets necessary to carry on specific activities and attain certain objectives.

Funds are further organized into groups called departments. A department is a group of related activities aimed at accomplishing a major City service or program.

At the head of each department is an officer of the City. Department managers have supervision and control of a department, but are subject to supervision and control of the City Manager.

The Budget Process

The City Charter establishes the fiscal year, which begins October 1 and ends September 30. The section of the City Charter relating to budget and financial administration including the City's Investment Policy is located in the Reference section of this document.

To have an adopted budget in place by October 1 each year, the budget process begins months earlier. In January the City Council holds a retreat to discuss and prioritize goals for the next fiscal year. In April, department managers receive budget packets from the Finance Department. These packets contain information about the department, including historical expenditure amounts, and current expenditure and budget amounts.

While the departments are preparing their budget requests, the Finance Department calculates personnel costs, debt service requirements, and revenue projections for the new year. This data, combined with the department requests, form a preliminary budget. At this stage, the budget is usually unbalanced with expense requirements greater than anticipated revenues.

After receiving the preliminary budget, the City Manager reviews and discusses budget requests with the department managers. The City Manager modifies the budget after this review and the resulting proposed budget is given to the City Council in June. This budget must be balanced. The City Charter allows the use of a transfer from fund balance in the general fund to balance the budget. The Charter also requires the general fund to have a reserve of 25% of budgeted expenses each year. Though the City Charter does not require a reserve for the utility fund, a fund balance of at least 10% of budgeted expenses is maintained.

A series of City Council budget worksessions is held during the months of June through September. These worksessions are open to the public and are posted per open meetings law. Information about the meetings can be acquired from City Hall and on the City website: www.cityofpflugerville.com.

The worksessions allow the City Council to receive input on the budget from the City Manager and the department managers. It is through these sessions that the Council forms its priorities for the next fiscal year. With guidance from the Council, the City Manager then formulates a proposed budget. The City Charter requires that a public hearing be held before the budget is adopted. This hearing provides an opportunity for citizens to express their ideas and opinions about the budget to their elected officials. After the public hearing the City Council votes on the adoption of the budget.

The ordinance adopting the current fiscal year's budget and the budget calendar is included in the Reference section of this document.

City Funds

For fiscal purposes, a fund is a separate accounting entity with a self-balancing set of accounts in which cash and other financial resources, all related liabilities, and the changes therein are segregated and recorded. There are three basic types of governmental funds:

Governmental: Includes activities usually associated with a typical local government's operations, such as police protection. Governmental funds also include special revenue funds that account for the proceeds of specific revenue sources that are legally restricted to expenditure for specified purposes.

Proprietary: This fund more closely resembles private business enterprises. The intent is that the costs of providing certain goods and services to the public should be financed or recovered primarily through user charges.

Fiduciary: This fund was created for situations in which the government is acting in a trustee capacity or as an agent for other entities.

The budgeted funds of the City of Pflugerville are:

General Fund (Governmental)

Accounts for all financial resources except those required to be accounted for in another fund. The General Fund of the City of Pflugerville contains the Administration, Building Inspection, Engineering, Library, Parks and Recreation, Planning, Police and Municipal Court, and Street Departments.

Utility Fund (Proprietary)

Accounts for the operations related to providing water and wastewater services to the customers in the City of Pflugerville service area. The Utility Fund contains the Utility Administration Department, the Water Treatment Department, the Water Distribution Department, the Wastewater Collection Department, Wastewater Treatment Department and the Solid Waste activity.

Debt Service Fund (Governmental)

Accounts for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

Capital Projects Fund (Governmental)

Accounts for the revenues, most of which are derived from bond proceeds, and expenditures related to the acquisition of major capital facilities.

Basis of Accounting and Budgeting

The City's accounting and budgeting records for all general governmental funds are maintained on the modified accrual basis. This method recognizes revenues when they are measurable and available and expenditures when goods and services are received, except for principal and interest on long term debt, which is recognized when paid. The proprietary fund is accounted for and budgeted for using the accrual basis.

The City implemented Governmental Accounting Standards Board Statement No. 34 (GASB 34) during the 2003 fiscal year. The government-wide financial statements report information about the City as a whole, using accounting methods similar to those used by private-sector companies. Previously, the primary focus of the financial statements was summarized fund type information on a current financial resource basis. GASB 34 modified this approach, adding new statements, government-wide statements, which focus on the City as a whole. The statement of net assets includes all of the government's assets and liabilities, reported using the full accrual basis of accounting. The statement of activities accounts for all of the current year's revenues and expenses, regardless of when cash is received or paid.

Revenue Descriptions

Property Tax Rate and Property Tax Revenue. The total value of all taxable property as rendered by the Travis County Appraisal District increased 7.1% this year as compared to 6.6% in the previous year. This increase reflects the economic conditions of the City of Pflugerville and the Central Texas area. The tax roll as certified by the appraisal district and the calculation of the tax rate levy is provided in the Tax Information section of this document.

Under state law there are five separate tax rates calculated by the tax assessor.

1. **The Effective Tax Rate.** If adopted, this rate would provide the same amount of revenue collected last year from properties on the tax roll last year. This rate calculation requires the taxing entity to account for changes in the value of existing properties. This rate calculation, however, is not affected by new properties.
2. **The Notice and Hearing Rate.** This rate is any amount above the Effective Tax Rate. Public hearings must be held regarding the tax rate if this or a higher rate is adopted.
3. **The Maintenance and Operations Rate.** This rate is one of two component rates that make up the total tax rate. Revenue generated by this rate is used to fund general operations of the City.
4. **The Debt Service Rate.** This rate is the second of two component rates that make up the total tax rate. This rate is set by law in an amount sufficient to generate enough revenue with which to pay the City's maturing general obligation debt.
5. **The Rollback Rate.** Under the Rollback Rate calculation, the Maintenance and Operations component exceeds the Maintenance and Operation component of the Effective Tax Rate by 8%. An adopted tax increase beyond 8% is subject to being "rolled back" by the electorate.

Sales Tax Collections. The City of Pflugerville's sales tax base increased slightly during the past year. Revenue was up 5.78% over the previous year which can be attributed to the increase in population. The FY 07 Budget projects a 21.2% growth in sales tax revenue. This increase anticipates an additional \$250,000 in revenue from a large retail store that will open in early 2007. Sales tax revenue represents approximately 13% of General Fund revenues.

Franchise Fees. These fees are derived from major public utilities operating within the City and are intended to reimburse the City for the use of public streets and rights of way. The fee is generally computed as a percent of gross receipts and the percentages vary among the utility classes.

Licenses, Permits and Fees. Revenue from these categories is intended to cover the costs of general government services such as building inspection, plat recording and consultation and other various services.

Financial Policies

Purpose

The City has established financial policies to achieve and maintain a positive long-term financial condition. In addition, these policies provide guidance to the Finance Department in planning and managing the City's financial affairs and in developing recommendations to the City Manager and City Council.

Budget Policies

1. The City Council shall adopt a balanced operations budget. The budget may include a fund balance transfer as a revenue source to balance the budget. The City Charter also requires that the general fund maintain a reserve equal to 25% of the operations budget.
2. Departmental budgets are divided into two categories – operating and capital outlay. The operating budget, although estimated by line items, is managed as a total. The department manager may exceed budgeted line item amounts, making sure to spend within the limits of the total Operating budget, net of salary and merit numbers. No additional personnel positions are to be added without City Council approval through the budget amendment process. The Capital Outlay budget is allocated for specific projects with specific amounts. Any alteration to the Capital Outlay portion of the budget requires an approved budget amendment prior to acquisition.
3. The City Council may amend the budget by ordinance, but shall not authorize expenditures in excess of the total of estimated income plus funds available from earlier years (fund balance).
4. Financial control systems shall be in place to monitor compliance with the adopted budget.

Capital Expenditure Policies

1. Any item costing \$500 or more and having an estimated useful life of at least two years will be classified as a capital outlay expenditure. These items are itemized separately in the department line item budget.
2. All capital outlay items shall be inventoried annually and shall have a fixed asset tag when feasible.
3. Construction in progress and capital improvement projects that will be funded during the fiscal year will be shown in the budget.
4. The City Council may issue bonds, certificates of obligation, or other evidences of indebtedness for the purpose of buying or constructing capital assets.
5. All capital projects shall be financially monitored to ensure compliance with the approved funding for the project.

Financial Policies (continued)

Capitalization Policy

1. Capital assets categories and thresholds will be:
 - a. Land – any amount
 - b. Buildings/building improvements - \$25,000
 - c. Improvements other than buildings - \$25,000
 - d. Infrastructure - \$25,000
 - e. Personal property - \$5,000
2. For clarification purposes of this policy the above items are generally defined as, but not expressly limited to the following definitions:
 - a. Land is the purchase price or fair market value, in the case of donation, at the time of acquisition. Right-of-way acquisitions are included in this category.
 - b. A building is a structure that is permanently attached to the land, has a roof, and is partially or completely enclosed by walls. A building improvement must extend the life of the building or increase the value of the building.
 - c. Improvements other than buildings include fences, parking lots, recreation areas, pools, etc.
 - d. Infrastructure is considered stationary and can be utilized for a significantly greater number of years than most capital assets. Examples of infrastructure are streets, curbs, gutters, sidewalks, fire hydrants, bridges, dams, drainage facilities, water and wastewater lines, lighting systems, and signage.
 - e. Personal property is fixed or movable tangible assets that are used for operating or maintaining City services. Examples of personal property are vehicles, other mobile equipment, water meters, books, and furnishings.

Reporting Policies

1. The budget will be prepared in accordance with GASB (Governmental Accounting Standards Board) and GFOA (Governmental Finance Officers Association) guidelines. Copies of the budget will be available for public viewing at City Hall, at the Pflugerville Community Library and on the City's website.
2. Monthly financial statements will be given to the City Council.
3. Budget amendments as required will be presented to the City Council on a quarterly basis. A report indicating the necessary adjustments and the sources of funding will be developed and an ordinance amending the budget will be prepared for City Council approval.

Financial Policies (continued)

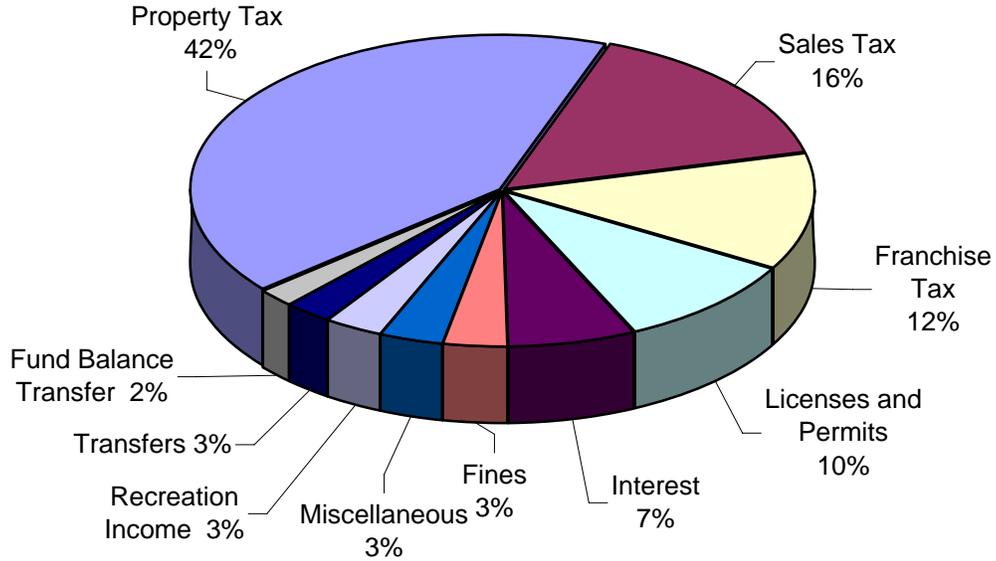
Reporting Policies (continued)

4. Monthly investment reports will be given to the City Council. Quarterly investment reports are approved by City Council resolution.
5. An annual audit will be performed by an independent public accounting firm and the results of the audit will be summarized in a Comprehensive Annual Financial Report. This report will be presented to the City Council upon completion and will be available for public viewing.

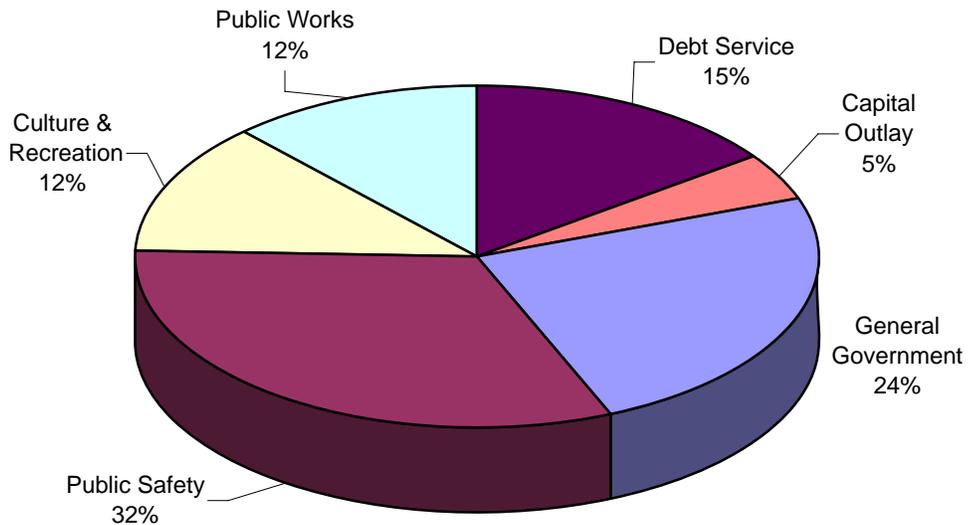


Governmental Funds
FY 2008 Summary of Financial Sources and Uses

FY 2008 Financial Sources - Governmental Funds

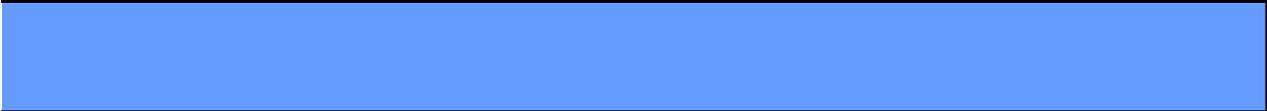


FY 2008 Financial Uses - Governmental Funds



**City of Pflugerville
Governmental Funds
2006-2008 Summary of Revenues, Expenses, and Changes in Retained Earnings**

	General Fund			Special Revenue Funds		
	FY 2006	FY 2007	FY 2008	FY 2006	FY 2007	FY 2008
	Actual	Actual	Approved	Actual	Actual	Approved
Financial Sources:						
Property Tax	\$ 5,971,452	\$ 6,342,134	\$ 8,008,404			
Sales Tax	\$ 1,745,341	\$ 2,203,973	\$ 3,000,000			
Licenses and Permits	\$ 1,650,928	\$ 1,862,262	\$ 1,838,084	\$ 19,609	\$ 20,529	
Franchise Tax	\$ 1,636,724	\$ 1,781,396	\$ 2,375,541			
Fines	\$ 719,303	\$ 813,121	\$ 658,994	\$ 24,707	\$ 26,010	
Grants	\$ 14,701	\$ 235,901	\$ 20,000		\$ 21,318	
Transfer	\$ 450,000	\$ 450,000	\$ 500,000			
Recreation Income	\$ 536,699	\$ 551,476	\$ 566,000	\$ 80,884	\$ 91,156	
Interest	\$ 417,765	\$ 542,802	\$ 1,280,094	\$ 3,495	\$ 3,982	
Fund Balance Transfer	\$ -	\$ -	\$ 330,000			
Miscellaneous	\$ 499,082	\$ 832,125	\$ 658,169	\$ 87,399	\$ 72,757	
Total Financial Sources	\$ 13,641,995	\$ 15,615,190	\$ 19,235,286	\$ 216,093	\$ 235,751	\$ -
Expenditures						
General government	\$ 3,479,268	\$ 4,187,103	\$ 5,474,049			
Public Safety	\$ 5,520,307	\$ 5,681,543	\$ 7,609,517	\$ 108,644	\$ 61,754	
Culture & Recreation	\$ 2,329,079	\$ 2,648,853	\$ 3,150,647	\$ 105,939	\$ 79,821	
Public Works	\$ 2,166,442	\$ 2,295,462	\$ 2,913,974			
Capital Projects				\$ 34,519	\$ -	
Debt Service						
Principal Retirements						
Interest						
Paying Agent Fees						
Total Expenditures	\$ 13,495,096	\$ 14,812,961	\$ 19,148,187	\$ 249,102	\$ 141,575	\$ -
Net Change in Fund Balance	\$ 146,899	\$ 802,229	\$ 87,099	\$ (33,009)	\$ 94,176	\$ -
Fund Balance at Beginning of Year	\$ 6,394,331	\$ 6,541,230	\$ 7,343,459	\$ 222,082	\$ 189,073	\$ 283,250
Projected year end fund balance	\$ 6,541,230	\$ 7,343,459	\$ 7,430,558	\$ 189,073	\$ 283,250	\$ 283,250

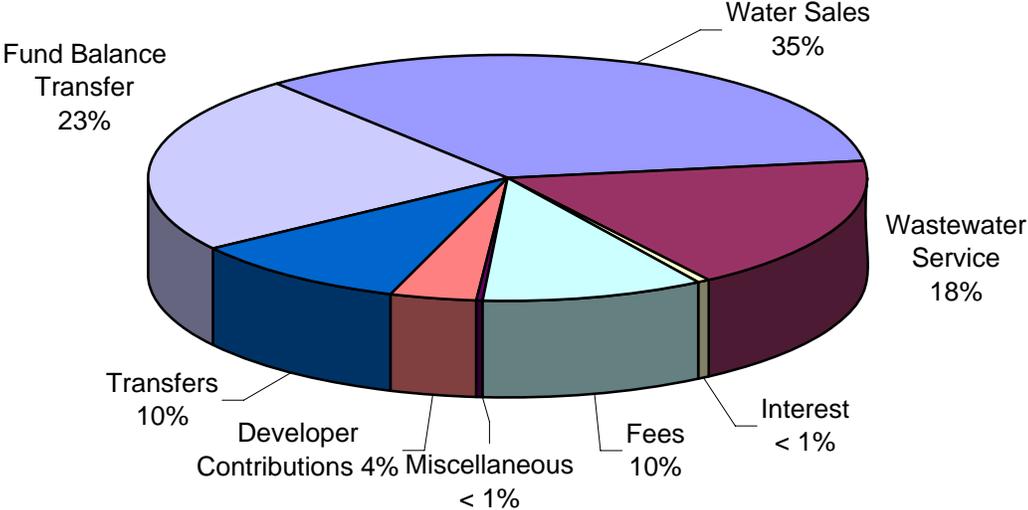


General Debt Service			Capital Funds			Total Governmental Funds		
FY 2006 Actual	FY 2007 Actual	FY 2008 Approved	FY 2006 Actual	FY 2007 Actual	FY 2008 Approved	FY 2006 Actual	FY 2007 Actual	FY 2008 Approved
3,062,086	3,255,089	3,321,756				\$ 9,033,537	\$ 9,597,224	\$ 11,330,160
						\$ 1,745,341	\$ 2,203,973	\$ 3,000,000
						\$ 1,670,537	\$ 1,882,790	\$ 1,838,084
						\$ 1,636,724	\$ 1,781,396	\$ 2,375,541
						\$ 744,010	\$ 839,131	\$ 658,994
			\$ 125,000			\$ 139,701	\$ 257,219	\$ 20,000
			\$ 3,422,395	\$ 4,788,454		\$ 3,872,395	\$ 5,238,454	\$ 500,000
						\$ 617,584	\$ 642,632	\$ 566,000
\$ 52,181	\$ 100,853	\$ -	\$ 312,380	\$ 269,614	\$ -	\$ 785,821	\$ 917,250	\$ 1,280,094
						\$ -	\$ -	\$ 330,000
	\$ 10,102		\$ 956,257		\$ -	\$ 14,685,651	\$ 914,984	\$ 658,169
<u>\$ 3,114,266</u>	<u>\$ 3,366,044</u>	<u>\$ 3,321,756</u>	<u>4,816,033</u>	<u>5,058,067</u>	<u>\$ -</u>	<u>\$ 34,931,301</u>	<u>\$ 24,275,053</u>	<u>\$ 22,557,042</u>
						\$ 3,479,268	\$ 4,187,103	\$ 5,474,049
				\$ 13,401		\$ 5,628,951	\$ 5,756,698	\$ 7,609,517
				\$ 27,787		\$ 2,435,018	\$ 2,756,461	\$ 3,150,647
						\$ 2,166,442	\$ 2,295,462	\$ 2,913,974
			\$ 6,086,334	\$ 11,188,759		\$ 6,120,853	\$ 11,188,759	\$ -
						\$ -	\$ -	\$ -
1,023,235	1,122,380	1,218,935				\$ 1,023,235	\$ 1,122,380	\$ 1,218,935
1,970,261	2,096,205	2,098,421				\$ 1,970,261	\$ 2,096,205	\$ 2,098,421
3,215	3,174	4,400				\$ 3,215	\$ 3,174	\$ 4,400
<u>\$ 2,996,711</u>	<u>\$ 3,221,759</u>	<u>\$ 3,321,756</u>	<u>\$ 6,086,334</u>	<u>\$ 11,229,947</u>	<u>\$ -</u>	<u>\$ 22,827,243</u>	<u>\$ 29,406,242</u>	<u>\$ 22,469,943</u>
\$ 117,556	\$ 144,285	\$ -	\$ (1,270,301)	\$ (6,171,880)	\$ -	\$ 12,104,058	\$ (5,131,189)	\$ 87,099
<u>\$ 1,330,125</u>	<u>\$ 1,447,681</u>	<u>\$ 1,591,966</u>	<u>\$ 10,319,219</u>	<u>\$ 9,048,917</u>	<u>2,877,038</u>	<u>\$ 18,265,756</u>	<u>\$ 17,226,901</u>	<u>\$ 12,095,712</u>
<u>1,447,681</u>	<u>1,591,966</u>	<u>1,591,966</u>	<u>\$ 9,048,917</u>	<u>\$ 2,877,038</u>	<u>2,877,038</u>	<u>\$ 30,369,814</u>	<u>\$ 12,095,712</u>	<u>\$ 12,182,811</u>

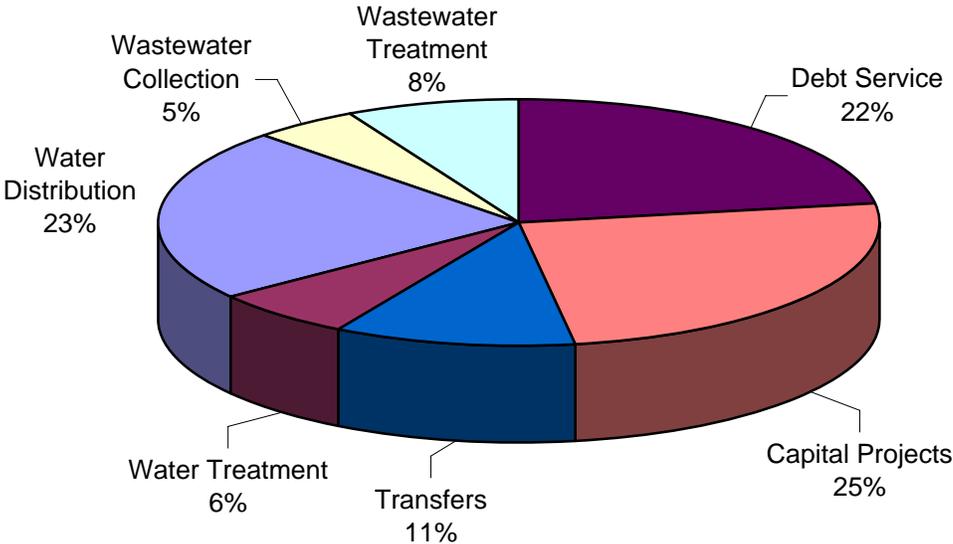


Enterprise Funds
FY 2008 Summary of Financial Sources and Uses

FY 2008 Proposed Financial Sources - Utility Fund



FY 2008 Proposed Financial Uses - Utility Fund



**City of Pflugerville
Enterprise Funds
2006-2008 Summary of Revenues, Expenses, and Changes in Retained Earnings**

	Utility Fund			Impact Fees		
	FY 2006 Actual	FY 2007 Actual	FY 2008 Approved	FY 2006 Actual	FY 2007 Actual	FY 2008 Approved
Revenues						
Water Sales	\$ 6,261,300	\$ 4,969,992	\$ 6,949,177			
Wastewater Service	\$ 3,733,792	\$ 3,304,341	\$ 4,000,822			
Solid Waste Service	\$ 1,128,796	\$ 1,692,645	\$ 1,680,000			
Interest	\$ 247,493	\$ 403,058	\$ 100,000	\$ 368,919	\$ 573,346	\$ -
Fees	\$ 11,450	\$ 14,991	\$ 14,000	\$ 4,855,352	\$ 2,868,844	\$ 2,586,812
Miscellaneous	\$ 56,568	\$ 331,868	\$ 36,000			
Developer Contributions	\$ 2,211,293	\$ 1,000,000	\$ 1,000,000			
Transfers						
Bond Proceeds		\$ -				
Fund Balance Transfer						
Total Revenues	\$ 13,650,692	\$ 11,716,895	\$ 13,779,999	\$ 5,224,271	\$ 3,442,190	\$ 2,586,812
Expenses						
Water Treatment	\$ 933,439	\$ 1,163,645	\$ 1,525,564			
Water Distribution	\$ 3,651,600	\$ 4,318,054	\$ 5,466,397			
Wastewater Collection	\$ 904,772	\$ 1,084,182	\$ 1,136,409			
Wastewater Treatment	\$ 1,606,853	\$ 1,520,232	\$ 1,903,335			
Solid Waste Contract	\$ 1,223,835	\$ 1,734,460	\$ 1,680,000			
Debt Service						
Principal Retirements						
Interest						
Paying Agent Fees						
Capital Projects						
Transfers	\$ 2,481,386	\$ 518,614		\$ 2,490,195	\$ 2,474,686	\$ 2,586,812
Total Expenses	\$ 10,801,885	\$ 10,339,187	\$ 11,711,705	\$ 2,490,195	\$ 2,474,686	\$ 2,586,812
Net Change in Retained Earnings	\$ 2,848,808	\$ 1,377,708	\$ 2,068,294	\$ 2,734,076	\$ 967,504	\$ -
Beginning Retained Earnings	\$ 4,753,678	\$ 7,602,486	\$ 8,980,194	\$ 6,799,908	\$ 9,533,984	\$ 10,501,488
Ending Retained Earnings	\$ 7,602,486	\$ 8,980,194	\$ 11,048,488	\$ 9,533,984	\$ 10,501,488	\$ 10,501,488

Utility Debt Service			Capital Projects			Total Enterprise Funds		
FY 2006	FY 2007	FY 2008	FY 2006	FY 2007	FY 2008	FY 2006	FY 2007	FY 2008
Actual	Actual	Approved	Actual	Actual	Approved	Actual	Actual	Approved
\$ 1,576,194	\$ 2,288,615	\$ 1,753,000				\$ 7,837,494	\$ 7,258,607	\$ 8,702,177
\$ 444,567	\$ 1,104,106	\$ 605,801				\$ 4,178,359	\$ 4,408,447	\$ 4,606,623
						\$ 1,128,796	\$ 1,692,645	\$ 1,680,000
\$ 47,892	\$ 86,319	\$ -	\$ 782,732	\$ 274,494	\$ -	\$ 1,447,036	\$ 1,337,217	\$ 100,000
						\$ 4,866,802	\$ 2,883,835	\$ 2,600,812
						\$ 56,568	\$ 331,868	\$ 36,000
\$ 213,438	\$ 213,438	\$ 46,248				\$ 2,424,731	\$ 1,213,438	\$ 1,046,248
\$ 2,490,195	\$ 2,474,686	\$ 2,586,812				\$ 2,490,195	\$ 2,474,686	\$ 2,586,812
\$ 8,380			\$ 12,545,974		\$ -	\$ 12,554,354	\$ -	\$ -
			\$ 2,481,386	\$ 1,441,453	\$ 6,039,000	\$ 2,481,386	\$ 1,441,453	\$ 6,039,000
\$ 4,780,666	\$ 6,167,164	\$ 4,991,861	\$ 15,810,092	\$ 1,715,947	\$ 6,039,000	\$ 39,465,721	\$ 23,042,196	\$ 27,397,672
						\$ 933,439	\$ 1,163,645	\$ 1,525,564
						\$ 3,651,600	\$ 4,318,054	\$ 5,466,397
						\$ 904,772	\$ 1,084,182	\$ 1,136,409
						\$ 1,606,853	\$ 1,520,232	\$ 1,903,335
						\$ 1,223,835	\$ 1,734,460	\$ 1,680,000
\$ 906,765	\$ 1,419,620	\$ 1,476,065				\$ 906,765	\$ 1,419,620	\$ 1,476,065
\$ 3,814,534	\$ 3,979,130	\$ 3,924,669				\$ 3,814,534	\$ 3,979,130	\$ 3,924,669
\$ 3,095	\$ 2,846	\$ 2,915				\$ 3,095	\$ 2,846	\$ 2,915
			\$ 21,787,699	\$ 5,269,104	\$ 6,039,000	\$ 21,787,699	\$ 5,269,104	\$ 6,039,000
						\$ 4,971,581	\$ 2,993,300	\$ 2,586,812
\$ 4,724,395	\$ 5,401,596	\$ 5,403,649	\$ 21,787,699	\$ 5,269,104	\$ 6,039,000	\$ 39,804,173	\$ 23,484,573	\$ 25,741,166
\$ 56,271	\$ 765,568	\$ (411,788)	\$ (5,977,607)	\$ (3,553,157)	\$ -	\$ (338,452)	\$ (442,377)	\$ 1,656,506
\$ 611,789	\$ 668,060	\$ 1,433,628	\$ 12,340,816	\$ 6,363,209	\$ 2,810,052	\$ 24,506,191	\$ 24,167,739	\$ 23,725,361
\$ 668,060	\$ 1,433,628	\$ 1,021,840	\$ 6,363,209	\$ 2,810,052	\$ 2,810,052	\$ 24,167,739	\$ 23,725,361	\$ 25,381,867



Revenue Descriptions

General Fund

Property Tax: The valuation of property in the City of Pflugerville is determined by the Travis Central Appraisal District. The property tax is assessed and collected through an intergovernmental agreement with Travis County. For the fiscal year 2008 budget the property tax rate was lowered from \$0.624 to \$0.619. Tax revenue growth is anticipated to increase significantly in fiscal year 2008, with an approximate 28% gain over 2007. This increase is largely due to the property annexed at the end of calendar year 2006.

Sales Tax Collections: Sales tax revenue has been growing over the past few years indicating an increase in the City's commercial businesses. Sales tax collections increased 11% in FY06 and 21% in FY07. In FY 08, sales tax revenue is projected to increase approximately 36% over FY07 collections with continued arrival of new businesses.

Licenses and Permits: Revenue from these categories is intended to cover the costs of general government services provided by the Building Inspection and Engineering departments. This revenue category increased 12% in 2007, mostly significantly in the area of subdivision inspection fees. The revenue category is projected to remain at the 2007 levels during fiscal year 2008.

Franchise Fees: Franchise fees are collected from major public utilities operating within the City and are intended to reimburse the City for use of public streets and rights of way. The fee is applicable to TXU (electric utility), ATMOS Energy (gas utility), Cox Communication (cable television), a number of telephone line providers, and the City's water, wastewater and solid waste utility. Franchise fees are generally computed as a percent of gross receipts with the percentages varying among the utility classes. These budgeted revenues are projected using population estimates for the coming year.

Grants: Grant revenue is received from various sources to conduct projects the City would not otherwise be capable of funding.

Transfer: Annually a transfer is budgeted from the Utility Fund to the General Fund. This amount is intended to mitigate the burden on the General Fund of some shared administrative costs.

Fines: Revenue from these categories is intended to off-set some of the operating costs of general government services provided by the Library, Municipal Court, and Animal Control functions. This revenue category increased 13% in 2007; however, due to the nature of this category, a decrease is budgeted for 2008.

Recreation Income: Recreation income is collected from the users of the recreational facilities. As such, it is intended to cover the costs of services provided by the Parks and Recreation department. In 2007 the recreation income increased approximately 3% and is budgeted to increase by the same percentage in 2008.

Revenue Descriptions

General Fund (cont.)

Interest: Idle funds are prudently invested in various instruments allowed under the adopted City Investment Policy.

Fund Balance Transfer: A transfer from the fund balance to the operating budget of the associated fund.

Miscellaneous: All revenues not accounted for in another revenue category.

Utility Fund

Water, Wastewater, and Solid Waste Revenues: These revenues are generated from monthly utility statements. Projections of these revenues are partly determined by estimated growth rates within the utility system, along with proposed rate increases as shown on the pro forma. The various assumptions are reviewed semiannually through the use of the pro forma and estimates are adjusted as needed.

Other Revenues: Bond proceeds and impact fee transfers are used to fund capital projects in the utility fund. Impact fees charged to new development are to be used for the future expansion of water and wastewater facilities.

Interest: Idle funds are prudently invested in various instruments allowed under the adopted City Investment Policy.

Fees: These revenues are generated from the assessment of tap fees. These fees, assessed for both Water and Wastewater, are intended to recover the cost of installing new water and wastewater taps.

Miscellaneous: All revenues not accounted for in another revenue category.

Developer Contributions: Revenues received from developers to recover expenditures the City has incurred for various Utility related infrastructure projects.

**City of Pflugerville
Annual Budget
Fiscal Years 2006-2008**

General Fund and Utility Fund Revenue Summary

	FY 06 Actual	FY 07 Budget	FY 07 Actual	FY 08 Approved	Change in Budgeted FY 07 -FY 08
General Fund					
Property Tax	\$ 5,971,451	\$ 6,244,504	\$ 6,342,134	\$ 8,008,404	\$ 1,763,900
Sales Tax	\$ 1,745,341	\$ 2,180,226	\$ 2,203,973	\$ 3,000,000	\$ 819,774
Licenses and Permits	\$ 1,650,928	\$ 1,807,800	\$ 1,862,262	\$ 1,838,084	\$ 30,284
Franchise Fees	\$ 1,636,724	\$ 1,644,500	\$ 1,781,396	\$ 2,375,541	\$ 731,041
Fines	\$ 719,303	\$ 867,130	\$ 813,121	\$ 658,994	\$ (208,136)
Recreation Income	\$ 536,699	\$ 568,000	\$ 551,476	\$ 566,000	\$ (2,000)
Grants	\$ 14,701	\$ 169,774	\$ 235,901	\$ 20,000	\$ (149,774)
Interest	\$ 417,765	\$ 250,000	\$ 542,802	\$ 330,000	\$ 80,000
Miscellaneous	\$ 499,082	\$ 624,319	\$ 832,125	\$ 658,169	\$ 33,850
Transfers	\$ 450,000	\$ 450,000	\$ 450,000	\$ 500,000	\$ 50,000
Fund Balance Transfer	\$ -	\$ 1,161,051	\$ -	\$ 1,280,094	\$ 119,043
General Fund Total	\$13,641,994	\$15,967,304	\$15,615,190	\$19,235,286	\$ 3,267,982
Utility Fund					
Water Revenue	\$ 7,837,349	\$ 8,800,000	\$ 7,258,607	\$ 8,702,177	\$ (97,823)
Wastewater Revenue	\$ 4,178,359	\$ 4,408,447	\$ 4,408,447	\$ 4,606,623	\$ 198,176
Solid Waste Service	\$ 1,128,795	\$ 1,102,400	\$ 1,692,645	\$ 1,680,000	\$ 577,600
Fees	\$ 11,450	\$ 14,000	\$ 14,991	\$ 14,000	\$ -
Miscellaneous	\$ 56,568	\$ 4,927,708	\$ 331,868	\$ 36,000	\$ (4,891,708)
Developer Contributor	\$ 2,490,195	\$ 213,438	\$ 1,213,438	\$ 1,046,248	\$ 832,810
Interest	\$ 1,447,036	\$ 242,718	\$ 1,337,217	\$ 100,000	\$ (142,718)
Transfers*	\$ 4,971,581	\$ 3,128,954	\$ 3,916,139	\$ 8,625,812	\$ 5,496,858
Utility Fund Total	\$22,121,333	\$22,837,665	\$20,173,352	\$24,810,860	\$ 1,973,195

*FY 06 Transfer includes a one-time \$3,000,000 transfer from fund balance for the central wastewater treatment plant expansion project.

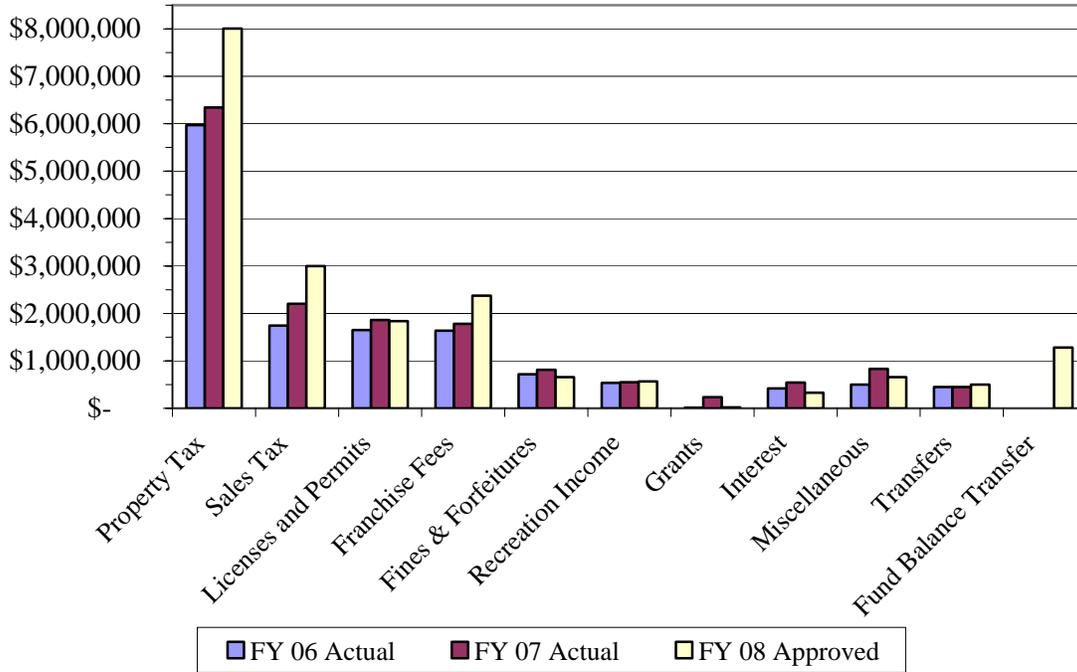
*FY 08 Transfer includes a one-time \$2,500,000 transfer from fund balance for the Pfennig Lane Booster pump project and a one-time transfer of \$2,300,000 for the purchase of a future wastewater treatment plant site.

**City of Pflugerville
Annual Budget
Fiscal Years 2006-2008**

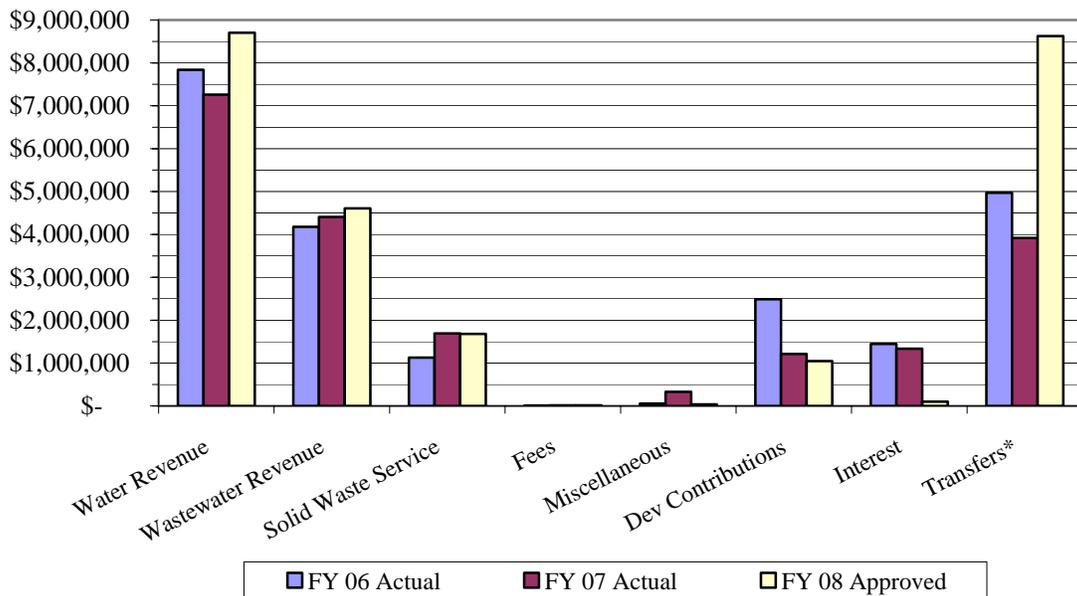
General Fund and Utility Fund Expense Summary

	FY 06 Actual	FY 07 Budget	FY 07 Actual	FY 08 Approved	Change in Budgeted FY 07 -FY 08
General Fund Departments					
Administration	\$ 2,525,381	\$ 3,095,080	\$ 2,916,548	\$ 4,235,522	\$ 1,140,442
Building	\$ 546,928	\$ 597,287	\$ 570,774	\$ 593,641	\$ (3,646)
Engineering	\$ 621,084	\$ 734,650	\$ 660,153	\$ 677,704	\$ (56,946)
Library	\$ 515,690	\$ 632,960	\$ 564,093	\$ 634,234	\$ 1,274
Parks	\$ 1,813,389	\$ 2,124,068	\$ 2,084,760	\$ 2,516,413	\$ 392,345
Planning	\$ 406,959	\$ 774,694	\$ 696,125	\$ 644,886	\$ (129,808)
Police/Court	\$ 5,520,307	\$ 6,121,173	\$ 5,685,199	\$ 7,609,517	\$ 1,488,344
Street	\$ 1,545,358	\$ 1,887,394	\$ 1,635,309	\$ 2,236,270	\$ 348,876
General Fund Total	\$ 13,495,096	\$ 15,967,306	\$ 14,812,961	\$ 19,148,187	\$ 3,180,881
Utility Fund Departments					
Utility Administration	\$ 1,791,310	\$ 2,051,123	\$ 1,825,413	\$ 1,875,556	\$ (175,567)
Water Treatment	\$ 6,269,656	\$ 2,882,200	\$ 2,598,585	\$ 2,210,829	\$ (671,371)
Water Distribution	\$ 5,200,943	\$ 6,171,107	\$ 6,109,489	\$ 9,681,632	\$ 3,510,525
Wastewater Collection	\$ 1,307,806	\$ 1,776,668	\$ 2,240,228	\$ 2,755,421	\$ 978,753
Wastewater Treatment	\$ 19,128,675	\$ 6,505,882	\$ 5,980,565	\$ 4,950,916	\$ (1,554,966)
Solid Waste Contract	\$ 1,223,834	\$ 1,102,300	\$ 1,734,460	\$ 1,680,000	\$ 577,700
					\$ -
Utility Fund Total	\$ 34,922,224	\$ 20,489,280	\$ 20,488,739	\$ 23,154,354	\$ 2,665,074

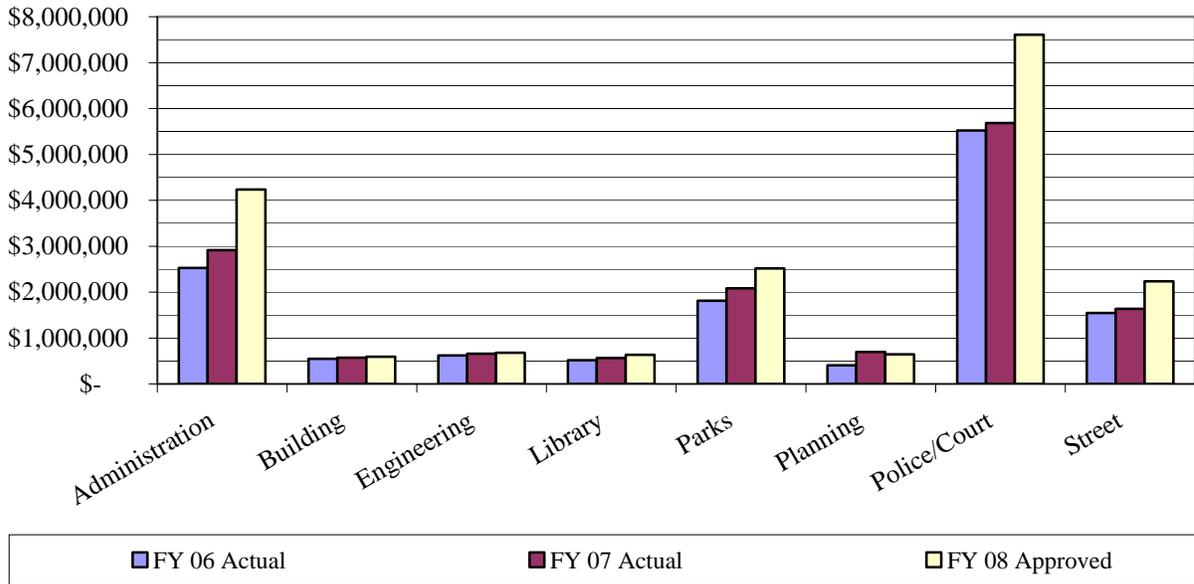
General Fund FY 06 – FY 08 Revenue Comparison



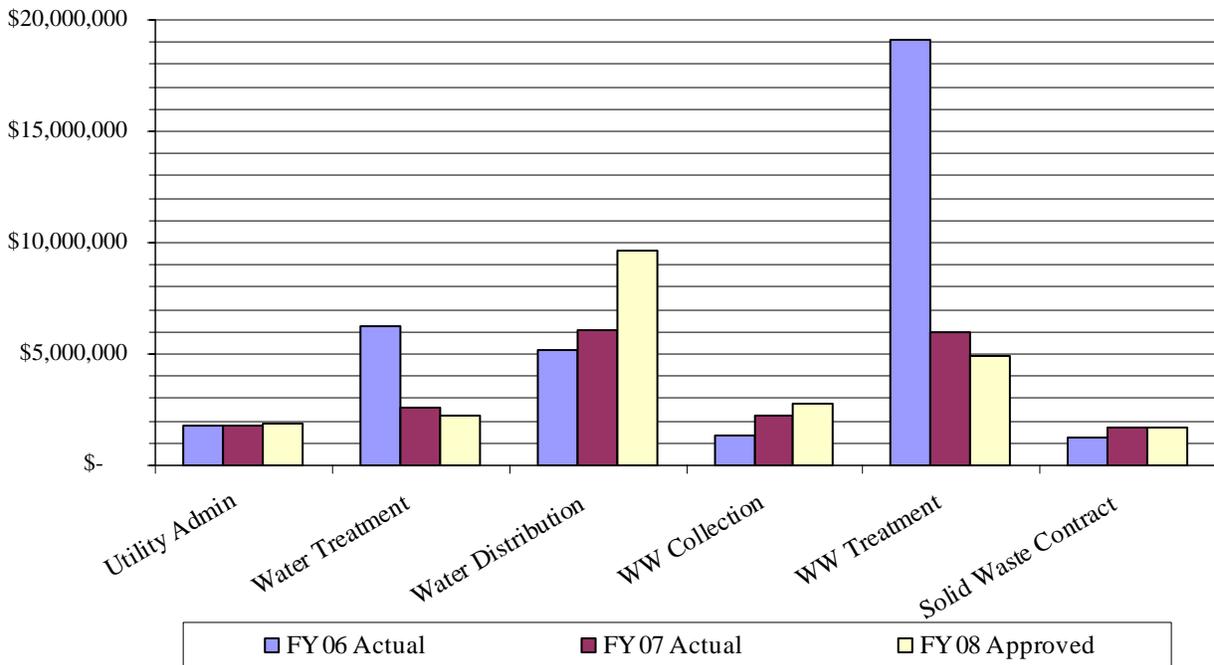
Utility Fund FY 06 – FY 08 Revenue Comparison



General Fund FY 06 – FY 08 Expense Comparison



Utility Fund FY 06 – FY 08 Expense Comparison



Administration

Department Description

The Administration Department is composed of the City Manager office, the Finance Department, and Human Resources. The budgets for these components are not allocated separately. The Pflugerville Community Development Corporation is also a function of the Administration Department though they have a budget separately approved by the City Council and operate on a calendar year basis.

This section will provide information on the budget for the total department and subsequent pages will provide information for each component.

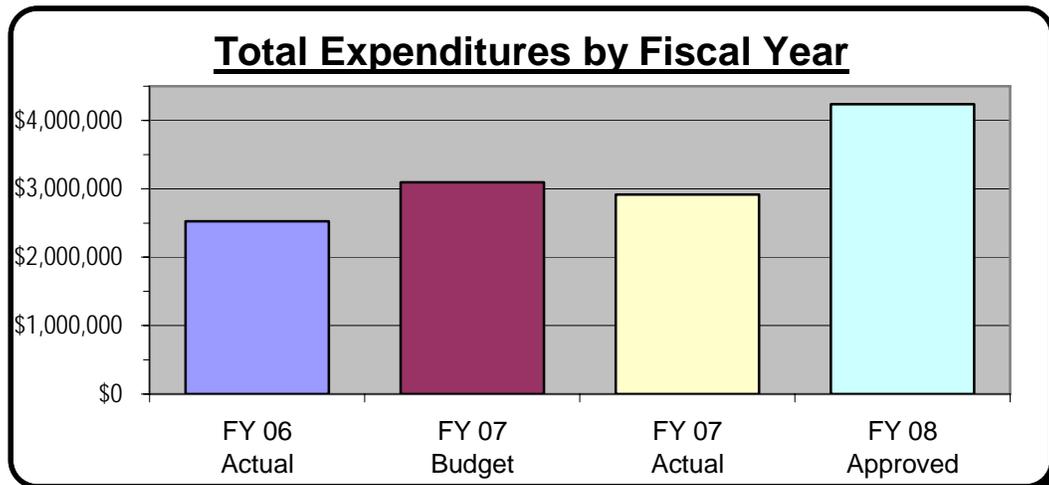
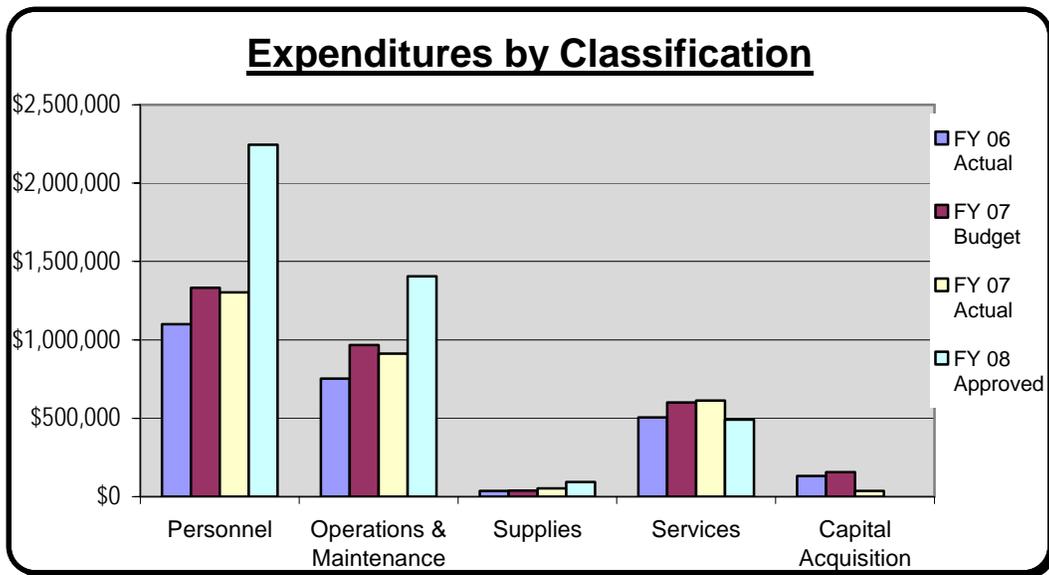
Staffing

Position	FY 06 Actual	FY 07 Actual	FY 08 Approved
Accountant	2	2	3
Accounts Payable Clerk	1	1	1
Administrative Tech/Grant Writer	1	1	1
Administrative Tech	2	3	4
Assistant City Manager/Finance Director	1	1	1
Assistant City Manager/Economic Development Director	1	1	1
Assistant City Manager	0	0	1
Assistant Finance Director	1	1	1
Assistant to City Manager	0	1	1
Assistant to Economic Development Director	0	1	1
City Attorney	0	1	1
City Manager	1	1	1
City Secretary	1	1	1
Customer Support Tech (IT)	0	0	1
Facilities Maintenance Tech	0	1	1
Human Resource Administrator	1	1	1
Human Resource Assistant	2	2	2
Human Resources Generalist	0	0	1
Info. & Comm. Development Director	1	1	1
Information Technology Director	0	0	1
Public Works Director	1	0	1
Totals	15	20	27

Administration

Expenditure Summary

Classification	FY 06 Actual	FY 07 Budget	FY 07 Actual	FY 08 Approved
Personnel	\$ 1,100,502	\$ 1,331,997	\$ 1,301,994	\$ 2,245,317
Operations & Maintenance	751,773	966,794	912,008	1,405,851
Supplies	35,959	39,157	53,275	93,000
Services	506,199	601,432	612,818	491,353
Capital Acquisition	130,948	155,699	36,453	-
Total	\$2,525,381	\$3,095,079	\$2,916,547	\$4,235,521



City Manager

Pflugerville Community Development Corporation

Department Mission

The mission of the City Manager office is to provide administration and leadership to insure that the daily operations and long-term initiatives of the City reflect the policies, goals and objectives expressed by the City Council.

The mission of the Pflugerville Community Development Corporation (PCDC) is to encourage and promote economic development, diversifying the local tax base through retail, commercial and industrial development.

Department Description

The City Manager office is responsible for the administration of City business. The City Manager, appointed by the City Council, is the chief administrative officer of the City. Responsibilities of the City Manager Office include coordinating activities to effectively accomplish the City Council's goals and objectives.

The PCDC is responsible for cultivating an environment that will encourage growth and economic prosperity. The PCDC Director is the first point of contact for City of Pflugerville economic development activities.

Department Location

The City Manager office is located at City Hall, 100 East Main Street, Suite 300 Phone: 512-990-4363; Fax: 512-990-4364; www.cityofpflugerville.com

Pflugerville Community Development Corporation office is located at 203 West Main Street, Suite C Phone: 512-990-3725; www.pfdevelopment.com

Hours are 8 a.m. to 5 p.m., Monday through Friday, excluding holidays.

City Manager

FY 2006- 2007 Accomplishments

City Manager

- Implemented *Key to the City* newsletter to inform citizens of the upcoming City events.
- Adopted a new City logo and an unofficial slogan of “Pflugerville, Tx...between a rock and a weird place.”
- Hired an internal City Attorney and completed transfer of City legal files from former Attorney.
- Redesigned the City’s website to enhance the new logo and improve ease of use.

Pflugerville Community Development Corporation

- Assisted with funding of City Capital Improvement Projects including the 685 Median Removal and the SH 130 and SH 45 Corridor Study.
- Initiated the first financial audit for the 2006 financial statement of PCDC.

FY 2007 – 2008 Goals

City Manager

- Complete coordination and development of City Internal Procedures Manual.
- Ensure each department has a comprehensive standards-of-operation manual.
- Continue review of organizational structure and institute changes to improve the efficiency and effectiveness of the City.
- Continue evaluating and updating City policies.

Pflugerville Community Development Corporation

- Increase recruitment activities by participating in more events and trade shows.
- Develop and run an advertising campaign to promote Pflugerville.
- Work with major commercial property owners on a SH 130 corridor overlay plan that will allow the City and the land owners to achieve the highest and best use of their property for commercial development.
- Publicize and award Community Development Challenge Grants.

FY 2007 - 2008 Budget Objectives

City Manager

- Increase communication with citizens through increased media resources.
- Upgrade City Council laptops to reduce the volume of printed materials.
- Purchase an agenda review program.

Pflugerville Community Development Corporation

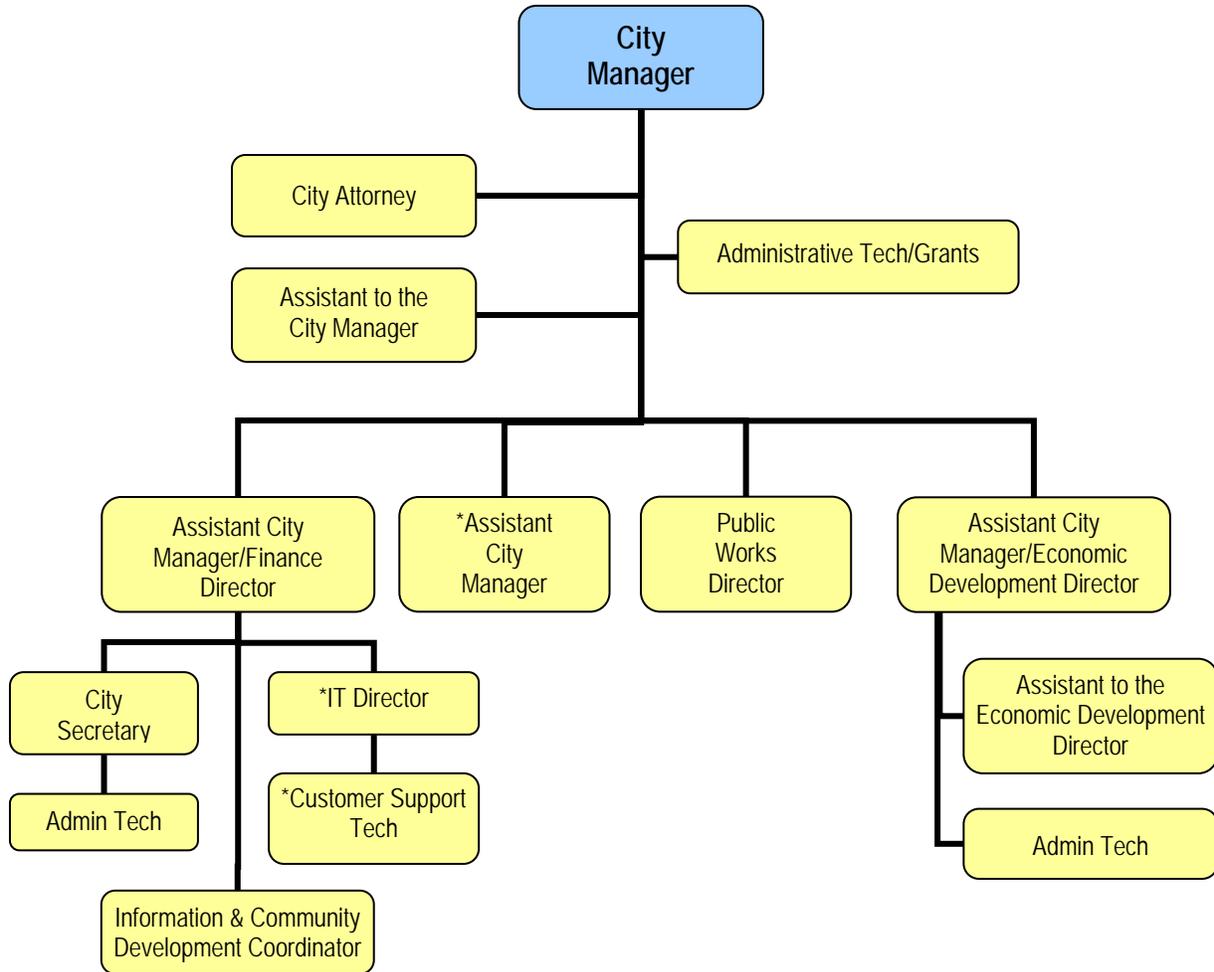
- Purchase and install software for managing a business retention and expansion program.
- Assist in funding infrastructure projects, including:
 - Additional downtown parking;
 - Construction of New Meister Lane;
 - 685 Commercial Park waterline improvements; and
 - Weiss Lane utility extension.
- Purchase a server for departmental file storage and a projector for promotional presentations.

City Manager

Staffing

Position	FY 06 Actual	FY 07 Actual	FY 08 Approved
City Manager	1	1	1
Assistant City Manager/Finance Director	1	1	1
Assistant City Manager/ Economic Development Director	1	1	1
Assistant City Manager	0	0	1
City Attorney	0	1	1
Public Works Director	1	0	1
IT Director	0	0	1
Customer Support Tech	0	0	1
City Secretary	1	1	1
Info. & Comm. Develop. Coord.	1	1	1
Assistant to City Manager	0	1	1
Assistant to Economic Dev. Director	0	1	1
Administrative Tech/Grants	1	1	1
Administrative Tech	1	2	3
Totals	8	11	15

Staffing (continued)



*New positions for current fiscal year

City Manager

Performance Measures

Measurement Indicators	FY 06 Actual	FY 07 Actual	FY 08 Approved
<u>Demand</u>			
City Population	28,939	35,468	43,499
<u>Input</u>			
Annual City Budget	\$ 45,173,149	\$ 52,489,377	\$ 58,163,061 (1)
Annual City Operating Budget	\$ 19,659,126	\$ 22,512,980	\$ 26,803,455
Number of City Personnel (FTE)	189.38	212.38	241.88 (2)
Total Number of Personnel	8	11	15
<u>Efficiency</u>			
Population per City FTE	153	167	180
Cost of City Govt per Citizen	\$453	\$431	\$440 (3)
Dept FTE as % of General Fund FTE	5.1%	6.2%	7.3%
<u>Effectiveness</u>			
Taxable Assessed Valuation	\$ 1,397,522,847	\$ 1,515,913,575	\$ 1,892,441,147
Debt to Valuation Ratio	8.6%	7.8%	6.9% (4)
Bond Rating	A2/A	A1/A	A1/A+
Tax Rate /\$100 Valuation	\$0.6350	\$0.6240	\$0.6190
Actual Expense versus Budget	92%	98%	-

(1) Budget increase due to capital projects being funded.

(2) See page 137 for actual positions added.

(3) Based on General Fund Operating Expenditures.

(4) Includes General Obligation and Combination Tax and Revenue Debt.

Finance Department

Human Resources

Department Mission

Provide quality financial management and utility billing services in a professional and efficient manner to achieve a high level of internal and external customer satisfaction; and provide quality business support and consulting services to management staff in order to assess needs and create processes that utilize and develop human resources in the most effective manner.

The mission of the Human Resources department is to provide quality business support and consulting services to management staff in order to assess needs and create processes that utilize and develop human resources in the most effective manner.

Department Description

- Responsible for the collection, investment, disbursement and documentation of all City funds.
- Prepares the City's annual budget document and annual comprehensive financial report (audit).
- Processes and prepares payment for City purchases and expenditures and monitors purchase orders.
- Provides responsible leadership and direction in human resource services, including managing and administering recruiting, compensation, benefits, employee relations, training and records programs.
- Conducts and/or coordinates training and seminars for employee orientation, policies and procedures, performance management, safety and other programs that benefit the organization and employees.
- Prepares the City payroll.
- Provides billing, collection and accounting for all water, wastewater and solid waste utility accounts.
- Maintains the fixed assets records for the City.
- Staffs Deutschen Pfest, receiving and depositing all revenues from entry gates, t-shirt sales, and other income. Prepares financial reports throughout the year.
- Provides liaison to the Finance and Budget Committee.
- Prepares reports, analyses, and information as needed by the City Manager, City Council, and other departments.

**Finance Department
Human Resources**

Department Location

The Finance Department and Human Resources are located in City Hall, 100 East Main Street, Suite 100.

Hours are 8 a.m. to 5 p.m., Monday through Friday, excluding holidays.

Phone: 512-251-3076; and Fax: 512-251-5768; and the City website:

www.cityofpflugerville.com.

FY 2006 - 2007 Accomplishments

Finance

- Received Distinguished Budget Presentation Award for FY 2007 budget from the Government Finance Officers Association.
- Received Certificate of Achievement for Excellence in Financial Reporting Award for FY 2006 from the Government Finance Officers Association.
- Moody's bond rating was upgraded from A2 to A1 and Standard & Poor's bond rating of A was maintained.
- Received an unqualified audit opinion.
- Continued development and expansion of pro forma documents as planning tools for future budgets.
- Began the process to encompass requirements of GASB 45 in the annual financial report.
- Completed bid process for selection of entity to provide banking services to the City.

Human Resources

- Implemented a three-tiered leadership development program designed to enhance the skills of the City's organization leaders including crew leaders, foremen, supervisors, and managers.
- Acted as a primary catalyst to develop a Central Texas Municipal Alliance designed to provide quality training and development resources at a reasonable cost. This alliance will provide more opportunities for training that would have been possible as a single entity.
- Conducted a comprehensive compensation survey and analysis to ensure that the City remains positioned to recruit the best qualified candidates and retain excellent employees.

FY 2007 – 2008 Goals

Finance

- Receive Distinguished Budget Presentation Award from the Government Finance Officers Association for the fiscal year 2008 budget.
- Receive the Certificate of Achievement for Excellence in Financial Reporting Award for the fiscal year 2007.
- Continue evaluating and updating City policies.
- Complete coordination and development of City Internal Procedures Manual.
- Continue the process to encompass requirements of GASB 45 in the annual financial report.
- Complete bid process for selection of a new audit firm to conduct the annual financial audit of the City in accordance with the City Charter.
- Maintain Moody's bond rating of A1 and upgrade Standard & Poor's bond rating from A to A+.

Human Resources

- Refine HR internal processes to increase efficiency and service; cross-train HR employees in all HR and Payroll activities.
- Develop an employee development program to enhance the abilities of our employees, supervisors, and managers; in order to meet changes in job requirements and customer demand.
- Perform a comprehensive audit of the Human Resources department and processes to ensure it is in compliance with the law, standardize processes, identify risk areas, and tie HR to strategic business goals.

FY 2007 – 2008 Budget Objectives

Finance

- Increase professional staff by hiring an accountant to share the increased workload as the City of Pflugerville continues to grow.

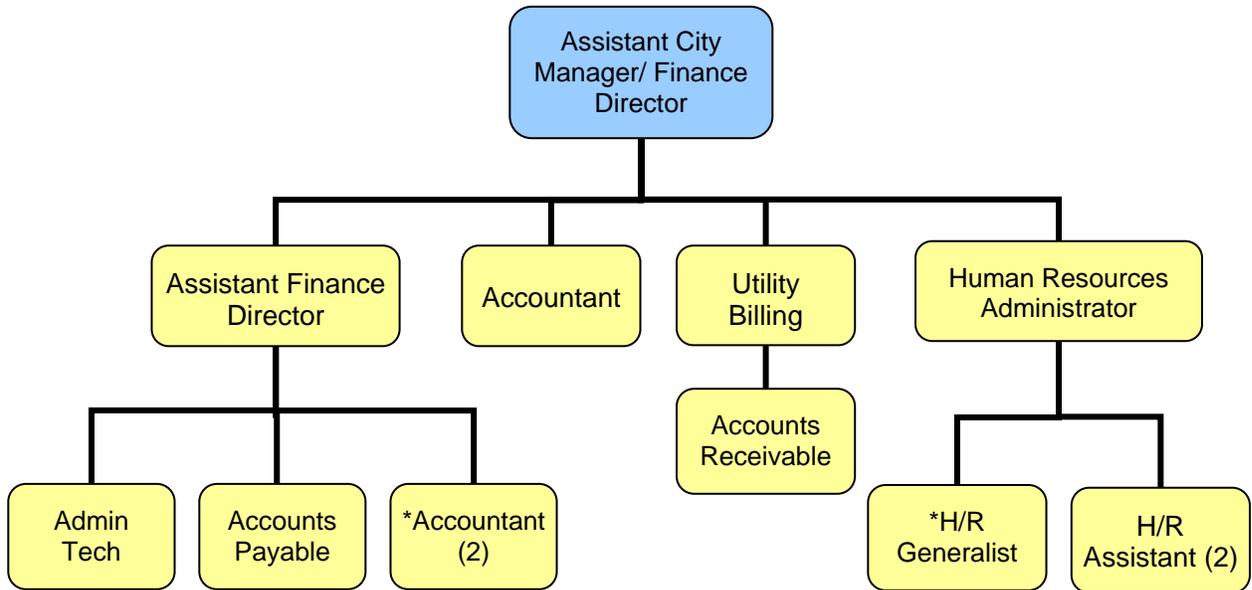
Human Resources

- Implement software that will improve the efficiency and effectiveness of the staffing process by automating the entire hiring process from requisition to hire.
- Develop a City-wide wellness program that will result in a healthy return; both in terms of employee productivity and reduced healthcare costs.
- Develop an employee orientation program designed to be a critical part of the employee retention strategy.

Finance Department
Human Resources

Staffing

Position	FY 06 Actual	FY 07 Actual	FY 08 Approved
Accountant	1	2	3
Accounts Payable Clerk	1	1	1
Accounts Receivable	1	1	1
Administrative Tech	1	1	1
Assistant Finance Director	1	1	1
Human Resource Administrator	1	1	1
Human Resource Assistant	2	2	2
Human Resource Generalist	0	0	1
Utility Billing Supervisor	1	1	1
Total	9	10	12



*New positions for current fiscal year

Performance Measures

Measurement Indicators	FY 06 Actual	FY 07 Actual	FY 08 Approved
<u>Demand</u>			
City Population	28,939	35,468	43,499
Number of Budgeted Positions	201	225	255
Number of Seasonal Employees	110	118	120
Utility Customer Base*	11,455	13,612	14,058
Number of bond issues outstanding	17	17	18
Amount of debt outstanding	\$ 120,938,000	\$ 123,181,000	\$ 133,931,000
Annual Budget	\$ 30,535,655	\$ 46,418,653	\$ 58,163,061
<u>Input</u>			
Personnel Expense**	\$ 693,647	\$ 728,329	\$ 861,551
Total Number of Personnel	9	10	12
<u>Output</u>			
Number of AP checks written	6,829	7,122	7,500
Number of Purchase Orders Processed	518	498	550
Number of Invoices Processed	11,398	12,720	13,125
Number of Utility Bills Processed	131,500	147,540	152,177
Number of Applicants Processed	1,104	2,058	2,500
Number of RFT Applicants Hired	29	46	45
Number of Seasonal Applicants Hired	151	135	160
Number of Terminations Processed	134	121	160
<u>Efficiency</u>			
FTE as % of General Fund FTE	5.8%	5.6%	5.8%
Finance Expenditures as % of GF	4.0%	4.6%	4.8%
<u>Effectiveness</u>			
Bond Ratings (Moody's/S&P)	A2/A	A1/A	A1/A+
Unqualified Audit Opinion	Yes	Yes	Yes
Number of Cash Receipts	113,356	117,438	119,700
Total Revenue Received	\$ 26,347,379	\$ 22,160,342	\$ 28,087,500
City Employee Turnover Rate	16.0%	14.7%	15.0%

*Number of customers increased due to expansion of City garbage service to areas to be annexed in the next two fiscal years.

**Personnel expense only. Includes two employees who are paid from Utility Fund.



Building Inspection Department

Department Mission

Ensure that Pflugerville's residences and places of business are designed and constructed to the standards for quality, safety, and efficiency in accordance with the adopted building, site development, and zoning regulations.

Department Description

- Process and issue building, plumbing, mechanical and electrical permits.
- Inspect work in progress for compliance with building, plumbing, mechanical and electrical code requirements, through in-house staff and contracted personnel as necessary.
- Inspect for compliance with site development code.
- Review plans for compliance with building, plumbing, mechanical and electrical codes.
- Flood plain administration.
- Review plans for compliance with sign ordinances.
- Provide general information to the public.
- Abate dangerous buildings.

Department Location

The Building Inspection Department is located at 100 East Main, Suite 200.
Office hours are 8 a.m. to 5 p.m., Monday through Friday.
Phone: 512-252-8469; Fax: 512-990-4374;
City Website: www.cityofpflugerville.com.

FY 2006 – 2007 Accomplishments

- Adopted 2006 International Building Codes to ensure the safety and well being of citizens and business owners in the City.
- Implemented automated inspection request and information system.
- Distributed information on City of Pflugerville code enforcement to all newly annexed properties.

Building Inspection

FY 2007 – 2008 Goals

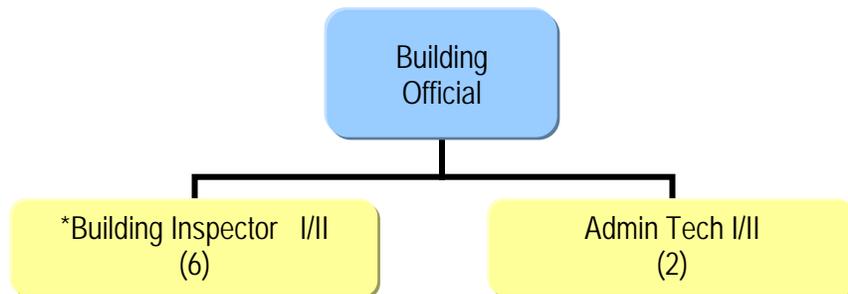
- Prepare for upcoming annexations and anticipated commercial growth through education and assessment of the to-be-annexed areas.
- Prepare for the continued residential growth by reviewing existing staff and responsibilities through the use of Building Department performance measures dealing with effectiveness.
- Maintain inspector certifications.

FY 2007 - 2008 Budget Objectives

- Increase in-house staff to allow minimal reliance on third party inspections and to support the commercial construction expected in the next fiscal year.

Staffing

Position	FY 06 Actual	FY 07 Actual	FY 08 Approved
Building Official	1	1	1
Building Inspector	4	5	6
Admin Tech	2	2	2
Totals	7	8	9



*New position for current fiscal year

Performance Measures

Measurement Indicators	FY 06 Actual	FY 07 Actual	FY 08 Approved
<u>Demand</u>			
Building Permits:			
Single Family	870	546	500
Duplex	20	19	20
Multi-Family	1	1	2
Commercial	9	45	60
Other (mechanical, sign, electrical, plumbing)	1,450	1,661	1,500
Total Building Permits Issued	2,350	2,272	2,082
Number of Code Enforcement Cases	1,140	1,835	**
Number of Requests for Variance	20	20	***
<u>Input</u>			
Operating Expenditures	\$527,744	\$523,214	\$579,184
Number of Full-Time Equivalents	7	8	9
<u>Output</u>			
Inspections:			
Single-Family	33,577	24,187	22,149
Duplex	652	619	652
Multi-Family	-	1,062	2,000
Commercial	720	1,280	1,707
Other (mechanical, sign, electrical, plumbing)	7,250	2,455	2,217
Total Inspections	42,199	29,603	28,725
Square Footage Residential	2,461,665	1,544,907	1,414,750
Square Footage Commercial	250,806	609,300 *	812,400
<u>Efficiency</u>			
Cost per Building Inspection	\$ 8.77	\$ 17.37	\$ 15.17
Time per Building Inspection	11 minutes	20 minutes	15 minutes
Cost per Code Enforcement Case	\$ 68.77	\$ 27.74	**
Time per Code Enforcement Case	3.4 hours	1 hour	**
<u>Effectiveness</u>			
Average Inspections per Day	173	121	118
Average Code Enforcement Cases/Day	4.7	7.5	**
# of Inspections per Day per Inspector	43	30	20
# of Code Enforcement Cases/Day/Official	2.3	7.5	**

* Increase due to construction of WalMart during FY 06.

** Code enforcement function transferred to the Police Department for FY 08.

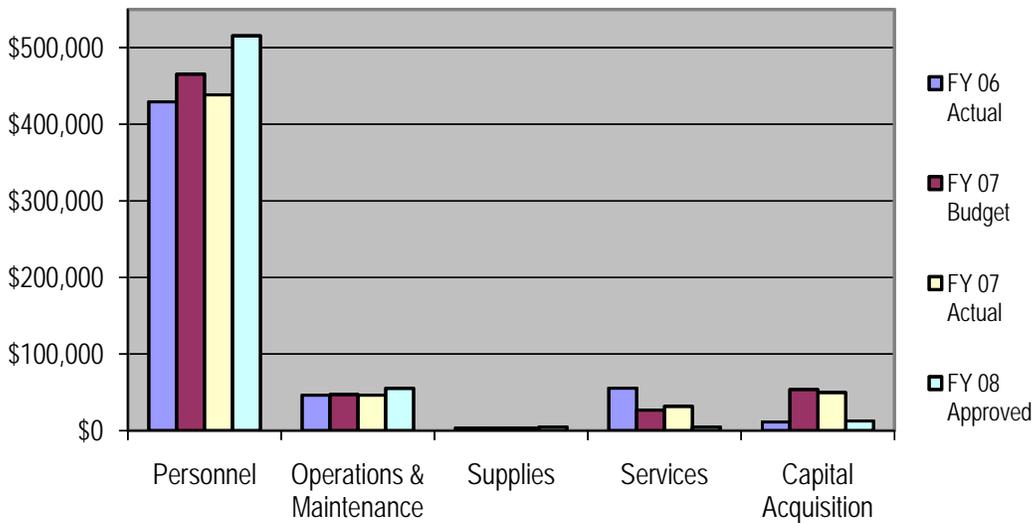
*** Variance requests are now handled by the Planning Department.

Building Inspection

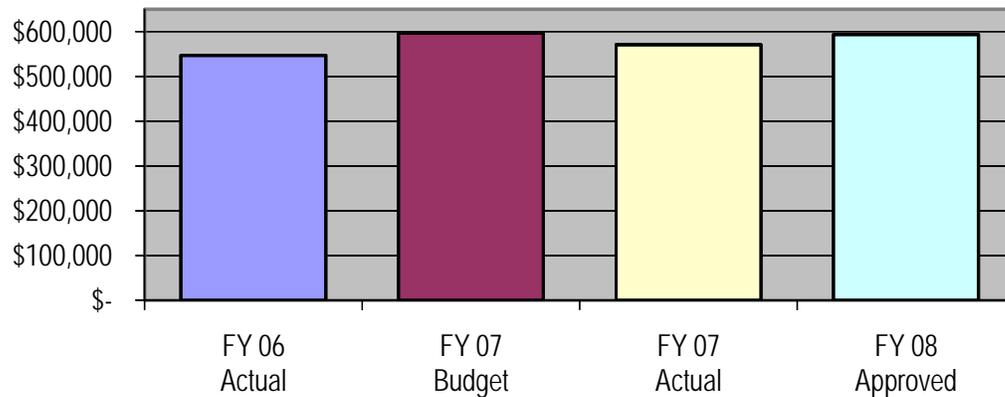
Expenditure Summary

Classification	FY 06 Actual	FY 07 Budget	FY 07 Actual	FY 08 Approved
Personnel	429,398	465,385	438,599	515,516
Operations & Maintenance	46,594	47,274	46,561	55,351
Supplies	3,745	3,900	3,868	5,075
Services	55,675	27,000	31,820	5,000
Capital Acquisition	11,515	53,728	49,926	12,700
Totals	\$546,928	\$597,287	\$570,774	\$593,642

Expenditures by Classification



Total Expenditures by Fiscal Year



Engineering Department

Department Mission

Ensure that the public facilities which serve Pflugerville's water, wastewater, transportation, and drainage needs are designed and constructed to the standards for quality, safety, and efficiency in accordance with the City's adopted regulations and guidelines while providing for responsible, efficient management of capital improvement projects.

Department Description

- Perform review of land development applications.
- Manage capital improvement projects.
- Perform inspections of land development and capital improvement construction with City staff and third party inspection services.
- Offer supportive technical guidance and coordination with all City departments.
- Coordinate engineering related items with other jurisdictions when necessary.

Department Location

The Engineering Department is located at 102 South Third.
Hours are 8 a.m. to 5 p.m., Monday through Friday, excluding holidays.
Staff can be reached by phone at 251-2679, by fax at: 251-2874; or through the City website: www.cityofpflugerville.com.

FY 2006-2007 Accomplishments

- Completed six Capital Improvement Projects (more detail regarding these projects can be found in the Capital Improvement Projects section of this budget):
 - Overlay of North Heatherwilde Boulevard (between Pflugerville Parkway and SH 45)
 - Pfluger Crossing Wastewater Improvements
 - Construction of Pflugerville Parkway East (Railroad Avenue to FM 685)
 - Construction of Wells Branch Parkway (from 10th Street to Immanuel Rd)
 - Expansion of the Central Wastewater Treatment plant
 - FM 685 Median Removal
- The engineering design for Pflugerville Parkway widening and connection to SH 130 (FM 685 to SH 130) was completed.

Engineering Department

FY 2007-2008 Goals

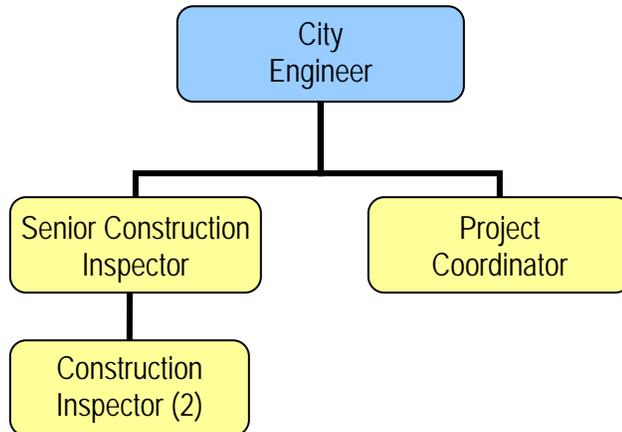
- Initiate development of a City master plan for water and drainage.
- Maintain or reduce the average review time for land development applications.
- Achieve compliance with federal water quality requirements.
- Identify means of measuring citizen satisfaction to develop a benchmark of customer satisfaction levels.
- Identify cost analysis of proposed annexation plan and incorporate long range plans and division needs.
- Continue construction on Pflugerville Loop West and Pecan Street East.

FY 2007-2008 Budget Objectives

- Utilize consultants to complete a plan to comply with federal water quality regulations.
- Increase training budget to enable staff to attend development classes and thereby allow more intense technical training.

Staffing

Position	FY 06 Actual	FY 07 Actual	FY 08 Approved
City Engineer	1	1	1
Engineering Technician	1	0	0
Senior Construction Inspector	1	1	1
Project Coordinator	1	1	1
Construction Inspector	2	2	2
Total	6	5	5



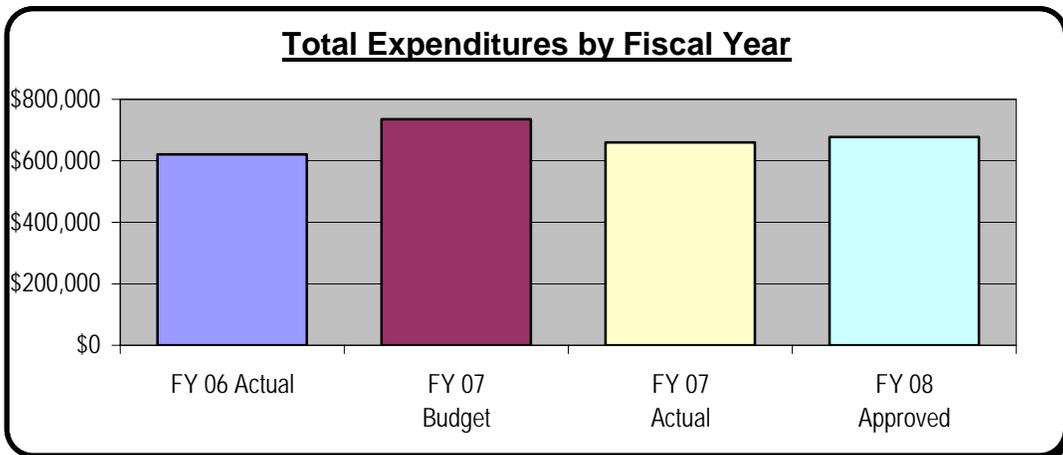
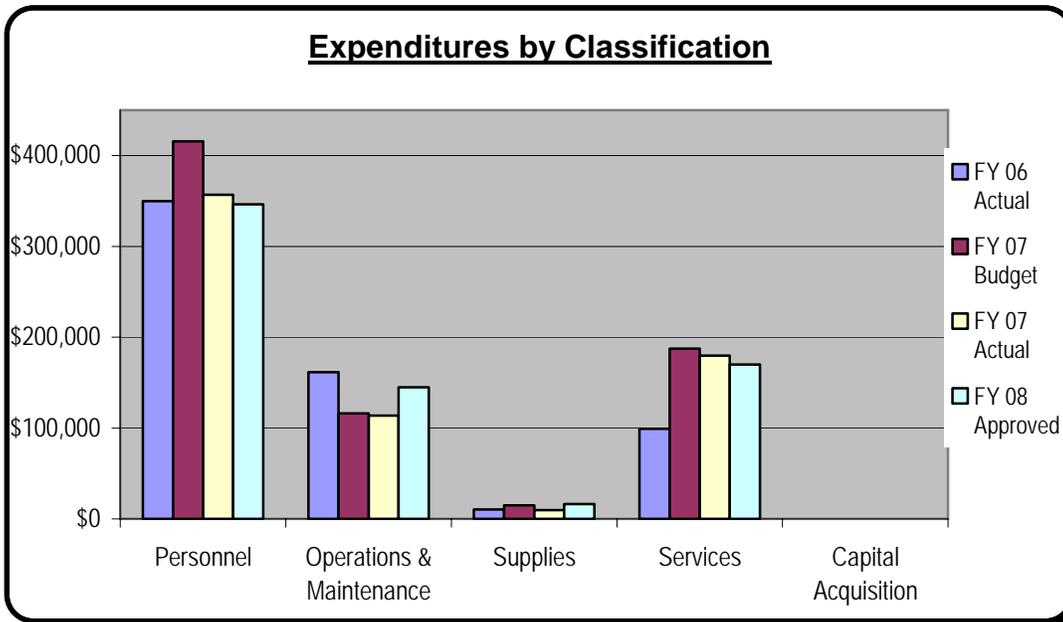
Engineering Department

Performance Measures

Measurement Indicators	FY 06 Actual	FY 07 Actual	FY 08 Approved
<u>Demand</u>			
City Population	28,939	35,468	43,499
Subdivision Construction Value	\$13.74 mil	\$ 8.15 mil	\$16.00 mil
<u>Input</u>			
Operating Expenditures	\$ 621,084	\$ 588,756	\$ 677,704
Number of Personnel (FTE)	6	5	5
<u>Output</u>			
Number of Construction Plans Reviewed	100	105	100
Number of Subdivision Plats Reviewed	30	30	30
Number of Site Plans Reviewed	40	40	40
Number of Active Capital Improvement Projects	25	23	28
Number of Completed Capital Improvement Projects	3	6	6
Number of Inspections	17,400	17,100	17,600
<u>Efficiency</u>			
Average Number of Days to Review Construction Plans	12	10	11
Average Number of Days to Review Subdivision Plats	5	5	5
Average Number of Days to Review Site Plans	10	7	7
Cost per Inspection	\$ 35.69	\$ 34.43	\$ 38.51

Expenditure Summary

Classification	FY 06 Actual	FY 07 Budget	FY 07 Actual	FY 08 Approved
Personnel	349,718	415,906	356,794	346,232
Operations & Maintenance	161,725	116,134	113,654	144,942
Supplies	10,541	15,110	9,916	16,530
Services	99,100	187,500	179,790	170,000
Capital Acquisition	-	-	-	-
Totals	\$621,084	\$734,650	\$660,153	\$677,704





Pflugerville Community Library

Department Mission

To provide quality materials and services which fulfill educational, informational, cultural, and recreational needs of the entire community in an atmosphere that is welcoming, respectful, and professional.

Department Description

- Serves all residents of the community and the surrounding region.
- Encourages reading by providing materials and enrichment programs for all ages.
- Develops and maintains collection of print and non-print materials for all ages.
- Responds to telephone, email, and on-site information queries.
- Provides a regular preschool story hour and a summer reading program for children and adults.
- Provides references, research, and computer information databases and on-line service to the internet in order to support the needs of formal education, independent learning, and business development.
- Provides meeting room space for community activities and programs.
- Provides community outreach through special programs.

Department Location

The Pflugerville Community Library is located at 102 Tenth Street.

The Library is open from 10 a.m. to 9 p.m., Monday through Thursday; 10 a.m. to 6 p.m. on Friday; 10 a.m. to 4 p.m. on Saturday; and 1 p.m. to 6 p.m. on Sundays. The Library is closed on all City holidays.

Phone: 512-251-9185; Fax: 512-251-9185; and the City of Pflugerville website: www.cityofpflugerville.com.

FY 2006 - 2007 Accomplishments

- Circulated 216,292 items to the public.
- Completed weeding and shifting of the adult non-fiction collection.
- Installed Discover Station hardware and software for the public use computers.
- Rearranged the Library for more efficient use of space.
- Implemented bilingual story time for young children.
- Reorganized the Library staff positions to include more Library Technicians.

Pflugerville Community Library

FY 2006 - 2007 Accomplishments (continued)

- Began offering computer classes for adults.
- Received a Lone Star Libraries grant, an AT&T computer grant, and two Texas Book Fair grants for technology improvements and books.

FY 2007 – 2008 Goals

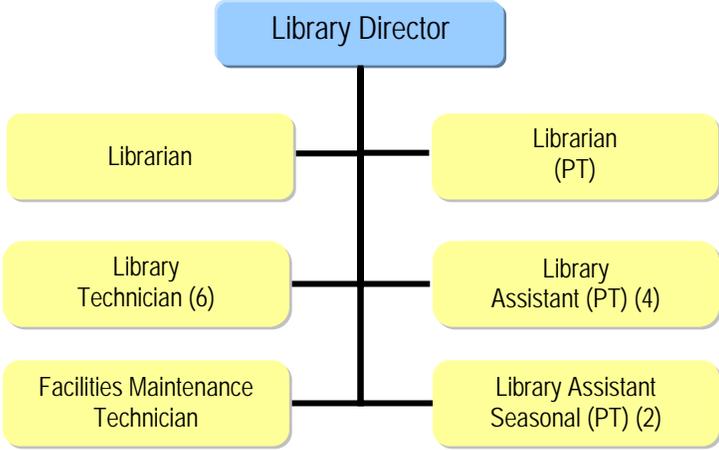
- Enhance the Library catalog to make materials more accessible to the public.
- Increase the Library's hours of operation; including opening on Sundays.
- Create a more cost-effective and user friendly process for patrons to retrieve and purchase computer printouts.
- Increase the number of computer classes offered to accommodate more patrons.
- Complete the weeding of the juvenile non-fiction section and create a new category for young adult non-fiction.
- Create a Teen Advisory Board to obtain input on young adult programs, materials, and events.

FY 2007 - 2008 Budget Objectives

- Increase the Library staff by adding one full-time and one part-time Library Assistant position.
- Utilize patron donations to purchase equipment that will improve the operations and efficiency of the Library.
- Purchase additional software and equipment for computer classes.
- Increase the special events and programs offered by the Library.

Staffing

Position	FY 06 Actual	FY 07 Actual	FY 08 Approved
Library Director	1	1	1
Librarian	0	1	1
Children's Librarian	1	0	0
Reference Librarian	1	0	0
Library Technician	3	5	6
Facilities Maintenance Technician	1	1	1
Librarian (PT)	0	1	1
Library Assistant (PT)	4	3	4
Seasonal Library Assistant (PT)	0	2	2
Totals	11	14	16



Pflugerville Community Library

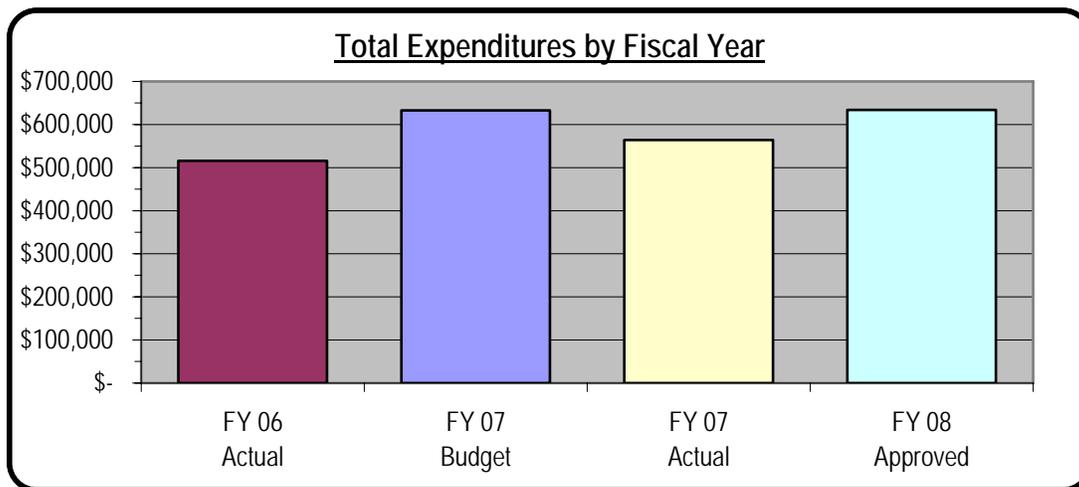
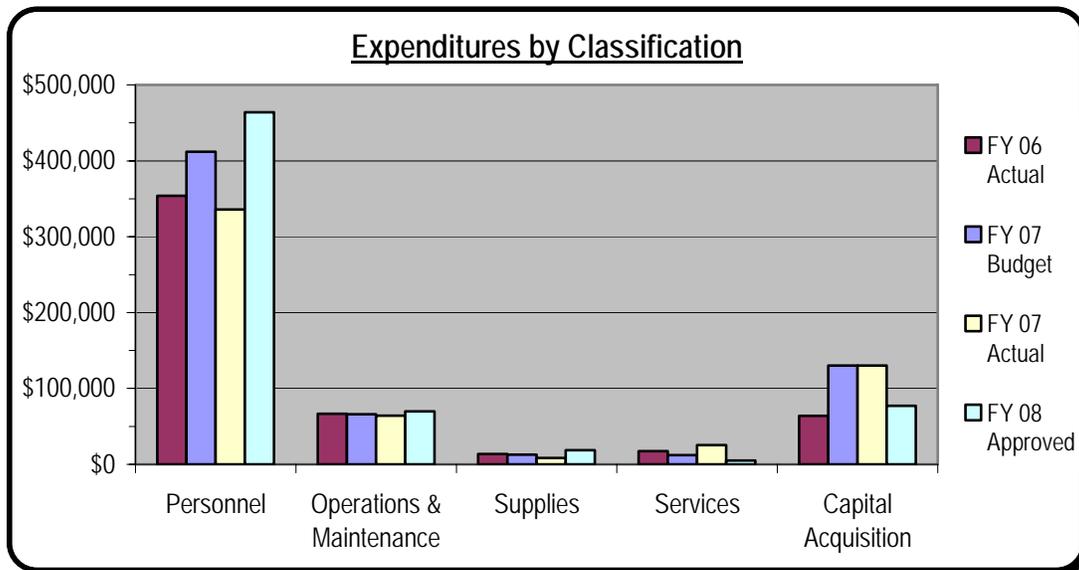
Performance Measures

Measurement Indicators	FY 06 Actual	FY 07 Actual	FY 08 Approved
<u>Demand</u>			
Card Holders	16,655	23,211	30,175
Collection	44,086	51,089	56,200
Number of Items Circulated	212,067	216,292	230,000
Number of Reference Requests	12,768*	4,186	4,600
Story Time/Summer Reading Attendance	8,211*	4,140	4,550
Number of Internet Users	30,809	43,045	51,650
<u>Input</u>			
Operating Expenditures	\$451,681	\$433,932	\$557,235
Number of Full-Time Equivalents	9.0	11.0	12.5
<u>Output</u>			
Number of Library Visits	155,750	161,107	175,000
Volunteer Hours	1,709	960	1,000
Library Revenue	\$26,710	\$29,110	\$28,000
Donations/Grants	\$6,263	\$25,388	\$0
<u>Efficiency</u>			
Library Expenditure as a % of General Fund	3.5%	3.0%	2.9%
FTE as a % of General Fund FTE	5.8%	6.2%	6.1%
<u>Effectiveness</u>			
% Increase in Circulation	16%	2%	6%
Circulation per Paid Staff Member	19,279	15,449	14,375
Circulation per Library Visits	1.36	1.34	1.31
Collection Turnover Rate	4.81	4.23	4.09

* Estimated

Expenditure Summary

Classification	FY 06 Actual	FY 07 Budget	FY 07 Actual	FY 08 Approved
Personnel	353,936	411,866	335,856	464,105
Operations & Maintenance	66,812	66,182	64,194	69,630
Supplies	13,484	12,750	8,469	18,500
Services	17,449	12,000	25,414	5,000
Capital Acquisition	64,009	130,161	130,161	77,000
Totals	\$515,690	\$632,959	\$564,093	\$634,235





Parks and Recreation Department

Department Mission

The Pflugerville Parks and Recreation Department is dedicated to providing the citizens of Pflugerville with opportunities for increased health and wellness through recreational activities and safe park facilities that promote physical, emotional, intellectual, cultural, and social well-being for all members of the community.

Department Description

- Performs daily inspections and maintenance of park facilities.
- Coordinates and schedules the use of park facilities.
- Plans, organizes, and conducts a wide variety of recreation activities for the community.

Department Location

The Parks and Recreation Department is located at 400 Immanuel Road. Office hours are 8 a.m. to 5 p.m., Monday through Friday, excluding holidays. Phone: 512-251-5082; Fax: 512-990-0932; City website: www.cityofpflugerville.com.

FY 2006 - 2007 Accomplishments

- Identified funding for Lake Pflugerville Park and was awarded a grant from the Lower Colorado River Authority.
- Hired an Urban Forester through a grant with Texas Forest Service.
- Completed tree planting on the south shore of Lake Pflugerville with staff and volunteer labor.
- Held Arbor Day Ceremony at Lake Pflugerville.
- Completed trail connections to Recreation Center from Bohl's Park and nearby Cambridge Estates.
- Utilized Deutschen Pfest proceeds to complete the trail connection from Bohl's House to the Green Red Barn (Heritage Park).
- Installed a new web-based system that allows citizens to register for classes, Recreation Center memberships, Pfun Camp, and other special events.
- Began taking credit card payments for recreational activities.
- Hosted the first annual Lake Pflugerville Triathlon with 275 participants.
- Completed a staffing plan for the department for the next five years.

Parks and Recreation Department

FY 2007 - 2008 Goals

- Build Lake Pflugerville Park.
- Develop a plan for extending the hike and bike trail west along Gilleland Creek from Swenson Farms to Heatherwilde.
- Begin unified maintenance for Lake Pflugerville.
- Complete master plan for Randig Park with input from sports leagues.
- Complete Cambridge Estates Trail and Park.
- Complete Cambridge Heights (Zola) Park.
- Develop practice fields in the park at the corner of Swenson Farms and Pfennig.

FY 2007 - 2008 Budget Objectives

- Hire three additional full time and two seasonal workers to be dedicated to the maintenance of the lake and surrounding parkland.
- Install a self-sufficient solar lighting system on the Creekside hike-and-bike trail.
- Extend trash can/pet waste disposal units to one every ¼ mile along Gilleland Creek and Settlers Valley Trails.
- Stabilize the bridge west of Pfluger Park by constructing rock cages (gabions) and rock blankets (revets).
- Purchase a school bus to replace the current Pfun Camp bus.

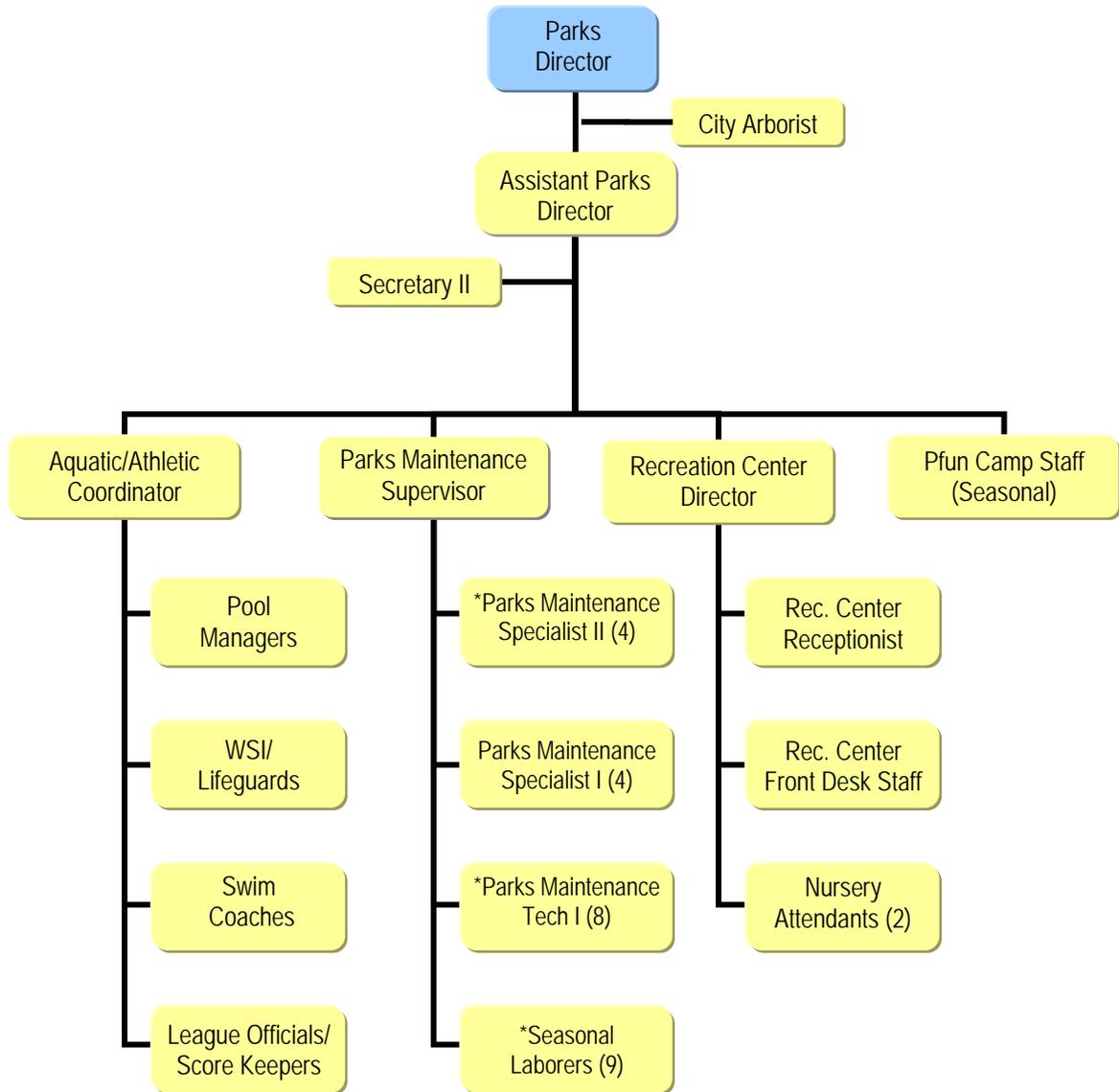
Parks and Recreation Department

Staffing

Position	FY 06 Actual	FY 07 Actual	FY 08 Approved
Parks & Recreation Director	1	1	1
Assistant Parks & Recreation Director	1	1	1
Aquatic/Athletic Coordinator	1	1	1
Recreation Center Director	1	1	1
Arborist	0	1	1
Parks Superintendent	1	1	1
Secretary	1	1	1
Maintenance Specialist	6	6	8
Maintenance Technician	5	7	8
Recreation Center Receptionist	1	1	1
Subtotal for Full-Time Personnel	18	21	24
Laborer (PT/Seasonal)	7	7	9
Pfun Camp Staff (Seasonal)	20	20	20
Pool Staff (Seasonal)	68	68	68
Instructors (Seasonal/PT)	7	7	7
Rec Center Receptionists (PT)	6	6	6
Nursery Attendants (PT)	2	2	2
Totals	128	131	136

Parks and Recreation Department

Staffing (continued)



*New positions for current fiscal year

Performance Measures

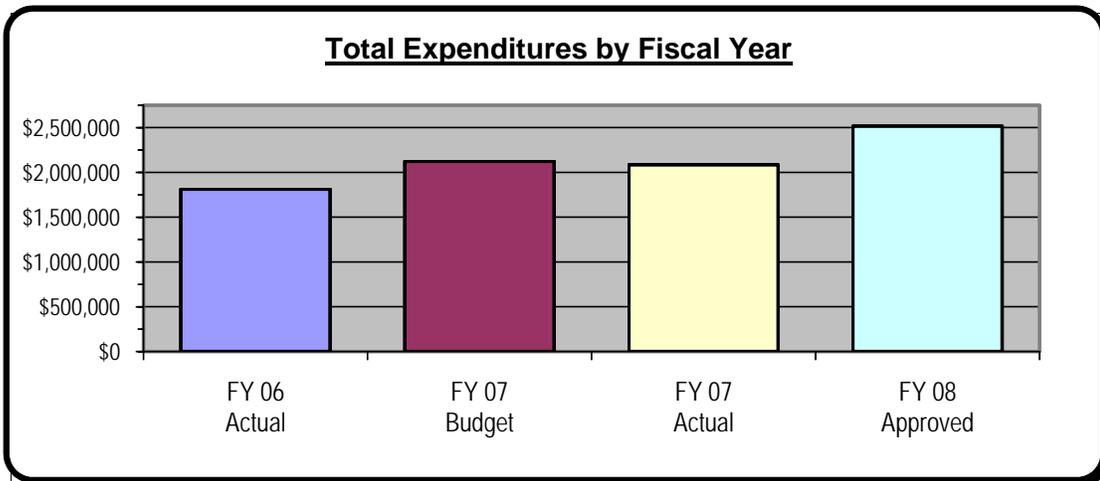
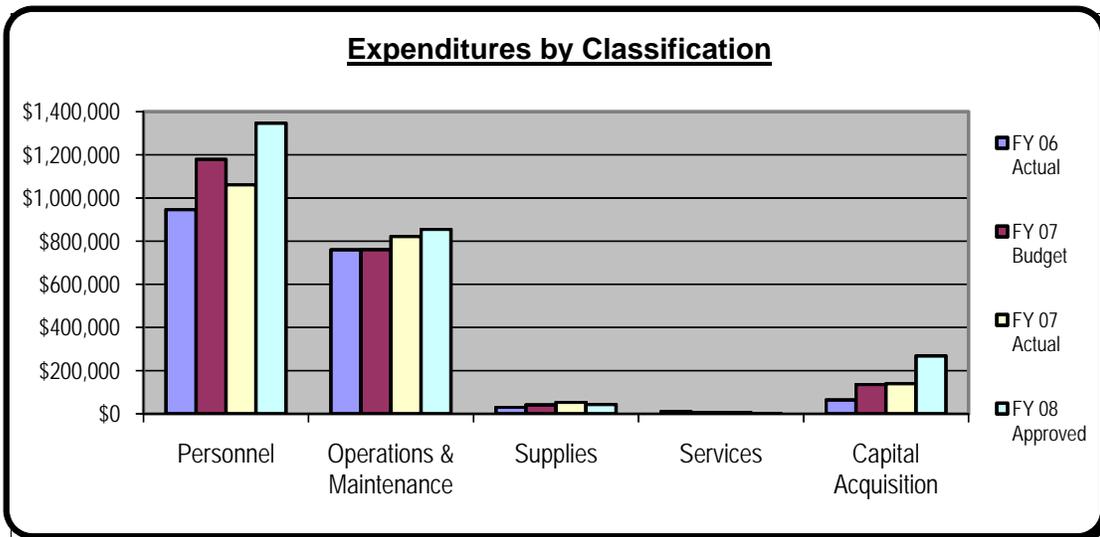
Measurement Indicators	FY 06 Actual	FY 07 Actual	FY 08 Approved
<u>Demand</u>			
Population	28,939	35,468	43,499
Miles of Trails	17	19	25
Number of Parks	23	24	26
Number of Buildings	23	23	23
Number of Playscapes	16	16	18
Number of Acres Maintained	475	485	535
Number of Swimming Pools	2	2	2
Number of Special Events	10	11	12
Number of Soccer Fields	2	2	2
Number of Volleyball Courts	7	7	7
Number of Basketball Courts	8	8	8
Number of Baseball Fields	2	2	2
Number of Bocce Courts	1	1	1
<u>Input</u>			
Parks Expenditures	\$1,813,389	\$2,082,685	\$2,516,412
Parks Staff (FTE)	18	21	24
Seasonal Staff	102	110	112
Volunteer Hours*	2,800	2,192	3500
<u>Output</u>			
Recreation Program Participants	1,515	1,663	2,700
Facilities Reservations	455	339	765
Recreation Center Members	5,314	6,682	6,000
Sports League Participants	1,997	2,400	2,500
Aquatics Participants (Classes)	2,844	2,925	3,955
Special Event Participation	22,000	23,100	24,000
<u>Efficiency</u>			
Parks Expenditures as % of General Fund	13.92%	14.31%	13.14%
Parks Expenditures per Capita	\$62.66	\$58.72	\$57.85
Population per FTE	1,608	1,689	1,812
<u>Effectiveness</u>			
% Budget Recovered through Parks Programs and Fees	29.6%	27.4%	22.5%
Total Gross Revenues	\$537,645	\$571,594	\$566,000

*Majority of these hours are Deutschen Pfest.

Parks and Recreation Department

Expenditure Summary

Classification	FY 06 Actual	FY 07 Budget	FY 07 Actual	FY 08 Approved
Personnel	946,986	1,179,365	1,061,598	1,347,099
Operations & Maintenance	760,110	761,346	822,465	855,258
Supplies	31,242	41,300	53,771	43,650
Services	10,757	5,500	6,861	2,000
Capital Acquisition	64,294	136,559	140,065	268,405
Totals	\$1,813,389	\$2,124,070	\$2,084,760	\$2,516,412



Planning Department

Department Mission

Provide the resources and support necessary for the creation and implementation of the long range vision of the community for Pflugerville's growth and development, while insuring that the land development process proceeds in accordance with the adopted comprehensive plan, and subdivision and zoning regulations.

Department Description

- Administer the zoning and subdivision processes.
- Prepare ordinances and code amendments consistent with the City's objectives.
- Work within the Capital Area Metropolitan Planning Commission (CAMPO) framework to ensure future funding of the local transportation network.
- Prepare and maintain the comprehensive plan.
- Prepare Capital Improvement Program (CIP) plan in conjunction with Engineering and other departments.
- Analyze and conduct annexations.
- Review site development plans for compliance with zoning and site development requirements.
- Maintain and update statistics related to growth and development.
- Prepare and maintain the geographic information system (GIS) database and other computer mapping resources for the department's needs and for use by other City departments and the public.
- Provide direct staff support for the Planning and Zoning Commission, the Board of Adjustment and the Architectural Review Board.

Department Location

The Planning Department is located at 100 East Main, Suite 400.

Hours are 8 a.m. to 5 p.m., Monday through Friday, excluding holidays.

Planning staff may be contacted by phone: 990-4370; fax: 251-8525; or by email available via the City website: www.cityofpflugerville.com.

Planning Department

FY 2006 - 2007 Accomplishments

- Completed revision of the Zoning and Site Development codes to address commercial and residential adjacency issues.
- Began implementation of pro-active rezoning in various parts of the City.
- Implemented Council strategy to expand extra-territorial jurisdiction easterly through various annexation actions.
- Completed the 2006 annexation; and continued with negotiations and other processes for the 2007, 2008, and 2009 annexations.
- Completed the SH 130 and SH 45 corridor development strategy project for the establishment of the corridor overlay standards under a contract with Wilbur Smith Associates.
- Implemented the Impact permit and project tracking system software in conjunction with the Building Department.

FY 2007 – 2008 Goals

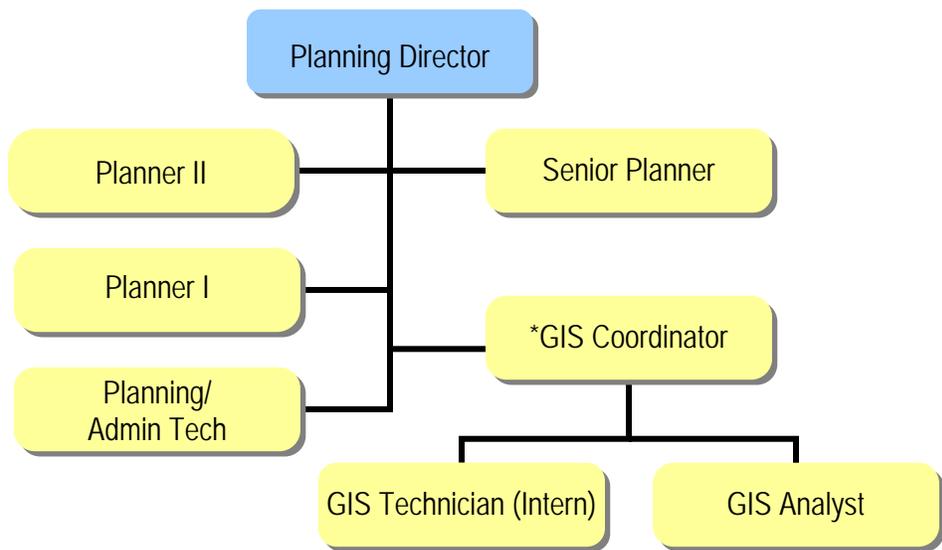
- Develop opportunities to increase citizen involvement in planning issues with greater web content and improved communications.
- Conduct resident committee negotiations for the 2008 Windermere/Pflugerville Northwest area three-year annexation process.
- Complete Comprehensive Plan update, focusing on land use and thoroughfare plan elements.
- Promote GIS abilities for use by all City departments and set up certain GIS applications to benefit other departments.
- Examine all aspects of the development process in conjunction with other departments to enhance quality and customer service.
- Implement recommendations from the SH 130 and SH 45 Corridor Development Strategy project.

FY 2007 - 2008 Budget Objectives

- Coordinate submittal and processing of all development-related applications through one staff member who is the contact for applicants, the public, and other staff members regarding processing issues.
- Promote further growth and integration of City-wide GIS by upgrading and/or adding hardware, software, and personnel.

Staffing

Position	FY 06 Actual	FY 07 Actual	FY 08 Approved
Planning Director	1	1	1
Senior Planner	1	1	1
Planner II	1	1	1
Planner I	0	1	1
GIS Coordinator	0	0	1
GIS Analyst	1	1	1
Planning/Admin Technician	1	1	1
GIS Intern	1	1	1
Total	6	7	8



*New positions for current fiscal year

Planning Department

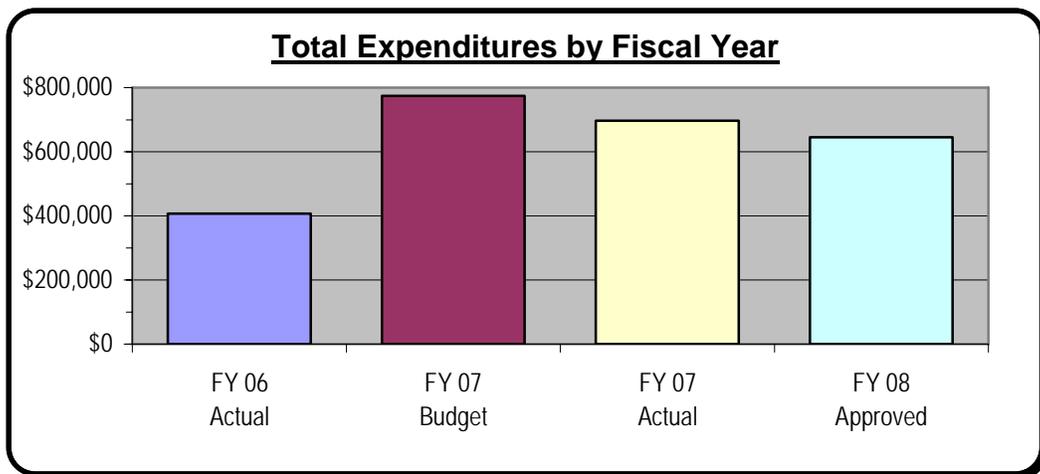
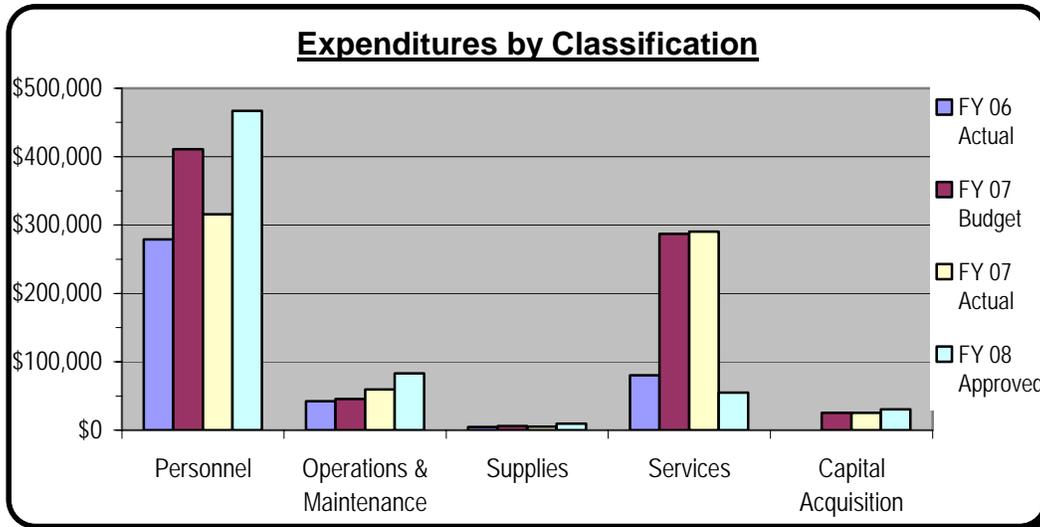
Performance Measures

Measurement Indicators	FY 06 Actual	FY 07 Actual	FY 08 Approved
<u>Demand</u>			
City Population	28,939	35,468	43,499
Annual Growth Rate	3.2%	22.6%	22.6%
Land Area Within City limit (sq. mi.)	19.38	19.66	21.25
Land Area Within ETJ only (sq. mi.)	24.23	26.80	34.56
Number of Annexations / Acres	3 / 329	8 / 2,000	5 / 1,000
Number of Households in Annexation	286	1,087	1,466
Number of Persons in Annexation	900	3,362	4,535
<u>Input</u>			
Operating Expenditures	\$406,959	\$696,125	\$644,887
Number of Personnel (FTE)	5.4	6.4	7.4
<u>Output</u>			
Subdivision Plat Applications	31	50	45
Site Development Applications*	-	15	30
Single Family Lots Reviewed	3,000	2,628	4,000
Zoning Applications	15	20	15
Architectural Review Board Cases	-	9	8
Board of Adjustment Cases	-	11	15
<u>Efficiency</u>			
Planning Expenditures as % of General Fund	3.12%	4.78%	3.37%
FTE as % of General Fund FTE	3.47%	3.60%	3.60%
Population per FTE	5,359	5,542	5,878
Planning Expenditures per Capita	\$14.06	\$19.63	\$14.83

*New function for Planning Department in FY 2007.

Expenditure Summary

Classification	FY 06 Actual	FY 07 Budget	FY 07 Actual	FY 08 Approved
Personnel	279,006	410,725	315,617	466,585
Operations & Maintenance	42,669	45,703	59,631	83,092
Supplies	4,840	5,846	5,047	9,850
Services	80,444	287,000	290,389	55,000
Capital Acquisition	0	25,421	25,441	30,360
Totals	\$406,959	\$774,695	\$696,125	\$644,887





Police Department

Municipal Court

Department Mission

Police Department

Dedicated to providing an environment where the citizens of Pflugerville are safe, protected from crime, harm and disorder, while showing respect, fairness and compassion, and upholding the constitutional rights of all who come in contact with members of the department.

Municipal Court

The Municipal Court is dedicated to providing a fair and just forum for the resolution of the legal issues within its jurisdiction, in accordance with the laws of the State of Texas and in an efficient and courteous manner.

Department Description

Police Department

- Enforces City ordinances, State of Texas laws, and applicable Federal laws in a fair and impartial manner, while working within the statutory and judicial limitations of the police authority and court process.
- Reduces the opportunity for crime by providing a highly visible uniformed patrol.
- Ensures response to emergency calls in a timely manner.
- Suppresses criminal activity by identifying crime and criminals, arresting offenders, and providing protection to the community.
- Provides immediate response to, and investigation of, all complaints of a criminal nature through a trained and experienced Investigations Division.
- Meets the needs of the community through communication and the development and implementation of new and effective programs to benefit safety.
- Enforces animal control ordinances and provides for safe humane treatment of animals.

Municipal Court

- Municipal Court provides a forum for the disposition of Class C Misdemeanor cases through impartiality, fairness, integrity, separation of powers, and judicial independence.

**Police Department
Municipal Court**

Department Location

The Police Department is located in the Pflugerville Justice Center, 1611 East Pfennig Lane.

Hours for the Police Department are 8 a.m. to 5 p.m., Monday through Friday, excluding holidays. Non-emergency phone: 512-251-4004.

For emergencies, dial 911.

The Municipal Court is located in the Pflugerville Justice Center, 1611 East Pfennig Lane.

Hours for Municipal Court are 8 a.m. to 6 p.m., Monday through Friday, excluding holidays. Phone: 512-251-4191.

City website: www.cityofpflugerville.com.

FY 2006 – 2007 Accomplishments

Police Department

- Hosted meetings with Travis County Emergency Services District #2 personnel to discuss emergency response issues.
- Completed FY 2006 annual report on the department's fiscal status and pertinent crime statistics for public distribution.
- Improved data sharing with local police agencies through implementation of TDEX.
- Improved care service, response, volunteer participation, and website for our animal shelter.
- Completed City Emergency Operations Plan.
- Installed U.S. Reports on-line program to allow internet access to collision reports by our citizens.
- Purchased a traffic message board to be used by all City Departments.
- Completed school security program with PISD utilizing wireless technology through a Secure Our Schools Grant.
- Added DARE program to Rowe Lane Elementary for PISD.

Municipal Court

- Expanded daily customer service hours by implementing a flex work schedule of Court staff.
- Remodeled office space to maximize available workspace and improve efficiency of Court operations.
- Completed hiring of an additional Court Clerk.
- Performed an inventory of all outstanding warrants to ensure 100% validity of active statuses.

FY 2006 – 2007 Accomplishments (continued)

Municipal Court (continued)

- Implemented credit card program for acceptance of payments through the Court website.
- Improved juror selection process and notifications.
- Developed instruction manual of Court processes.
- Worked with the Texas Department of Public Safety to improve electronic transmission of disposition data and ensure accuracy of information.
- Participated in multi-agency Warrant Round-Up program.

FY 2007 – 2008 Goals

Police Department

- Enhance methods of providing a safe environment for all citizens and aggressively address criminal activity in the City by developing partnerships throughout the community.
 - Maintain a low crime rate.
 - Integrate proactively with other City departments and law enforcement agencies.
 - Respond to the City's rapid growth.
- Increase participation in Neighborhood Watch Programs by 10%.
- Complete and graduate Class 45 CAPCOG police cadets.
- Increase numbers of volunteers in COP, CERT & Animal Control programs.
- Improve overall officer fitness through special programs.

Municipal Court

- Continue to provide cost effective, efficient, and courteous service.
- Continue review of all Court files to ensure 100% accuracy of case data and statuses.
- Improve collection rate of Court receivables.
- Schedule and complete required annual training of all Court staff.

FY 2007 - 2008 Budget Objectives

Police Department

- Hire additional officers to maintain a ratio of officers-to-citizens that will ensure sufficient response times, and provide patrol, call coverage, and investigative services.
- Procure additional vehicles to maintain a reasonable number of fleet vehicles.
 - Insure available fleet to cover all duties of the department.
 - Maintain service to all fleet vehicles to reduce repairs.
 - Replace high mileage units as a priority.
- Improve City-wide coverage by patrol officers and supervisors by increasing the number of Patrol Sergeants.
- Complete addition of Dispatch Supervisor positions to all shifts to improve call-taking and reduce the use of patrol officers in dispatch.
- Upgrade software and hardware on the Simplex Security Card Access System.
- Replace outdated computers throughout the Police Department.
- Add additional radios to supplement inventory due to increase in personnel and equipment.
- Hire an Administrative Tech to provide support for the Chief, Assistant Chief, and City Attorney.

Municipal Court

- Upgrade Court security equipment.
- Complete implementation of Omnibase program.
- Continue to utilize Court funds to improve efficiency, security, and technology.

Staffing

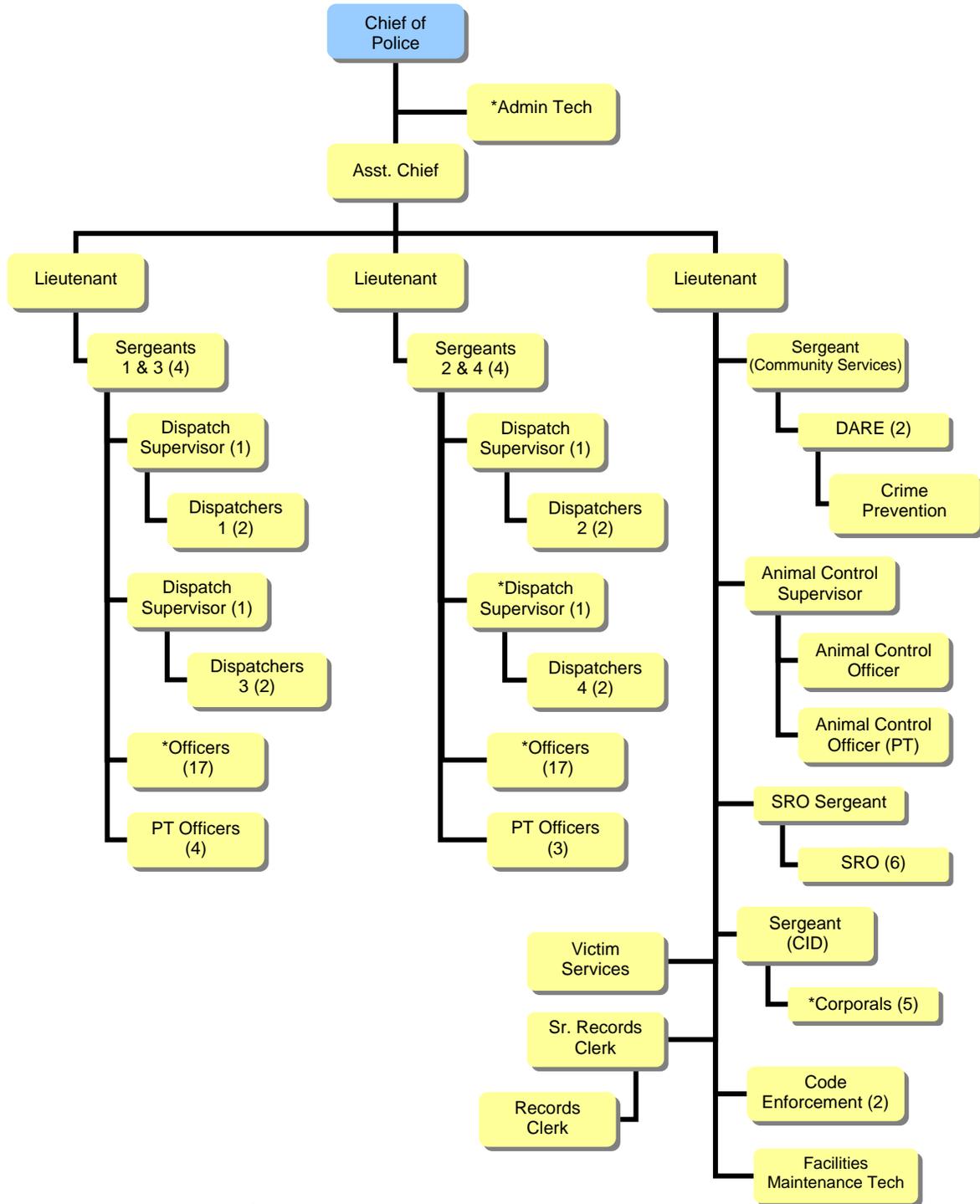
Police Department

Position	FY 06 Actual	FY 07 Actual	FY 08 Approved
Police Chief	1	1	1
Assistant Chief	1	1	1
Lieutenant	3	3	3
Sergeant	7	7	11
Corporal	7	7	8
School Resource Officer	5	5	6
Officer	27	31	34
Dispatch Supervisor	2	3	4
Dispatcher	8	8	8
Victim Services Director	1	1	1
Victim Services Assistant	0.5	0	0
Central Records Clerk	1.5	2	2
Animal Control Officer	1	2	2
Code Enforcement	1	1	2
Facilities Maintenance Tech	1	1	1
Admin Tech	0	0	1
Subtotal for full-time personnel	67.0	73.0	85.0
Part Time Animal Control	0	1	1
Part Time Officers	8	7	7
Totals	75.0	81.0	93.0

Police Department
Municipal Court

Staffing (continued)

Police Department

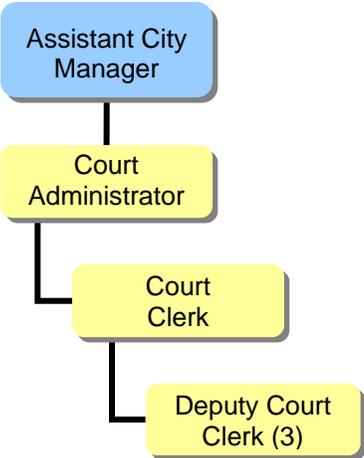


*New positions for current fiscal year

Staffing (continued)

Municipal Court

Position	FY 06 Actual	FY 07 Actual	FY 08 Approved
Court Administrator	1	1	1
Court Clerk	1	1	1
Deputy Court Clerk	2	3	3
Totals	4.0	5.0	5.0



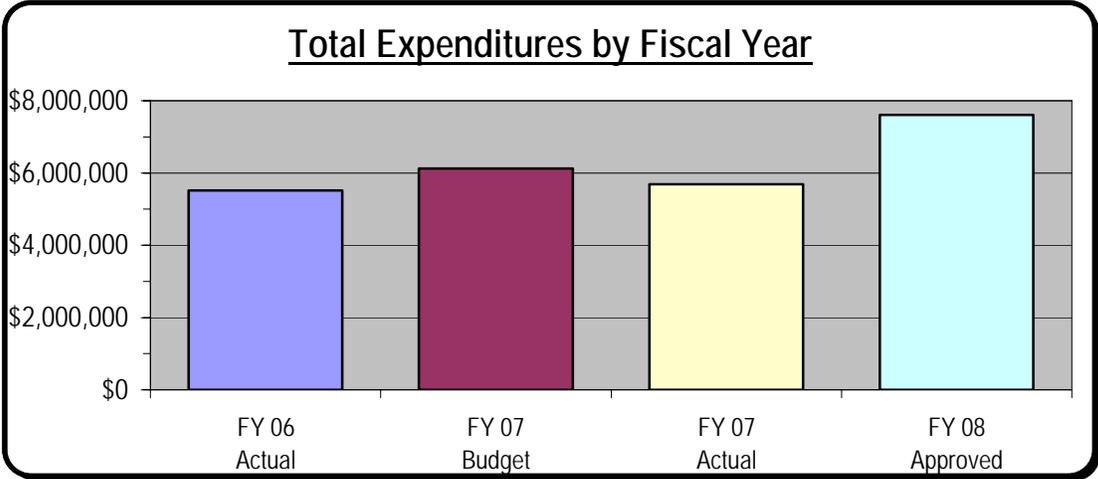
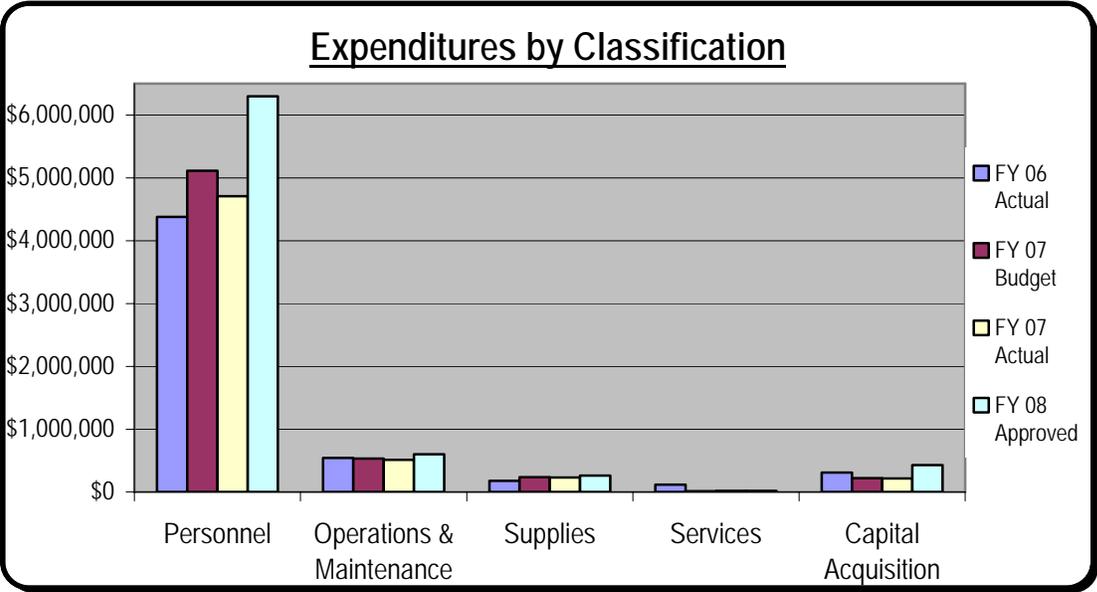
**Police Department
Municipal Court**

Performance Measures

Measurement Indicators	FY 06 Actual	FY 07 Actual	FY 08 Approved
<u>Demand</u>			
Population	28,939	35,468	43,499
Calls for Service	38,915	53,217	59,600
Index Crimes Reported	940	1,020	1,170
<u>Input</u>			
Operating Expenditures	\$5,517,684	\$5,669,097	\$7,609,516
Officers per Thousand Population (Does not include SROs)	1.62	1.41	1.22
<u>Output</u>			
Number of Collisions	434	446	550
Number of Citations Issued	8,258	8,727	9,027
Number of Felony Arrests	107	278	310
Number of Misdemeanor Arrests	1,502	1,988	2,200
Number of Cases Filed (Municipal Court)	10,060	9,949	11,000
Revenue Collected (Municipal Court)	\$1,090,238	\$1,274,556	\$1,100,000
<u>Efficiency</u>			
Crime Rate per UCR	2.409	2.500	2.555
Police Expenditure per Capita	\$191	\$160	\$175
Average Response Time - All Calls	6 minutes	6 minutes	6 minutes
% Clearance Rate - Part 1 Offenses (UCR)	39%	43%	40%
Stolen Property (UCR)	\$464,881	\$864,457	\$650,000
Recovered	\$106,655	\$153,727	\$130,000
% Recovery Rate	23%	18%	20%
Total # of Training Hours per Officers	3,417	5,605	4,000
# of Training hours per Officer	68	75	80
Total # of Training Hours per Civilians	575	745	750
# of Training Hours per Civilian	40	40	40

Expenditure Summary

Classification	FY 06 Actual	FY 07 Budget	FY 07 Actual	FY 08 Approved
Personnel	4,376,378	5,111,294	4,706,888	6,299,830
Operations & Maintenance	539,891	534,039	511,952	601,303
Supplies	175,593	236,216	229,881	259,195
Services	118,370	16,075	19,229	19,850
Capital Acquisition	310,075	223,549	217,250	429,339
Totals	\$ 5,520,307	\$ 6,121,173	\$ 5,685,199	\$ 7,609,516





Street Department

Department Mission

Ensure that public streets, rights-of-way, and drainage areas are properly maintained in a timely and effective manner; ensure the safety, attractiveness, and efficiency of daily operations; and provide maintenance services for City vehicles.

Department Description

- Maintain roadway infrastructure system by:
 - repairing potholes and patching utility cuts.
 - repairing base failures and damage caused by utility breaks.
 - reconstructing streets to upgrade driving surface and drainage.
 - performing crack sealing of streets to prevent water damage.
 - performing roadway striping and painting of traffic flow arrows.
 - maintaining alleys.
 - installing and maintaining traffic flow signs, school zone flashers, and barricades.
 - coordinating with the Police Department and the Pflugerville Independent School District to ensure school zone flashers adhere to school schedules.
- Maintain traffic signals.
- Inspect and make repairs to City sidewalks and curbs.
- Create, install and maintain street signs.
- Perform street sweeping for City-wide road maintenance.
- Conduct traffic counts.
- Respond to emergency conditions by barricading, clearing debris, and sanding streets.
- Perform regular inspections of signs, pavement markings, barricades, and guardrails.
- Maintain City rights-of-way including mowing, tree trimming, clearing, and trash clean-up.
- Maintain City storm drainage system.
- Coordinate roadway flood control.
- Perform repairs, state inspections, and preventive maintenance on all City vehicles.
- Coordinate City-wide Clean-Up Days.
- Perform special projects for all City departments.

Street Department

Department Location

The Street Department is located at 1600 Waterbrook Drive.

Department hours are 7:30 a.m. to 4 p.m., Monday through Friday, excluding holidays.

Staff can be reached by phone: 512-990-4388; Fax: 512-990-8383; and through the City website: www.cityofpflugerville.com.

FY 2006 - 2007 Accomplishments

- Created a video about the City-wide chipping program for promotion of the chipping service and the Christmas tree recycling program.
- Created Streets/Fleet Emergency Manual.
- Built additional access for the City-wide Clean-Up Day site on Railroad Avenue; and coordinated two Clean-Up days.
- Completed major alley repair in the Colored Addition neighborhood.
- Built two access culverts to Lake Pflugerville to provide access for event parking.
- Developed internal policies and procedures.
- Superintendent and Crew Leaders attended Emergency Management training.
- Fleet division established routine vehicle maintenance process.
- Fleet division welded handrails and park benches for the Parks Department.
- Fleet division established a drop-off location for Police vehicles requiring repair.
- Fleet division continued to build dumpster pads for City offices.
- Completed construction of fleet maintenance stalls for long-term repairs.
- Completed retention wall construction to prevent flooding of fleet maintenance area.

FY 2007 - 2008 Goals

- Continue installation of new sign blades on all street signs not yet in compliance with state guidelines.
- Utilize quarterly customer surveys to determine the level of public confidence and satisfaction in the ability of the Street Department and to improve services.
- Continue to develop Emergency Preparedness by attending Texas Emergency Management Classes.
- Work closely with the City Engineer on the 2008 street overlay project.
- Be proactive in planning disaster recovery/stormy weather preparedness.
- Provide effective and efficient management of the Streets Department resources through improved policies and programs that reduce maintenance cost.

FY 2007 - 2008 Budget Objectives

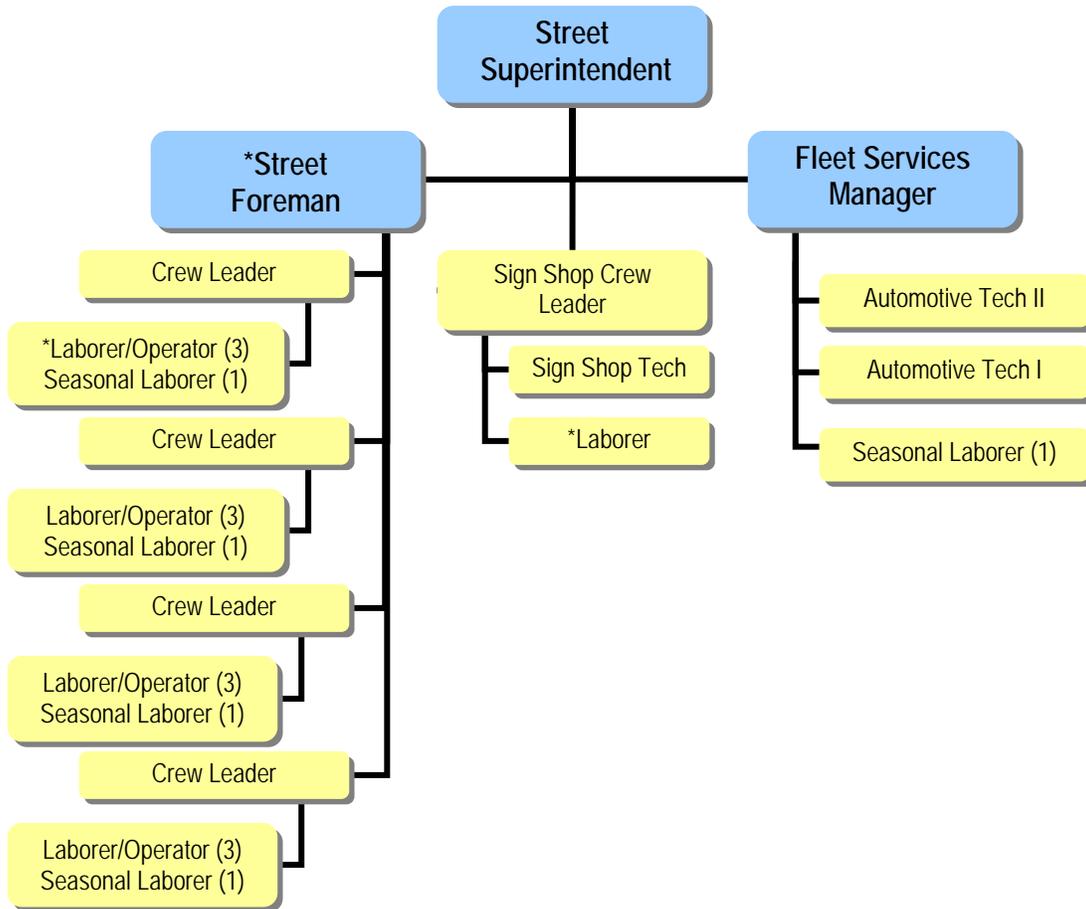
- Add Street Foreman to workforce to oversee daily work of Street crews.
- Add two laborers to assist the Sign Shop Technician with barricade installation, traffic counter placement, and flagging for sign repairs.
- Obtain additional equipment to maintain rights of way.
- Purchase a handheld retroreflectometer to measure the reflectivity of traffic flow signs.
- Purchase an 18' heavy duty trailer to support the Fleet division in transporting disabled equipment and vehicles.

Staffing

Position	FY 06 Actual	FY 07 Actual	FY 08 Approved
Street Superintendent	1	1	1
Fleet Services Manager	1	1	1
Street Foreman	0	0	1
Crew Leader	3	4	5
Sign Shop Technician	1	1	1
Automotive Mechanic	1	2	2
Operators/Laborers	9	12	13
Facilities Maintenance Tech	1	1	0
Admin Tech	1	0	0
Regular personnel total	18	22	24
Seasonal Laborers	5	5	5
Totals	23	27	29

Street Department

Staffing (continued)



*New positions for current fiscal year

Performance Measures

Measurement Indicators	FY 06 Actual	FY 07 Actual	FY 08 Approved
<u>Demand</u>			
Miles of Paved Street	136	178	185
Number of Street Signs	6,000	5,400	7,400
Number of Fleet Vehicles	116	130	143
<u>Input</u>			
Operating Expenditures	\$ 1,355,872	\$ 1,424,819	\$ 2,035,802
Number of Full-Time Personnel	18	22	24
Number of Seasonal Personnel	5	5	5
Street Overlay Expenditure	\$ 233,803	\$ 291,362	\$ 350,000
<u>Output</u>			
Number of Potholes and Patches	220	350	350
Street Signs Replaced	3,500	2,091	2,500
Street Signs Maintained	275	325	300
Right of Way Maintenance (hours)	4,460	7,986	9,000
Chipping in cubic yards	1,642	2,022	**
Street Sweeping (hours)	253	85	105
Total Work Orders	521	622	678
Number of Vehicles Inspected	87	115	120
Number of Vehicles Maintained	50	130	143
<u>Efficiency</u>			
Street Expenditures as a % of General Fund Expenditures	10.4%	9.8%	11.3%
Street Maintenance Cost per Mile	\$ 9,579	7132.46629	\$ 10,110
Average Fleet Maintenance Cost per Vehicle*	-	\$ 1,194	\$ 1,157

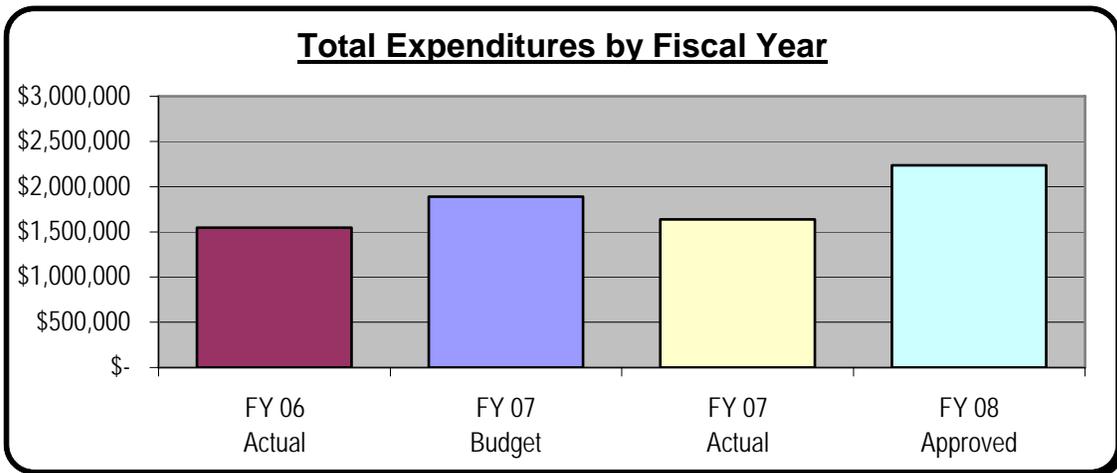
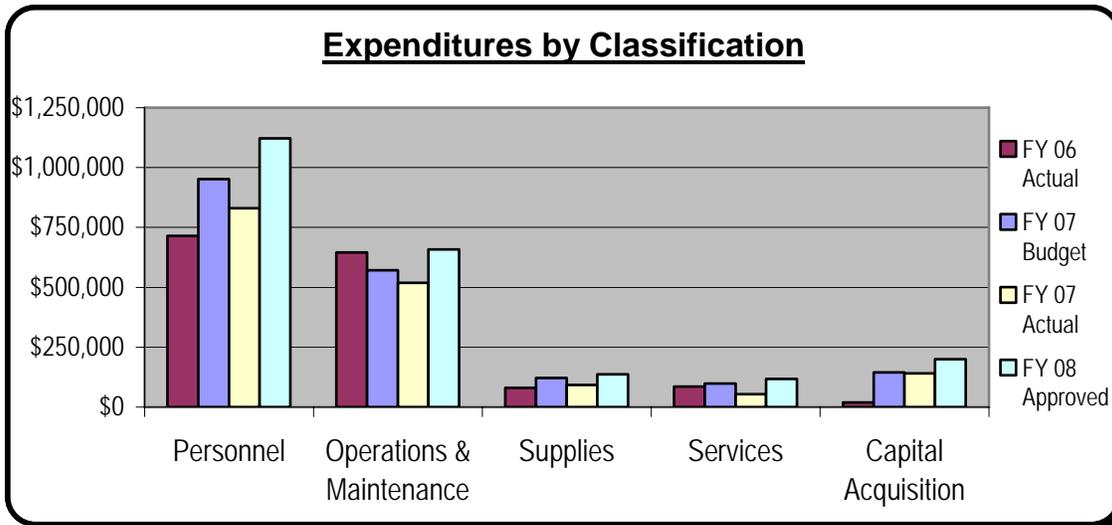
* Personnel expense only.

**For FY 08 the brush chipping function has been moved to the Wastewater Treatment department to be combined with the composting program.

Street Department

Expenditure Summary

Classification	FY 06 Actual	FY 07 Budget	FY 07 Actual	FY 08 Approved
Personnel	714,100	951,730	829,919	1,122,351
Operations & Maintenance	645,542	571,655	519,416	658,591
Supplies	80,508	121,230	92,077	137,200
Services	85,822	98,500	53,545	117,660
Capital Acquisition	19,384	144,280	140,351	200,470
Totals	\$1,545,356	\$1,887,395	\$1,635,308	\$2,236,272



Water Department

Department Mission

To ensure the health and well-being of its customers by providing a safe supply of water and maintaining the distribution system to the highest degree; while maintaining good internal and external communication and fiscal accountability.

Department Description

The Water Department is made up of two divisions: Water Distribution and Water Treatment. Each division takes care of different facets of the water system. Distribution takes care of the water lines and Treatment takes care of the wells and the water treatment plant.

The water system must be maintained to meet the rules and regulations of the Texas Commission on Environmental Quality (TCEQ) and the Environmental Protection Agency (EPA). The water system is inspected annually for compliance to the rules and reports are filled out monthly for these agencies.

Distribution

- Makes service taps and installs new services.
- Performs construction/replacement of water mains and service lines.
- Provides 24-hour on-call emergency repair service.
- Checks for leaks in mains and services.
- Reads all water meters monthly for billing.
- Installs, replaces, tests, and repairs water meters.
- Replaces meter boxes.
- Performs routine fire hydrant testing and maintenance.
- Operates and maintains valves in the distribution system.
- Plants grass at leak sites and repairs sidewalks and curbs.
- Works with state and county officials to maintain area water supplies.
- Takes required monthly bacteriologic samples for testing.
- Assists other City departments when needed.

Water Department

Department Description (continued)

Treatment

- Tests the quality of treated water daily.
- Takes daily readings of water usage, wells, and booster pumps.
- Manipulates distribution system to keep standpipe full during heavy water usage.
- Maintains grounds at the well sites and storage sites.
- Conducts tours of the water treatment facilities.
- Keeps records of operation and maintenance of the treatment system.
- Continues to train all employees on new water system.

Department Location

The Water Department is located at 2609 East Pecan Street.

Phone: 512-251-9935 ext, 260 or ext. 210; City website:

www.cityofpflugerville.com.

FY 2006 - 2007 Accomplishments

- Upgraded every distribution division employee to a class C certification.
- Continued training on new surface system
- Began program to educate citizens of the differences in ground water and surface water.
- Upgraded the work order system.
- Assisted in construction of piers at Lake Pflugerville.
- Continued leak survey of the distribution system.
- Lowered water loss to below 10% (national average is 15%).
- Completed phase one of the automated meter reading system installation by retrofitting 2,073 meters.

FY 2007-2008 Goals

- Complete a booster pump station to distribute surface water to all City water customers.
- Complete the second phase of the meter replacement program.
- Expand the meter testing program.
- Educate our utility customers on total dissolved solids and the hardness of water.

FY 2008 Budget Objectives

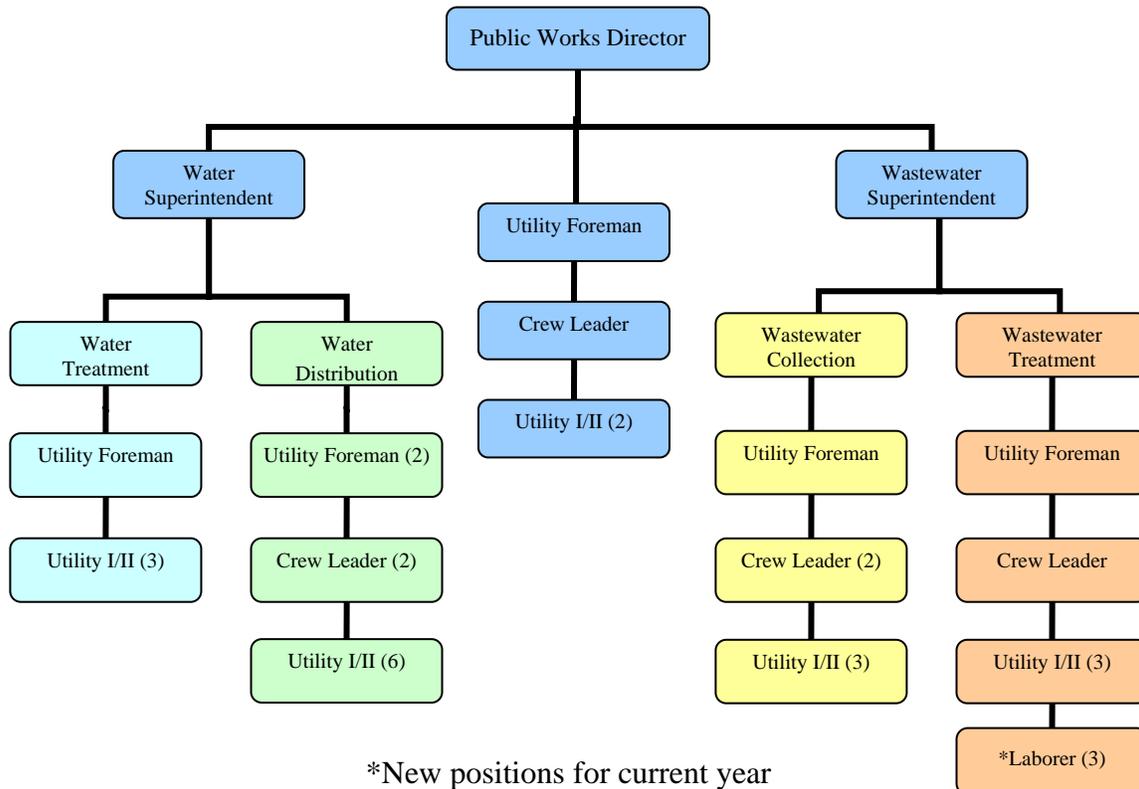
- Purchase heavy duty equipment to insure safety and reduce maintenance and repair cost to old undersized equipment.
- Retrofit existing meters to comply with requirements for automated meter reading.
- Purchase new meters that will comply with requirements for automated meter reading.

Water Department

Staffing

Position	FY 06 Actual	FY 07 Actual	FY 08 Approved
Utilities Director*	0.5	0	0
Utility Billing Supervisor*	0.5	0.5	0.5
Utility Billing Specialist*	0.5	0.5	0.5
Utility Foreman*	0.5	0.5	0.5
Crew Leader*	0.5	0.5	0.5
Utility I/II*	1	1	1
Water Superintendent	1	1	1
Utility Foreman	2	3	3
Utility Crew Leader	0	2	2
Utility I/II	12	9	9
Totals	18.5	18	18

*The expense for these positions is budgeted under Utility Administration.



Performance Measures

Measurement Indicators	FY 06 Actual	FY 07 Actual	FY 08 Approved
<u>Demand</u>			
Number of miles of waterline	135	159	155
Number of connections	9,301	10,644	11,700
Number of wells in operation	3	3	3
Surface Water Plant	1	1	1
<u>Input</u>			
Operating Expenditures	\$ 7,664,434	\$ 7,908,122	\$ 9,313,732
Number of FTE's	18.5	18.0	18.0
<u>Output</u>			
New connections	815	814	1,600
Meters replaced or rebuilt	139	3,527	3,333
Service line leaks	53	56	60
Main Breaks	4	8	5
Water Usage:			
Average Flow (MGD)	3.617	3.846	3.917
Peak Flow (MGD)	7.729	6.586	9.750
Total Flow (MG)	1,300,000	1,263,280	1,550,750
<u>Efficiency</u>			
Cost per mile of water main	\$ 56,774	\$ 49,737	\$ 60,089
Cost per connection	\$ 824	\$ 743	\$ 796

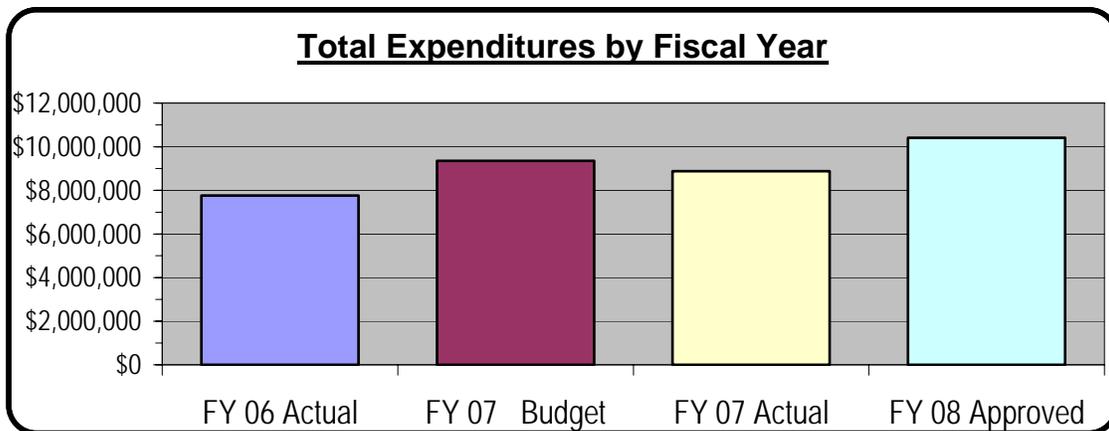
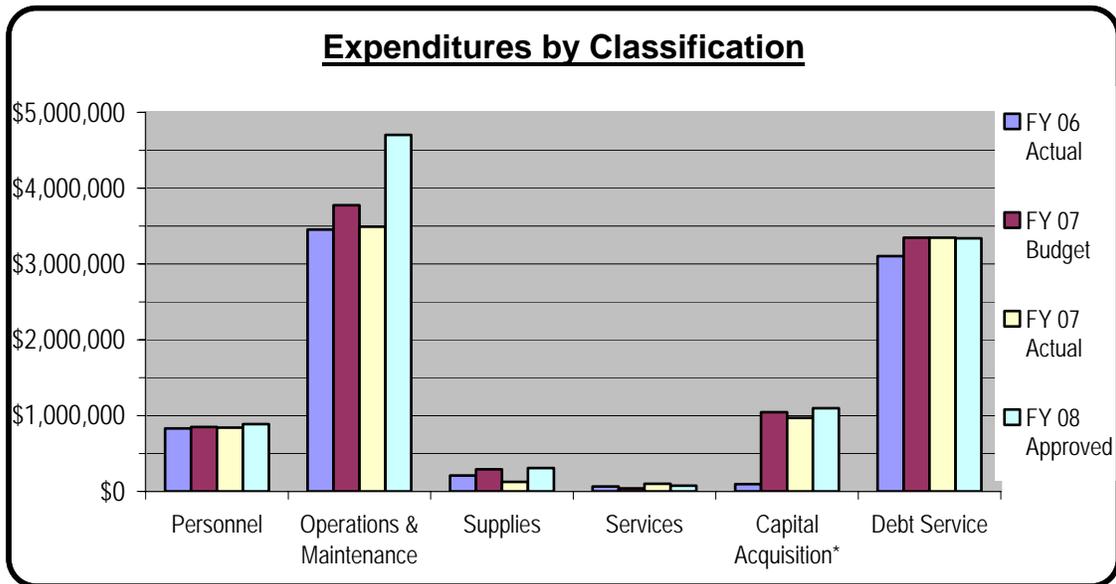
Number of gallons lost per year: 183,000,000 103,500,000
 Percentage of water lost per year: 15% 8%

Water Department

Expenditure Summary

Classification	FY 06 Actual	FY 07 Budget	FY 07 Actual	FY 08 Approved
Personnel	831,156	848,397	841,076	889,116
Operations & Maintenance	3,453,679	3,774,490	3,491,452	4,703,935
Supplies	210,487	291,900	127,332	306,770
Services	65,044	39,870	100,415	75,633
Capital Acquisition*	97,042	1,046,859	969,135	1,098,420
Debt Service	3,104,068	3,347,712	3,347,847	3,338,279
Totals	\$7,761,476	\$9,349,228	\$8,877,257	\$10,412,152

*Capital Outlay does not include bond project expenses.



Wastewater Department

Department Mission

Provide for the effective, safe and reliable treatment of wastewater for City customers by operating and maintaining the supply, treatment, and collection systems according to recognized and adopted standards.

Department Description

The Wastewater Department is comprised of two divisions: Wastewater Collection and Wastewater Treatment.

Collection

- Performs construction/replacement of wastewater mains and service lines.
- Locates, films, and cleans wastewater service lines.
- Provides 24-hour on-call emergency repair service.
- Repairs sidewalks damaged due to repair work.
- Maintains buildings, grounds, and equipment.

Treatment

- Operates and maintains the wastewater treatment plants.
- Performs daily process testing.
- Completes mandatory state and federal testing and recordkeeping.
- Operates compost site.
- Works with Travis County to supply water to Northeast Metro County Park.
- Maintains buildings, grounds, and equipment.
- Coordinates the collection and processing of resident tree limbs for chipping and composting.

Department Location

The Wastewater Department is located at 2609 East Pecan Street.
Staff may be reached by phone: 512-251-9935 ext. 270; and the City website: www.cityofpflugerville.com.

Wastewater Department

FY 2006-2007 Accomplishments

- Central wastewater treatment plant expansion was successfully completed and the new treatment technique was enacted.
- All wastewater personnel have upgraded to at least a class "C" license.
- Enhanced Lake Pflugerville by assisting in the construction of canoe piers and installing park benches.
- Installed the back-up generator at the Wilke Lane Treatment Plant.
- Renewed all wastewater plant permits.
- Completed removal of the inactive Kelly Lane Treatment Plant.
- Completed emergency by-pass plan for the Kennemer Lift Station.
- Installed an emergency by-pass at the Wilke Lane Plant.
- Successfully rehabbed the Wilke Lane Treatment Plant bringing it back into compliance with TCEQ.

FY 2007-2008 Goals

- Begin composting program on a larger scale to enable a beneficial re-use of the City's bio-solids.
- Continue training of all personnel and seek out specialized training to enable employees to grow.
- Continue manhole rehabilitation program.
- Up-grade all lift stations to run more efficiently.
- Operate plants within the parameters of the permits.

FY 2007-2008 Budget Objectives

- Improve safety, efficiency and quality of work by purchasing additional equipment for the inspection and repair of wastewater lines.
- Purchase a loader to enable the compost project to expand.
- Purchase lab equipment to ensure reliable test results.
- Hire additional personnel to staff the composting process.
- Reduce the levels of total dissolved solids (TDS) through utility customer education and a water softener replacement program.

Wastewater Department

Performance Measures

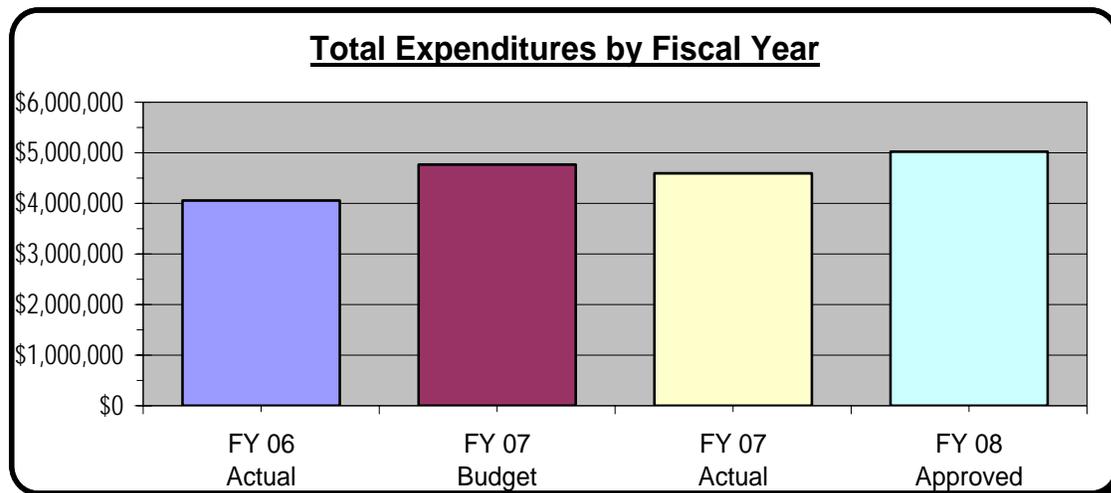
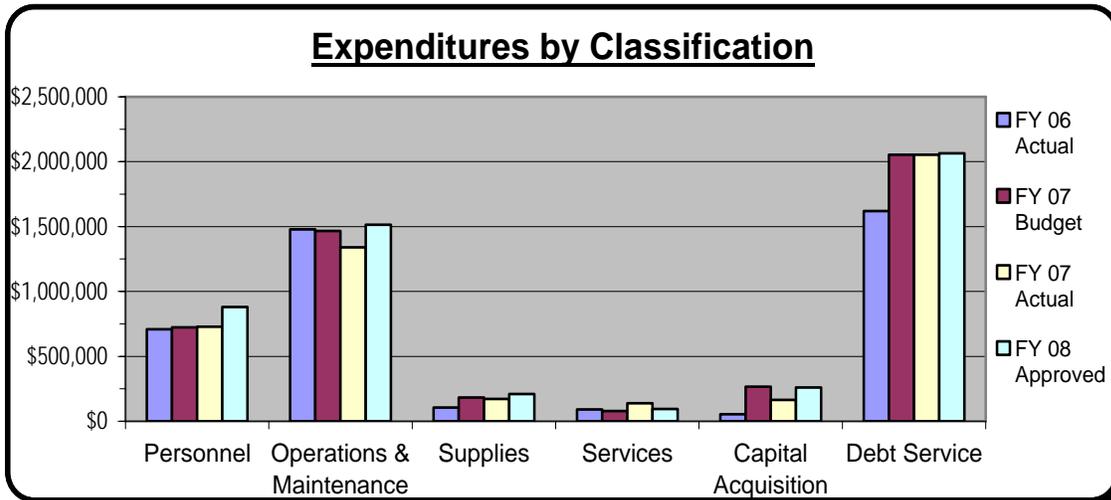
Measurement Indicators	FY 06 Actual	FY07 Actual	FY 08 Approved
<u>Demand</u>			
Number of connections	10,118	11,139	12,364
Number of miles of wastewater lines	125	138	145
<u>Input</u>			
Operating Expenditures	\$ 4,057,617	\$ 4,597,215	\$ 5,023,203
Number of FTE's	15.5	15	18
<u>Output</u>			
Number of new taps	8	2	20
Number of blockages cleared	116	76	122
Number of line locations completed	129	91	156
Wastewater lines filmed (ft)	135,365	103,092	126,000
Number of manholes repaired	17	6	24
Number of gallons treated (MG)	833.548	1,120.000	1,275.000
Average Flow (MGD)	2.280	3.068	3.500
Peak Flow (MGD)	5.000	6.287	7.00
Amount of compost generated (cu yds)*	-	-	1,000
<u>Efficiency</u>			
Cost per mile of Wastewater Main	\$32,461	\$33,313	\$34,643
Cost per connection	\$401	\$413	\$406

*Composting is a new function of the Wastewater department for FY 08.

Expenditure Summary

Classification	FY 06 Actual	FY 07 Budget	FY 07 Actual	FY 08 Approved
Personnel	708,918	722,806	728,379	880,170
Operations & Maintenance	1,478,590	1,466,684	1,340,103	1,514,166
Supplies	106,075	181,445	172,106	209,120
Services	90,125	78,370	138,697	94,633
Capital Acquisition ¹	53,582	265,300	164,180	259,744
Debt Service	1,620,327	2,054,050	2,053,750	2,065,370
Total	\$ 4,057,617	\$ 4,768,655	\$ 4,597,215	\$ 5,023,203

¹ Capital Outlay does not include Capital Project expenditures.





Deutschen Pfest Fund

Mission

The purpose of this fund is to accumulate and account for funds received from the annual Deutschen Pfest, a community festival held the third weekend of May. Profits from the Pfests are earmarked for improvements to Pflugerville parks. By ordinance, the use of Deutschen Pfest funds is determined by the members of the Pflugerville Parks and Recreation Commission.

2006 - 2007 Accomplishments

In fiscal year 2007, the available Deutschen Pfest proceeds were used to fund two park improvement projects. At Heritage Park the bathroom at the Red/Green barn was completed, a fence surrounding the park was constructed, and upgrades were made to the drainage within the park. Project funds were also used to construct a sidewalk to connect the Cambridge Estates subdivision with the Recreation Center.

2007 - 2008 Budget Objectives

The balance of the fund at September 30, 2007 is approximately \$43,000.



Law Enforcement Fund

Mission

The purpose of this fund is to accumulate and account for funds received from various sources that are utilized by the Pflugerville Police Department. These include funds received from the U.S. Department of Justice and the Justice Department of the State of Texas for the City's equitable share of proceeds resulting from seized and forfeited property; funds received from vehicle registration fees; and donations.

2006 - 2007 Accomplishments

School zone traffic equipment and a laptop were purchased with Child Safety funds. Drug seizure funds were used to purchase taser equipment and a travel trailer for use an emergency operations center. Donations were used to off-set the funding of both the Bike Rodeo and the Blue Santa program.

A Secure Our Schools (SOS) grant was awarded to the Police Department and administered through the Special Revenue Child Safety funds. The grant was used to purchase equipment for officers in the Pflugerville Independent Schools District schools.

Financial Summary	FY 05 Actual	FY 06 Actual	FY 07 Actual
Revenues			
Drug Seizure	\$ 21,194.18	\$ 4,392.00	\$ 14,677.64
Child Safety	\$ 17,230.97	\$ 19,608.51	\$ 27,876.29
Training	\$ 3,757.07	\$ 4,016.71	\$ 3,952.39
Blue Santa	\$ 3,814.74	\$ 1,690.00	\$ 3,270.00
Bike Rodeo	\$ 300.00	\$ 300.00	\$ 300.00
SOS Grant	\$ --	\$ --	\$ 21,317.56
Expenses			
Drug Seizure	\$ 4,975.22	\$ 43,378.40	\$ 6,319.17
Child Safety	\$ 4,875.00	\$ 46,082.00	\$ 29,517.36
Training	\$ 529.80	\$ 4,365.91	\$ 3,360.00
Blue Santa	\$ 4,960.00	\$ 2,441.50	\$ 3,986.00
Bike Rodeo	\$ 294.88	\$ 200.63	\$ 183.53

2007 - 2008 Budget Objectives

Special Revenue funds will be used to purchase equipment that is necessary for police department operations, but not budgeted. The balance of funds that will be carried over to the 2008 fiscal year is:

Drug Seizure Funds	- \$ 31,746.48
Child Safety Funds	- \$ 38,125.13
Training Funds	- \$ 16,042.98
Blue Santa	- \$ 3,023.34
Bike Rodeo	- \$ 1,408.31

Municipal Court Fund

Mission

The purpose of this fund is to accumulate and account for funds received from the Municipal Court ticket revenue that are designated for specific types of expenditures. These include funds received for the upgrade and maintenance of the Court's technology; enhancement of the Court's efficiency; and Municipal Court building security.

2006 - 2007 Accomplishments

The Security funds were used to purchase a security system for the Municipal Court. Efficiency Funds were used to purchase additional office furniture and a printer for the Court and staff training. Technology funds were used to offset software fees and purchase other supplies.

Financial Summary	FY 05 Actual	FY 06 Actual	FY 07 Actual
Revenues			
Technology	\$ 22,979.17	\$ 24,707.29	\$ 26,010.41
Security	\$ --	\$ 3,339.94	\$ 16,962.88
Efficiency	\$ 650.97	\$ 1,528.50	\$ 3,534.41
Expenses			
Technology	\$ 35,789.83	\$ 426.60	\$ 5,960.56
Security	\$ --	\$ --	\$ 5,069.20
Efficiency	\$ --	\$ --	\$ 11,057.89

2007 - 2008 Budget Objectives

The Court Special Revenue Technology funds will be used to maintain the Court's hardware and software needs. The Efficiency funds will be used to enhance the Court working environment.

The balance of funds that will be carried over to the 2008 fiscal year is:

Technology Funds	- \$ 23,446.64
Security	- \$ 15,233.62
Efficiency	- \$ 1,830.15



Capital Outlay

General Fund			
Department	Description	Amount	Total
Building			
Equipment	Truck	12,700	\$ 12,700
Library			
Books	Books & Materials	77,000	\$ 77,000
Parks			
Equipment	Toro mowers (2)	34,000	
	Utility cart	6,800	
	Toro batwing	45,000	
	Pool filters for (2)	22,868	
	Pool heater	17,900	
	71-passenger bus	81,000	
	Hydraulic shop lift	1,600	
	Hydraulic man lift	25,000	
	Exercise equipment	6,737	
		240,905	
Improvements	Solar trail lights	27,500	\$ 268,405
Planning			
Equipment	LCD projector	1,299	
	Laptop computer	1,199	
	Large format scanner	15,000	
	Reception desk	1,330	
	Safco master file	2,200	
	GIS hardware	9,331	
		30,359	\$ 30,359
Police			
Equipment	Hand-held radios (7)	27,882	
	Police units (10)	374,778	
	Carpet cleaner	1,214	
	Camera	5,995	
	Security access upgrade	13,871	
	Lawnmower	5,600	
		429,340	\$ 429,340
Streets			
Equipment	Fireproof filing cabinet	2,100	
	Retroreflectometer	8,500	
	Crack sealer	52,166	
	Mowers (2)	51,605	
	18-foot trailer	2,128	
	Road cutting saw	16,100	
	Excavator	42,921	
	Hydraulic lift	24,950	
		200,470	\$ 200,470
Total General Fund Capital Outlay			\$ 1,018,274

Capital Outlay

Utility Fund			
Department	Description	Amount	Total
Utility Administration			
Equipment	Truck bed	5,000	
	Thermal imaging camera	7,000	
	Remittance processing system	20,047	\$ 32,047
Water Treatment			
Equipment	Ammoia pump	5,500	
	Server for plant	10,700	
	Storage tanks (3)	11,635	\$ 27,835
Water Distribution			
Equipment	Heavy duty truck	70,131	
	Valve turner	4,897	
	Flow tester	973	
	Heavy duty trailer	14,565	
	Non-metallic pipe locator	1,995	
		92,561	
Water Meters	Automated Meter Reading System	962,000	
Improvements	Pfennig Lane booster station	2,500,000	\$ 3,554,561
Wastewater Collection			
Equipment	Backhoe	75,800	
	Chopsaw	1,100	
	Crawler motor	3,700	
		80,600	
Improvements	Wilbarger interceptor	675,000	
	Highland Park lift station expansion	197,000	
	Southside interceptor	217,000	
		1,089,000	\$ 1,169,600
Wastewater Treatment			
Equipment	Front loader	97,000	
	Sampler	5,500	
	Spectrophotometer	6,500	
	Chipper	54,120	
		163,120	
Improvements	Wilbarger plant site	150,000	
	Land for additional plant	2,300,000	
		2,450,000	\$2,613,120
Total Utility Fund Capital Outlay			\$ 7,397,163

General Debt Service Fund

Mission

To provide a mechanism for accumulating government resources and payment of principal and interest from general obligation bonds and certificates of obligation.

Goals

- Maintain funding levels adequate to meet the needs of the debt schedule.
- Pay debt service from current and delinquent ad valorem tax collections designated for debt service.
- Restrict interest earnings on reserves to payment of general obligation debt service.

Debt Policy:

The objective of the City of Pflugerville debt management policy is to maintain the City's ability to incur present and future debt at the most beneficial interest rates in amounts needed for financing the adopted Capital Improvements Program without adversely affecting the City's ability to finance essential City services.

Policy Statements: A five-year capital improvements program will be developed and updated annually along with corresponding anticipated funding sources; and efforts will be made to maintain or improve the City's bond rating. Effective communication will continue with bond rating agencies concerning Pflugerville's overall financial condition.

Legal Debt Margin:

The State of Texas limits the maximum debt service to \$2.50 for \$100 assessed valuation and administratively, the Attorney General of the State of Texas will permit allocation of \$1.50 of the \$2.50 maximum ad valorem tax rate for general obligation debt service.

Fiscal Year	Assessed Valuation	Legal Annual Maximum	Actual Debt Service
2004	\$ 1,201,345,481	\$ 18,202,182	\$ 2,688,868
2005	1,310,450,828	19,656,762	2,652,930
2006	1,408,716,503	21,130,748	2,995,723
2007	1,515,913,575	22,738,704	3,218,585
2008	1,892,441,147	28,386,617	3,698,006

Schedule of General Fund Debt Fiscal Year 2007-2008

Issue	Interest Rate	Date of Issue	Date of Maturity	Amount of Issue	10/1/07 Amount Outstanding	Principal 2007- 2008	Interest 2007-2008	Total Principal & Interest
2007 Combination Tax/Rev C.O. Bonds	4.0-5.0%	11/13/2007	8/1/2037	\$10,315,000	\$10,315,000	\$0	\$376,250	\$376,250
2006 Combination Tax/Rev C.O. Bonds	4.00%	12/20/2006	8/1/2036	\$4,785,000	\$4,785,000	\$25,000	\$191,400	\$216,400
2005 Combination Tax/Rev C.O. Bonds (21.2%)	4.0-5.25%	12/1/2006	8/1/2035	\$3,350,000	\$3,315,680	\$58,300	\$159,705	\$218,005
2004 Combination Tax/Rev. C.O. Bonds (18.9%)	2.5 -5.25%	12/1/2004	8/1/2034	\$3,000,000	\$2,871,855	\$50,085	\$138,902	\$188,987
2003 Combination Tax/Rev. C.O. Bonds (4%)	3.00-5.50%	1/1/2003	8/1/2033	\$713,200	\$698,800	\$14,800	\$33,718	\$48,518
2002 Combination Tax/Rev C.O. Bonds (54.7%)	4.50-5.25%	2/15/2002	8/1/2032	\$9,994,200	\$9,314,250	\$200,750	\$465,933	\$666,683
2001 Combination Tax/Rev C.O. Bonds	4.50-6.00%	7/1/2001	8/1/2021	\$4,750,000	\$3,905,000	\$165,000	\$189,795	\$354,795
1999 General Obligation Bonds	4.75-6.75%	2/1/1999	8/1/2024	\$13,450,000	\$13,175,000	\$75,000	\$684,719	\$759,719
1998 Combination Tax/Rev C.O. Bonds	4.50-7.50%	8/1/1998	8/1/2009	\$555,000	\$280,000	\$125,000	\$12,600	\$137,600
1997 Combination Tax/Rev C.O. Bonds	5.00-8.00%	5/1/1997	8/1/2012	\$1,800,000	\$1,100,000	\$200,000	\$55,000	\$255,000
1996 General Obligation Bonds	4.75-7.75%	1/1/1996	8/1/2016	\$2,075,000	\$1,275,000	\$110,000	\$63,750	\$173,750
1996A General Obligation Bonds	4.75-7.75%	11/15/1996	8/1/2016	\$3,000,000	\$1,975,000	\$175,000	\$93,900	\$268,900
1991 Combination Tax/Rev C.O. Bonds	8.00-10.0%	8/1/1991	8/1/2011	\$250,000	\$90,000	\$20,000	\$9,000	\$29,000

Purpose of Bonds Issued - General Fiscal Year 2007 - 2008

Issue	Amount Issued	Public Works	Parks	Other
2007 Combination Tax & Revenue Certificates of Obligation	\$ 10,315,000	Street Projects		
2006 Combination Tax & Revenue Certificates of Obligation	\$ 4,785,000	Street Projects		
2005 Combination Tax & Revenue Certificates of Obligation (21.2%)	\$ 3,350,000	Pecan Street Improvements		
2004 Combination Tax & Revenue Certificates of Obligation (18.9%)	\$ 3,000,000	Drainage Projects Street Projects	Hike & Bike Trail	
2003 Combination Tax & Revenue Certificates of Obligation (4%)	\$ 713,200			Radio Equipment
2002 Combination Tax & Revenue Certificates of Obligation (54.7%)	\$ 9,994,200	Street Projects	Northeast Metro Park	
2001 Combination Tax & Revenue Certificates of Obligation	\$ 4,750,000	Street Improvements	Park Improvement	Justice Center Completion
1999 General Obligation Bonds	\$ 13,450,000	Street & Road Improvements	Park Improvement	Justice Center
1998 Combination Tax & Revenue Certificates of Obligation	\$ 555,000		Recreation Center	Library
1997 Combination Tax & Revenue Certificates of Obligation	\$ 1,800,000	Dessau Road and Street Projects		Other
1996 General Obligation Bonds	\$ 2,075,000	Street Improvements		City Hall Renovations
1996A General Obligation Bonds	\$ 3,000,000		Recreation Center	Library
1991 Combination Tax & Revenue Certificates of Obligation	\$ 250,000			Purchase Municipal Complex



Utility Debt Service Fund

Mission

To provide a mechanism for accumulating funds for payment of water and wastewater debt.

Description

Utility debt is issued as revenue bonds and Certificates of Obligation. These bonds are paid from the revenues of the Utility Fund. Pro formas are used to calculate the current and future debt service requirements in order to maintain a revenue-to-debt ratio of at least 1.25.

The bonds currently outstanding were issued to improve and extend the existing municipal water and wastewater system and include the construction of a water reservoir and treatment plant; to construct or improve water transmission lines and water storage facilities; and to construct improvements to the wastewater treatment facilities of the City. These improvements are necessary due to the growth in population and the growth in utility customers. Please refer to Population and Utility Customer charts in the Statistical section of this document.

Goals

- Maintain funding levels adequate to meet the needs of the debt schedule.
- Debt service is paid from operating revenues.
- Debt service requirements are maintained within the legal limits and the related obligations meet the financial needs of the City for both the present and future needs of the City.

Utility Debt Service Coverage

Fiscal Year	Net Available for Debt Service	Annual Debt Service	Coverage
2004	\$ 5,769,893	\$ 2,798,028	2.06
2005	6,747,983	3,842,633	1.76
2006	7,022,666	4,721,299	1.49
2007	7,519,932	5,398,925	1.39
2008	7,636,000	5,400,734	1.40

**Schedule of Utility Revenue Debt
Fiscal Year 2007-2008**

Issue	Interest Rate	Date of Issue	Date of Maturity	Amount of Issue	10/1/07 Amount Outstanding	Principal 2007-2008	Interest 2007-2008	Total Principal & Interest
2005 Combination Tax/Rev C.O. Bonds (78.8%)	4.0-5.25%	12/1/2005	8/1/2016	\$ 12,529,200	\$ 12,324,320	\$ 216,700	\$ 593,620	\$ 810,320
2004 Combination Tax/Rev. C.O. Bonds (81.1%)	2.5-5.25%	12/1/2004	8/1/2034	\$ 12,800,000	\$ 12,323,145	\$ 214,915	\$ 596,029	\$ 810,944
2003-A Combination Tax/Rev. C.O. Bonds	3.00-5.00%	12/1/2003	2/1/2003	\$ 26,645,000	\$ 26,595,000	\$ 60,000	\$ 1,313,548	\$ 1,373,548
2003 Combination Tax/Rev. C.O. Bonds (96%)	3.00-5.50%	1/1/2003	8/1/2033	\$ 17,116,800	\$ 16,771,200	\$ 355,200	\$ 809,235	\$ 1,164,435
2002 Combination Tax/Rev C.O. Bonds (45.3%)	4.50-5.25%	2/15/2002	8/1/2032	\$ 8,255,800	\$ 7,620,750	\$164,250	\$ 381,218	\$ 545,468
2000 W/S Revenue and Refunding Bonds	4.50-5.35%	12/1/2000	1/1/2016	\$ 2,400,000	\$ 1,950,000	\$ 125,000	\$ 97,969	\$ 222,969
1999 W/S Revenue and Refunding Bonds	4.25-6.63%	6/1/1999	1/1/2014	\$ 3,400,000	\$ 2,125,000	\$ 250,000	\$ 98,875	\$ 348,875
1993 W/S Revenue Bonds	4.30-7.30%	12/1/1993	1/1/2014	\$ 1,400,000	\$ 665,000	\$80,000	\$ 33,375	\$113,375
1981A W/S Revenue and Refunding Bonds	5.00%	7/1/1981	1/1/2009	\$ 178,000	\$ 21,000	\$ 10,000	\$ 800	\$ 10,800
Total				\$ 84,724,800	\$ 80,395,415	\$ 1,476,065	\$3,924,669	\$ 5,400,734

**Purpose of Bonds Issued – Utility
Fiscal Year 2007-2008**

Issue	Amount Issued	Water/Wastewater
2005 Combination Tax/Rev. C.O. Bonds (78.8%)	\$ 12,529,200	Purchase of Wastewater Companies (Kelly Land and Wilke Lane)
2004 Combination Tax/Rev. C.O. Bonds	\$12,900,000	Wastewater Treatment Facility Colorado River Project (Lake Pflugerville)
2003-A Combination Tax/Rev. C.O. Bonds	\$26,645,000	Colorado River Project Wastewater System Interconnect
2003 Combination Tax/Rev. C.O. Bonds (96%)	\$17,116,800	Colorado River Surface Water Supply Project Kennemer Lane Wastewater Plant Wastewater System Interconnect
2002 Combination Tax/Rev C.O. Bonds (45.3%)	\$8,255,800	Colorado River Supply Project Other Water Supply Projects
2000 W/S Revenue and Refunding Bonds	\$2,400,000	Northeast Water Line
1999 W/S Revenue and Refunding Bonds	\$3,400,000	Austin Interconnect
1998 W/S Revenue and Refunding Bonds	\$675,000	Dessau Water Supply
1993 W/S Revenue Bonds	\$1,400,000	Southside Wastewater Interceptor
1981A W/S Revenue and Refunding Bonds	\$178,000	Water lines for well sites 2 and 3
1978 Combination Tax/Rev. C.O. Bonds	\$105,000	Water Well #3 and Ground Storage Tank



Capital Projects Summary

Capital Projects or Capital Improvement Projects are large projects that enhance or expand the infrastructure of the government. These projects typically take more than one fiscal year to complete and are frequently paid for with bond proceeds.

This table summarizes the capital projects in progress and those recently completed. Additional detail for each project can be found in the remainder of this section.

<u>Project</u>	<u>Project Start</u>	<u>Estimated Completion</u>	<u>Estimated Cost</u>
<u>Projects Completed in FY 2007</u>			
Heatherwilde Boulevard North Roadway Repairs	July 2006	November 2006	\$ 213,000
East Pflugerville Parkway Extension	October 2002	December 2006	\$ 6,015,000
Pfluger Crossing Wastewater Improvements	July 2006	March 2007	\$ 1,295,000
Wastewater Treatment Plant Expansion	January 2005	April 2007	\$ 11,000,000
685 Median Removal	September 2006	August 2007	\$ 227,000
Wells Branch Parkway	May 2004	September 2007	\$ 6,409,000
<u>Projects In Progress</u>			
Weiss Lane Interceptor Phase 1D	November 2005	On Hold	\$ 127,000
East Pecan Street Widening	Summer 2001	October 2008	\$ 7,333,000
6th & Walter Road and Drainage Improvements	September 2007	Fall 2008	\$ 390,000
685 Commercial Park Drainage	March 2006	Fall 2008	\$ 400,000
Schultz Lane Re-Route	May 2007	Fall 2008	\$ 826,000
Pfennig Lane Booster Pump	Unknown	Spring 2009	\$ 4,298,000
West Pflugerville Parkway Widening	October 2002	Fall/Winter 2009	\$ 14,000,000
Wilbarger Creek Regional Detention	September 2007	May 2011	\$ 2,037,000
10th St and Pecan St Intersection Improvements	September 2007	Unknown	\$ 350,000

Future Projects

Capital Improvement Project 5-Year Summary



Heatherwilde Boulevard North Roadway Repairs

Description Overlay of Heatherwilde Boulevard between Pflugerville Parkway and SH 45

Financial Plan

(in thousands)	Prior Years	2007	2008	2009	2010	2011	Project Total
Schedule	\$ 204	9					\$ 213

Funding Sources 2006 Streets Department Budget

Estimated Project Costs:

(in thousands)	
Construction Cont	\$ 213
Design	-
Surveying	-
Construction Test	-
Property Acq.	-
Other	-
Total	\$ 213



Estimated Operating Costs:

	(in thousands)
FY 07	\$0
FY 08	\$0
FY 09	\$0
FY 10	\$0
FY 11	\$0

Project Schedule

Select Consultant	July 2006
Design	May 2006 August 2006
Bid	September 2006
Award Bid	October 2006
Construction	October 2006 to November 2006

Impact on Operating Budget

Repair and maintenance on roadways is included in the annual Street Department operating budget.

Notes from Review Process

East Pflugerville Parkway Extension

Description Construct a four lane divided roadway with medians and turn lanes from Railroad Avenue and connect to Pfluger Lane at FM 685.

Financial Plan

(in thousands)	Prior	2007	2008	2009	2010	2011	Project
	Years						Total
Schedule	\$ 5,158	857					\$ 6,015

Funding Sources This project is funded from the 2002 Combination Tax & Revenue Certificates of Obligation.

Estimated Project Costs:

(in thousands)

Construction Cont	\$ 5,097
Design	313
Surveying	55
Construction Test	-
Property Acq.	550
Other	-
Total	\$ 6,015



Estimated Operating Costs:

(in thousands)

FY 07	\$0
FY 08	\$0
FY 09	\$0
FY 10	\$0
FY 11	\$0

Project Schedule

Select Consultant	October 2002
Design	May 2004 to October 2004
Bid	November 2005
Award Bid	December 2005
Construction	January 2006 to December 2006

Impact on Operating Budget

Repair and maintenance on roadways is included in the annual Street Department operating budget.

Notes from Review Process

Construction completed December 2006.

Pfluger Crossing Wastewater Improvements

Description This project consists of installing a regional lift station and force main that will provide wastewater service for commercial development in the adjacent area.

Financial Plan

(in thousands)	Prior						Project
	Years	2007	2008	2009	2010	2011	Total
Schedule	\$ 670	625					\$ 1,295

Funding Sources Utility Fund Balance

Estimated Project Costs:
(in thousands)

Construction Cont	\$ 1,295
Design	-
Surveying	-
Construction Test	-
Property Acq.	-
Other	-
Total	\$ 1,295



Estimated Operating Costs:

	(in thousands)
FY 07	\$2.0
FY 08	\$4.0
FY 09	\$4.5
FY 10	\$5.0
FY 11	\$5.5

Project Schedule

Select Consultant	July 2006
Design	February 2006 to July 2006
Bid	July 2006
Award Bid	August 2006
Construction	October 2006 to March 2007

Impact on Operating Budget

Operating expenditures for these improvements include electricity and minimal personnel oversight. These expenditures are included in the Wastewater Collection annual operating budget.

Notes from Review Process

Construction was completed in March of 2007.

Central Wastewater Treatment Plant Expansion

Description Expand the current Central Wastewater Treatment Plant to a capacity of 4.4 million gallons per day (MGD).

Financial Plan

(in thousands)	Prior Years	2007	2008	2009	2010	2011	Project Total
Schedule	\$ 7,727	3,273					\$ 11,000

Funding Sources This project is funded from the 2004 Combination Tax & Revenue Certificates of Obligation and the FY 2006 Wastewater Budget.

Estimated Project Costs:

(in thousands)

Construction	\$ 9,952
Design	1,019
Surveying	29
Testing	-
Property Acq.	-
Other	-
Total	<u>\$ 11,000</u>



Estimated Operating Costs:

(in thousands)

FY 07	\$575
FY 08	\$750
FY 09	\$900
FY 10	\$1,000
FY 11	\$1,125

Project Schedule

Select Consultant	January 2005
Design	April 2005 to November 2005
Bid	November 2005
Award Bid	December 2005
Construction	March 2006 to April 2007

Impact on Operating Budget

The annual operating expenditures will increase due to additional personnel and utilities necessary for plant operation. However, the number of wastewater customers will increase and offset the additional expenditures.

Notes from Review Process

Construction on the plant was substantially complete in April 2007.

685 Median Removal

Description Remove portions of the median along FM 685 from approximately one-fourth of a mile north of Pecan St. (FM 1825) to Cedar Ridge Dr.

Financial Plan

(in thousands)	Prior	2007	2008	2009	2010	2011	Project
	Years						Total
Schedule	\$ 19	208					\$ 227

Funding Sources Pflugerville Community Development Corporation and the General Fund Budget.

Estimated Project Costs:
(in thousands)

Construction Cont	\$ 177
Design	30
Surveying	8
Construction Test	-
Property Acq.	-
Other	12
Total	\$ 227



Estimated Operating Costs:

	(in thousands)
FY 07	\$0
FY 08	\$0
FY 09	\$0
FY 10	\$0
FY 11	\$0

Project Schedule

Select Consultant	September 2006
Design	October 2006 to April 2007
Bid	May 2007
Award Bid	June 2007
Construction	July 2007 to August 2007

Impact on Operating Budget

Repair and maintenance on roadways is included in the annual Street Department operating budget.

Notes from Review Process

Median removal was complete in August 2007.

Wells Branch Parkway

Description Construct a four-lane divided roadway with medians and turn lanes from Tenth Street to Immanuel Road.

Financial Plan

(in thousands)	Prior Years	2007	2008	2009	2010	2011	Project Total
Schedule	\$ 2,685	3,422	302				\$ 6,409

Funding Sources This project will be paid for with 1997, 2002 and 2004 Combination Tax & Revenue Certificates of Obligation.

Estimated Project Costs:

(in thousands)

Construction Cont	\$5,816
Design	400
Surveying	50
Construction Test	47
Property Acq.	-
Other	96
Total	\$6,409



Estimated Operating Costs:

(in thousands)

FY 07	\$0
FY 08	\$0
FY 09	\$0
FY 10	\$0
FY 11	\$0

Project Schedule

Select Consultant	May 2004
Design	June 2004 to October 2004
Bid	February 2006
Award Bid	April 2006
Construction	September 2006 to September 2007

Impact on Operating Budget

Repair and maintenance on roadways is included in the annual Street Department operating budget.

Notes from Review Process

This project was completed in September 2007.

Weiss Lane Interceptor Phase 1D

Description Take the Steeds Crossing lift station offline. Tie-in the Lakeside lift station to our new system. Install a gravity line to accommodate the customers directly tied in to the force main on Rowe Loop.

Financial Plan

(in thousands)	Prior	2007	2008	2009	2010	2011	Project
	Years						Total
Schedule	\$	127					\$ 127

Funding Sources Utility Fund Balance

<p>Estimated Project Costs: (in thousands)</p> <table style="width: 100%;"> <tr> <td>Construction Cont</td> <td style="text-align: right;">\$</td> <td style="text-align: right;">-</td> </tr> <tr> <td>Design</td> <td></td> <td style="text-align: right;">69</td> </tr> <tr> <td>Surveying</td> <td></td> <td style="text-align: right;">-</td> </tr> <tr> <td>Construction Test</td> <td></td> <td style="text-align: right;">-</td> </tr> <tr> <td>Property Acq.</td> <td></td> <td style="text-align: right;">53</td> </tr> <tr> <td>Other</td> <td></td> <td style="text-align: right;">5</td> </tr> <tr> <td>Total</td> <td style="text-align: right;">\$</td> <td style="text-align: right;">127</td> </tr> </table>	Construction Cont	\$	-	Design		69	Surveying		-	Construction Test		-	Property Acq.		53	Other		5	Total	\$	127	<p>No picture available</p>
Construction Cont	\$	-																				
Design		69																				
Surveying		-																				
Construction Test		-																				
Property Acq.		53																				
Other		5																				
Total	\$	127																				
<p>Estimated Operating Costs: (in thousands)</p> <table style="width: 100%;"> <tr> <td>FY 07</td> <td style="text-align: right;">\$0</td> </tr> <tr> <td>FY 08</td> <td style="text-align: right;">\$0</td> </tr> <tr> <td>FY 09</td> <td style="text-align: right;">\$0</td> </tr> <tr> <td>FY 10</td> <td style="text-align: right;">\$0</td> </tr> <tr> <td>FY 11</td> <td style="text-align: right;">\$0</td> </tr> </table>	FY 07	\$0	FY 08	\$0	FY 09	\$0	FY 10	\$0	FY 11	\$0	<p>Project Schedule</p> <table style="width: 100%;"> <tr> <td>Select Consultant</td> <td>November 2005</td> </tr> <tr> <td>Design</td> <td>On Hold</td> </tr> <tr> <td>Bid</td> <td>On Hold</td> </tr> <tr> <td>Award Bid</td> <td>On Hold</td> </tr> <tr> <td>Construction</td> <td>On Hold</td> </tr> </table>	Select Consultant	November 2005	Design	On Hold	Bid	On Hold	Award Bid	On Hold	Construction	On Hold	
FY 07	\$0																					
FY 08	\$0																					
FY 09	\$0																					
FY 10	\$0																					
FY 11	\$0																					
Select Consultant	November 2005																					
Design	On Hold																					
Bid	On Hold																					
Award Bid	On Hold																					
Construction	On Hold																					

Impact on Operating Budget

The impact on the operating budget has not been determined at this time.

Notes from Review Process

This project has been put on hold.

East Pecan Street Widening

Description Construct a four lane divided roadway with medians from FM 685 to one tract east of Immanuel Road.

Financial Plan

(in thousands)	Prior Years	2007	2008	2009	2010	2011	Project Total
Schedule	\$ 1,529	2,863	2,486	455			\$ 7,333

Funding Sources This project is to be funded with the 2005 Combination Tax & Revenue Certificates of Obligation.
The City's Share of these costs are \$4,604,503.00

Estimated Project Costs:

(in thousands)

Construction Cont	\$6,800
Design	474
Surveying	-
Construction Test	-
Property Acq.	-
Other	59
Total	<u>\$7,333</u>



Estimated Operating Costs:

(in thousands)

FY 07	\$0
FY 08	\$0
FY 09	\$0
FY 10	\$0
FY 11	\$0

Project Schedule

Select Consultant	Summer 2001
Design	December 2001 to April 2004
Bid	Summer 2007
Award Bid	Summer 2007
Construction	Summer 2007 to October 2008

Impact on Operating Budget

Repair and maintenance on roadways is included in the annual Street Department operating budget.

Notes from Review Process

This project is a joint effort between the City and Travis County to widen and extend East Pecan Street from FM 685 to the new State Highway 130. The City is only responsible for the construction on the portion within the City limits (as mentioned above).

6th Street & Walter Avenue Road and Drainage Improvements

Description Widen Walter Avenue to urban section with curb/gutter from 3rd Street to 6th Street. Replace roadside ditch with underground storm drain system.

Financial Plan

(in thousands)	Prior						Project
	Years	2007	2008	2009	2010	2011	Total
Schedule	\$ 0	13	300	77			\$ 390

Funding Sources This project is funded from the 2004 Combination Tax & Revenue Certificates of Obligation.

Estimated Project Costs:

(in thousands)

Construction Cont	\$ 340
Design	50
Surveying	-
Construction Test	-
Property Acq.	-
Other	-
Total	\$ 390



Estimated Operating Costs:

(in thousands)

FY 07	\$0
FY 08	\$0
FY 09	\$0
FY 10	\$0
FY 11	\$0

Project Schedule

Select Consultant	September 2007
Design	October 2007 to February 2008
Bid	March 2008
Award Bid	April 2008
Construction	Completion Fall 2008

Impact on Operating Budget

Repair and maintenance on roadways and curbs are included in the annual Street Department operating budget.

Notes from Review Process

This project is currently in the design phase.

685 Commercial Park Drainage

Description The proposed drainage improvements included repairing concrete slabs in the channel, dredging the channel, providing accessibility to the channel to facilitate maintenance operations, and additional excavation so that the 100-year storm will be contained within the channel.

Financial Plan

(in thousands)	Prior						Project
	Years	2007	2008	2009	2010	2011	Total
Schedule	\$ 7	0	393				\$ 400

Funding Sources This project is funded from the 2004 Combination Tax & Revenue Certificates of Obligation.

Estimated Project Costs:
(in thousands)

Construction Cont	\$ 360
Design	30
Surveying	-
Construction Test	-
Property Acq.	-
Other	10
Total	\$ 400



Estimated Operating Costs:

	(in thousands)
FY 07	\$0
FY 08	\$0
FY 09	\$0
FY 10	\$0
FY 11	\$0

Project Schedule

Select Consultant	September 2007
Design	October 2007 to February 2008
Bid	March 2008
Award Bid	April 2008
Construction	Completion Fall 2008

Impact on Operating Budget

The operating costs of the drainage improvements are minimal, mostly consisting of mowing and similar maintenance, and will be absorbed into the Streets annual operating budget.

Notes from Review Process

Schultz Lane Re-Route

Description Re-route the existing Schultz Lane section that ties into Pflugerville Parkway to A.W. Grimes Blvd.

Financial Plan

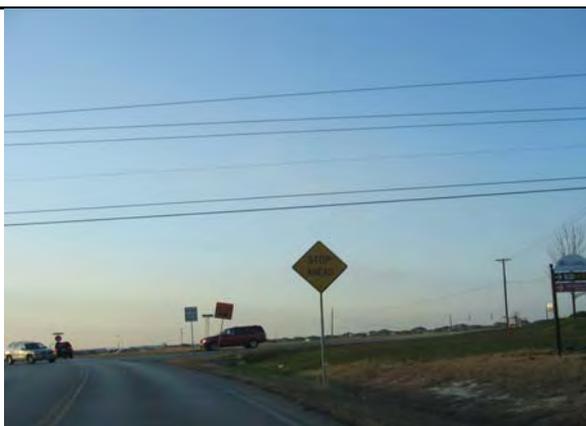
(in thousands)	Prior Years	2007	2008	2009	2010	2011	Project Total
Schedule	\$ 0	32	644	150			\$ 826

Funding Sources This project is funded from the 2007 Combination Tax & Revenue Certificates of Obligation.

Estimated Project Costs:

(in thousands)

Construction Cont	\$ 350
Design	91
Surveying	-
Construction Test	-
Property Acq.	385
Other	-
Total	\$ 826



Estimated Operating Costs:

(in thousands)

FY 07	\$0
FY 08	\$0
FY 09	\$0
FY 10	\$0
FY 11	\$0

Project Schedule

Select Consultant	May 2007
Design	July 2007 to January 2008
Bid	Early 2008
Award Bid	July 2008
Construction	Completion Fall 2008

Impact on Operating Budget

Repair and maintenance on roadways is included in the annual Street Department operating budget.

Notes from Review Process

This project must be completed before Pflugerville Pkwy West can open to traffic. Design is nearing completion.

Pfennig Lane Booster Pump

Description Install a pump station to bring the Lake Pflugerville treated water to the higher west pressure plane.

Financial Plan

(in thousands)	Prior Years	2007	2008	2009	2010	2011	Project Total
Schedule	\$ -	48	2,500	1,750			\$ 4,298

Funding Sources Utility Fund Balance

Estimated Project Costs:
(in thousands)

Construction Cont	\$ 1,750
Design	48
Surveying	-
Construction Test	-
Property Acq.	2,500
Other	-
Total	\$ 4,298



Estimated Operating Costs:

	(in thousands)
FY 07	\$0
FY 08	\$0
FY 09	\$7.5
FY 10	\$15
FY 11	\$15

Project Schedule

Select Consultant	Unknown
Design	Unknown
Bid	Unknown
Award Bid	Unknown
Construction	Completion Spring 2009

Impact on Operating Budget

The large pumps required to move the water to the west pressure plane will require a significant amount of electricity and a minimal amount of personnel oversight. The Water Distribution department will be responsible for these expenditures.

Notes from Review Process

Once a site is purchased engineering design will start.

West Pflugerville Parkway Widening

Description Construct a four lane divided roadway with medians from Greenlawn Boulevard to Railroad Avenue.

Financial Plan

(in thousands)	Prior						Project
	Years	2007	2008	2009	2010	2011	Total
Schedule	\$ 1,230	3,192	6,385	3,193			\$ 14,000

Funding Sources This project is funded from the 2002 and 2007 Combination Tax & Revenue Certificates of Obligation.

Estimated Project Costs:

(in thousands)

Construction Cont	\$ 12,250
Design	1,240
Surveying	-
Construction Test	-
Property Acq.	510
Other	-
Total	\$ 14,000



Estimated Operating Costs:

(in thousands)

FY 07	\$0
FY 08	\$0
FY 09	\$0
FY 10	\$0
FY 11	\$0

Project Schedule

Select Consultant	October 2002
Design	July 2003 to Fall 2006
Bid	Winter 2007/Early 2008
Award Bid	Early 2008
Construction	June 2008 to Fall/Winter 2009

Impact on Operating Budget

Repair and maintenance on roadways is included in the annual Street Department operating budget.

Notes from Review Process

Construction is set to begin in June 2008.

Wilbarger Creek Regional Detention

Description Create a regional detention pond north of Pflugerville Parkway and west of FM 685.

Financial Plan

(in thousands)	Prior Years	2007	2008	2009	2010	2011	Project Total
Schedule	\$ 2	5	280	400	850	500	\$ 2,037

Funding Sources This project is funded from the regional detention escrow and the 2004 and 2007 Combination Tax & Revenue Certificates of Obligation.

<p>Estimated Project Costs: (in thousands)</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding-left: 20px;">Construction Cont</td> <td style="text-align: right; padding-left: 20px;">\$ 2,000</td> </tr> <tr> <td style="padding-left: 20px;">Design</td> <td style="text-align: right; padding-left: 20px;">37</td> </tr> <tr> <td style="padding-left: 20px;">Surveying</td> <td style="text-align: right; padding-left: 20px;">-</td> </tr> <tr> <td style="padding-left: 20px;">Construction Test</td> <td style="text-align: right; padding-left: 20px;">-</td> </tr> <tr> <td style="padding-left: 20px;">Property Acq.</td> <td style="text-align: right; padding-left: 20px;">-</td> </tr> <tr> <td style="padding-left: 20px;">Other</td> <td style="text-align: right; padding-left: 20px;">-</td> </tr> <tr> <td style="padding-left: 20px;">Total</td> <td style="text-align: right; padding-left: 20px; border-top: 1px solid black;">\$ 2,037</td> </tr> </table>	Construction Cont	\$ 2,000	Design	37	Surveying	-	Construction Test	-	Property Acq.	-	Other	-	Total	\$ 2,037							
Construction Cont	\$ 2,000																				
Design	37																				
Surveying	-																				
Construction Test	-																				
Property Acq.	-																				
Other	-																				
Total	\$ 2,037																				
<p>Estimated Operating Costs: (in thousands)</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding-left: 20px;">FY 07</td> <td style="text-align: right; padding-left: 20px;">\$0</td> </tr> <tr> <td style="padding-left: 20px;">FY 08</td> <td style="text-align: right; padding-left: 20px;">\$0</td> </tr> <tr> <td style="padding-left: 20px;">FY 09</td> <td style="text-align: right; padding-left: 20px;">\$0</td> </tr> <tr> <td style="padding-left: 20px;">FY 10</td> <td style="text-align: right; padding-left: 20px;">\$0</td> </tr> <tr> <td style="padding-left: 20px;">FY 11</td> <td style="text-align: right; padding-left: 20px;">\$0</td> </tr> </table>	FY 07	\$0	FY 08	\$0	FY 09	\$0	FY 10	\$0	FY 11	\$0	<p>Project Schedule</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding-left: 20px;">Select Consultant</td> <td style="padding-left: 20px;">September 2007</td> </tr> <tr> <td style="padding-left: 20px;">Design</td> <td style="padding-left: 20px;">October 2007</td> </tr> <tr> <td style="padding-left: 20px;">Bid</td> <td style="padding-left: 20px;">Unknown</td> </tr> <tr> <td style="padding-left: 20px;">Award Bid</td> <td style="padding-left: 20px;">Unknown</td> </tr> <tr> <td style="padding-left: 20px;">Construction</td> <td style="padding-left: 20px;">Completion May 2011</td> </tr> </table>	Select Consultant	September 2007	Design	October 2007	Bid	Unknown	Award Bid	Unknown	Construction	Completion May 2011
FY 07	\$0																				
FY 08	\$0																				
FY 09	\$0																				
FY 10	\$0																				
FY 11	\$0																				
Select Consultant	September 2007																				
Design	October 2007																				
Bid	Unknown																				
Award Bid	Unknown																				
Construction	Completion May 2011																				

Impact on Operating Budget

Maintenance on detention ponds is minimal and included in the annual Street Department operating budget.

Notes from Review Process

This project is currently in the design phase.

10th Street and Pecan Street Intersection Improvements

Description Widen 10th Street to accommodate 2 lanes for northbound traffic and improve drainage.

Financial Plan

(in thousands)	Prior Years	2007	2008	2009	2010	2011	Project Total
Schedule	\$ 0	11	75	200	64		\$ 350

Funding Sources This project is funded from the 2007 Combination Tax & Revenue Certificates of Obligation.

Estimated Project Costs:

(in thousands)

Construction Cont	\$ 325
Design	25
Surveying	-
Construction Test	-
Property Acq.	-
Other	-
Total	\$ 350



Estimated Operating Costs:

(in thousands)

FY 07	\$0
FY 08	\$0
FY 09	\$0
FY 10	\$0
FY 11	\$0

Project Schedule

Select Consultant	September 2007
Design	September 2007
Bid	Unknown
Award Bid	Unknown
Construction	Unknown due to TxDOT requirements

Impact on Operating Budget

Repair and maintenance on roadways is included in the annual Street Department operating budget.

Notes from Review Process

This project is currently in the design phase.

Five-Year General Fund Capital Improvement Projects

FY 08 Bond Issue	
Pflugerville Parkway West	3,496,047
Heatherwilde Boulevard North (engineering only)	600,000
Pecan Street East (to complete)	2,100,000
Schultz Lane Realignment	800,000
10th Street and Pecan Street intersection	325,000
Wilbarger Regional Detention	2,100,000
MKT right-of-way drainage	200,000
Kelly Lane widening (engineering only)	750,000
\$ 10,371,047	

FY 09 Bond Issue*	
Pflugerville Parkway West	2,959,796
Heatherwilde Boulevard North	2,250,000
Pfennig Lane	1,750,000
Pflugerville Parkway East	2,750,000
Downtown parking	100,000
Lake Pflugerville parking	200,000
Gatlinburg Channel drainage	753,000
Picadilly Drive	1,500,000
\$ 12,262,796	

FY 10 Bond Issue*	
Pflugerville Parkway West (to complete)	832,994
Heatherwilde Boulevard North (to complete)	3,050,000
Immanuel Road/Oxford Drive intersection	300,000
Kelly Lane widening - phase 1	5,400,000
Main Street extension	3,100,000
Alley improvements	200,000
Old Austin-Hutto Road culvert crossing	300,000
Paul Street Hike & Bike Trail	250,000
Mountain Creek Hike & Bike Trail	100,000
Pecan Street Underpass	500,000
Athletic practice fields	100,000
\$ 14,132,994	

FY 11 Bond Issue*	
Kelly Lane widening - phase 2	2,700,000
Colored Addition	650,000
Immanuel Road widening - hike and bike trail	3,000,000
Yellow Sage Road	250,000
Pflugerville Parkway widening - SH 130 to Weiss Lane	6,000,000
Schultz Lane	1,600,000
Arbor Creek drainage	115,000
Pfennig Lane drainage - east of Swenson Farms	400,000
Pflugerville High School drainage	950,000
\$ 15,665,000	

FY 12 Bond Issue*	
Kelly Lane widening - phase 3 - completion	2,700,000
Pecan Street East widening - SH 130 to Harris Branch	2,200,000
Pecan Street / 10th Street intersection - add right turn lane	325,000
Hidden Lake Boulevard	5,000,000
Heatherwilde / Pecan Street intersection	750,000
Old Austin Hutto Road - low water crossing	300,000
Pfennig Lane drainage - additional 300 feet east	165,000
Wilbarger Street drainage	210,000
\$ 11,650,000	

*Estimates based on FY 2007 - 2008 five-year capital improvement projects plan.

Five-Year Utility Fund Capital Improvement Projects

Water Projects

	Water Projects	Wastewater Projects
FY 2008	Pfennig Lane Booster Pump Station	2,500,000
		675,000
		197,000
		217,000
		2,300,000
		150,000
		3,539,000
	Less: Transfer from Utility Fund Balance	(3,539,000)
	Bonds to be Issued December 2007	Bonds to be Issued December 2007
		-

FY 2009	Pflugerville Parkway East transmission line	1,400,000	16,800,000
	Weiss Lane/Pecan Street transmission line	3,000,000	1,773,000
	Pfennig Lane transmission line	400,000	1,953,000
			740,000
		4,800,000	21,966,000
	Less: Transfer from Utility Fund Balance	(400,000)	(1,440,000)
	Bonds to be Issued December 2008	Bonds to be Issued December 2008	Bonds to be Issued December 2008
		4,400,000	20,526,000

FY 2010		-	-
----------------	--	---	---

FY 2011	Water treatment plant expansion	3,200,000	15,000,000
	Raw water pump station expansion	400,000	
		3,600,000	15,000,000
	Less: Transfer from Utility Fund Balance	(400,000)	-
	Bonds to be Issued December 2010	Bonds to be Issued December 2010	Bonds to be Issued December 2010
		3,200,000	15,000,000

FY 2012		-	14,000,000
	Wilbarger wastewater treatment plant construction - phase 2		14,000,000
	Bonds to be Issued December 2011		

Utility Bonding Requirements	FY 08	FY 09	FY 10	FY 11	FY 12
	\$0	\$24,926,000	\$0	\$18,200,000	\$14,000,000



History of the City of Pflugerville

The Town of Pflugerville was originally settled by members of the Henry Pfluger, Sr., family. They emigrated from Germany in 1849. Original homes were built of logs, clay and stone. These settlers were farmers and cattlemen. Cattle were driven to market on the Chisholm Trail to Kansas City.

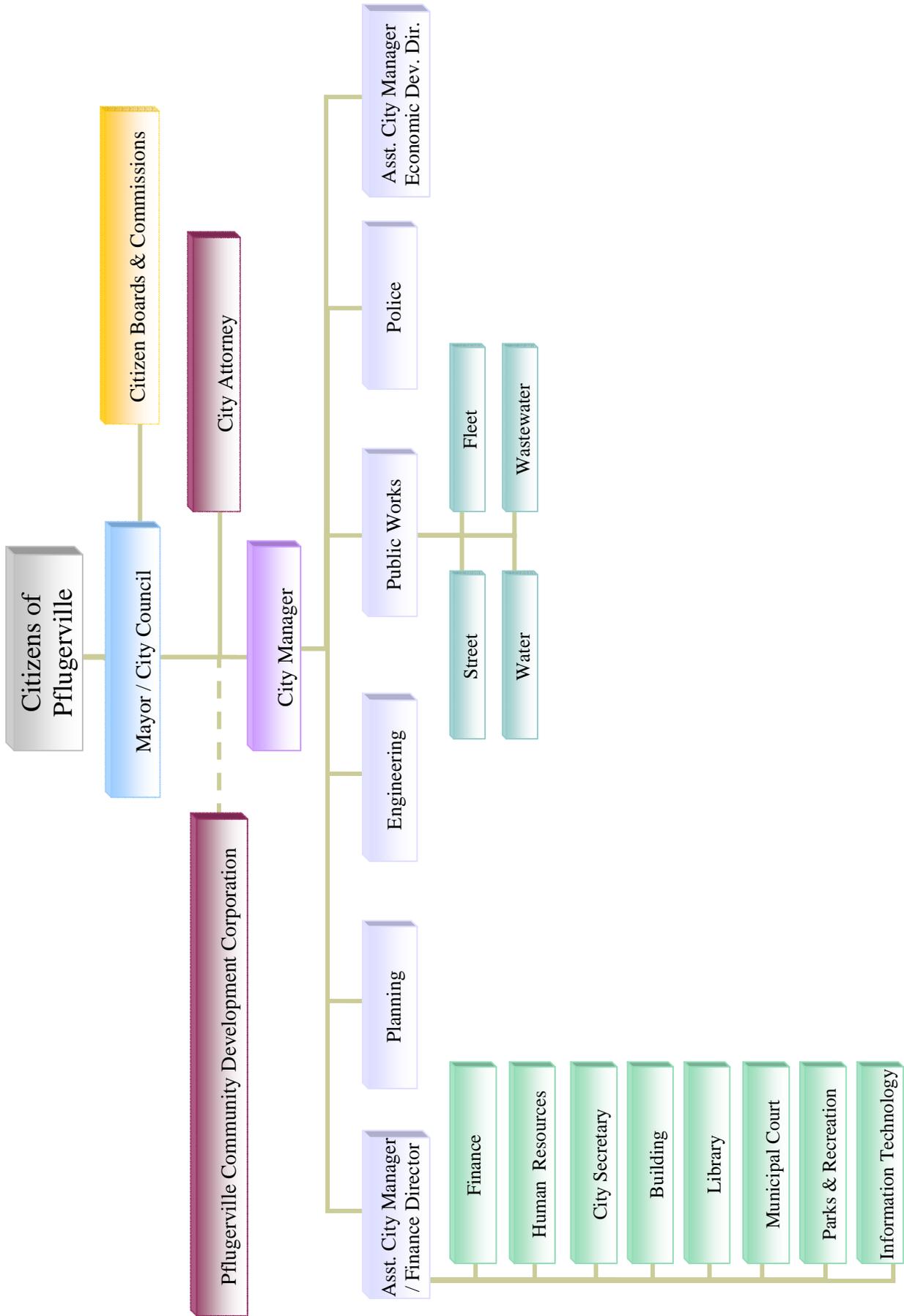
In 1904 the Missouri-Kansas and Texas Railroad (MKT) built a line from Granger through the Pflugerville community to Austin and San Antonio. On February 19, 1904, the town site of Pflugerville was platted by George Pfluger and his son, Albert, dedicating streets and alleys for the town from the Alexander Walter and C. S. Parrish Surveys in Travis County. The plat consisted of sixteen blocks, rights-of-way, and the depot grounds to the MKT.

Businesses and citizens obtained their water from Gilleland Creek. In 1911 the creek went dry and a well was drilled. The flat rate for water was \$1.50 per month. About 1915, Mr. H. H. Pfluger purchased an electric plant to meet the needs of the town. The local economy was growing; there was a drug store, a hardware store, a lumberyard, funeral home, dentists, doctors, a newspaper, a telephone company, a bank, a gin, an oil mill, an ice factory and a soda water bottling works.

An election was held in the town of Pflugerville on July 24, 1965, on the proposition to incorporate. There were sixty votes in favor of incorporation and forty-two votes against. As a result, the town was incorporated under the commission form of government. At an election held in 1970, with a unanimous vote, the form of government changed from the commission form to the aldermanic form. Another result of this election was the adoption of a one percent sales tax for the town of Pflugerville.

Today the City of Pflugerville encompasses 12,582 acres with an extraterritorial jurisdiction area of 17,152 acres. The population currently exceeds 35,000 and there is a projection of nearly 90,000 in population by 2020. The Utility Department serves more than 13,500 customers. The City's Parks and Recreation Department maintains 24 parks and nearly 20 miles of hike-and-bike trails.

Lake Pflugerville was dedicated to the citizens on April 20, 2006. Lake Pflugerville is located at the intersection of Weiss Lane and Pfluger Lane. It is a 180-acre reservoir built to provide the citizens of Pflugerville with water by utilizing surface water from the Lower Colorado River Authority. Lake Pflugerville also has a hike-and-bike trail, approximately 3 miles in length, and fishing piers to access the stocked waters.



City Officials

Elected Officials

City Council Three-Year Terms

<u>Name</u>	<u>Term Expires</u>
Jeff Coleman, Mayor	May 2010
Bruce Wood, Place 2, Mayor Pro-Tem	May 2008
Wayne Cooper, Place 1	May 2010
Darelle White, Place 3	May 2009
Mark Gladney, Place 4	May 2008
Victor Gonzales, Place 5	May 2009

City Staff

<u>Position</u>	<u>Name</u>
City Manager	David Buesing
Assistant City Manager/Finance Director	Lauri Gillam
Police Chief	Chuck Hooker
City Secretary	Karen Thompson
Planning Director	Trey Fletcher
City Engineer	Joe Carpenter
Parks and Recreation Director	Glenn Holzer
Building Official	Blake Overmyer
Library Director	Kathy Freiheit
Economic Development Director	Charles Simon

City Officials (continued)

Appointed Officials

Planning and Zoning Commission

<u>Name</u>	<u>Term Expires</u>
Starlet Sattler, Chairman	December 2007
Naji Norder, Vice Chairman	December 2007
Monica Knighton	December 2007
Dennis Sedlachek	December 2007
Nancy Ramsey	December 2008
Sam Storms	December 2008
Carl Wasmuth	December 2008

Board of Adjustment

<u>Name</u>	<u>Term Expires</u>
Thomas Anker	December 2007
Louis DeCuir	December 2007
Rocky Stewart	December 2007
Richard Corcoran	December 2008
Hjardeir Dunn	December 2008
Warren Jones	December 2008
Robert Wilson	December 2008
Vacant	December 2008
Vacant	December 2008

City Officials (continued)

Parks and Recreation Commission

<u>Name</u>	<u>Term Expires</u>
Mike Callen, Chairman	December 2007
Pat McCord, Assistant Chair	December 2007
Marion Shofner, Secretary	December 2007
Kelvin Grayson, Member	December 2007
Shelia Aboii, Member	December 2008
Tracey Redus, Member	December 2008
Katheryn Young, Alternate	December 2007
Tin Dihn, Student Member	May 2007

Library Board

<u>Name</u>	<u>Term Expires</u>
Robert Spoonemore, Chairman	December 2007
Barry Ryan, Vice Chair	December 2008
Janice Swope, Secretary	December 2007
Donna White	December 2007
AK Brewer	December 2008
Tamya Isenberg	December 2008
Javed Helali, Alternate	December 2008
 Audrey Dearing, Friends Rep.	 Lifetime

Architectural Review Board

<u>Name</u>	<u>Term Expires</u>
Keith Hickman	December 2008
Oscar Rodriguez	December 2008
David Taylor	December 2007
Vacant	
Vacant	

Budgeted Positions

Department	Positions			Full Time Equivalent		
	Actual FY 06	Actual FY 07	Approved FY 08	Actual FY 06	Actual FY 07	Approved FY 08
<u>General Fund</u>						
Administration	15	20	27	15	20	27
Building Inspection	7	8	9	7	8	9
Engineering	6	5	5	6	5	5
Library	11	14	16	9	11	12.5
Parks*	25	28	31	20	23.5	26.5
Planning	6	7	8	5.38	6.38	7.38
Police	79	86	98	75	82	94
Streets*	18	22	24	18	22	24
Total General Fund	167	190	218	155.38	177.88	205.38
<u>Utility Fund</u>						
Utility Administration*	9	9	8	9	9	8
Water Treatment	3	4	4	3	4	4
Water Distribution	11	10	10	11	10	10
Wastewater Collection	6	6	6	6	6	6
Wastewater Treatment	5	6	9	5	5.5	8.5
Total Utility Fund	34	35	37	34	34.5	36.5
Total	201	225	255	189.38	212.38	241.88

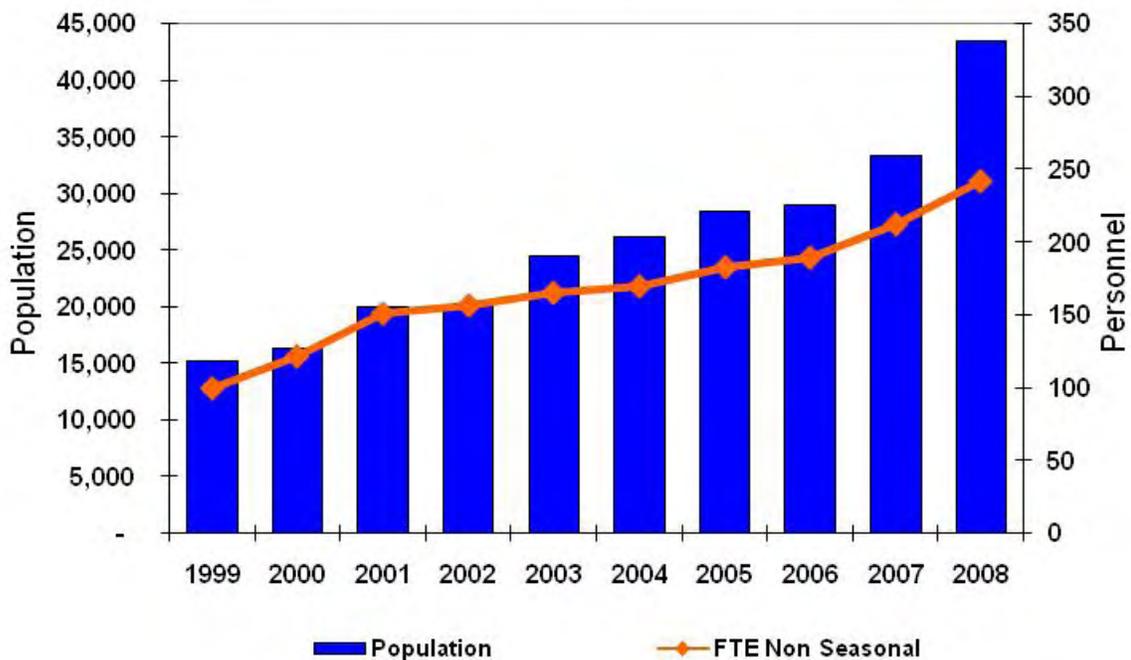
* Does not include seasonal personnel.

Budgeted Positions

Change in Personnel

As indicated in the graph below, the City of Pflugerville continues to grow. This increase in population requires additional personnel to maintain the level of services provided to our citizens. For the 2008 fiscal year the following new full-time positions were budgeted: Assistant City Manager, Information Technology Director, IT Customer Support Tech, Accountant, HR Generalist, Building Inspector, Library Tech, Parks Maintenance Specialist, two Parks Maintenance Techs, GIS Coordinator, eight Police Officers, Code Enforcement Officers, Corporal, Dispatch Supervisor, Admin Tech for the Police Department, Street Foreman, two Labors for Streets, and three Labors for Wastewater Treatment. The only part-time position added in 2008 is a Library Assistant.

Population Growth Versus Personnel Growth



City and Area Demographics

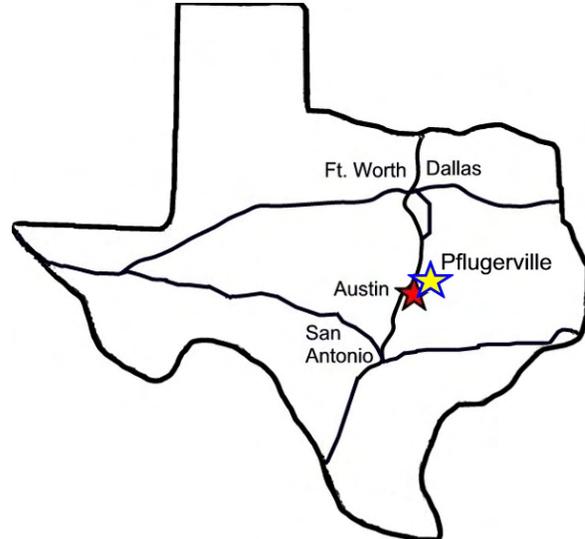
Pflugerville is located 15.6 miles northeast of downtown Austin on FM 1825. This location places our city within three hours driving time of ninety percent of the population of the State of Texas.

Our location provides ready access to the State Capitol, the University of Texas, and a number of high-tech industries.

Our residents have ready access to college sports, various minor league sports, performing and visual arts centers, institutions of higher learning and many major employers.

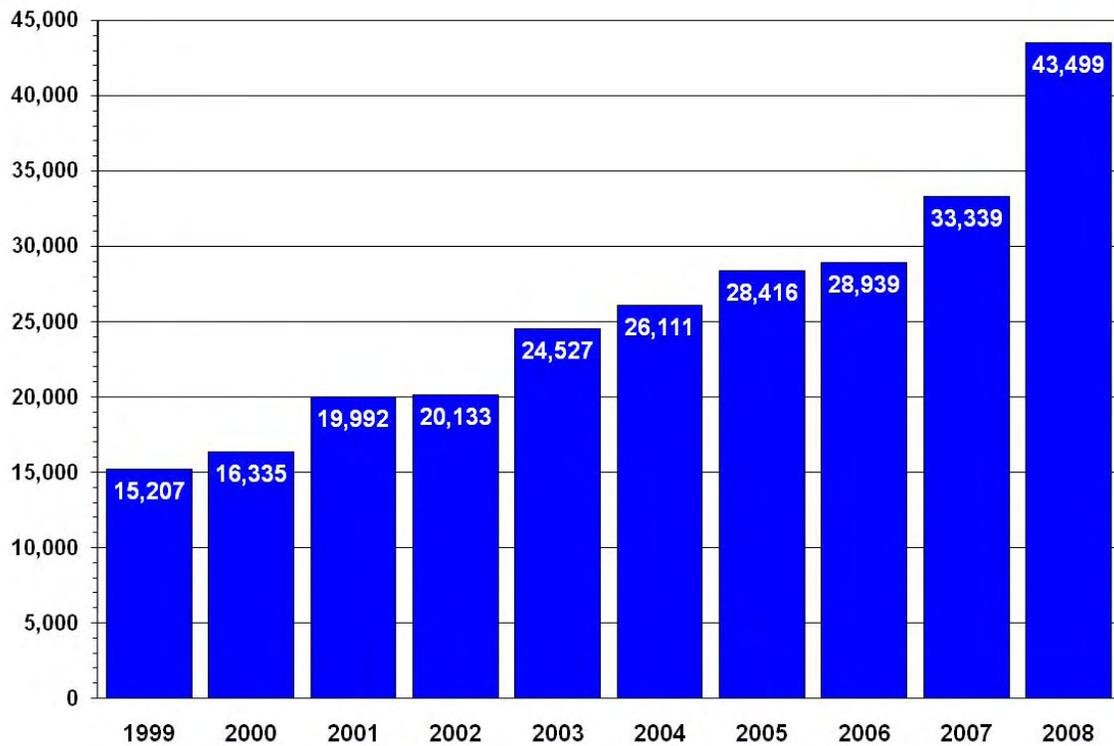
Our location provides residents easy access to some of the best outdoor recreation in Texas.

The construction of the Central Texas Turnpike System (CTTS), a multi-year, multi-phased endeavor which began in 2002, is having a major impact on the City of Pflugerville. The purpose of the CTTS is to improve overall traffic mobility, facilitate access to regional services, and increase travel safety for Central Texas residents, workers, and visitors. During 2006, two segments of the system that directly impact the City of Pflugerville were opened: SH 130 and SH 45. State Highway 130 was built to improve mobility and relieve congestion on Interstate 35 and other major transportation facilities within the Austin-San Antonio corridor. State Highway 45 was built to improve mobility by providing an efficient cross-city route between Austin, Pflugerville, Round Rock and neighboring communities. The City of Pflugerville is located at the junction of these two major roadways. During fiscal year 2007 commercial development increased significantly, partially as a result of the new tollways bringing more traffic into our City limits and enabling that traffic to move efficiently. During fiscal year 2008 commercial development will increase. Site development has begun for an outdoor mall with major retail shops.



City and Area Demographics

Population



Population Analysis

Year	Pflugerville ¹		Travis County ²		Texas ³		United States ³	
	Population	Percent Change %	Population	Percent Change %	Population	Percent Change %	Population	Percent Change %
1999	15,207	10.85	727,022	2.52	20,044,141	1.44	272,690,813	0.90
2000	16,335	7.42	819,712	12.75	20,949,136	4.52	282,192,162	3.48
2001	19,992	22.39	842,638	2.80	21,334,855	1.84	285,102,075	1.03
2002	20,133	0.71	845,642	0.36	21,723,220	1.82	287,941,220	1.00
2003	24,527	21.82	854,407	1.04	22,103,374	1.75	290,788,976	0.99
2004	26,111	6.46	869,868	1.81	22,490,022	1.75	293,655,404	0.99
2005	28,416	8.83	893,295	2.69	22,775,004	1.27	295,507,134	0.63
2006	28,939	1.84	920,544	3.05	23,507,783	3.22	299,398,484	1.32
2007	33,339	15.20	948,160	3.00	**	**	**	**
2008	43,499	30.47	978,976	3.25	**	**	**	**

** Numbers not yet available.

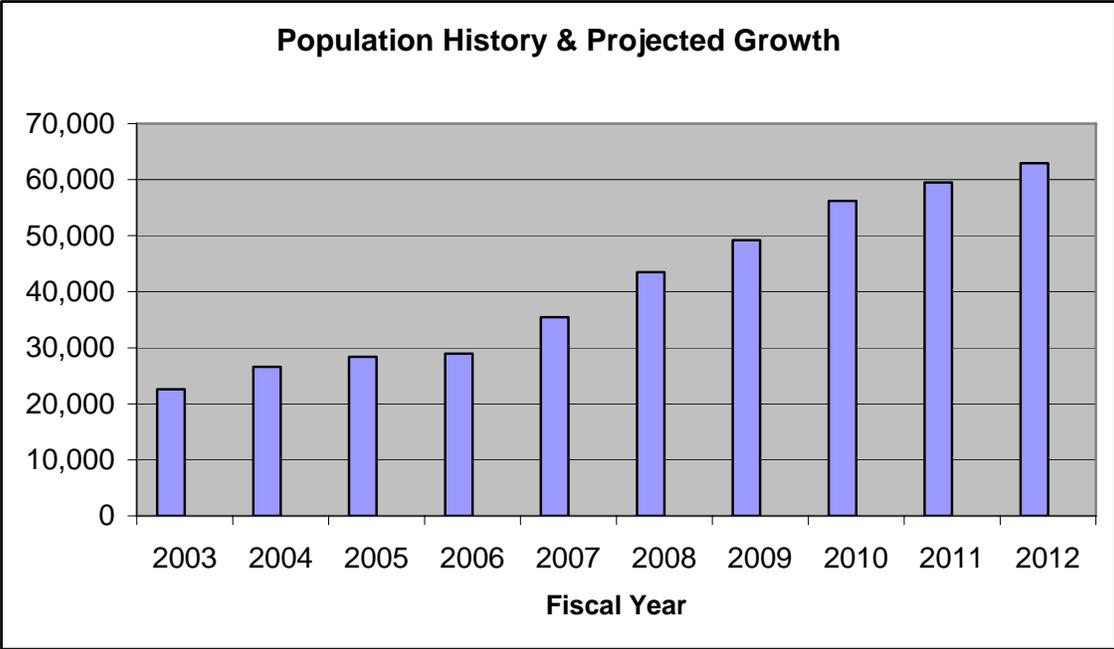
¹ Population estimates from the City of Pflugerville Planning Department

² Population estimates from the City of Austin Planning Department.

³ Population estimates from the U.S. Census Bureau.

Population History & Projected Growth

<u>Fiscal Year</u>	<u>Population</u>	<u>% increase</u>
2003	22,608	
2004	26,611	17.7%
2005	28,416	6.8%
2006	28,939	1.8%
2007	35,468	22.6%
2008	43,499	22.6%
2009	49,212	13.1%
2010	56,219	14.2%
2011	59,544	5.9%
2012	62,964	5.7%



Property Tax Analysis

Average Residential Property Value (2006-2007) \$164,904

Last Year's Effective Tax Rate \$0.6402
 Last Year's Rollback Tax Rate \$0.6873
 Last Year's Adopted Tax Rate \$0.6240

This Year's Effective Tax Rate \$0.5949
 This Year's Rollback Tax Rate \$0.6197
 This Year's Adopted Tax Rate \$0.6190

Tax Levy:	<u>Maintenance & Operations</u>	<u>Interest & Sinking</u>	<u>Total Rate & Levy</u>
Taxable Value	\$1,892,441,147	\$1,892,441,147	\$1,892,441,147
Maint & Operation Rate/100	0.4236		
Debt Rate/100		0.1954	
Total Rate			0.6190
Total Levy	\$8,008,404	\$3,693,606	\$11,702,010
Collection Rate	100%	100%	100%
Estimated Tax Revenue	<u><u>\$8,008,404</u></u>	<u><u>\$3,693,606</u></u>	<u><u>\$11,702,010</u></u>

Source: TCAD Report and 2007 Budget

City of Pflugerville
Tax Levies, Rates, and Values for Twenty Years

Year	M & O	I & S	Total Rate		Taxable Value		Tax Levy
1988-1989	0.2601	0.1856	0.4457	\$	140,615,987	\$	626,225
1989-1990	0.2757	0.2590	0.5347		123,884,562		662,411
1990-1991	0.3309	0.2291	0.5600		123,514,312		691,680
1991-1992	0.3627	0.2873	0.6500		119,130,278		774,347
1992-1993	0.3681	0.2639	0.6320		135,130,254		854,023
1993-1994	0.3588	0.1912	0.5500		177,830,729		978,069
1994-1995	0.3848	0.1402	0.5250		234,004,828		1,228,525
1995-1996	0.3709	0.1085	0.4794		290,434,657		1,392,344
1996-1997	0.3936	0.1445	0.5381		339,707,299		1,827,965
1997-1998	0.4095	0.2111	0.6206		436,322,251		2,707,816
1998-1999	0.4669	0.1631	0.6300		556,037,314		3,503,035
1999-2000	0.4609	0.2389	0.6998		627,028,378		4,387,945
2000-2001	0.4291	0.2133	0.6424		758,849,420		4,874,849
2001-2002	0.4218	0.2081	0.6299		950,667,129		5,988,252
2002-2003	0.3986	0.2313	0.6299		1,171,638,331		7,380,150
2003-2004	0.4175	0.2242	0.6417		1,199,210,222		7,695,332
2004-2005	0.4372	0.2028	0.6400		1,310,450,828		8,386,885
2005-2006	0.4199	0.2151	0.6350		1,408,716,503		8,945,350
2006-2007	0.4125	0.2115	0.6240		1,515,913,575		9,451,101
2007-2008	0.4236	0.1954	0.6190		1,892,441,147		11,702,011

Assessed and Estimated Actual Value of Taxable Property Last Ten Fiscal Years

Fiscal Year	Real Property			Less:			Total Taxable Assessed Value	Percent of Growth in Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
	Residential Property	Commercial Property	Personal Property	Tax Exempt Real Property	Personal Property	Tax Exempt Real Property					
1999	481,397,691	42,926,012	62,186,904	22,227,848	564,282,759	22,227,848	564,282,759	29.30%	0.6300	564,282,759	100.0%
2000	550,754,322	51,529,423	55,555,375	28,042,623	629,796,497	28,042,623	629,796,497	11.61%	0.6998	629,796,497	100.0%
2001	679,913,204	59,277,666	64,117,665	41,984,864	761,323,671	41,984,864	761,323,671	20.88%	0.6424	761,323,671	100.0%
2002	873,205,133	72,077,850	75,094,841	55,797,833	964,579,991	55,797,833	964,579,991	26.70%	0.6299	964,579,991	100.0%
2003	1,062,466,204	84,508,236	82,176,423	54,091,193	1,175,059,670	54,091,193	1,175,059,670	21.82%	0.6299	1,175,059,670	100.0%
2004	1,068,663,126	92,124,535	82,207,828	41,650,008	1,201,345,481	41,650,008	1,201,345,481	2.24%	0.6417	1,201,345,481	100.0%
2005	1,166,280,570	96,456,406	88,640,105	40,926,253	1,310,450,828	40,926,253	1,310,450,828	9.08%	0.6400	1,310,450,828	100.0%
2006	1,168,015,150	187,317,196	94,638,373	41,254,216	1,408,716,503	41,254,216	1,408,716,503	7.50%	0.6350	1,408,716,503	100.0%
2007	1,278,169,940	222,974,430	100,807,157	74,871,477	1,527,080,050	74,871,477	1,527,080,050	8.40%	0.6240	1,527,080,050	100.0%
2008	1,601,403,371	265,778,444	125,130,458	90,922,779	1,901,389,494	90,922,779	1,901,389,494	24.51%	0.6190	1,901,389,494	100.0%

Source: Travis Central Appraisal District

**Principal Property Taxpayers
September 30, 2007**

Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Pflugerville Covington	\$ 22,040,172	1	1.16%
TXU Electric Delivery Co.	15,933,720	2	0.84%
H. E. Butt Grocery Company	13,991,434	3	0.74%
WalMart Stores Texas LP	13,818,919	4	0.73%
A T & T	9,798,705	5	0.52%
Heatherwilde Village	7,386,625	6	0.39%
Terrabrook Falcon Ridge	7,159,744	7	0.38%
Sun Secure Financing Houston	5,782,777	8	0.30%
Sabine Street Partners	5,706,159	9	0.30%
KO Limited Partnership	<u>5,135,866</u>	10	<u>0.27%</u>
	<u><u>\$ 106,754,121</u></u>		<u><u>5.63%</u></u>

**City of Pflugerville
Principal Employers**

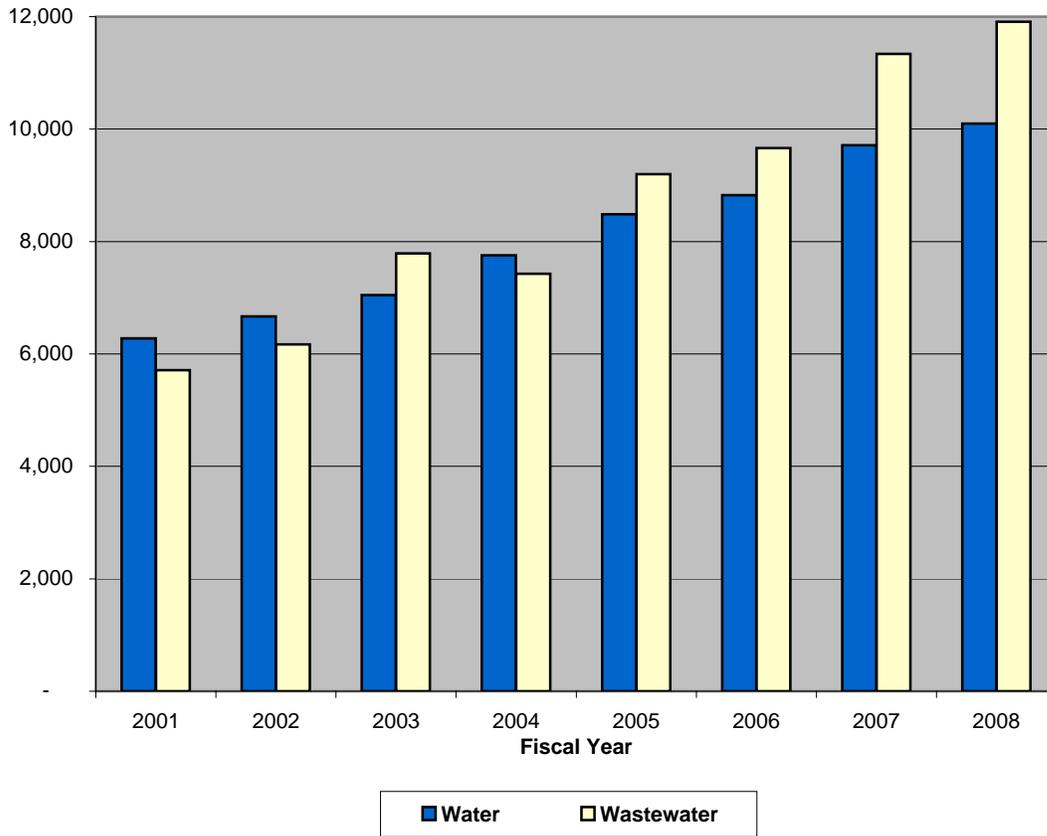
2007	
<u>Employers¹</u>	<u>Employees</u>
Pflugerville ISD	1,905
HEB	400
City of Pflugerville	200
Austin Foam Plastics	180
Pflugerville Care Center	75
Merit Electric	65
Southwestern Bell	40
Travis County ESD	37
U.S. Post Office	23
Seton Pflugerville	8

Source:
Pflugerville Community Development Corporation

**City of Pflugerville
Utility Customer Growth**

<u>Fiscal Year</u>	<u>Water</u>	<u>Wastewater</u>
2001	6,279	5,713
2002	6,669	6,171
2003	7,048	7,789
2004	7,756	7,424
2005	8,486	9,200
2006	8,825	9,660
2007	9,711	11,340
2008	10,099	11,907

Water and Wastewater Customers*



*Customers can have only water, only wastewater, or both water and wastewater.

**City of Pflugerville
General Governmental Tax Revenues by Source
Last Ten Fiscal Years**

<u>Fiscal Year</u>	<u>Property Tax</u>	<u>Sales Tax</u>	<u>Franchise Tax</u>	<u>Total</u>
1999	\$ 3,522,267	\$ 633,502	\$ 628,133	\$ 4,783,902
2000	3,783,668	807,676	662,956	5,254,300
2001	4,854,881	1,054,421	844,805	6,761,676
2002	6,072,271	1,123,446	868,966	8,075,892
2003	7,442,919	1,175,598	1,075,817	9,705,206
2004	7,796,228	1,298,172	1,273,744	10,379,264
2003	7,442,919	1,175,598	1,075,817	9,705,206
2004	7,796,228	1,298,172	1,273,744	10,379,264
2005	8,387,958	1,554,752	1,332,645	11,286,517
2006	9,033,537	1,745,341	1,636,724	12,428,539
2007*	9,570,751	2,203,973	1,781,396	13,556,120
2008**	11,702,011	3,000,000	2,375,541	17,077,552

* Unaudited

**Budgeted

**AN ORDINANCE OF THE CITY OF PFLUGERVILLE, TEXAS
ADOPTING THE FISCAL YEAR 2008 BUDGET
FOR THE CITY OF PFLUGERVILLE, TEXAS**

WHEREAS, the proposed budget for the City of Pflugerville, Texas (the "City") has been filed with the City Secretary in accordance with Section 102.005 of the Texas Local Government Code; and

WHEREAS, following notice and public hearings on the proposed budget, the City Council of the City has made changes in the budget which it considers to be in the best interest of the municipal taxpayers; and

WHEREAS, the City Council of the City now desires to finally approve the budget and to provide for the filing of the approved budget with the City Secretary and with the County Clerk of Travis County, Texas; NOW THEREFORE

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF PFLUGERVILLE, TEXAS:

Section 1. The budget attached hereto as Exhibit "A" and incorporated herein by reference, shall be and is hereby finally approved.

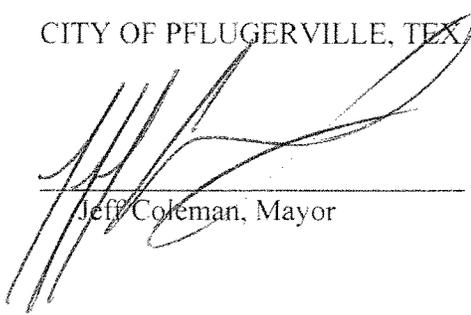
Section 2. The City Secretary shall be and hereby is directed to file the approved final budget in her offices and in the office of the County Clerk of Travis County, Texas.

Section 3. Taxes shall be levied and municipal funds expended in accordance with the approved final budget attached to this ordinance, and any amendment of the approved budget shall be evidenced by ordinance, attached to the budget, which ordinance shall also be filed with the City Secretary and the County Clerk of Travis County, Texas.

Section 4. This ordinance shall be effective upon adoption.

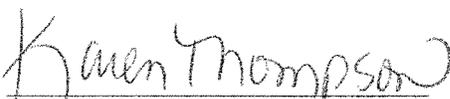
PASSED AND APPROVED this 25th day of September, 2007.

CITY OF PFLUGERVILLE, TEXAS



Jeff Coleman, Mayor

ATTEST:



Karen Thompson, City Secretary

City of Pflugerville, Texas

Fiscal Year 2008 Budget Schedule

- | | |
|--|---|
| Tuesday, April 17 | - Budget worksheets to managers. |
| Friday, May 4 | - Completed FY 08 budget worksheets and narratives returned – this includes revenues, expenses, and performance measures. |
| Thursday, May 10 | - 5-year Projected Budget worksheets to the managers. |
| May 11 – May 25 | - Staff review – meetings with CM and managers. |
| May 18 | - 5-year Projected Budget worksheets returned from managers. |
| May | - Appraiser sends notices of appraised value. |
| May 28 – June 1 | - Preparation of budget for final review by department managers. |
| June 4 | - Budget given to Department Managers for final review. |
| June 8 | - Department managers give final approval of their budgets. |
| June 12 - 20 | - Preparation of budget for presentation to City Council. |
| June 26
City Council Meeting | - Budget presented to Council. |
| Tuesday, July 17 | - City Council worksession to review budget. |
| July | - Preparation of general fund and utility fund pro formas. |
| July | - Appraiser certifies the approved appraisal roll. |
| August | - Publication of effective tax rates, fund balances, and debt schedules (Appraisal District submits this to paper). |
| Tuesday, August 7 | - City Council worksession to review budget. |

Fiscal Year 2008 Budget Schedule (continued)

- Tuesday, August 21
City Council Meeting - During Council meeting, Council votes to place a proposal to adopt the tax rate on the agenda of a future meeting as an action item. The proposal must specify the desired tax rate. Then the public hearing on September 11 is scheduled.*
- Friday, August 24 - Take Notice of Public Hearing to Pflag. Notice regarding budget per charter. Post notice at City Hall, publish in the official newspaper; post on the City website; and air on the access channel. Notice should state a general summary of the budget and the times and places where copies of the message and budget are available for inspection by the public and the time and place for a public hearing.
- Thursday, August 30 - Publish first quarter-page notice per tax code: Notice of Public Hearing on Tax Increase*
- Tuesday, September 4 - City Council worksession to review budget.
- Friday, September 7 - Take Notice of Vote on Tax Rate to Pflag.
- Tuesday, September 11
City Council Meeting - Public hearing on budget required by charter and by tax code.
Public Hearing on establishing tax rate. At end of hearing, announce date, time and place of meeting to vote on tax rate.*
- Thursday, September 13 - Publish second quarter-page notice per tax code for adoption of tax rate on September 25: Notice of Vote on Tax Rate*
- Tuesday, September 25
City Council meeting - Adoption of budget by the City Council.
- Adoption of tax rate by the City Council.

*These actions are required if the proposed CY 2007 tax rate exceeds the lower of the rollback rate or the effective rate.



City of Pflugerville, Texas Home Rule Charter*

Budget and Financial Administration

Section 9.01. Fiscal Year.

The fiscal year of the city shall begin on the first day of October and end on the last day of September.

Section 9.02. Public Record.

The budget shall be a public record and copies shall be made available to the public upon request.

Section 9.03. Annual Budget.

(a) Content: The budget shall provide a complete financial plan of all city funds and activities and, except as required by law or this charter, shall be in a form that the manager deems desirable or that the council may require. A budget message explaining the budget both in fiscal terms and in terms of city programs shall be submitted with the budget. The budget message shall (1) outline the proposed financial policies of the city for the coming fiscal year, (2) describe the important features of the budget, (3) indicate any major changes from the current year in financial policies, expenditures, and revenues, with reasons for such changes, (4) summarize the city's debt position, and (5) include other material as the manager deems necessary or desirable.

The budget shall begin with a clear general summary of its contents and shall show in detail all estimated income, based on the proposed property tax levy and all proposed expenditures, including debt service, for the coming fiscal year. The proposed budget expenditures shall not exceed the total of estimated income and any fund balances available from prior years. For every budget adopted after the 1997-1998 fiscal year budget, the adopted budget must include an unencumbered general fund balance that is at least sufficient to cover three months of the city's budgeted general fund operation and maintenance expenses. This fund balance may be used for emergency appropriations in accordance with Section 9.04(b). The budget shall be arranged to show comparative figures for the current fiscal year's actual and estimated income and expenditures, the preceding fiscal year's actual income and expenditures, and the estimate of income and expenditures for the budgeted year. It shall include in separate sections:

1. An itemized, estimate of the expense of conducting each department, division, and office.

2. Reasons for proposed increases or decreases in specific expenditures, compared with the current fiscal year.
3. A separate schedule for each department, indicating tasks to be accomplished by the department during the year, and additional desirable tasks to be accomplished if possible.
4. A statement of the total probable income of the city from taxes for the period covered by the estimate.
5. Tax levies, rates, and collections for the preceding five years.
6. All anticipated revenue from itemized sources other than the tax levy.
7. The amount required for interest on the city's debts, for the sinking fund, and for maturing serial bonds.
8. The total principal amount of outstanding city debts, with a consolidated schedule of debt service requirements.
9. Anticipated net surplus or deficit for the coming fiscal year of each utility owned or operated by the city and the proposed method of its disposition. Subsidiary budgets for each utility, with detailed income and expenditure information shall be attached as appendices to the budget.
10. A capital program, which may be revised and extended each year to indicate capital improvements pending or in process of construction or acquisition, that includes the following items:
 - a. summary of proposed programs; and
 - b. a list of all capital improvements proposed to be undertaken during the next five fiscal years, with appropriate supporting information regarding the necessity for the improvements, including the five-year plan related to that particular type of capital improvement;
 - c. cost estimates, methods of financing, and recommended time schedules for each improvement; and
 - d. the estimated annual cost of operating and maintaining the facilities to be constructed or acquired.
11. Other information required by the council.

(b) Submission: On or before the first day of July of each year, the manager shall submit to the council a proposed budget and an accompanying message. The

council shall review the proposed budget and revise it as the council deems appropriate prior to general circulation for public hearing.

(c) Public notice and hearing: The council shall post in the city hall and publish in the official newspaper a general summary of the proposed budget and a notice stating the times and places where copies of the message and budget are available for inspection by the public and the time and place for a public hearing on the budget. The public hearing must be held not fewer than ten or more than thirty days after publication of the notice.

(d) Amendment before adoption: After the public hearing, the council may adopt the budget with or without amendment. In amending the budget, it may add or increase programs or amounts and may delete or decrease any programs or amounts, except expenditures required by law or for debt service or for estimated cash deficit; however, no budget amendment shall increase the authorized expenditures to an amount greater than the total of estimated income, plus funds available from prior years.

(e) Adoption: The council shall adopt its annual budget by ordinance, on one reading, by the fifteenth day of September, or as soon thereafter as practical. Adoption of the budget shall require an affirmative vote of at least a majority of all members of the council. Adoption of the budget shall constitute appropriations of the amounts specified as expenditures from the funds indicated.

Section 9.04. Amendments After Adoption.

(a) Supplemental appropriations: If, during the fiscal year, the manager certifies that there are revenues available for appropriation in excess of those estimated in the budget, the council by ordinance may make supplemental appropriations for the year up to the amount of the excess.

(b) Emergency appropriations: To meet a public emergency created by a natural disaster or man-made calamity affecting life, health, property, or the public peace, the council may make emergency appropriations by emergency ordinance in accordance with the provisions of this charter. If there are no available unappropriated revenues or general fund balances to meet such appropriations, the council may by emergency ordinance authorize the issuance of renewable emergency notes sufficient to fund the appropriation.

(c) Reduction of appropriations: If at any time during the fiscal year it appears probable to the manager that the revenues available will be insufficient to meet the amount appropriated, he shall report to the council without delay, indicating the estimated amount of the deficit, any remedial action taken by him, and his recommendations for any other steps to be taken. The council shall take further action as it deems necessary to prevent or minimize any deficit and, for that purpose, it may by ordinance reduce one or more appropriations.

(d) Transfer of appropriations: At any time during the fiscal year the manager may transfer part or all of any unencumbered appropriation balance among programs

within a department, division, or office. Upon written request by the manager, the council by ordinance may transfer part or all of any unencumbered appropriation balance from one department, office, or agency to another.

(e) Limitations: No appropriation for debt service may be reduced or transferred. No appropriation may be reduced below any amount required by law to be appropriated or by more than the amount of the unencumbered balance.

(f) Effective date: Supplemental and emergency appropriations and reduction or transfer of appropriations authorized by this section may be made effective immediately upon adoption of the enacting ordinance.

Section 9.05. Borrowing.

(a) Borrowing: The city shall have the power, except as prohibited by law, to borrow money by whatever method the council deems to be in the public interest.

(b) General obligation bonds: The city shall have the power to borrow money on the credit of the city and to issue general obligation bonds for permanent public improvements or for any other public purpose not prohibited by the constitution and laws of the State of Texas, and to issue refunding bonds to refund outstanding bonds of the city previously issued. All bonds shall be issued in conformity with the laws of the State of Texas.

(c) Revenue bonds: The city shall have the power to borrow money for the purpose of constructing, purchasing, improving, extending, or repairing public utilities, recreational facilities, or any other self-liquidating municipal function not prohibited by the constitution and laws of the State of Texas, and to issue revenue bonds to evidence the obligation. Revenue bonds shall be a charge upon and payable from the properties, or interest pledged in the bonds, or the income from the bonds, or both. Holders of the revenue bonds shall never have the right to demand payment out of monies raised or to be raised by taxation. All revenue bonds shall be issued in conformity with the laws of the State of Texas.

(d) Bonds incontestable: All bonds of the city, after they have been issued, sold, and delivered to the purchaser, shall be incontestable. All bonds issued to refund in exchange for outstanding bonds previously issued shall, after the exchange, be incontestable.

(e) Election to authorize bonds: Bonds payable from ad valorem taxes, other than refunding bonds, shall not be issued unless the bonds have been authorized by majority vote at an election held for that purpose.

(f) Ordinance authorizing borrowing: A copy of the proposed ordinance shall be furnished to each member of the city council, to the city attorney, and to any citizen, upon request to the city secretary, at least seven days before the date of the meeting at which the ordinance is to be considered. Any ordinance pertaining to borrowing may be adopted and finally passed at the meeting at which it is introduced.

(g) Public hearing before ordinance authorizing borrowing is adopted:

The city council must hold a public hearing before adopting an ordinance authorizing borrowing money. The city must publish notice of the public hearing at least one week before the public hearing unless a public emergency exists that requires immediate action by the city council.

Section 9.06. Lapse of Appropriations.

Every unexpended or unencumbered appropriation, except an appropriation for a capital expenditure, shall lapse at the close of the fiscal year. An appropriation for a capital expenditure shall continue in force until the purpose for which it was made has been accomplished or abandoned. The purpose of any appropriation shall be deemed abandoned if three years pass without any disbursement from or encumbrance of the appropriation.

Section 9.07. Administration of Budget.

(a) Payments and obligations prohibited: No payment shall be made or obligation incurred against any allotment or appropriation unless the manager or his designee certifies there is a sufficient unencumbered balance in the allotment or appropriation and that sufficient funds are or will be available to cover the claim or meet the obligation when it becomes due and payable. Any payment authorized or obligation incurred in violation of this provision shall be void; any payment made in violation of this provision shall be illegal. Making unauthorized payments or obligations shall be cause for removal of any officer who knowingly authorized or made such a payment or incurred such an obligation. Furthermore, the person making the payment shall also be liable to the city for any amount illegally paid. However, this prohibition shall not be construed to prevent the making or authorizing of payments or making of contracts for capital improvements to be financed wholly or partly by the issuance of bonds, time warrants, certificates of indebtedness, or certificates of obligation, or to prevent the making of any contract or lease providing for payments beyond the end of the fiscal year, provided that the action is made or approved by ordinance.

(b) Financial reports: The city manager shall submit a report each month that describes the financial condition of the city by budget item, and shows budgeted and actual income and expenditures for the preceding month and the fiscal year to date. The financial records of the city will be maintained on a basis consistent with generally accepted accounting procedures.

(c) Independent audit: At the close of each fiscal year, and at any other times deemed necessary, the council shall call for an independent audit of all city accounts to be conducted by a certified public accountant. The certified public accountant selected shall have no personal interest, direct or indirect, in the city's financial affairs, or in any of its officers and, in any event, the same certified public accountant shall not perform the city's audit for more than five consecutive years. The audit shall contain all information required by any covenants contained in any bond ordinance of the city. Upon completion of the audit, and presentation of the auditor's report to the city council,

the summary of the audit results shall be made available in the city secretary's office as a public record, and a copy of the audit shall also be forwarded to each of the two primary bond rating agencies, as determined by the city's financial advisor, at their principal offices.

Section 9.08. Taxation.

The city council shall annually establish the annual rate of taxation of the city, and city taxes shall be levied and collected on all property taxable by the city which is not exempt from taxation under the State constitution or State law. The council shall adopt a tax levy ordinance, on one reading, by the 15th day of September of each year, or as soon after the certification of the appraisal rolls of the city as practical. Failure of the council to enact a tax levy ordinance for a particular year shall not invalidate the collection of taxes for that year and, in such event, the tax levy ordinance last enacted shall remain in effect until the next tax levy ordinance is adopted by the council.

Section 9.09. Sales and Purchasing.

All sales of city property, purchases made and contracts executed by the city shall be made in accordance with the requirements of the constitution and laws of the State of Texas.

* Originally Adopted November 1993;
Amended January 18, 1997.
Amended November 6, 2001.
And Amended November 7, 2006

CITY OF PFLUGERVILLE, TEXAS INVESTMENT POLICY

I. POLICY STATEMENT

It is the policy of the City of Pflugerville (“City”) that the administration of its funds and the investment of those funds shall be handled in a manner which will provide the maximum security of principal invested through limitations and diversification while meeting the daily cash flow needs of the City and conforming to all applicable state and City statutes and ordinances governing the investment of public funds. The receipt of a market rate of return will be secondary to the requirements for safety and liquidity. It is the intent of the City to be in complete compliance with local law and the Texas Public Funds Investment Act.

II. SCOPE

This investment policy applies to all the financial assets and funds held by the City. These funds are defined in the City’s Comprehensive Annual Financial Report (CAFR) and include:

- General Fund
- Special Revenue Fund
- Utility Fund
- Debt Service Fund
- Capital Project Fund
- Trust and Agency Fund
- Any new fund created by the City unless specifically exempted by the City Council and this policy.

III. OBJECTIVES AND STRATEGY

A. General Fund

It is the policy of the City that all funds shall be managed and invested with three primary objectives, listed in order of their priority: safety, liquidity, and yield. These objectives encompass:

Safety of Principal

Safety of principal is the foremost objective of the City. Investments of the City shall be undertaken in a manner that seeks to insure the preservation of capital in the overall portfolio. To obtain this goal, diversification is required in the portfolio’s composition. The suitability of each investment decision will be made on the basis of these objectives.

Liquidity

The City's investment portfolio will remain sufficiently liquid to enable it to meet all operating requirements which might be reasonably anticipated.

Yield

The City's investment portfolio shall be designed with the objective of attaining a rate of return throughout budgetary and economic cycles, commensurate with the City's investment risk constraints and the cash flow characteristics of the portfolio.

B. Special Revenue Fund

It is the policy of the City that all funds shall be managed and invested with three primary objectives, listed in order of their priority: safety, liquidity, and yield. These objectives encompass:

Safety of Principal

Safety of principal is the foremost objective of the City. Investments of the City shall be undertaken in a manner that seeks to insure the preservation of capital in the overall portfolio. To obtain this goal, diversification is required in the portfolio's composition. The suitability of each investment decision will be made on the basis of these objectives.

Liquidity

The City's investment portfolio will remain sufficiently liquid to enable it to meet all operating requirements which might be reasonably anticipated.

Yield

The City's investment portfolio shall be designed with the objective of attaining a rate of return throughout budgetary and economic cycles, commensurate with the City's investment risk constraints and the cash flow characteristics of the portfolio.

C. Utility Fund

It is the policy of the City that all funds shall be managed and invested with three primary objectives, listed in order of their priority: safety, liquidity, and yield. These objectives encompass:

Safety of Principal

Safety of principal is the foremost objective of the City. Investments of the City shall be undertaken in a manner that seeks to insure the preservation of capital in the overall portfolio. To obtain this goal, diversification is required in the portfolio's composition. The suitability of each investment decision will be made on the basis of these objectives.

Liquidity

The City's investment portfolio will remain sufficiently liquid to enable it to meet all operating requirements which might be reasonably anticipated.

Yield

The City's investment portfolio shall be designed with the objective of attaining a rate of return throughout budgetary and economic cycles, commensurate with the City's investment risk constraints and the cash flow characteristics of the portfolio.

D. Debt Service Fund

It is the policy of the City that all funds shall be managed and invested with three primary objectives, listed in order of their priority: safety, liquidity, and yield. These objectives encompass:

Safety of Principal

Safety of principal is the foremost objective of the City. Investments of the City shall be undertaken in a manner that seeks to insure the preservation of capital in the overall portfolio. To obtain this goal, diversification is required in the portfolio's composition. The suitability of each investment decision will be made on the basis of these objectives.

Liquidity

The City's investment portfolio will remain sufficiently liquid to enable it to meet all operating requirements which might be reasonably anticipated.

Yield

The City's investment portfolio shall be designed with the objective of attaining a rate of return throughout budgetary and economic cycles, commensurate with the City's investment risk constraints and the cash flow characteristics of the portfolio.

E. Capital Projects Fund

It is the policy of the City that all funds shall be managed and invested with three primary objectives, listed in order of their priority: safety, liquidity, and yield. These objectives encompass:

Safety of Principal

Safety of principal is the foremost objective of the City. Investments of the City shall be undertaken in a manner that seeks to insure the preservation of capital in the overall portfolio. To obtain this goal, diversification is required in the portfolio's composition. The suitability of each investment decision will be made on the basis of these objectives.

Liquidity

The City's investment portfolio will remain sufficiently liquid to enable it to meet all operating requirements which might be reasonably anticipated.

Yield

The City's investment portfolio shall be designed with the objective of attaining a rate of return throughout budgetary and economic cycles, commensurate with the City's investment risk constraints and the cash flow characteristics of the portfolio.

F. Trust and Agency Fund

It is the policy of the City that all funds shall be managed and invested with three primary objectives, listed in order of their priority: safety, liquidity, and yield. These objectives encompass:

Safety of Principal

Safety of principal is the foremost objective of the City. Investments of the City shall be undertaken in a manner that seeks to insure the preservation of capital in the overall portfolio. To obtain this goal, diversification is required in the portfolio's composition. The suitability of each investment decision will be made on the basis of these objectives.

Liquidity

The City's investment portfolio will remain sufficiently liquid to enable it to meet all operating requirements which might be reasonably anticipated.

Yield

The City's investment portfolio shall be designed with the objective of attaining a rate of return throughout budgetary and economic cycles, commensurate with the City's investment risk constraints and the cash flow characteristics of the portfolio.

IV. LEGAL LIMITATIONS, RESPONSIBILITIES AND AUTHORITY

Direct specific investment parameters for the investment of public funds in Texas are found in the Public Funds Investment Act, Chapter 2256, Texas Government Code (the "Act"). The Act is attached as Exhibit A. The Public Funds Collateral Act, Chapter 2257, Texas Government Code, specifies collateral requirements for all public funds deposits. The Collateral Act is attached as Exhibit B.

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

V. DELEGATION OF INVESTMENT AUTHORITY

The Finance Director, acting on behalf of the City Council, is designated as the Investment Officer of the City and is responsible for investment management decisions and activities. The Council is also responsible for considering the quality and capability of staff, investment advisors, and consultants involved in investment management and procedures. All participants in the investment process shall seek to act responsibly as custodians of the public trust.

The Investment Officer shall develop and maintain written administrative procedures for the operation of the investment program which are consistent with this investment policy. Procedures will include reference to safekeeping, require and include PSA Master Repurchase Agreements, wire transfer agreements, banking services contracts, and other investment related activities.

The Investment Officer shall be responsible for all transactions and shall establish a system of controls to regulate the activities of subordinate officials and staff. The Investment Officer shall designate a staff person as a liaison/deputy in the event circumstances require timely action and the Investment Officer is not available. No officer or designee may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Investment Officer and approved by the City Manager.

VI. PRUDENCE

The standard of prudence to be used in the investment function shall be the “prudent person” standard and shall be applied in the context of managing the overall portfolio. This standard states: “Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the expected income to be derived.”

Limitation of Personal Liability

The Investment Officer and those delegated investment authority under this policy, when acting in accordance with the written procedures and this policy and in accord with the Prudent Person Rule, shall be relieved of personal responsibility and liability in the management of the portfolio provided that deviations from expectations for a specific security’s credit risk or market price change or portfolio shifts are reported in a timely manner and then appropriate action is taken to control adverse market effects.

INTERNAL CONTROLS

The Investment Officer shall establish a system of written internal controls which will be reviewed annually with the independent auditor of the City. The controls shall be designed to prevent loss of public funds due to fraud, employee error, misrepresentation by third parties, unanticipated market changes, or imprudent actions by employees of the City.

Cash Flow Forecasting

Cash flow forecasting is designed to protect and sustain cash flow requirements of the City. Supplemental to the financial and budgetary systems, the Investment Officer will maintain a cash flow forecasting process designed to monitor and forecast cash positions for investment purposes. Cash flow will include the historical researching and monitoring of specific cash flow items, payables and receivables as well as overall cash positions and patterns.

VII. AUTHORIZED INVESTMENTS

Acceptable investments under this policy shall be limited to the instruments listed below. The investments are to be chosen in a manner which promotes diversity or market sector and maturity.

- A. Obligations of the United States Government, its agencies and instrumentalities, and government sponsoring enterprises, not to exceed two years to the stated maturity;
- B. Certificates of deposit issued by an FDIC insured financial institution, not to exceed the FDIC limit of \$100,000 per institution and with a maximum maturity length of one year.
- C. Direct obligations of the State of Texas or its agencies.
- D. Obligations of states, agencies, counties, cities, and other political subdivisions of any state having been rated as to investment quality by a nationally recognized investment rating firm and having received a rating of not less than A or its equivalent.
- E. Repurchase agreements and reverse repurchase agreements as defined by the Public Funds Investment Act, not to exceed 90 days to stated the maturity, provided an executed PSA Master Repurchase Agreement is on file with the City and the counterparty bank or primary dealer;
- F. Texas Local Government Investment Pools as defined by the Public Funds Investment Act. The maximum dollar-weighted maturity for the pool may not exceed ninety (90) days.

IX. AUTHORIZED FINANCIAL DEALERS AND INSTITUTIONS

All investments made by the City will be made through either the City's banking services bank or a primary dealer. The City shall maintain a list of financial institutions which are authorized to provide investment services. Banks shall continuously provide their most recent "Consolidated Report of Condition" (call report). Securities broker/dealers not affiliated with a bank shall be required to be classified as reporting dealers affiliated with the New York Federal Reserve as primary dealers. The following criteria must be met by those firms on the list: provision of an audited financial statement for the most recent period, proof of certification by the National Association of Securities Dealers (NASD), and proof of current registration with the State Securities Commission.

Every dealer with whom the City transacts business will be provided a copy of this Investment Policy to assure that they are familiar with the goals and objectives of the investment program. The broker/dealer will be required to return a signed copy of the Certification Form certifying that the policy has been received and reviewed (Exhibit C).

X. DIVERSIFICATION AND MATURITY LIMITATIONS

It is the policy of the City to diversify its investment portfolio. Invested funds shall be diversified to minimize risk or loss resulting from over-concentration of assets in a specific maturity, specific issuer, or specific class of securities. With the exception of U.S. Treasury securities and authorized investment pools, no more than 50% of the City's total investment portfolio will be invested in a single security type or with a single financial institution.

The Investment Officer shall be required to diversify maturities. The Investment Officer, to the extent possible, will attempt to match investment with anticipated cash flow requirements. Matching maturities with cash flow dates will reduce the need to sell securities prior to maturity, thus reducing market risk. Unless matched to specific requirements such as semiannual or annual bond payments, the Investment Officer may not invest more than 20% of the portfolio for a period greater than one (1) year. The Investment Officer may not invest any portion of the portfolio for a period greater than two (2) years.

XI. SAFEKEEPING AND COLLATERALIZATION

XII.

All security transactions, including collateral for repurchase agreements, entered into by the City shall be conducted on a delivery-versus-payment (DVP) basis. Securities will be held by a third party custodian designated by the Investment Officer and evidenced by safekeeping receipts.

XII. PERFORMANCE EVALUATION AND REPORTING

The Investment Officer shall submit quarterly reports to the City Manager and City Council containing sufficient information to permit an informed outside reader to evaluate the performance of the investment program. This report shall contain:

- Beginning and ending market value of the portfolio by market sector and total portfolio;
- Beginning and ending carrying (Book) value of the portfolio by market sector and total portfolio;
- Transactions which change market and book value;
- Detail reporting on each asset (Book, market, and maturity dates);
- Overall current yield of the portfolio;
- Overall weighted average maturity of the portfolio;
- Maximum maturities in the portfolio; and,
- The signature of the investment officer.

XIII. INVESTMENT POLICY ADOPTION BY THE CITY COUNCIL

The City's investment policy shall be adopted by the City Council. The policy shall be reviewed on an annual basis by the City Manager and City Council.

City of Pflugerville, Texas Home Rule Charter*

THE CITY COUNCIL

Section 3.01. Number, Selection, and Term.

The city council shall be composed of the mayor and five council members, who shall be elected from the city at large. Each council member shall occupy a position on the council, numbered one through five consecutively. The mayor and council members shall be elected in the manner provided in Article V of this charter to serve for three-year terms.

Unless the context clearly requires otherwise, the terms “city council” or “council”, when used in this charter, shall mean the mayor and the council members.

Section 3.02. Term Limits.

Council members and the mayor shall be limited to three consecutive full terms in office. A person who has served three consecutive full terms as a council member, regardless of place number, or as mayor may not again hold the same office until at least one term out of office has passed. A person who has served three consecutive terms as a council member shall be eligible to be elected to the office of mayor for three consecutive terms, and a person who has served three consecutive terms as mayor shall be eligible to be elected as a council member for three consecutive terms.

Section 3.03. Qualifications.

In addition to any qualifications for holding office prescribed by law, the members of the council shall reside within the city and shall meet the conditions of section 5.02 of this charter while in office.

Section 3.04. Compensation.

Members of the city council shall serve without compensation, but shall be entitled to payment of or reimbursement for all necessary expenses incurred in the performance of official duties, upon approval by the city council.

Section 3.05. General Powers and Duties.

All powers of the city shall be vested in the city council, except as otherwise provided by law or this charter. The city council shall provide for the performance of all duties and obligations imposed on the city by law through the establishment of general policies and ordinances, which will be implemented by the City Manager. Any city council member may place an item on the agenda for a subsequent regular council meeting with the consent of a second council member.

Section 3.06. Mayor and Mayor Pro-tem.

The mayor shall have the following rights and responsibilities:

1. With the advice of the city manager and assistance from the city secretary and other city staff members, as appropriate, prepare agendas for city council meetings.

2. Preside at all meetings of the city council and vote only if there is a tie.
3. Sign any ordinance, order, resolution, plat, bond, conveyance, contract, or other document that is authorized or enacted by the city council.
4. Serve as head of the city government for all ceremonial purposes.
5. Serve as the official representative of the city.
6. Perform other duties, consistent with this charter, as may be imposed by the city council.

The mayor shall not have the power to veto or modify any ordinance adopted by the city council and shall not, in any way, neutralize or negate any action of the city council. The mayor may not bind or obligate the city in any way without prior authorization from the city council. Anything herein to the contrary notwithstanding, the mayor shall not vote on any motion considered by the council, except as required in order to break a tie.

The mayor pro-tem shall be a council member elected by the council at the first meeting following the canvassing of each regular election. The mayor pro-tem shall act as mayor during the disability or absence of the mayor. When acting in the capacity of mayor, the mayor pro-tem shall have the rights and responsibilities and be subject to the limitations, including those on voting, conferred on the mayor by this Section. In the event a vacancy in the office of mayor occurs, the council shall within 30 days determine how to fill the vacancy for the office of mayor in accordance with state law.

Section 3.07. Vacancies.

A vacancy is created when any member of the council dies, resigns, or is removed from office under section 3.08. Within 30 days following the creation of a vacancy, the council shall take action to fill the vacancy in accordance with state law.

Section 3.08. Removal from Office.

(a) Reasons: Any member of the council may be removed from office for any of the following reasons:

1. Failure to maintain the qualifications for office required by sections 3.03 and 5.02 of this charter.
2. Violation of any express prohibition of this charter or the Code of Ethics adopted under Section 11.05.
3. Conviction of a crime involving moral turpitude.
4. Failure to attend three consecutive regular city council meetings without being excused by the council.

(b) Initiation: Removal proceedings shall be initiated when a sworn written complaint charging a member of the council with an act or omission that is a reason for removal is presented to the mayor or, if the complaint is against the mayor, to the mayor pro tem. The person receiving the complaint shall file it with the city secretary, who shall provide a copy to the member complained against and all other council members. The mayor or the mayor pro-tem shall set a time and date for a hearing on the complaint.

(c) Hearing and decision: The remaining members of the city council shall conduct a hearing to take evidence on the complaint. The member complained against shall have a right to representation at the hearing and to question and cross-examine all witnesses, but may not vote on the question of removal. Based on the evidence presented at the hearing, the city council shall make a decision whether the member should be removed from office and shall issue an order setting out its decision. If it determines by at least three affirmative votes that removal is warranted, it shall declare a vacancy to be filled no sooner than the next regular meeting and in accordance with section 3.07. The decision of the city council shall be final and binding so long as it is made in good faith.

Section 3.09. Prohibitions.

(a) Holding other office: No member of the council shall hold other city office or employment during his term of office and no former member of the council shall hold any compensated appointive city office or employment until at least one year after the expiration of his term of office.

(b) Appointments and removals: Neither the city council nor any of its individual members shall require the appointment or removal of any city officer or employee that the city manager or his subordinate is authorized to appoint. This provision shall not limit the right of the city council to express and to freely and fully discuss with the city manager its views pertaining to the appointment and removal of city officers and employees.

(c) Interference with administration: Unless making inquiries or conducting an investigation under section 3.19, the city council and its individual members shall work through the city manager in dealing with city officers and employees who are under the direction and supervision of the city manager. No member of the council shall exert any direct control over city officers and employees or shall give orders to or direct the actions of city officers and employees, publicly or privately, except as may be permitted by this charter.

Section 3.10. City Council Meetings.

The city council shall meet at least once each month and may hold as many additional meetings as it deems necessary to transact the business of the city. Days and times of regular meetings shall be set by resolution. All meetings shall be posted and conducted in accordance with the requirements of the Texas Open Meetings Act, Chapter 551, Government Code. The city council must annually meet with each board or commission.

Section 3.11. Quorum.

Three city council members, excluding the mayor (but not excluding the mayor pro-tem when acting as mayor), shall constitute a quorum for the purpose of transacting business. Except as otherwise provided by this charter or state law, the affirmative vote of a majority of those members present and voting shall constitute valid action by the city council.

* Originally Adopted November 1993;
Amended January 18, 1997.
Amended November 6, 2001.
And Amended November 7, 2006



City of Pflugerville, Texas Home Rule Charter*

BOARDS AND COMMISSIONS

Section 8.01. Boards and Commissions in General.

In addition to the boards and commissions established by this charter, the city council by ordinance may establish any boards and commissions it deems necessary for the conduct of city business and the management of municipal affairs. The functions, authority, and responsibilities of such boards and commissions shall be set out in the ordinances establishing them. All boards and commissions in existence at the time this charter is adopted shall continue according to the ordinances or other acts under which they were created, except as otherwise provided in this charter, until the city council abolishes, modifies, or alters the ordinances or acts under which they exist. Notwithstanding any other provision of this charter, the city council retains full authority over the budget, appropriation of funds, expenditures, purchase and sale of property, and accounting procedures for all boards and commission, consistent with this charter and the State constitution and laws.

Section 8.02. Membership Qualifications.

Except as otherwise provided in this charter, each candidate for appointment as a member of a board or commission shall be a registered voter of the city who has resided within the corporate city limits, or within territory annexed prior to the appointment, for at least twelve months preceding the appointment. Board or commission members shall serve without compensation and shall not be employed by or hold any other position in city government. In addition to any other requirements prescribed by the council, members shall maintain the qualifications established by this section while in office.

Section 8.03. Membership Disqualification.

No member of a board or commission shall remain in his position after being elected or appointed to city office.

Section 8.04. Term Limits.

Members of a board or commission shall be limited to three consecutive full terms in office. A person who has served three consecutive full terms as a board or commission member may not again hold the same office until at least one term out of office has passed.

Section 8.05. Vacancies.

Board or commission members shall actively participate in the commission's activities, and any member who is absent for three consecutive meetings without valid excuse, as determined by the board or commission, shall automatically be dismissed from membership. The membership shall at once notify the council that a vacancy exists. Any vacancy on the board or commission, for any reason, shall be filled for the unexpired term by council appointment within thirty days of the vacancy.

Section 8.06. Officers.

Each board or commission must annually elect a chairman and a vice-chairman and may elect a secretary.

Section 8.07. Open Meetings.

All city boards and commissions and any of their subcommittees containing one or more board or commission members shall give notice of and conduct their meetings in accordance with the Texas Open Meetings Act, Chapter 551, Government Code.

Section 8.08. Planning Commission.

(a) Composition and term: The city council shall appoint a planning and zoning commission of seven members who shall be appointed to two-year terms and shall serve until their successors are appointed and qualified.

(b) Rules of procedure: The commission shall establish its own rules of procedure, which shall require that a quorum consists of at least four members of the commission and that an affirmative vote of a majority of those present shall be necessary to act on pending questions. The chairman shall be permitted to vote on any question.

(c) Powers and duties: The commission shall exercise the following powers:

1. Make, amend, extend, and add to the comprehensive plan for the physical development of the city and recommend the comprehensive plan to the city council for approval.
2. Approve or disapprove plats of proposed subdivisions submitted to the city. In considering plats, the commission shall require the proposed subdivision to meet, so far as is practicable, all the standards of layout and street and sidewalk construction applicable to comparable property within the city's corporate limits. Further, it shall require restriction on the use of the property consistent with the restrictions on comparable property within the city's corporate limits.
3. Draft rules and regulations governing platting and subdividing of land that are consistent with the state constitution and laws and recommend them to the city council for adoption.
4. Annually recommend an annexation plan to the city council.
5. Annually submit a five-year capital improvements plan to the city council and city manager, at least one hundred twenty days before the beginning of the budget year. The plan must list projects in order of preference with a recommendation for the year of construction for each project.
6. Meet at least once each month.
7. Perform other duties and be vested with other powers as the city council shall from time to time prescribe.

(d) Liaison with city council: The city manager or his representative shall attend planning commission meetings and shall serve as liaison between the commission and the city council.

Section 8.09. Board of Adjustment.

(a) Composition and term: . The city council shall appoint a board of adjustment consisting of five regular members and four alternate members to serve two-year terms. Alternate members may participate in meetings and vote on matters in the absence of regular members when requested to do so by the city manager or city manager's designee. The city council may remove a member for cause set out in a written charge and as determined by the council after a public hearing on the charges.

(b) Rules of procedure: The presiding officer shall call meetings at least quarterly and may administer oaths to witnesses and compel attendance of witnesses. Cases shall be heard in open meeting by at least four members and not more than five members. The minutes of meetings shall be public records of the board's examinations, official actions, and other proceedings and shall reflect each member's vote, absence, or failure to vote on each question.

(c) Powers: The board of adjustment shall exercise the following authority:

1. Hear and decide an appeal that alleges error in an order, requirement, decision, or determination made by an administrative official in enforcing zoning laws or ordinances.
2. Hear and decide special exceptions to terms of zoning ordinances when the ordinance so requires, provided that exceptions granted shall be consistent with the general purpose and intent of the ordinance and in accordance with any applicable rules contained in the ordinance.
3. In specific cases, authorize a variance from the terms of a zoning ordinance, provided that the variance is not contrary to the public interest and that, due to special conditions, literal enforcement of the ordinance would result in unnecessary hardship. In authorizing variances, the board shall ensure that the spirit of the ordinance is observed and substantial justice is done.
4. Hear and decide other matters authorized by city zoning ordinances.

(d) Appeals procedure: Appeals to the board of adjustment shall be conducted in accordance with the requirements of § 211.010, Local Government Code.

(e) Board determination: The board may reverse or affirm, wholly or in part, or may modify the order or decision that is the subject of an appeal under subsection (c)(1). The concurring vote of at least four members is necessary to: reverse an order, requirement, decision, or determination of an administrative official; decide in favor of an applicant on a matter which the board is required to pass under the zoning ordinance; or authorize a variation from the term of the zoning ordinance.

(f) Judicial review: Any person dissatisfied with the board of adjustment's decision on an appeal may petition a court of record for further action in accordance with the requirements of § 211.011, Local Government Code.

Section 8.10. Parks and Recreation Commission.

(a) Composition and term: The city council shall appoint a parks and recreation commission consisting of six members to serve two-year terms and one high school student member to serve a one-year term. The student member shall not be required to be a registered voter. The city council shall also appoint an alternate member who may vote if a regular member is absent.

(b) Rules of procedure: The commission shall establish rules of procedure consistent with city ordinances, resolutions, and regulations. The commission shall meet at least monthly, and absence from three consecutive meetings without valid excuse, as determined by the commission, shall result in automatic removal from office.

(c) Powers and duties: The commission shall exercise the following powers:

1. Annually submit a five-year comprehensive park plan to the city council and city manager, at least one hundred twenty days before the beginning of the budget year. The plan must list projects in order of preference with a recommendation for the year of construction for each project.

2. Make recommendations to the city council and city manager concerning the management, maintenance, use or improvement of all parks and public recreational facilities owned or controlled by the city.
3. Make recommendations to the city council and city manager concerning taking and holding any real property that may be needed for carrying out the commission's purposes by purchase, devise, bequest, or otherwise and instituting condemnation proceedings for parks and recreation purposes whenever it determines that private property should be taken in the name of the city.
4. Make recommendations to the city council and city manager concerning receipt of donations, legacies, or bequests for the improvement or maintenance of public parks or for the acquisition of new parks.
5. Any other matters designated by city ordinance.

Section 8.11. Library Board.

(a) Composition and term: The city council shall appoint a library board consisting of seven regular members, to serve two-year terms, and one alternate member, to serve a one-year term. The alternate member may vote if a regular member is absent. Liaisons to the board will include the President of the Friends of the Pflugerville Community Library, the Director of the Library and a student from a high school in the Pflugerville Independent School District. Liaisons may advise the board but may not vote on any matter.

(b) Rules of procedure: The commission shall establish rules of procedure consistent with city ordinances, resolutions, and regulations. The commission shall meet at least monthly, and absence from three consecutive meetings without valid excuse, as determined by the commission, shall result in automatic removal from office.

(c) Powers and duties: The commission shall exercise the following powers:

1. By January 31st of each year, review, update and submit a five-year comprehensive library plan to the city council and city manager. The plan must list projects in order of preference with a recommendation for the year of construction for each project.
2. Make recommendations periodically to the city council and city manager concerning matters of library procedure and policy.
3. Make recommendations to the city council and city manager concerning promotion of the library's programs and services in the greater Pflugerville community.
4. Make recommendations to the city council and city manager concerning grants and fund-raising activities.
5. Any other matters designated by city ordinance.
- 6.

* Originally Adopted November 1993;
Amended January 18, 1997.
Amended November 6, 2001.
And Amended November 7, 2006

City of Pflugerville, Texas Home Rule Charter*

ADMINISTRATIVE SERVICES

Section 4.01. City Manager.

(a) Appointment and qualifications: The city council shall appoint a city manager by affirmative vote of at least four members. The council shall determine a method of selection that ensures orderly, nonpartisan action in securing a competent and qualified person to fill the position. The city manager shall be chosen based on executive and administrative training, experience, and ability. Within a reasonable time after appointment, which time shall be set by the council, the city manager shall become a resident of the city.

(b) Term and compensation: The city manager shall be employed for a term and compensation and upon conditions determined by the city council.

(c) Powers and duties: The city manager shall be the chief administrative officer of the city and shall be responsible to the city council for the proper administration of all city matters. In fulfilling that administrative responsibility, the city manager shall:

1. Implement the general policies established by the City Council
2. See that all state laws and city ordinances are effectively enforced.
3. Appoint, suspend, or remove department heads in accordance with the city's established policies and procedures, except as otherwise provided in this charter.
4. Attend all city council meetings unless excused by the council.
5. Prepare the annual budget and submit it to the city council in accordance with section 9.03 of this charter and be responsible for administration of the budget after its adoption.
6. Prepare and submit to the city council at the end of each fiscal year a complete report on the finances and administrative activity of the city for the preceding year.
7. Submit to the city council a monthly budget report; keep the council informed regarding the city's financial condition and future needs; and make financial recommendations.
8. Provide reports concerning the operation of city departments, offices, commissions, boards and agencies, as required by the city council.
9. Serve as officer for public records in accordance with the Texas Open Records Act, Chapter 552, Government Code, and the custodian of records under the Local Government Records Act, Subtitle C, Title 6, Local Government Code.
10. If authorized by the city council, sign any contract, conveyance or other document.

11. Assist each board or commission that must make recommendations to the city council regarding the expenditure of funds or capital improvements in the preparation or amendment of a five-year plan to submit to the council.
12. Perform the duties prescribed by this charter and other duties as may be required by the city council, consistent with this charter.

(d) Acting city manager: Within sixty days after the city manager takes office, the city council, on recommendation of the city manager, shall appoint a qualified administrative officer of the city to serve as acting city manager in the manager's absence or disability. No member of the city council may serve as acting city manager.

Section 4.02. Municipal Court.

(a) Establishment: A municipal court for the City of Pflugerville is established and shall be maintained for the trial of misdemeanor offenses. The municipal court shall have all the powers and duties of municipal courts prescribed by State law.

(b) Municipal judge and associate judges: The city council shall appoint a municipal judge, who shall be an attorney licensed to practice law in Texas, and shall fix the compensation for that office. The city council, in its discretion, may appoint additional associate municipal judges, who shall not be required to be attorneys. All municipal judges shall serve at the will of the council and shall receive compensation fixed by the city council.

(c) Municipal court clerk: The city manager shall appoint a clerk of the municipal court and deputies, as needed, who shall have power to administer oaths and affidavits, make certificates, affix the seal of the court, and perform any of the usual and necessary acts performed by clerks of courts in issuing process and conducting the business of the court.

(d) Finances: All costs, fees, special expenses, and fines imposed by the municipal court shall be deposited to the city treasury for the use and benefit of the city, except as otherwise required by state law.

Section 4.03. City Attorney.

The city council shall appoint a city attorney, who shall be a competent attorney, duly licensed to practice law in Texas. The city attorney shall serve at the will of the council and shall receive compensation as fixed by the council. The city attorney shall be the legal advisor and attorney for the city and all its departments and officers in the conduct of city business and shall represent the city in all litigation; however, the city council may retain special counsel at any time it deems necessary or advisable.

Section 4.04. City Secretary.

The city manager shall appoint the city secretary and may appoint assistant city secretaries, as needed. The city secretary shall serve at the will of the city manager and shall perform the following duties:

1. Post or cause to be posted notice of city council and city board or commission meetings, as required by the Texas Open Meetings Act, Chapter 551, Government Code.
2. Keep or cause to be kept minutes of city council meetings and ensure that minutes of city board or commission meetings are kept.

3. Authenticate by personal signature and record or cause to be recorded in full, in a book indexed for this purpose, all ordinances and resolutions.
4. Serve as an agent of the officer of public records in accordance with the requirements of the Texas Open Records Act, Chapter 552, Government Code, and the records management officer under the Local Government Records Act, Subtitle C, Title 6, Local Government Code.
5. Perform all duties prescribed by this charter.
6. Perform other duties as required by the city council or assigned by the city manager.

*** Originally Adopted November 1993;
Amended January 18, 1997.
Amended November 6, 2001.
And Amended November 7, 2006**



Budget Glossary

Accounts Payable: A short-term (one year or less) liability reflecting amounts owed for goods and services received by the City.

Accounts Receivable: An asset reflecting amounts due from other persons or organizations for goods and services furnished by the City.

Accrual Basis: A method of accounting that recognizes the financial effect of transactions, events, and interfund activities when they occur, regardless of the timing of cash flows.

Ad Valorem Tax: Commonly referred to as property taxes. The charges levied on all real and certain personal property according to the property's assessed value and the tax rate.

Aldermanic: a municipal legislative body, esp. of a municipal council.

Appraised Value: The market value of real personal property located in the City as of January 1 each year, as determined by the Travis County Tax Assessor-Collector.

Appropriation: The maximum level of spending for each fund and for each department as authorized annually by the City Council.

Asset: The resources and property of the City that can be used or applied to cover liabilities.

Audit: An examination or verification of the financial accounts and records. The City is required to have an annual audit conducted by qualified certified public accountants.

Bond: A written promise to pay a specified sum of money, called the face value or principal amount, at a specified date in the future, called the maturity date, together with periodic interest at a specified rate.

Bonded Debt: The portion of indebtedness represented by outstanding (unpaid) bonds.

Budget: A financial plan for a specified period of time (fiscal year) that matches all planned revenues and expenditures for various municipal services.

Budget Message: A general discussion of the submitted budget presented in writing by the City Manager as a part of the budget document.

Budget Glossary (continued)

Budget Schedule: The schedule of key dates or milestones that the government follows in the preparation and adoption of a budget.

Capital Improvement Projects: Expenditures for the construction, purchase or renovation of City facilities or property.

Capital Outlay: An expenditure which results in the acquisition of or addition to fixed assets, and meets these criteria: has an anticipated useful life of more than one year; can be permanently identified as an individual unit of property; belongs to one the following categories: Equipment; Buildings; Improvements Other Than Buildings; Land; constitutes a tangible, permanent addition to the value of City assets; does not constitute repair or maintenance; and is not readily susceptible to loss.

Capital Project: A specific and identifiable improvement or purpose for which expenditures are proposed within the capital budget or capital improvement program.

Certificates of Obligation (CO's): Tax-supported bonds that are similar to general obligation bonds and can be issued after meeting strict publication requirements and with final approval of the City Council.

CIP. Capital Improvement Projects.

City Council: The Mayor and five Council members collectively acting as the legislative and policymaking body of the City.

Contractual Services: Services purchased by the City such as maintenance contracts.

CTTS: Central Texas Turnpike System.

Debt Service: The City's obligation to pay the principal and interest of all bonds and other debt instruments according to a pre-determined payment schedule.

Delinquent Taxes: Taxes remaining unpaid on or after the date on which a penalty for non-payment is attached. February 1st is the date the unpaid taxes become delinquent in the City.

Department: A major administrative division of the City which indicates overall responsibility for an operation or a group of related operations with a functional area.

Budget Glossary (continued)

Effective Tax Rate: A rate, which generates the same amount of revenues from property, which is taxed in both years.

Encumbrance: The commitment of appropriated funds to purchase an item or service. An encumbrance differs from an account payable in that a commitment is referred to as an encumbrance before goods or services are received. After receipt, the commitment is referred to as an account payable.

Enterprise Fund: A fund established to account for operations that are financed and operated in a manner similar to private business enterprises – where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

Exempt/Exemption: Amounts under state law that are deducted from the appraised value of property for tax purposes. Tax rates are applied to the non-exempt portion of the appraised value to calculate the annual tax levy.

Expenditure: Decreases in (use of) financial resources other than through interfund transfers. This term applies to all governmental type funds.

Expense: A use of financial resources, denoted by its use in the enterprise funds, which is accounted for on a basis consistent with the private business accounting model (full accrual basis).

Extra Territorial Jurisdiction (ETJ): The unincorporated area that is contiguous to the corporate boundaries of a city. Cities have certain powers in their ETJ to promote and protect the general health, safety, and welfare of persons residing in and adjacent to the city.

Fiscal Year: The time period designated by the City signifying the beginning and ending period for recording financial transactions. The City of Pflugerville has specified October 1 to September 30 as its fiscal year.

Franchise Fee: A fee paid by public service businesses for use of City streets, alleys and property in providing their services to the citizens of a community. Services requiring franchises include electricity, telephone, natural gas and cable television.

Full Time Equivalent (FTE): A part-time position converted to the decimal equivalent of a full-time position based on 2,080 hours per year, or a full value of one for a full-time position.

Budget Glossary (continued)

Fund: An accounting entity with a separate set of self-balancing accounts which comprise its assets, liabilities, fund balance, revenues and expenditures.

Fund Balance: The assets of a fund less liabilities, as determined at the end of each fiscal year. Any reservations of fund balance are deducted to result in an unreserved fund balance.

Generally Accepted Accounting Principles (GAAP): Detailed accounting standards and practices as prescribed by the Governmental Accounting Standards Board.

General Fund: The largest fund within the City, the General Fund accounts for most of the financial resources of the government. General Fund revenues include property taxes, licenses and permits, local taxes, service charges, and other types of revenue. This fund usually includes most of the basic operating services, such as police protection, parks and recreation, public works, and general administration.

General Obligation Bonds: Bonds that finance public projects such as streets, municipal facilities, and park improvements. The repayment of these bonds is made from property taxes, and the full faith and credit of the issuing government back these bonds.

GASB. Governmental Accounting Standards Board.

Home Rule City: A Texas city with population over 5,000 in which citizens adopt a home rule charter to define the structure, power, duties, and authority of their local government. Rather than looking to state statutes to determine what they may do, Home - Rule cities look to their local Charters to determine what they may do. Thus, a Home – Rule city may take any action that is not prohibited by the Texas Constitution or statutes as long as the authority is granted in the Charter of the city. Home – Rule cities have the inherent authority to do just about anything that qualifies as a “public purpose” which is not contrary to the Texas Constitution or laws of the state.

Intergovernmental Revenues: Revenues from other governments in the form of grants or shared revenues.

Maintenance: The act of keeping assets in a state of good repair. It includes preventive maintenance, normal periodic repairs, part replacement, and so forth, needed to maintain the asset so that it continues to provide normal service.

Budget Glossary (continued)

Mixed Beverage Tax: A tax imposed on the gross receipts of a licensee from the sale, preparation, or serving of mixed beverages.

Modified Accrual Basis: Basis of accounting according to which revenues are recognized in the accounting period in which they become available and measurable and expenditures are recognized in the accounting period in which the fund liability occurs, if measurable.

Non-departmental: Includes debt service and operating transfers between funds.

Open Meetings: The Open Meetings Act was adopted to help make governmental decision making accessible to the public. It requires meeting of governmental bodies to be open to the public, except for expressly authorized executive sessions, and to be preceded by public notice of the time, place, and subject matter of the meeting.

Operations and Maintenance (O&M): Represents the portion of taxes assessed for the operations and maintenance of General Fund services.

Operating Budget: A financial plan outlining estimated revenues and expenditures and other information for a specified period (usually a fiscal year). The proposed budget is the financial plan presented by the City Manager for consideration by the City Council, and the adopted budget is the financial plan ultimately approved and authorized by the City Council.

Ordinance: A formal legislative enactment by the governing body of a municipality. It is not in conflict with any higher form of law, such as a state statute or constitutional provision; it has the full force and effect of law within the boundaries of the municipality to which it applies.

Per Capita Debt: Total tax supported debt outstanding divided by population.

Personnel Services: Expenditures made for salaries and related benefit costs.

Policy: A definite course of action adopted after a review of information and directed at the realization of goals.

Principal: The face value of a bond, payable on stated dates of maturity.

Pro forma: Hypothetical financial figures based on previous business operations for estimate purposes: *a pro forma balance sheet.*

Budget Glossary (continued)

Proposed Budget: The budget that has been prepared by the City Manager and submitted to the City Council for approval.

Reserve: An account used to indicate that a portion of fund resources is restricted for a specific purpose, or is not available for appropriation and subsequent spending.

Retained Earnings: An equity account reflecting the accumulated earnings of a proprietary fund.

Revenue Bonds: Long term debt (bonds) the repayment of which is based upon pledged revenues for a revenue generating facility.

Revenues: All amounts of money earned or received by the City from external sources.

Sales Tax: A general sales tax is levied on persons and businesses selling merchandise and/or services in the City limits on a retail basis. State law defines the categories for taxation.

Special Revenue Fund: Accounts for the proceeds of specific revenue sources that are legally restricted to expenditure for specified purposes.

Tax Base: The total property valuations on which each taxing entity levies its tax rates.

Tax Levy: The total revenues to be raised by ad valorem taxes for expenditure as authorized by the City Council.

Tax Rate: A percentage applied to all taxable property to raise general revenues. It is derived by dividing the total tax levy by the taxable net property valuation.

Taxable Value: Estimated value of property on which ad valorem taxes are levied.

Taxes: Compulsory charges levied by a government for the purpose of financing services performed for the common benefit.

Transfers In/Out: Transfers made from one City fund to another City fund for the purpose of reimbursement of expenditures, general and administrative services, or debt services.