



# Annual Budget For Fiscal Year 2016-17

Mayor Vern Johnson

Mayor Pro-Tem Al Burns

Councilmembers

Jan Bailey

Amanda Fenwick

Bryan Hoerner

S. Bud Solmonsen

“Where every sunset is celebrated”

# CLEAR LAKE SHORES 2016-17 BUDGET

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**CITY ADMINISTRATOR'S  
BUDGET LETTER**



# City of Clear Lake Shores

1006 South Shore Drive Clear Lake Shores, Texas 77565  
Phone: 281-334-2799 Fax: 281-334-2866  
[www.clearlakeshores-tx.gov](http://www.clearlakeshores-tx.gov)

August 17, 2016

Dear Mayor, Mayor Pro-Tem, City Councilmembers and interested Citizens:

This is the fourth proposed budget I have delivered to you in my time with you. Each year seems to grow more challenging. A number of reasons exist for that. First, the upheaval and uncertainty surrounding the local economy poses a problem. The lowering of oil prices and cutbacks in employment in the area create a potential challenge to the revenue picture. This is further complicated by more and more needs I see. One very significant need is NOT included in your proposed budget and that is replacing the main pier (along Clear Lake Road) between the Jarboe Bayou bridge and South Shore Drive. This pier is around forty (40) years old and has served us well, but the time has come to replace it. It has deteriorated to that point, especially on the south end. Some on the Council asked that funding to replace it be removed from the budget and it has been. This does not mitigate the problem. This pier is a liability and it needs to be addressed in some way. The choices are: 1) replace it, or 2) remove it entirely, or 3) ask the slip lessees to collectively fund the replacement. I think the third alternative is one which should be explored. If these slip lessees leased a waterfront lot, it would be their responsibility to keep the bulkheads and, if present, the piers in good condition. They lease these slips for the same per linear foot rate that the waterfront lots are leased for.

Also, we plan to continue a plan of modest improvements to City Hall which will include painting the exterior and coating the roof. We had planned to complete these items during fiscal 2015-16 but other more pressing problems arose. Two of the air conditioning units had to be replaced. The housing for the lift grew more expensive than expected. Interior painting was done and the use of the offices previously leased out were restored for use by the City staff. A badly needed conference room and a storage room as well as offices for the building inspector and his administrative assistant were placed in these three offices. In the process of constructing the column for the lift, it was discovered that much of the exterior siding is in poor condition which will require that much of it be replaced. We will do as much as our funds permit this coming year before

painting is done. Hopefully, air conditioning will not be a problem this year as all of the units have now been replaced in the past four years.

Included in the proposed budget for the Capital Equipment Fund is the addition of one fully equipped patrol unit. Also in that fund is the proposed acquisition of a small, compact pickup truck for Public Works. The truck currently used is too large for much of what they do. The golf cart is too small and lightweight. A small pickup truck is more appropriate for most of their hauling needs.

The Council has been considering the acquisition of a certain tract of real estate, however the price has been too much to purchase the property outright. In a break with Clear Lake Shores tradition, we are proposing the use of some form of debt financing. We believe the sellers may be more likely to accept the offer if they can realize a stream of cash over a period of time. We could issue notes with a maturity of up to 20 years and the interest we pay would be tax exempt to the sellers.

Another item for which interest has been expressed and discussed at length is the construction of a Pedestrian/Bicycle bridge across the bayou. The cost is estimated to be approximately \$1,000,000 including engineering, environmental study and construction. Hopefully a more cost effective solution can be found, perhaps in combination with replacement of the auto bridge currently used. That bridge is nearing the end of its useful life and will likely need to be replaced within the next five years or so.

Another challenging area is employee compensation. As costs for almost everything increase it has been somewhat customary, especially in government, to grant across the board or COLA pay increases. At the request of a number of councilmembers, I have added a 3% pay increase to each departmental budget if that budget includes payroll, with the exception of the Police department. We will be attempting to bring our Police Officers below the rank of Assistant Chief up to what is considered the "market". Another aspect of compensation is health and dental insurance coverage. I have been making inquiries with the Texas Municipal League Employee Benefits Risk Pool in an attempt to obtain a health and dental quote. This is the largest pool available to us. Most cities in our area are in the TML Pool which would not allow us to "join together" to pool with any of their member cities. The TML Pool is already among the largest of Health and Dental insurance pools in the country. The season for obtaining quotes will begin in earnest around October 1<sup>st</sup> with any change to be effective January 1, 2017. Health insurance funding has become the second leading expense behind only payroll.

The city's retirement system funding improved during the year ended December 31, 2015. This has resulted in a miniscule reduction in the City's required minimum contribution of .08%. (Note: This is 8/100<sup>th</sup> of 1%.) I am recommending we do not make this tiny change. If we continue to make very small contributions in excess of the absolute minimum required contribution, it will pay off in the later years with smaller required contributions. TMRS has access to investment markets not available to us and they utilize professional money managers with investment expertise. The yield on their invested funds was in excess of 7.4% in 2014 while the City earned slightly less than 1%. (This is because the City is prohibited from investing in equities and other investments that are available to the retirement fund.) This means an additional dollar invested in our retirement fund grows much faster than a dollar kept in the City's investment account, thus lowering the City's long term obligation to the retirement fund by chipping away at the unfunded liability in our plan. If the financial markets ever turn around to the point where we can earn an amount approaching what TMRS can earn, my recommendation may be different but that does not appear to be on the horizon.

It is my belief that we must use the next two fiscal years to position the City to withstand a period of years of reduced revenue, while the bridge construction over Seabrook and Kemah takes place. That is currently planned to begin in 2018. I think it is very possible that this will disrupt traffic to and from our Target, Home Depot and other businesses during the construction period which could result in slightly reduced sales tax revenue. That together with the softened local economy make it very questionable for me to estimate any increase in revenue from our main source, the sales tax.

I want to acknowledge the assistance I have received in preparing this proposed budget. The accurate preparation of this document would not be possible except for the excellent help from City Secretary Christy Stroup, her assistant Tiffany Wilson and our contract accountant, Cheryl Hunter. I also rely on Assistant City Secretary Angie Galvan for information on permits and other data. I appreciate their expertise and helpfulness.

If any of you have any questions with regard to this proposed budget, please contact me.

Thank you for allowing me to continue to work with you for the betterment of Clear Lake Shores.

Regards,



George K. Jones  
City Administrator

**BUDGET ADOPTION ORDINANCE**

**&**

**BUDGET SUMMARY**

**ORDINANCE 2016-09**

**AN ORDINANCE MAKING APPROPRIATIONS FOR THE SUPPORT OF THE CITY OF CLEAR LAKE SHORES, TEXAS FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2016 AND ENDING ON SEPTEMBER 30, 2017; APPROPRIATING MONEY TO THE VARIOUS FUNDS OF THE CITY, ADOPTING THE ANNUAL BUDGET FOR THE CITY OF CLEAR LAKE SHORES, TEXAS; AUTHORIZING CHANGES TO THE PAYROLL PLAN FOR THE EMPLOYEES OF THE CITY OF CLEAR LAKE SHORES AND AUTHORIZING THE CITY ADMINISTRATOR TO TAKE CERTAIN ADMINISTRATIVE ACTIONS REGARDING THE BUDGET.**

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**WHEREAS**, the City Council of the City of Clear Lake Shores, Texas has reviewed the proposed budget, as appended here as Exhibit "A", for the fiscal year beginning October 1, 2016 and ending on September 30, 2017 which was duly presented to the City Council by the City Administrator and held a public hearing thereon as required by state law, notice of which was published in the Galveston Daily News on August 25, 2016 and said public hearing was held in accordance with said notice;

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CLEAR LAKE SHORES, TEXAS that:**

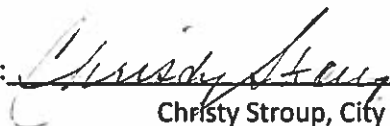
**SECTION 1.** The appropriations for the fiscal year beginning October 1, 2016 and ending on September 30, 2017 for the support of the government of the City of Clear Lake Shores, Texas be and the same are hereby fixed and determined for said terms in accordance with the expenditures shown in the City's Fiscal Year Budget, a copy of which is appended here as Exhibit "A";

**SECTION 2.** The budget, as shown in figures in Exhibit "A" is hereby approved in all respects and is hereby adopted as the City's Budget for the fiscal year beginning October 1, 2016 and ending on September 30, 2017;

**SECTION 3.** The City Administrator is specifically authorized to increase the pay for all City employees, except Police Department employees by three percent (3%) beginning with the October 5, 2016 payroll; to add two (2) additional full-time employees in the Police Department and to make the proposed revisions to the pay plan for the Police Department and two additional employees whose rates are below market.

**PASSED AND APPROVED THIS THE 6th DAY OF SEPTEMBER, 2016.**

ATTEST:

  
Christy Stroup, City Secretary

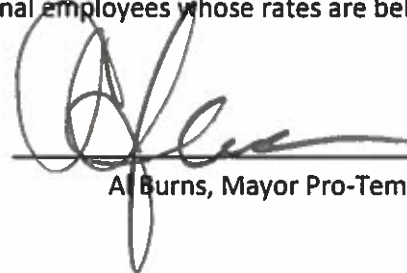
  
Al Burns, Mayor Pro-Tem





EXHIBIT "A"

CITY OF CLEAR LAKE SHORES  
2016-17 BUDGET SUMMARY  
\*\*\*ALL FUNDS\*\*\*

	General Fund	Capital Equipment Fund	Rainy Day Fund	Roads & Drainage Fund	Economic Development Fund	Plaza Ten-o6 Corporation Fund	TOTALS
Estimated Beginning Fund Balance 10/1/2016	\$ 1,585,969	\$ 135,635	\$ 1,758,614	\$ 652,056	\$ 454,023	\$ 25,192	\$ 4,611,489
Estimated Revenue:							
Taxes: Franchise	165,200						165,200
Property	-						-
Sales	1,540,000			256,666	256,666		2,053,332
Mixed Drink	29,000						29,000
Licenses & Permits: Business Licenses	750						750
Beverage	3,965						3,965
Building/Remodeling	59,000						59,000
Electrical/Plumbing/Mechanical	14,000						14,000
Culverts/Driveways	1,000						1,000
Bulkheads	1,500						1,500
Fences/Roofs/Signs	2,350						2,350
Demolition	500						500
Stop Work	150						150
Plat Application & Miscellaneous Fees	1,600						1,600
Waterfront: Leases	25,000						25,000
Transfer Fees	2,400						2,400
Auctions	10,000						10,000
Fines & Fees: Police Fines	305,000						305,000
Warrant/Defendant Disposition	28,000						28,000
Administrative Fees/Restricted Funds	33,900						33,900
Grants	1,100						1,100
Swimming Pool	23,100						23,100
Rentals	4,000						4,000
Other Miscellaneous Revenue	20,000	100	5,000	2,000	1,000	4,790	32,890
Transfers In from Other Funds	-	80,000	-	100,000			180,000
<b>TOTAL AVAILABLE FOR APPROPRIATION</b>	<b>\$ 3,857,484</b>	<b>\$ 215,735</b>	<b>\$ 1,763,614</b>	<b>\$ 1,010,722</b>	<b>\$ 711,689</b>	<b>\$ 29,982</b>	<b>\$ 7,589,226</b>
Estimated Expenditures & Transfers:							
City Council	\$ 55,050						\$ 55,050
Administration	168,350						168,350
City Secretary/Municipal Court	283,987						193,234
Parks	35,000						38,127
Police	1,041,818	\$ 57,500					1,099,318
Building Inspection/Code Enforcement	160,998						160,998
Public Works	214,162	20,000		\$ 950,000			1,184,162
Swimming Pool	44,000						44,000
Public Safety (Emergency Management)	44,991						44,991
General Government	441,845						441,845
Economic Development					\$ 140,900		140,900
Farmer's Market						\$ 3,750	3,750
Transfers Out to Other Funds	180,000						180,000
<b>TOTAL EXPENDITURES &amp; TRANSFERS</b>	<b>2,670,201</b>	<b>\$ 77,500</b>	<b>\$ -</b>	<b>\$ 950,000</b>	<b>\$ 140,900</b>	<b>\$ 3,750</b>	<b>\$ 3,842,351</b>
ESTIMATED FUND BALANCE 9/30/2017	1,187,283	\$ 138,235	\$ 1,763,614	\$ 60,722	\$ 570,789	\$ 26,232	\$ 3,746,875

## 2016-17 City of Clear Lake Shores Annual Budget

### General Fund

Account	Description	2014-15 Actual	2015-16 Budget	2015-16 Estimate	2016-17 Recommendation	2016-17 Council Approved
	<b>Franchise Taxes:</b>					
100414	Solid Waste	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
100415	Electric Franchise	120,940	120,750	121,000	121,000	121,000
100416	Gas Franchise	9,005	7,400	4,000	4,000	4,000
100417	Cable TV Franchise	25,580	25,000	26,200	26,200	26,200
100418	Telephone Franchise	4,657	4,200	4,000	4,000	4,000
100419	Cable PEG - Restricted	5,116	4,000	5,000	5,000	5,000
	<b>Total Franchise Taxes</b>	<b>\$ 170,298</b>	<b>\$ 166,350</b>	<b>\$ 165,200</b>	<b>\$ 165,200</b>	<b>\$ 165,200</b>
	<b>Property Taxes</b>					
100402	Property Taxes - Delinquent	\$ 4	\$ -	\$ -	\$ -	\$ -
100404	Property Taxes - P&I	3	-	-	-	-
	<b>Total Property Taxes</b>	<b>\$ 7</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
	<b>Sales Taxes</b>					
100406	General Sales & Use Tax	\$ 1,520,380	\$ 1,475,000	\$ 1,540,000	\$ 1,540,000	\$ 1,540,000
100407	Mixed Beverage Sales Tax	16,476	15,000	16,000	16,000	16,000
100408	Mixed Beverage Tax	13,090	13,000	13,000	13,000	13,000
	<b>Total Sales &amp; Use Tax</b>	<b>\$ 1,549,946</b>	<b>\$ 1,503,000</b>	<b>\$ 1,569,000</b>	<b>\$ 1,569,000</b>	<b>\$ 1,569,000</b>
	<b>Licenses &amp; Permits</b>					
100425	Business Licenses & Permits	\$ -	\$ -	\$ 775	\$ 750	\$ 750
100426	Mixed Beverage Permits	2,530	4,500	3,650	3,965	3,965
100427	Building Permits	55,842	45,000	48,000	45,000	45,000
100428	Remodeling Permits	22,415	16,500	14,600	14,000	14,000
100429	Electrical Permits	5,240	4,000	6,000	5,500	5,500
100430	Plumbing/Gas Permits	4,290	4,000	5,500	5,000	5,000
100431	Mechanical Permits	3,700	2,500	3,800	3,500	3,500
100432	Culvert & Fill Permits	800	500	1,100	1,000	1,000
100433	Bulkhead/Pier Permits	185	250	2,345	1,500	1,500
100434	Fence Permits	600	200	1,000	750	750
100435	Roof Permits	1,490	100	2,000	1,500	1,500
100436	Sign Permits	80	200	75	100	100
100437	Demolition Permits	5,024	100	750	500	500
100438	Stopwork Orders/Premature Work	-	25	185	150	150
100439	Plat/Replat Application Fees	700	600	2,325	600	600
100440	Other Licenses & Permits	2,031	750	1,000	1,000	1,000
	<b>Total Licenses &amp; Permits</b>	<b>\$ 104,927</b>	<b>\$ 79,225</b>	<b>\$ 92,330</b>	<b>\$ 84,815</b>	<b>\$ 84,815</b>
	<b>Waterfront Revenue</b>					

## 2016-17 City of Clear Lake Shores Annual Budget

100450	Yearly Lease Payments	\$ 25,422	\$ 26,000	\$ 24,800	\$ 25,000	\$ 25,000
100452	Waterfront Transfer Fees	3,050	2,400	2,400	2,400	2,400
100453	Waterfront Lots Auction	50,226	-	15,000	10,000	10,000
	<b>Total Waterfront Revenue</b>	<b>\$ 78,698</b>	<b>\$ 28,400</b>	<b>\$ 42,200</b>	<b>\$ 37,400</b>	<b>\$ 37,400</b>
	<b>Public Safety Fines &amp; Fees</b>					
100466	Police Fines	\$ 351,001	\$ 300,000	\$ 305,000	\$ 305,000	\$ 305,000
100467	Warrant Fees/Disposition Fees	38,763	20,000	28,500	28,000	28,000
100468	Time Payment Fees	4,551	3,000	3,550	3,500	3,500
100483	State Court Costs	13,351	8,500	11,000	11,000	11,000
100484	Court Security Fees - Restricted	7,039	6,500	5,700	5,700	5,700
100486	Child Safety Fees - Restricted	7,600	8,400	6,200	6,200	6,200
100487	Court Technology Fees - Restricted	9,387	6,800	7,600	7,500	7,500
	<b>Total Public Safety Fines &amp; Fees</b>	<b>\$ 431,692</b>	<b>\$ 353,200</b>	<b>\$ 367,550</b>	<b>\$ 366,900</b>	<b>\$ 366,900</b>
	<b>Other Miscellaneous Revenue</b>					
100460	Pool Memberships	\$ 23,601	\$ 22,500	\$ 23,500	\$ 23,000	\$ 23,000
100461	Pool Guest Passes	753	350	100	100	100
100463	Clubhouse/Pavilion Rentals	3,275	3,750	5,500	4,000	4,000
100464	Office Space Rental - 1006 S. Shore	11,208	-	-	-	-
100473	Police Seizures-Restricted	3,200	-	2,900	2,500	2,500
100474	Police Donations - Restricted	5,492	3,000	19,150	3,000	3,000
100475	Copies	259	250	400	400	400
100476	Miscellaneous Revenue	2,255	1,000	6,000	4,000	4,000
100477	Proceeds of Insurance Claims	4,939	-	-	-	-
100480	Interest Income	1,020	1,000	2,750	2,400	2,400
100481	Interest Income - Restricted	53	-	400	200	200
100488	Employee FSA Contributions	7,448	7,500	8,000	7,500	7,500
	<b>Total Miscellaneous Revenue</b>	<b>\$ 63,503</b>	<b>\$ 39,350</b>	<b>\$ 68,700</b>	<b>\$ 47,100</b>	<b>\$ 47,100</b>
	<b>Intergovernmental Revenue</b>					
100478	Grant Revenue	\$ 1,038	\$ -	\$ 1,156	\$ 1,100	\$ 1,100
	<b>Total Intergovernmental Revenue</b>	<b>\$ 1,038</b>	<b>\$ -</b>	<b>\$ 1,156</b>	<b>\$ 1,100</b>	<b>\$ 1,100</b>
	<b>Total General Fund Revenue</b>	<b>\$ 2,400,109</b>	<b>\$ 2,169,525</b>	<b>\$ 2,263,936</b>	<b>\$ 2,271,515</b>	<b>\$ 2,271,515</b>

## 2016-17 Clear Lake Shores Annual Budget

### General Fund Summary of Expenditures by Line Item

Line Items with Descriptions	2014-15 Actual	2015-16 Budget	2015-16 Estimate	2016-17 Recommended	2016-17 Approved
501 - Wages & Salaries	\$ 706,057	\$ 852,541	\$ 792,335	\$ 985,085	\$ 985,085
502 - Overtime	2,577	4,580	1,600	27,200	27,200
503 - Medicare Tax (Employer Share)	9,931	12,709	11,676	15,002	15,002
504 - Retirement (Employer Share)	77,574	96,836	86,088	113,924	113,924
505 - Medical, Dental & Life Ins.	168,983	221,410	187,899	230,374	230,374
506 - Police Holiday Pay	13,976	18,200	18,150	23,000	23,000
507 - Other Employment Services	633	1,500	3,300	3,300	3,300
510 - Debt Service	-	-	-	153,075	153,075
520 - Software & Computer Services	59,861	60,300	50,350	89,600	89,600
521 - Utilities	52,592	47,500	47,500	49,500	49,500
522 - Dues, Memberships & Subscripti	6,149	9,900	9,131	9,950	9,950
523 - Postage & Shipping	2,222	2,500	2,300	2,300	2,300
524 - Code Supplements	2,773	2,000	2,675	2,675	2,675
525 - Public Relations	3,080	3,000	2,600	2,750	2,750
526 - Employee Relations	5,740	5,500	5,700	6,500	6,500
527 - Election Expense	6,215	6,500	7,100	7,000	7,000
528 - Insurance & Bonds	38,688	48,000	62,750	57,500	57,500
529 - Contractual Inspection Services	34,913	3,000	22,150	2,000	2,000
530 - Legal Services	12,656	25,000	32,000	25,000	25,000
531 - Audit Expense	16,395	16,550	16,395	16,395	16,395
532 - Travel & Training	27,508	35,156	30,500	36,500	36,500
533 - Radio Maintenance	1,061	3,500	2,200	2,800	2,800
534 - Vehicle & Equipment Maintenanc	31,074	30,850	23,000	26,000	26,000
535 - Building Maintenance	20,450	36,700	21,300	18,000	18,000
536 - Emergency Management Expense	17,089	9,000	10,500	9,000	9,000
537 - Ambulance Services	27,845	27,845	27,845	27,845	27,845
538 - Animal Control Services	6,870	7,000	8,146	8,146	8,146
539 - Jail and Dispatch Services	7,025	12,000	12,300	13,500	13,500
540 - Pool Operation	33,474	29,000	32,100	29,500	29,500
541 - Concert Series (Jammin' on Jarb	3,920	6,500	6,000	7,000	7,000
542 - Fuel	22,194	26,300	19,700	24,200	24,200
543 - Children's Library	289	250	100	-	-
545 - Uniforms	7,809	6,656	5,900	7,600	7,600
546 - Other Contractual Services	122,438	179,600	173,300	191,000	191,000
547 - Communications	716	1,900	700	700	700

550 - Street Repair Materials	365	1,000	500	500	500
551 - Signs	11,335	1,200	4,750	1,200	1,200
552 - Safety Equipment & Supplies	1,375	2,000	1,420	5,680	5,680
553 - Janitorial	6,452	6,600	7,300	7,100	7,100
554 - Printed Materials	1,617	1,500	3,000	3,000	3,000
555 - Other Miscellaneous Supplies	48,414	51,250	39,300	44,300	44,300
556 - Mosquito Spray Concentrate	-	2,600	500	2,600	2,600
557 - Small tools & Equipment	763	1,250	1,000	1,000	1,000
558 - Landscaping & Beautification	25,838	50,000	35,000	35,000	35,000
590 - Vehicles & Accessories	-	-	-	-	-
591 - Machinery & Equipment	6,525	-	-	-	-
592 - Radios	27,787	7,500	-	7,500	7,500
593 - Office Furniture & Equipment	-	9,500	5,175	2,000	2,000
594 - Buildings & Structures	52,430	75,000	73,140	40,000	40,000
595 - Forestry	8,205	7,500	-	6,000	6,000
596 - Other Improvements	27,295	158,000	6,000	4,500	4,500
Restricted Funds:					
Child Safety	3,741	36,370	2,700	42,000	42,000
Court Technology	2,976	19,127	3,500	22,400	22,400
Court Security	319	35,803	2,600	39,500	39,500
Public TV	-	-	-	-	-
Police Restricted Funds	6,188	7,500	28,500	2,000	2,000
Transfer to Other Funds	494,050	612,925	612,925	180,000	180,000
<b>TOTAL</b>	<b>\$ 2,276,452</b>	<b>\$ 2,936,408</b>	<b>\$ 2,562,600</b>	<b>\$ 2,670,201</b>	<b>\$ 2,670,201</b>

## 2016-17 Clear Lake Shores Annual Budget

### General Fund Budget Summary by Department

Department	2014-15 Actual	2015-16 Budget	2015-16 Estimate	2016-17 Recommended	2016-17 Approved
City Council	\$ 32,429	\$ 59,000	\$ 51,986	\$ 55,050	\$ 55,050
Administration	152,323	164,834	158,666	168,350	168,350
City Secretary/Municipal Court	165,926	287,828	178,207	283,987	283,987
Parks	83,097	72,050	36,998	35,000	35,000
Police	737,779	812,728	791,128	1,041,818	1,041,818
Building Inspections/Code Enforce.	91,748	154,095	113,576	160,998	160,998
Public Works	179,903	195,703	203,788	214,162	214,162
Swimming Pool	43,711	46,700	45,400	44,000	44,000
Public Safety	51,804	43,845	46,491	44,991	44,991
General Government	243,682	486,700	323,435	441,845	441,845
Transfers Out:	494,050	612,925	612,925	180,000	180,000
<b>TOTAL</b>	<u>2,276,452</u>	<u>2,936,408</u>	<u>2,562,600</u>	<u>2,670,201</u>	<u>2,670,201</u>
Beginning Fund Balance 10/1	\$ 1,317,018	\$ 1,287,334	\$ 1,440,675	\$ 1,142,011	\$ 1,142,011
Add: Revenue	2,400,109	2,169,525	2,263,936	2,271,515	2,271,515
Available for Appropriation	\$ 3,717,127	\$ 3,456,859	\$ 3,704,611	\$ 3,413,526	\$ 3,413,526
Less: Expenditures & Transfers Out	2,276,452	2,936,408	2,562,600	2,670,201	2,670,201
Ending Fund Balance 9/30	\$ 1,440,675	\$ 520,451	\$ 1,142,011	\$ 743,325	\$ 743,325

## 2016-17 Clear Lake Shores Annual Budget

### GENERAL FUND PERSONNEL SUMMARY BY DEPARTMENT

Department	2014-15 Actual	2015-16 Budget	2015-16 Actual	2016-17 Request	2016-17 Recommended	2016-17 Approved
City Council	-	-	-	-	-	-
Administration	1	1	1	1	1	-
City Secretary/Municipal Court	2	2	2	2	2	-
Police	9.44	9.44	9.44	11.44	11.44	-
Building Inspection	1	2	2	2	2	-
Swimming Pool	-	-	-	-	-	-
Public Works	2	2	2	2	2	-
Public Safety	-	-	-	-	-	-
General Government	-	-	-	-	-	-
<b>TOTAL</b>	<b>15.44</b>	<b>16.44</b>	<b>16.44</b>	<b>18.44</b>	<b>18.44</b>	<b>-</b>

**2016-17 City of Clear Lake Shores  
Annual Budget**

**City Council Budget Summary**

<b>Account</b>	<b>Department</b>	<b>2014-15 Actual</b>	<b>2015-16 Budget</b>	<b>2015-16 Estimate</b>	<b>2016-17 Request</b>	<b>2016-17 Recommendation</b>	<b>2016-17 Council Approved</b>
	<b>Total City Council Budget</b>	<u>\$ 32,429</u>	<u>\$ 59,000</u>	<u>\$ 51,986</u>	<u>\$ 55,050</u>	<u>\$ 55,050</u>	<u>\$ 55,050</u>

**EXPLANATIONS AND COMMENTS**

110522	Dues, Memberships & Subscriptions	Includes funds to pay for memberships in TML, HGAC, and GCMACA.
110525	Public Relations	Funding is provided to allow the City to provide the Winter Snow Party for children.
110526	Employee Relations	Funding for the Annual Christmas Awards Dinner, break room supplies, etc.
110527	Election Expense	Election expense have increased due to new state requirements.
110530	Legal Expense	Funds for legal advice from the City's legal counsel.
110532	Travel & Training	Funding is provided for any travel or training the council may wish to take advantage of.
110546	Other Contractual Services	Funds are provided for the council to address any small projects it may wish to do.
110555	Other Miscellaneous Supplies	Nameplates, IPADS, and Council receptions are paid for from this line.



## 2016-17 City of Clear Lake Shores Annual Budget

### City Council

Account	Description	2014-15 Actual	2015-16 Budget	2015-16 Estimate	2016-17 Request	2016-17 Recommendation	2016-17 Council Approved
110522	Dues, Memberships & Subscriptions	\$ 881	\$ 3,500	\$ 886	\$ 1,000	\$ 1,000	\$ 1,000
110525	Public Relations	3,080	3,000	2,600	2,750	2,750	2,750
110526	Employee Relations	5,740	5,500	5,700	6,500	6,500	6,500
110527	Election Expense	6,215	6,500	7,100	7,000	7,000	7,000
110530	Legal Expense	12,656	25,000	32,000	25,000	25,000	25,000
110532	Travel & Training	2,988	4,000	2,500	4,000	4,000	4,000
110546	Other Contractual Services	-	10,000	-	7,500	7,500	7,500
110555	Other Miscellaneous Supplies	869	1,500	1,200	1,300	1,300	1,300
110652	Public Educ. TV - Rest. PEG Funds	-	-	-	-	-	-
Total City Council Budget		<u>\$ 32,429</u>	<u>\$ 59,000</u>	<u>\$ 51,986</u>	<u>\$ 55,050</u>	<u>\$ 55,050</u>	<u>\$ 55,050</u>

**2016-17 City of Clear Lake Shores  
Annual Budget**

**Administration Summary**

<b>Account</b>	<b>Department</b>	<b>2014-15 Actual</b>	<b>2015-16 Budget</b>	<b>2015-16 Estimate</b>	<b>2016-17 Request</b>	<b>2016-17 Recommendation</b>	<b>2016-17 Council Approved</b>
	<b>Total Administration Budget</b>	<u>\$ 152,323</u>	<u>\$ 164,834</u>	<u>\$ 158,666</u>	<u>\$ 168,350</u>	<u>\$ 168,350</u>	<u>\$ 168,350</u>

**EXPLANATIONS AND COMMENTS**

111501	Wages & Salaries	No increase from current year.
111522	Dues, Memberships & Subscriptions	Includes funds for membership in Texas City Management Association and International City Management Assoc.
111532	Travel & Training	Funds will allow City Administrator to attend TML, TEMC, TCMA and other useful meetings as the opportunity arises.
111546	Other Contractual Services	This line item funds the contract for the part-time, contracted CPA for bookkeeping.
111555	Other Miscellaneous Supplies	These funds pay for supplies needed in the office and other needed items.

## 2016-17 City of Clear Lake Shores Annual Budget

Administration							
Account	Description	2014-15 Actual	2015-16 Budget	2015-16 Estimate	2016-17 Request	2016-17 Recommendation	2016-17 Council Approved
111501	Wages & Salaries	\$ 87,492	\$ 90,838	\$ 90,862	\$ 91,908	\$ 91,908	\$ 91,908
111503	Medicare Tax	1,190	1,318	1,319	1,332	1,332	1,332
111504	Retirement	9,431	10,137	10,040	10,110	10,110	10,110
111505	Life, Medical, Dental and FSA	21,713	24,941	23,000	25,000	25,000	25,000
111522	Dues, Memberships & Subscriptions	934	850	945	1,000	1,000	1,000
111532	Travel & Training	4,994	6,500	5,500	5,000	5,000	5,000
111546	Other Contractual Services	26,000	27,000	26,000	33,000	33,000	33,000
111555	Other Miscellaneous Supplies	569	1,250	1,000	1,000	1,000	1,000
111593	Office Equipment & Furnishings	-	2,000	-	-	-	-
	Total Administration Budget	<u>\$ 152,323</u>	<u>\$ 164,834</u>	<u>\$ 158,666</u>	<u>\$ 168,350</u>	<u>\$ 168,350</u>	<u>\$ 168,350</u>

This budget anticipates increasing the amount of time the contract CPA works to approximately 18 hours per week from the current 12-14. There is no pay increase included for the City Administrator.

**2016-17 City of Clear Lake Shores  
Annual Budget**

**City Secretary/Municipal Court Summary**

<b>Account</b>	<b>Department</b>	<b>2014-15 Actual</b>	<b>2015-16 Budget</b>	<b>2015-16 Estimate</b>	<b>2016-17 Request</b>	<b>2016-17 Recommendation</b>	<b>2016-17 Council Approved</b>
	Total City Secretary/Municipal Court Budget	<u>\$ 165,926</u>	<u>\$ 287,828</u>	<u>\$ 178,207</u>	<u>\$ 283,987</u>	<u>\$ 283,987</u>	<u>\$ -</u>

**EXPLANATIONS AND COMMENTS**

112501	Wages & Salaries	3% compensation increase included
112522	Dues, Memberships & Subscriptions	Includes funds for membership in Texas Municipal Courts Clerks Assoc., Municipal Clerk's Assn. and IIMC.
112532	Travel & Training	Funds for required training for City Secretaries, Court Clerks and other opportunities that will arise.
112546	Other Contractual Services	Pays for City Judge and Prosecutor and a portion of the costs associated with electronic ticket writers.
112555	Other Miscellaneous Supplies	File folders for court cases and other office supplies such as paper for the ticket writers.
112593	Office Equipment & Furnishings	Funds for replacement chairs in the office, filing cabinets and other equipment as needed
112650	Child Safety Expenses - Restricted	Court-collected funds to be used only for child safety programs.
112651	Court Technology - Restricted	Court-collected funds to be used only for technology equipment. This will fund a large portion of the ticket writers.
112653	Court Building Security - Restricted	Court-collected funds can be used only for security enhancements for court offices and courtrooms.

## 2016-17 City of Clear Lake Shores Annual Budget

City Secretary/Municipal Court							
Account	Description	2014-15 Actual	2015-16 Budget	2015-16 Estimate	2016-17 Request	2016-17 Recommendation	2016-17 Council Approved
112501	Wages & Salaries	\$ 90,799	\$ 96,000	\$ 95,027	\$ 97,878	\$ 100,878	\$ 100,878
112503	Medicare Tax	1,302	1,400	1,352	1,420	1,463	1,463
112504	Retirement	9,779	10,608	10,501	10,766	11,096	11,096
112505	Life, Medical & Dental Insurance	15,488	16,820	17,927	20,000	20,000	20,000
112520	Software & Computer Services	275	9,000	100	100	100	100
112522	Dues, Memberships & Subscriptions	700	600	400	550	550	550
112532	Travel & Training	7,292	6,500	5,500	6,500	6,500	6,500
112534	Vehicle & Equipment Maintenance	-	4,100	1,000	1,000	1,000	1,000
112546	Other Contractual Services	27,299	42,500	34,000	34,000	34,000	34,000
112555	Other Miscellaneous Supplies	5,956	7,500	3,600	4,500	4,500	4,500
112593	Office Furniture & Equipment	-	1,500	-	-	-	-
112650	Child Safety Expenses-Restricted	3,741	36,370	2,700	42,000	42,000	42,000
112651	Court Technology-Restricted	2,976	19,127	3,500	22,400	22,400	22,400
112653	Court Building Security-Restricted	319	35,803	2,600	39,500	39,500	39,500
	<b>Total City Secretary/Mun Court</b>	<b>\$ 165,926</b>	<b>287,828</b>	<b>\$ 178,207</b>	<b>\$ 280,614</b>	<b>\$ 283,987</b>	<b>\$ 283,987</b>

**2016-17 City of Clear Lake Shores**

**Annual Budget**

Park Department Summary							
Account	Department	2014-15 Actual	2015-16 Budget	2015-16 Estimate	2016-17 Request	2016-17 Recommendation	2016-17 Council Approved
	Park Budget Summary	\$ 83,097	\$ 72,050	\$ 36,998	\$ 35,000	\$ 35,000	\$ 35,000

**EXPLANATIONS AND COMMENTS**

113558	Landscaping & Beautification	Allocation to the Landscaping & Beautification committee.
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**2016-17 City of Clear Lake Shores Annual Budget**

<b>Park</b>							
<b>Account</b>	<b>Description</b>	<b>2014-15 Actual</b>	<b>2015-16 Budget</b>	<b>2015-16 Estimate</b>	<b>2016-17 Request</b>	<b>2016-17 Recommendation</b>	<b>2016-17 Council Approved</b>
112501	Wages & Salaries	\$ 3,842	\$ 15,600	\$ 1,776	\$ -	\$ -	\$ -
112503	Medicare Tax	56	227	26	-	-	-
112504	Retirement	424	1,723	196	-	-	-
112505	Life, Medical & Dental Insurance	-	2,000	-	-	-	-
112534	Vehicle & Equipment Maintenance	-	250	-	-	-	-
112555	Other Miscellaneous Supplies	507	2,000	-	-	-	-
113557	Small Tools & Equipment	-	250	-	-	-	-
113558	Landscaping & Beautification	25,838	50,000	35,000	35,000	35,000	35,000
113594	Buildings & Structures	52,430	-	-	-	-	-
	<b>Total Park Budget</b>	<b>\$ 83,097</b>	<b>\$ 72,050</b>	<b>\$ 36,998</b>	<b>\$ 35,000</b>	<b>\$ 35,000</b>	<b>\$ 35,000</b>

**2016-17 City of Clear Lake Shores  
Annual Budget**

**Police Department Summary**

Account	Department	2014-15 Actual	2015-16 Budget	2015-16 Estimate	2016-17 Request	2016-17 Recommendation	2016-17 Council Approved
	Total Police Department Budget	\$ 737,779	\$ 812,728	\$ 791,128	\$ 1,029,979	\$ 1,041,818	\$ 1,041,818

**EXPLANATIONS AND COMMENTS**

114501	Wages & Salaries						Includes funds for an increase for Chief and Asst. Chief, bringing other officers up to market and two additional officers.
502	Overtime						Adds overtime hours to provide for water patrolling.
114522	Dues, Memberships & Subscriptions						Includes funds for the chief and asst. chief to join the Texas Police Chiefs Assn. and the IACP.
114532	Travel & Training						Police Officers have a minimum requirement for annual training. Allows Chief and Asst. Chief to attend IACP Conference.
114534	Vehicle & Equipment Maintenance						The department has frequent needs to have oil changes, new tires, etc. for vehicles.
114539	Jail/Dispatch Services						Dickinson City Jail is a contract facility.
114555	Other Miscellaneous Supplies						This line includes expenses for officer safety, drug testing, office supplies and many other things.
114654	Restricted Funds						Only funds restricted for use by the Police Department are expended here. This includes things like seized assets.



## 2016-17 City of Clear Lake Shores Annual Budget

Police							
Account	Description	2014-15 Actual	2015-16 Budget	2015-16 Estimate	2016-17 Request	2016-17 Recommendation	2016-17 Council Approved
114501	Wages & Salaries	\$ 422,951	\$ 475,182	\$ 474,883	\$ 596,360	\$ 606,360	\$ 606,360
114502	Overtime	2,251	3,380	1,500	26,700	26,700	26,700
114503	Medicare Tax	5,933	7,210	7,100	9,300	9,512	9,512
114504	Retirement	47,023	54,900	51,000	70,539	72,166	72,166
114505	Life, Medical & Dental Insurance	104,707	138,000	117,975	145,000	145,000	145,000
114506	Police Holiday Pay	13,976	18,200	18,150	23,000	23,000	23,000
114520	Software & Computer Services	20,084	5,000	9,250	49,500	49,500	49,500
114522	Dues, Memberships & Subscriptions	569	900	950	900	900	900
114532	Travel & Training	7,818	12,156	12,000	13,500	13,500	13,500
114533	Radio Maintenance/User Fees	1,061	3,500	2,200	2,800	2,800	2,800
114534	Vehicle & Equipment Maintenance	22,194	17,000	16,000	17,000	17,000	17,000
114539	Jail/Dispatch Services	7,025	12,000	12,300	13,500	13,500	13,500
114542	Fuel & Lube	20,578	22,500	16,900	21,000	21,000	21,000
114545	Uniforms	5,716	4,800	3,500	5,200	5,200	5,200
114552	Safety Equipment & Supplies	1,375	2,000	1,420	5,680	5,680	5,680
114555	Other Miscellaneous Supplies	20,543	21,000	17,500	20,500	20,500	20,500
114592	Radios	27,787	7,500	-	7,500	7,500	7,500
114654	Restricted Funds - Supplies/Misc	6,188	7,500	28,500	2,000	2,000	2,000
	<b>Total Police Budget</b>	<b>\$ 737,779</b>	<b>\$ 812,728</b>	<b>\$ 791,128</b>	<b>\$ 1,029,979</b>	<b>\$ 1,041,818</b>	<b>\$ 1,041,818</b>

This budget includes the addition of two full-time police officers and implementation of a new step pay plan for police only.

**2016-17 City of Clear Lake Shores  
Annual Budget**

**Building Inspections and Code Enforcement Summary**

<b>Account</b>	<b>Department</b>	<b>2014-15 Actual</b>	<b>2015-16 Budget</b>	<b>2015-16 Estimate</b>	<b>2016-17 Request</b>	<b>2016-17 Recommendation</b>	<b>2016-17 Council Approved</b>
	Total Building Inspections/Code Enf. Dep	\$ 91,748	\$ 154,095	\$ 113,576	\$ 157,626	\$ 160,998	\$ 160,998

**EXPLANATIONS AND COMMENTS**

115501	Wages & Salaries	Salary adjustments for both employees.
115529	Contract Inspection Services	Funding to use an alternate inspector when Building Official is out of town.
115546	Other Contractual Services	Funds to use a company to mow yards that are overgrown and owner will not maintain. This money is recouped.

**2016-17 City of Clear Lake Shores Annual Budget**

<b>Building Inspections/Code Enforcement</b>							
<b>Account</b>	<b>Description</b>	<b>2014-15 Actual</b>	<b>2015-16 Budget</b>	<b>2015-16 Estimate</b>	<b>2016-17 Request</b>	<b>2016-17 Recommendation</b>	<b>2016-17 Council Approved</b>
115501	Wages & Salaries	\$ 34,932	\$ 101,821	\$ 65,122	\$ 110,326	\$ 113,326	\$ 113,326
115502	Overtime	163	200	-	-	-	-
115503	Medicare Tax	506	1,480	940	1,600	1,643	1,643
115504	Retirement	3,780	11,280	7,195	12,136	12,465	12,465
115505	Life, Medical & Dental Insurance	8,244	20,164	8,219	18,064	18,064	18,064
115520	Software & Computer Services	1,317	1,300	-	-	-	-
115522	Dues, Memberships & Subscriptions	45	750	950	1,500	1,500	1,500
115529	Contract Inspection Services	34,913	3,000	22,150	2,000	2,000	2,000
115532	Travel & Training	4,416	6,000	5,000	7,500	7,500	7,500
115546	Other Contractual Services	2,690	6,100	2,500	2,500	2,500	2,500
115555	Other Miscellaneous Supplies	742	2,000	1,500	2,000	2,000	2,000
	<b>Total Building Inspection/Code Enf. Budget</b>	<b>\$ 91,748</b>	<b>\$ 154,095</b>	<b>\$ 113,576</b>	<b>\$ 157,626</b>	<b>\$ 160,998</b>	<b>\$ 160,998</b>

**2016-17 City of Clear Lake Shores  
Annual Budget**

**Public Works Summary**

<b>Account</b>	<b>Department</b>	<b>2013-14 Actual</b>	<b>2014-15 Budget</b>	<b>2014-15 Estimate</b>	<b>2015-16 Request</b>	<b>2015-16 Recommendation</b>	<b>2015-16 Council Approved</b>
	Total Public Works Budget	<u>\$ 179,903</u>	<u>\$ 195,703</u>	<u>\$ 203,788</u>	<u>\$ 214,162</u>	<u>\$ 214,162</u>	<u>\$ 214,162</u>

**EXPLANATIONS AND COMMENTS**

116501	Wages & Salaries	Funding for pay increases is the same as other non-police departments.
116546	Other Contractual Services	Includes funding for landscape maintenance contract.
116532	Other Miscellaneous Supplies	The cost of paint, nails, nuts and bolts and almost everything else is increasing.

## 2016-17 City of Clear Lake Shores Annual Budget

Public Works							
Account	Description	2014-15 Actual	2015-16 Budget	2015-16 Estimate	2016-17 Request	2016-17 Recommendation	2016-17 Council Approved
116501	Wages & Salaries	\$ 66,041	\$ 73,100	\$ 64,665	\$ 72,613	\$ 72,613	\$ 72,613
116502	Overtime	163	1,000	100	500	500	500
116503	Medicare Tax	944	1,074	939	1,052	1,052	1,052
116504	Retirement	7,137	8,188	7,156	7,987	7,987	7,987
116505	Life, Medical & Dental Insurance	18,831	19,485	20,778	22,410	22,410	22,410
116534	Vehicle & Equipment Maintenance	8,880	9,500	6,000	8,000	8,000	8,000
116535	Building & Property Maintenance	1,512	4,000	7,000	5,000	5,000	5,000
116542	Fuel & Lubricants	1,616	3,800	2,800	3,200	3,200	3,200
116545	Uniforms	2,093	1,856	2,400	2,400	2,400	2,400
116546	Other Contractual Services	46,341	60,000	80,000	80,000	80,000	80,000
116547	Communications	716	1,900	700	700	700	700
116550	Street Repair Materials	365	1,000	500	500	500	500
116551	Signs	11,335	1,200	4,750	1,200	1,200	1,200
116555	Other Miscellaneous Supplies	6,641	6,000	4,500	5,000	5,000	5,000
116556	Mosquito Spray	-	2,600	500	2,600	2,600	2,600
116557	Small Tools & Equipment	763	1,000	1,000	1,000	1,000	1,000
116591	Machinery & Equipment	6,525	-	-	-	-	-
	<b>Total Public Works Budget</b>	<b>\$ 179,903</b>	<b>\$ 195,703</b>	<b>\$ 203,788</b>	<b>\$ 214,162</b>	<b>\$ 214,162</b>	<b>\$ 214,162</b>

**2016-17 City of Clear Lake Shores  
Annual Budget**

**Swimming Pool Summary**

Account	Department	2014-15 Actual	2015-16 Budget	2015-16 Estimate	2016-17 Request	2016-17 Recommendation	2016-17 Council Approved
	Total Swimming Pool Budget	\$ 43,711	\$ 46,700	\$ 45,400	\$ 44,000	\$ 44,000	\$ 44,000

**EXPLANATIONS AND COMMENTS**

117535	Pool Maintenance	As a pool ages, maintenance issues increase. Pump motors are beginning to fail. Deck cracks are appearing. Lights ar The cost for lifeguards should remain approximately the same. Some of our older patrons have requested additional handrails around the steps. This money is to replace furniture that fails. Each year, a few pieces must be discarded.
117540	Pool Operations	
117546	Other Contractual Services	
117593	Furniture and Equipment	

## 2016-17 City of Clear Lake Shores Annual Budget

Swimming Pool							
Account	Description	2014-15 Actual	2015-16 Budget	2015-16 Estimate	2016-17 Request	2016-17 Recommendation	2016-17 Council Approved
117535	Pool Maintenance	\$ 2,478	\$ 7,700	\$ 6,500	\$ 8,000	\$ 8,000	\$ 8,000
117540	Pool Operations	33,474	29,000	32,100	29,500	29,500	29,500
117546	Other Contractual Services	258	2,000	800	2,000	2,000	2,000
117596	Other Improvements	7,501	8,000	6,000	4,500	4,500	4,500
	<b>Total Swimming Pool Budget</b>	<b>\$ 43,711</b>	<b>\$ 46,700</b>	<b>\$ 45,400</b>	<b>\$ 44,000</b>	<b>\$ 44,000</b>	<b>\$ 44,000</b>

**2016-17 City of Clear Lake Shores  
Annual Budget**

**Public Safety Summary**

Account	Department	2014-15 Actual	2015-16 Budget	2015-16 Estimate	2016-17 Request	2016-17 Recommendation	2016-17 Council Approved
	Total Public Safety Budget	<u>\$ 51,804</u>	<u>\$ 43,845</u>	<u>\$ 46,491</u>	<u>\$ 44,991</u>	<u>\$ 44,991</u>	<u>\$ 44,991</u>

**EXPLANATIONS AND COMMENTS**

118536	Emergency Management	This allocation funds training and maintenance of Emergency Management Vehicles and Trailer.
118537	Ambulance Services	The city's contribution toward maintaining 24 hour ambulance service is in this allocation, paid to CLEMC.
118538	Animal Control	This line item cover's the city's contract for animal control services with Bayou Animal Services, operated by the City of Dickinson.



## 2016-17 City of Clear Lake Shores Annual Budget

Public Safety/Emergency Management							
Account	Description	2014-15 Actual	2015-16 Budget	2015-16 Estimate	2016-17 Request	2016-17 Recommendation	2016-17 Council Approved
118536	Emergency Management	\$ 17,089	\$ 9,000	\$ 10,500	\$ 9,000	\$ 9,000	\$ 9,000
118537	Ambulance Services	27,845	27,845	27,845	27,845	27,845	27,845
118538	Animal Control Services	6,870	7,000	8,146	8,146	8,146	8,146
	Total Public Safety/Em. Mgmt. Budget	\$ 51,804	\$ 43,845	\$ 46,491	\$ 44,991	\$ 44,991	\$ 44,991

**2016-17 City of Clear Lake Shores  
Annual Budget**

**General Government Summary**

<b>Account</b>	<b>Department</b>	<b>2014-15 Actual</b>	<b>2015-16 Budget</b>	<b>2015-16 Estimate</b>	<b>2016-17 Request</b>	<b>2016-17 Recommendation</b>	<b>2016-17 Council Approved</b>
	Total General Government Budget	\$ 737,732	\$ 1,099,625	\$ 936,360	\$ 621,845	\$ 621,845	\$ 621,845

**EXPLANATIONS AND COMMENTS**

119528	Insurance & Bonds	Premiums have increased due to the acquisition of property and higher property values.
119593	Office Furniture & Equipment	We always have a few chairs fail each year.
119594	Buildings & Structures	These funds are to replace building siding where needed and repaint the exterior.
119601	Transfer to Roads & Drainage	Sales Tax money alone cannot fund all of our needs in Roads & Drainage.
119602	Transfer to Capital Equipment	This fund needs to be built up to fund needed equipment in the coming years.

## 2016-17 City of Clear Lake Shores Annual Budget

General Government							
Account	Description	2014-15 Actual	2015-16 Budget	2015-16 Estimate	2016-17 Request	2016-17 Recommendation	2016-17 Council Approved
119507	Other Employment Services	\$ 633	\$ 1,500	\$ 3,300	\$ 3,300	\$ 3,300	\$ 3,300
119510	Debt Service	-	-	-	153,075	153,075	153,075
119520	Software & Computer Services	38,185	45,000	41,000	40,000	40,000	40,000
119521	Utilities	52,592	47,500	47,500	49,500	49,500	49,500
119522	Dues, Memberships & Subscriptions	3,020	3,300	5,000	5,000	5,000	5,000
119523	Postage & Shipping	2,222	2,500	2,300	2,300	2,300	2,300
119524	Code Supplement Service	2,773	2,000	2,675	2,675	2,675	2,675
119528	Insurance & Bonds	38,688	48,000	62,750	57,500	57,500	57,500
119531	Audit Expense	16,395	16,550	16,395	16,395	16,395	16,395
119535	Building Maintenance	16,460	25,000	7,800	5,000	5,000	5,000
119541	Concert Series	3,920	6,500	6,000	7,000	7,000	7,000
119543	Children's Library	289	250	100	-	-	-
119546	Other Contractual Expense	19,850	32,000	30,000	32,000	32,000	32,000
119553	Janitorial Expense	6,452	6,600	7,300	7,100	7,100	7,100
119554	Printed Materials (Notices etc.)	1,617	1,500	3,000	3,000	3,000	3,000
119555	Other Miscellaneous Supplies	12,587	10,000	10,000	10,000	10,000	10,000
119593	Office Furniture & Equipment	-	6,000	5,175	2,000	2,000	2,000
119594	Buildings & Structures	-	75,000	73,140	40,000	40,000	40,000
119595	Forestry Program	8,205	7,500	-	6,000	6,000	6,000
119596	Other Improvements	19,794	150,000	-	-	-	-
	Transfers Out:						
119601	To Roads & Drainage Fund	100,000	100,000	100,000	100,000	100,000	100,000
119602	To Capital Equipment	60,000	80,000	80,000	80,000	80,000	80,000
119603	To Rainy Day Fund	334,050	-	-	-	-	-
119604	To Plaza Ten-06 Corporation	-	332,925	332,925	-	-	-
119605	To EDC	-	100,000	100,000	-	-	-
	<b>Total General Government Budget</b>	<b>\$ 737,732</b>	<b>\$ 1,099,625</b>	<b>\$ 936,360</b>	<b>\$ 621,845</b>	<b>\$ 621,845</b>	<b>\$ 621,845</b>

This budget includes funds to pay estimated debt service on \$900,000 in Certificates of Obligation issued to purchase land.

**SPECIAL REVENUE  
FUNDS**

**2016-17 City of Clear Lake Shores  
Annual Budget**

**Rainy Day Fund Summary**

<b>Account</b>	<b>Department</b>	<b>2014-15 Actual</b>	<b>2015-16 Budget</b>	<b>2015-16 Estimate</b>	<b>2016-17 Request</b>	<b>2016-17 Recommendation</b>	<b>2016-17 Council Approved</b>
	Interest Earnings	\$ 1,378	\$ 1,000	\$ 7,500	\$ 5,000	\$ 5,000	\$ 5,000
	Transfers In from General Fund	334,050	-	-	-	-	-
	<b>Total Revenue</b>	<b>\$ 335,428</b>	<b>\$ 1,000</b>	<b>\$ 7,500</b>	<b>\$ 5,000</b>	<b>\$ 5,000</b>	<b>\$ 5,000</b>

**Financial Plan for the year**

Expected Fund Balance 10/1	\$ 1,415,686	\$ 1,751,536	\$ 1,751,114	\$ 1,758,614	\$ 1,758,614	\$ 1,758,614
Add: Expected Revenue & Net Transfers In	335,428	1,000	7,500	5,000	5,000	5,000
<b>Total Available for Appropriation</b>	<b>\$ 1,751,114</b>	<b>\$ 1,752,536</b>	<b>\$ 1,758,614</b>	<b>\$ 1,763,614</b>	<b>\$ 1,763,614</b>	<b>\$ 1,763,614</b>
Less: Estimated Expenditures	-	-	-	-	-	-
<b>Expected Fund Balance 9/30</b>	<b>\$ 1,751,114</b>	<b>\$ 1,752,536</b>	<b>\$ 1,758,614</b>	<b>\$ 1,763,614</b>	<b>\$ 1,763,614</b>	<b>\$ 1,763,614</b>

## 2016-17 City of Clear Lake Shores Annual Budget

Rainy Day Fund							
Account	Description	2014-15 Actual	2015-16 Budget	2015-16 Estimate	2016-17 Request	2016-17 Recommendation	2016-17 Council Approved
	Rainy Day Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

## 2016-17 City of Clear Lake Shores Annual Budget

### Capital Equipment Fund

Revenue						
Account	Description	2014-15 Actual	2015-16 Budget	2015-16 Estimate	2016-17 Recommendation	2016-17 Council Approved
	Other Miscellaneous Revenue					
400480	Interest Income	\$ 54	\$ 100	\$ 200	\$ 100	\$ 100
400610	Transfers In: From General Fund	<u>60,000</u>	<u>80,000</u>	<u>80,000</u>	<u>80,000</u>	<u>80,000</u>
400476	Sale of Surplus Equipment	<u>2,900</u>	<u>-</u>	<u>1,300</u>	<u>-</u>	<u>-</u>
	<b>Total Capital Equipment Replacement Fund Revenue</b>	<u><u>\$ 62,954</u></u>	<u><u>\$ 80,100</u></u>	<u><u>\$ 81,500</u></u>	<u><u>\$ 80,100</u></u>	<u><u>\$ 80,100</u></u>

Expenditures						
	Fund Balance 10/1	\$ 69,129	\$ 54,135	\$ 54,135	\$ 135,635	\$ 135,635
	Estimated Revenue	62,950	80,100	81,500	80,100	80,100
	<b>Total Available for Appropriation</b>	<b>\$ 132,079</b>	<b>\$ 134,235</b>	<b>\$ 135,635</b>	<b>\$ 215,735</b>	<b>\$ 215,735</b>
	Estimated Expenditures	77,944	-	-	77,500	77,500
	<b>Estimated Fund Balance 9/30</b>	<b>\$ 54,135</b>	<b>\$ 134,235</b>	<b>\$ 135,635</b>	<b>\$ 138,235</b>	<b>\$ 138,235</b>

**2016-17 Clear Lake Shores Annual Budget**

<b>Capital Equipment Fund</b>							
<b>Account</b>	<b>Description</b>	<b>2014-15 Actual</b>	<b>2015-16 Budget</b>	<b>2015-16 Estimate</b>	<b>2016-17 Request</b>	<b>2016-17 Recommended</b>	<b>2016-17 Council Approved</b>
414590	Police	\$ 77,944	\$ -	\$ -	\$ 57,630	\$ 57,500	\$ 57,500
416590	Public Works	-	-	-	20,000	20,000	20,000
	<b>TOTAL</b>	<b>\$ 77,944</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 77,630</b>	<b>\$ 77,500</b>	<b>\$ 77,500</b>



**CAPITAL PROJECTS**

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**FUND**

**2016-17 City of Clear Lake Shores Annual Budget**

**Revenue**

**Roads & Drainage Fund**

<b>Account</b>	<b>Description</b>	<b>2014-15 Actual</b>	<b>2015-16 Budget</b>	<b>2015-16 Estimate</b>	<b>2016-17 Recommendation</b>	<b>2016-17 Council Approved</b>
	Other Miscellaneous Revenue					
200480	Interest Income	\$ 936	\$ 500	\$ 3,200	\$ 2,000	\$ 2,000
200406	Dedicated Sales Tax	253,397	245,833	256,666	256,666	256,666
200610	Transfer In: From General Fund	100,000	100,000	100,000	100,000	100,000
	<b>Total Miscellaneous Revenue</b>	<b>\$ 354,333</b>	<b>\$ 346,333</b>	<b>\$ 359,866</b>	<b>\$ 358,666</b>	<b>\$ 358,666</b>
	<b>Total Roads &amp; Drainage Fund Revenue</b>	<b>\$ 354,333</b>	<b>\$ 346,333</b>	<b>\$ 359,866</b>	<b>\$ 358,666</b>	<b>\$ 358,666</b>
	Fund Balance 10/1	\$ 1,189,784	\$ 1,048,896	\$ 1,006,023	\$ 652,056	\$ 652,056
	Revenue	354,333	346,333	359,866	358,666	358,666
	<b>Total Available for Appropriation</b>	<b>\$ 1,544,117</b>	<b>\$ 1,395,229</b>	<b>\$ 1,365,889</b>	<b>\$ 1,010,722</b>	<b>\$ 1,010,722</b>
	Expenditures	538,094	1,090,000	713,000	950,000	950,000
	Fund Balance 9/30	\$ 1,006,023	\$ 305,229	\$ 652,889	\$ 60,722	\$ 60,722

## 2016-17 City of Clear Lake Shores Annual Budget

Roads & Drainage Fund							
Account	Description	2014-15 Actual	2015-16 Budget	2015-16 Estimate	2016-17 Request	2016-17 Recommendation	2016-17 Council Approved
216546	Other Contractual Services	\$ 128,398	\$ 90,000	\$ 30,000	\$ 75,000	\$ 75,000	\$ 75,000
216595	Other Infrastructure Improvements	409,696	1,000,000	683,000	875,000	875,000	875,000
	<b>Total Roads &amp; Drainage Budget</b>	<b>\$ 538,094</b>	<b>\$ 1,090,000</b>	<b>\$ 713,000</b>	<b>\$ 950,000</b>	<b>\$ 950,000</b>	<b>\$ 950,000</b>

**MUNICIPAL  
CORPORATIONS**

# 2016-17 Clear Lake Shores Economic Development Corporation

## Annual Budget

Department	2014-15 Actual	2015-16 Budget	2015-16 Estimate	2016-17 Recommended	2016-17 Board Approved
<b>Expenditures</b>					
Economic Development	\$ 77,778	\$ 690,000	\$ 324,500	\$ 140,900	\$ 140,900
Total Economic Development Budget	<u>\$ 77,778</u>	<u>\$ 690,000</u>	<u>\$ 324,500</u>	<u>\$ 140,900</u>	<u>\$ 140,900</u>
<b>Revenue &amp; Transfers In</b>					
Interest Income	\$ 242	\$ 250	\$ 1,500	\$ 1,000	\$ 1,000
Sales Tax	253,397	245,833	256,666	256,666	256,666
Insurance Claim Proceeds	10,068	-	-	-	-
Transfer from General Fund		100,000	100,000		
Total Economic Development Revenue	<u>\$ 263,707</u>	<u>\$ 346,083</u>	<u>\$ 358,166</u>	<u>\$ 257,666</u>	<u>\$ 257,666</u>
Fund Balance 10/1	\$ 234,428	\$ 274,217	\$ 420,357	\$ 454,023	\$ 454,023
Add: Revenue	263,707	346,083	358,166	257,666	257,666
Total Available for Appropriation	498,135	620,300	778,523	711,689	711,689
Less: Expenditures	77,778	690,000	324,500	140,900	140,900
Estimated Ending Fund Balance 9/30	\$ 420,357	\$ (69,700)	\$ 454,023	\$ 570,789	\$ 570,789

**2016-17 Clear Lake Shores Economic Development Corporation  
Annual Budget**

<b>Account</b>	<b>Description</b>	<b>2014-15 Actual</b>	<b>2015-16 Budget</b>	<b>2015-16 Estimate</b>	<b>2016-17 Request</b>	<b>2016-17 Recommendation</b>	<b>2016-17 Board Approved</b>
926522	Dues, Memberships & Subscriptions	\$ 5,000	\$ 5,000	\$ 4,500	\$ 5,000	\$ 5,000	\$ 5,000
926528	Insurance & Bonds	400	400	400	400	400	400
926532	Travel & Training	510	500	3,600	500	500	500
926546	Other Contractual Services	21,430	25,000	9,000	25,000	25,000	25,000
926547	Rental Expense	9,000	9,000	9,000	9,000	9,000	9,000
926554	Printed Materials	-	1,000	500	1,000	1,000	1,000
926595	Other Infrastructure Improvements	1,075	349,100	47,500	-	50,000	50,000
926595a	Watergate Connectivity Project	-	-	-	-	-	-
926595b	Okie's Corner Project	-	300,000	250,000	50,000	50,000	50,000
	<b>Total Economic Development Budget</b>	<b>\$ 37,415</b>	<b>\$ 690,000</b>	<b>\$ 324,500</b>	<b>\$ 90,900</b>	<b>\$ 140,900</b>	<b>\$ 140,900</b>

## 2016-17 Plaza Ten-06 Corporation Annual Budget

### Summary

Account	Department	2014-15 Actual	2015-16 Budget	2015-16 Estimate	2016-17 Request	2016-17 Board Approved
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### Expenditures

Total Plaza Ten-06 Corp Budget	\$ 12,895	\$ 344,418	\$ 341,408	\$ 3,750	\$ 3,750
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### Revenue

800480	Interest Income	\$ 27	\$ 10	\$ 90	\$ 90	\$ 90
800482	Rental Income	3,894	-	-	-	-
800483	Farmer's Market Income	8,525	5,000	4,700	4,700	4,700
800610	Transfer in From General Fund	-	332,925	332,925	-	-
	Total Miscellaneous Revenue	\$ 12,446	\$ 337,935	\$ 337,715	4,790	4,790

### EXPLANATIONS AND COMMENTS

825521	Utilities	Utilities were shut off from the Farmer's Market Lot for an extended period of time in FY 14/15.				
825528	Insurance & Bonds	Bonds for the Plaza Ten-06 corporate officers.				
825546	Other Contractual Services	In previous years, there were various services paid for. This year, nothing is anticipated.				
825555	Other Miscellaneous Supplies	Minor miscellaneous supplies will be needed, although the exact needs cannot be anticipated.				

### Financial Plan for the year

Expected Fund Balance 10/1/	\$ 37,859	\$ 30,579	\$ 28,885	\$ 25,192	\$ 25,192
Add: Revenue	12,446	337,935	337,715	4,790	4,790
Total Available for Appropriation	50,305	368,514	366,600	29,982	29,982
Less: Expenditures	12,895	344,418	341,408	3,750	3,750
Expected Fund Balance 9/30	\$ 37,410	\$ 24,096	\$ 25,192	\$ 26,232	\$ 26,232

## 2016-17 Plaza Ten-06 Corporation Annual Budget

Plaza Ten-06 Corporation							
Account	Description	2014-15 Actual	2015-16 Budget	2015-16 Estimate	2016-17 Request	2016-17 Recommendation	2016-17 Board Approved
825521	Utilities	\$ 237	\$ 300	\$ 240	\$ 250	\$ 250	\$ 250
825528	Insurance & Bonds	1,000	1,000	1,000	1,000	1,000	1,000
825546	Other Contractual Services	10,840	3,900	1,850	2,000	2,000	2,000
825555	Other Miscellaneous Supplies	818	1,000	100	500	500	500
825594	Buildings & Structures	-	338,218	338,218	-	-	-
	Total Plaza Ten-06 Corp Budget	<u>\$ 12,895</u>	<u>\$ 344,418</u>	<u>\$ 341,408</u>	<u>\$ 3,750</u>	<u>\$ 3,750</u>	<u>\$ 3,750</u>



**REFERENCE  
MATERIAL**

2016-17 CLEAR LAKE SHORES

HOLIDAY SCHEDULE

	<u>Civilian Hours</u>	<u>Police Hours</u>
Veteran's Day, November 11	4	8
Thanksgiving, November 24-25	13	16
Christmas, December 23-26	18	16
New Years (Civilians--close at 12:00 p.m.December 30), January 2 12		8
President's Day, February 13	9	8
Good Friday, April 14	4	8
Memorial Day, May 29	9	8
Independence Day, July 3 -July 4 <sup>th</sup>	18	16
Labor Day, September 4	9	8
Floating Holiday (To be taken on a Friday or with vacation hours)	4	4
Total Holiday Hours	<u>100</u>	<u>100</u>



June 1, 2015

City #00263

City Official  
City of Clear Lake Shores  
1006 South Shore Drive  
Clear Lake Shores, TX 77565

**Subject: 2016 Municipal Contribution Rate**

Dear City Official:

Presented below are your city's contribution requirements to the Texas Municipal Retirement System (TMRS) for Plan Year 2016 (Calendar Year 2016, PY2016) as determined by the December 31, 2014 actuarial valuation. The actuarially determined contribution rates for retirement benefits and Supplemental Death Benefits (SDB), if any, are based on your city's plan provisions in effect as of April 1, 2015 and the actuarial assumptions and methods adopted by the TMRS Board. Effective January 1, 2016, your city's monthly contribution rates will be as follows:

Normal Cost	8.42%
Prior Service	<u>2.34%</u>
Total Retirement Rate	10.76%
Supplemental Death Benefit	<u>0.16%</u>
Total Combined Contribution	10.92%

The contribution rate phase-in of your city's Full Retirement Rate is complete. Therefore, the Phase-in Rate is no longer applicable and the Full Retirement Rate is the minimum required contribution.

Full information on your contribution rate, including an explanation of changes, is contained in the attached report. The Total Retirement Rate shown above represents the Actuarially Determined Employer Contribution (ADEC) for PY2016 based on current TMRS funding policy.

**IMPORTANT NOTE: The pension disclosure and financial statement information necessary to assist your city with the financial reporting requirements of the Governmental Accounting Standards Board (GASB) will be provided in a separate document available later this summer.**

If you have questions about your rate or if you wish to evaluate potential changes in your TMRS plan, contact TMRS at 800-924-8677.

Sincerely,

Eric W. Davis  
Deputy Executive Director

## Executive Summary

Valuation as of TMRS Plan Year (PY) Ending	12/31/2014	12/31/2013
Membership as of the Valuation Date		
• Number of	15	13
• - Active members	4	4
• - Retirees and beneficiaries	11	10
• - Inactive members	30	27
• - Total		
• Prior year's payroll provided by TMRS	\$ 630,866	\$ 600,558
• Valuation Payroll	\$ 674,600	\$ 650,840
Benefit Accumulation Fund (BAF) Assets		
• Market BAF Balance	\$ 1,105,828	\$ 985,029
• BAF crediting rate for PY	5.68%	9.70%
• Interest credited on beginning BAF balance	\$ 55,969	\$ 89,848
• Municipal contributions	61,636	51,405
• Member contributions during year	37,852	36,033
• Benefit and refund payments	34,659	118,096
Actuarial Value of Assets (AVA)	\$ 1,068,627	\$ 934,265
Return on AVA	7.44%	7.63%
AVA as a Percentage of BAF	96.64%	94.85%
Actuarial Information		
• Actuarial accrued liability (AAL)	\$ 1,334,546	\$ 1,182,761
• Actuarial value of assets (AVA)	1,068,627	934,265
• Unfunded actuarial accrued liability (UAAL)	265,919	248,496
• UAAL as % of pay	42.2%	41.4%
• Funded ratio (AVA/AAL)	80.1%	79.0%
• Employer normal cost	8.42%	8.68%
• Prior Service Rate	2.34%	2.21%
Contribution Rates for TMRS Plan Year (PY)		
• Member	2016	2015
• Full retirement rate (ADEC)	6.00%	6.00%
• Phase-in retirement rate (minimum)	10.76%	10.89%
• Supplemental Death rate	10.76%	10.40%
	0.16%	0.16%
Total Employer Contribution Estimates for PY		
• Projected payroll	2016	2015
• Minimum Phase-in contribution rate	\$ 694,838	\$ 670,365
• Estimated employer contribution	10.92%	10.56%
	\$ 75,876	\$ 70,791

Note: TMRS Plan Year coincides with Calendar Year  
 Results from prior year reflect the plan provisions used in the 12/31/2014 valuation report.

## Development of Actuarial Value of Assets

	Year Ending	
	12/31/2014	12/31/2013
1. Actuarial value of assets (AVA) as of January 1	\$ 934,265	\$ 896,525
2. a. Employer Contributions	\$ 61,636	\$ 51,405
b. Member Contributions	37,852	36,033
c. Benefit and Refund Payments	<u>34,659</u>	<u>118,096</u>
d. Net external cash flow	\$ 64,829	\$ (30,658)
3. Expected assets as of December 31 (includes earnings equal to 7.0% of 1.)	\$ 1,064,493	\$ 928,624
4. Actual BAF balance as of December 31	\$ <u>1,105,828</u>	\$ <u>985,029</u>
5. Deferred earnings/(shortfall) (4. - 3.)	\$ 41,335	\$ 56,405
6. Deferred earnings/(shortfall) recognized (10% x 5.)	\$ 4,134	\$ 5,641
7. Preliminary actuarial value of assets as of December 31 (3. + 6.)	\$ 1,068,627	\$ 934,265
8. a. 85% of market value of assets (85% x 4.)	\$ 939,954	\$ 837,275
b. 115% of market value of assets (115% x 4.)	1,271,702	1,132,783
9. Actuarial value of assets (AVA) as of December 31 (7. perhaps partially limited by 8.)	\$ 1,068,627	\$ 934,265

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**Note:**

To help mitigate the natural year-to-year fluctuations (positive and negative) in the investment markets, the TMRS actuary has recommended "asset smoothing." Nearly all public sector retirement systems employ some form of smoothing. Smoothing does not impact long-term plan costs or funded positions but does impact timing of investment gain and loss recognition. The TMRS Board of Trustees has adopted a 10-year smoothing method with a 15% corridor to determine the System's actuarial value of assets (AVA). This "smoothing method" is intended to help reduce the volatility of the contribution rates from one year to the next. The corridors detailed above on line 8 keep the AVA within a certain range of the market value of assets.

Expected and actual BAF balances as of December 31 may be off a dollar due to rounding.

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## Reconciliation of Full Retirement Rate from Prior Actuarial Valuation Report

Actuarial valuations are based on long-term assumptions, and actual results in a specific year can, and almost certainly will, differ as actual experience deviates from the assumptions. The following table provides a detailed breakdown of changes in the retirement portion of your city's contribution rate. This analysis reconciles the change in the retirement portion (ADEC) of your city's contribution rate from 2015 to 2016, but will not reflect any change in the cost of the Supplemental Death Benefit (SDB), if your city currently has this provision. (Any changes in the cost of the SDB are primarily due to the changes in the average age of your city's employee group and/or the number of covered retirees.) Following the table below is a brief description of the common sources for deviation from the expected.

Change in Full Retirement Rate	
Full Rate from 12/31/2013 Valuation (PY 2015 Rate)	9.99 %
Benefit changes	0.90 %
Return on Actuarial Value of Assets	(0.04)
Contribution lag	0.09
Payroll growth	(0.01)
Normal cost	(0.26)
Liability growth	0.09
Total change	0.77 %
Full Rate from 12/31/2014 Valuation (PY 2016 Rate)	10.76 %

**Benefit Changes** - Shows the increase or decrease in the contribution rate associated with any modifications made to the member city's TMRS plan provisions. This will also include any changes to the amortization period adopted by ordinance.

**Return on Actuarial Value of Assets (AVA)** - Shows the change in the contribution rate associated with the return on the AVA being different than the assumed 7.0%. For the year ending December 31, 2014, the return on an AVA basis was 7.44%. The impact may show as 0.00% due to rounding.

**Contribution Lag** - Shows the total increase or decrease in the contribution rate associated with the phase in of contributions and/or any additional contributions above the full rate. The effect of the "Contribution Lag" is also included here and refers to the time delay between the actuarial valuation date and the date the contribution rate becomes effective. For TMRS member cities, the "Contribution Lag" is one year (i.e., the Actuarial Valuation as of December 31, 2014 set the rate effective for Calendar Year 2016). **The impact of the "Contribution Lag" is expected to become immaterial once a city is contributing the Full Rate and the Full Rate stabilizes.**