



City of Harlingen ANNUAL BUDGET FISCAL YEAR 2023



Proposed Version - 9/21/2022



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INTRODUCTION

Budget Cover Page

October 1, 2022 through September 30, 2023
As adopted by the City Commission on September 21, 2022

This budget will raise more revenue from property taxes than last year's budget by \$1,032,894 or an increase of 4.57%. The property tax revenue to be raised from new property tax added to the tax roll this year is \$361,221.

The members of the governing body voting on the adopted tax rate are as follows:

FOR: Ford Kinsley
Daniel Lopez
Michael Mezmar
Frank Morales
Rene Perez

AGAINST: None
PRESENT and not voting: None
ABSENT: None

| Property Tax Rate Comparison | | |
|-----------------------------------|-----------------------|-----------------------|
| Description | Fiscal Year 2022-2023 | Fiscal Year 2021-2022 |
| Adopted Property Tax Rate | \$0.606357 per \$100 | \$0.619849 per \$100 |
| No New Revenue Rate | \$0.596332 per \$100 | \$0.612828 per \$100 |
| Voter Approval Rate | \$0.606357 per \$100 | \$0.628713 per \$100 |
| Debt Tax Rate | \$0.093628 per \$100 | \$0.107010 per \$100 |
| Maintenance & Operations Tax Rate | \$0.512729 per \$100 | \$0.512839 per \$100 |

The total debt obligation secured by property taxes for the City of Harlingen is \$3,278,449.



Transmittal Letter

Gabriel Gonzalez, City Manger

September 22, 2022

Honorable Mayor, City Commission, and Citizens of the City of Harlingen:

In accordance with the City Charter, I am presenting the City of Harlingen's Fiscal Year 2023 Adopted Operating Budget along with the Fiscal Year 2023-2027 Capital Improvement Program (CIP) Plan. For all funds, exclusive of Harlingen Waterworks, Valley International Airport, Economic Development Corporation, Harlingen Community Improvement Board, Library, and Firemen's Relief and Retirement Fund, revenues are \$97,222,746 and expenditures are \$95,812,266.

An Overview

The breakdown of fund revenues and expenditures is listed below:

| Fund | Revenues | Expenditures | Variance |
|------------------------------------|----------------------|----------------------|---------------------|
| General Fund | \$ 54,297,115 | \$ 53,987,605 | \$ 309,510 |
| Tennis Court | 126,400 | 126,400 | - |
| Hotel / Motel | 1,046,087 | 1,097,720 | (51,633) |
| Catastrophic Emergency | 8,071 | 25,000 | (16,929) |
| Free Trade Bridge | 283,800 | 184,600 | 99,200 |
| Convention and Visitors Bureau | 540,050 | 605,668 | (65,618) |
| Award Programs - Restricted | 9,379,998 | 9,379,998 | - |
| Public, Educational, and Gov. Prog | 100,600 | - | 100,600 |
| Harlingen Convention Center | 1,200 | - | 1,200 |
| Federal Forfeitures | 60,000 | 360,000 | (300,000) |
| State Forfeitures | 100,000 | 110,000 | (10,000) |
| Tax Increment Financing No. 1 | 155,543 | - | 155,543 |
| Tax Increment Financing No. 2 | 383,097 | - | 383,097 |
| Tax Increment Financing No. 3 | 836,865 | 570,000 | 266,865 |
| Debt Service | 4,580,224 | 4,695,682 | (115,458) |
| Infrastructure | 1,525,667 | 1,525,001 | 666 |
| Municipal Auditorium | 336,950 | 365,339 | (28,389) |
| Sanitation/Sanitary Landfill | 9,793,000 | 11,897,465 | (2,104,465) |
| Harlingen Arts and Heritage Museum | 76,495 | 117,546 | (41,051) |
| Municipal Golf Course | 1,213,886 | 1,258,730 | (44,844) |
| Motor Vehicle Warehouse | 6,236,680 | 3,364,494 | 2,872,186 |
| Health Insurance | 6,106,018 | 6,106,018 | - |
| Lon C. Hill Memorial Library | 35,000 | 35,000 | - |
| Total | \$ 97,222,746 | \$ 95,812,266 | \$ 1,410,480 |

The Adopted Fiscal Year 2023 Budget and Five-Year Plan are based on an economy that is in recovery from the COVID- 19 pandemic and its multi-faceted impact on the City and the local economy and the effect it has had on the City of Harlingen's strategic priorities, vision, and goals. The local economy continues to improve following the economic uncertainty caused by the pandemic and economic inflationary factors. The City is actively participating in the fight against COVID-19 by administering vaccines.

The City's budget for the Fiscal Year 2023, takes a strategic approach to address our community's short-term, mid-term and long-term needs. The pandemic continues to affect the City in many ways. It has required City staff to operate differently in order to protect the health and safety of the Citizens of Harlingen, as well as the employees who are dedicated to this City and work tirelessly every day. The City strives to respond to its constituents in order to maintain better health while offering solutions and utilizing assistance from various sources. The approved budget's overriding themes are to maintain the organization's financial stability, provide vital core services to the community, and recognize the economic stress COVID-19 and inflation have placed on our citizens, businesses, and institutions. The City continues to experience unprecedented economic growth in recognizing assessed property valuations during Fiscal Year 2023. Increases in property valuations resulted in an increase of 4.57% in projected property tax revenues for the fiscal year 2023.

Throughout the budget process, an emphasis was placed on the following goals:

Goals for the Fiscal Year 2023:

Non- Recurring

- 1. Maintain City streets**
 - a. \$ 1.5 million is budgeted for street maintenance
 - b. Purchase of a new Vector Truck
 - c. Provide for the construction of speed humps
- 2. Drainage Improvements**
 - a. Fund City drainage projects by leveraging grants
- 3. Enhance public safety**
 - a. Police Operations - Purchase of Additional Hard Drive Server
 - b. Police Operations - Five Patrol Tahoe Units
 - c. Purchase of equipment for Fire Department
- 4. Maintain current public service level**
 - a. Improve City-wide level of public service delivery
 - b. Provide Shade Structures and Benches for Parks and Recreation
 - c. Provide lighting at Centennial Park
 - d. Replace Ceiling Lights at the Library
- 5. Fund salary and benefit increases (General Fund)**

This budget presents the convergence of public policy and it addresses City Commission and City Manager goals and objectives of financial oversight and operational accountability while still maintaining a fiscally responsible fund balance that exceeds our policy of 120 days of operations:

- a. Budgeting expenditures within forecasted revenues.
- b. Establishing broad goals to guide government decision-making.
- c. Developing a budget consistent with approaches necessary to achieve established goals.
- d. Providing a general direction for the City of Harlingen and establishing the level and type of services that will be provided.

Other goals and objectives are mentioned throughout the various funds.

Transfers

As in previous years, transfers were budgeted between funds to reimburse one fund for services provided by the other. This year, Fiscal Year 2023, a transfer of \$202,731 was budgeted from the Sanitation Fund to the General Fund to reimburse the General Fund for accounting, management, human resources and a host of other services provided. Furthermore, the City also budgeted a transfer of \$500,000 from TIF No. 3 to the General Fund for debt service reimbursement representing TIF No. 3's portion for infrastructure improvements within its boundaries.

Transfers from the General Fund to other funds represent a subsidy to the receiving fund. General Fund transfers to other funds include \$339,971 to the Golf Course Fund, \$117,023 to the Tennis Court Fund and \$230,000 to Harlingen Downtown Improvement Fund. The General Fund's Fiscal Year 2023 budget transfers of \$85,000, \$215,000 and \$460,000 to the Tax Increment Financing Zone No. 1, 2 and 3, respectively, related to the City's portion of the incremental increase in property tax values for each zone. Budgeted transfers from General Fund to Other Funds totaled \$1,446,994.

The Hotel/Motel Fund also budgeted transfers to the Harlingen Downtown Fund totaling \$31,000 and \$475,000 to Harlingen Convention Center.

Staff Positions

Approved Expenditures:

The proposed staff budget for Fiscal Year 2023 includes specific pay rate increases for CDL drivers, \$190,300, Swimming Pools \$98,963, PD dispatchers \$162,399, two vactor truck operators \$105,018 and wage increases for employees earning less than \$10 at a cost of \$90,817 for total wage increases of \$647,497. Implementing market competitive rates improves retaining highly qualified employees.

A total of eight new positions have been approved for the Fiscal Year 2023 Budget. The Public Relations Department will add two employees to meet the plans for expanded media outreach. The Planning Development department will add two employees, a building inspector to address the increased demand for building inspections and a permit clerk to address the increase in permits issued. The Engineering Department will add an engineering inspector and the Public Works' Street Maintenance Department will add two equipment operators to operate the new Vactor Truck that is budgeted to be purchased in Fiscal Year 2023. A new marketing employee is budgeted for the Downtown Improvement District.

Salary Compensation

As part of the Cost of Living Adjustment (COLA) A 3% increase was budgeted for employees earning less than \$75,000 and a 1% COLA increase for employees earning more than \$75,000, exclusive of Harlingen Waterworks and Valley International Airport.

Overall Fund Revenue Estimates and Revenue Trends

Estimated revenues for the Fiscal Year 2023 are discussed in each fund in detail below. Estimates are based on historical trend analysis and assumptions such as economic factors and fee increases. Revenue trend graphs for each fund are shown in their respective sections.

The City decreased its tax rate by 2.2% compared to the prior year but will raise more taxes for maintenance and operations than last year's tax rate. The projected property tax revenues are distributed to the Debt Service Fund and the General Fund. For the Fiscal Year 2023, the distribution of property tax revenues is \$3,647,997 to the Debt Service Fund and \$19,977,290 to the General Fund.

General Fund

General Fund revenues for Fiscal Year 2023 are \$54,297,115. The two largest sources of revenue for the General Fund are property taxes and sales taxes. Together, those revenue sources account for 83% of revenue in the General Fund. For Fiscal Year 2023, current property taxes are budgeted at \$19,977,290 or a 2.10% increase over last year's budget. The increase can be attributed to growth in property tax valuations and new development compared to the prior year. Sales tax revenues for Fiscal Year 2023 are budgeted at \$23,840,626 or a 6.34% increase over last year's estimated revenues. Property and sales tax revenues saw steady increases due to a growing local economy and rising inflation. In the past year, many new businesses have opened in Harlingen, including Take 5 Oil Change, Circle K, Murphy USA, IHOP-second location, Spec's Liquor, DD's Discount Retailer, Moon Rock Food Truck Park, Dos Olivos Restaurant, TREK Bicycle Shop, Auto Zone at Pep Boys, Eye Lab and other business planning locations in 2023 including Party City, Honda Car Dealership, Aguilar's Meat Market, Papa y Papas Restaurant, Buffalo Wings and Rings, Jersey Mike and Dutch Brothers Coffee.

Total General Fund expenditures for Fiscal Year 2023 are \$53,987,605 which is an increase of \$2,349,940 from the Fiscal Year 2022 budget. The increase is largely attributable to inflation and projected cost increases for commodities like fuel. Total Revenues over Expenditures for the Fiscal Year 2023 Budget is projected at \$309,510.

Tennis Court Fund

This year there was a transfer budgeted from the General Fund totaling \$117,023. The Tennis Court Fund revenues and expenditures total \$126,400 for FY 2023 Budget. Tennis Court's estimated fund balance at the end of FY 2023 is \$41,105. During the Fiscal Year 2022, the City opened a new Tennis Pro Shop. Expenditures for the Tennis Court Fund include salary for part-time employees, contract services for the Tennis Pro, building insurance pro shop supplies and building maintenance comprise the principal elements of cost within the fund.

Hotel/Motel Fund

The Hotel/Motel Tax Fund accounts for the occupancy tax collected by the City from area hotels and motels and is distributed according to the relevant state statute. Tax revenues were budgeted conservatively at \$1,046,087 for FY 2023. Hotel/Motel Occupancy Tax expenditure budgets totaled \$1,097,720 a total of expenditures over revenues of (\$51,633). Budgeted expenditures for FY 2023 increased compared to FY 2022 due to changes in debt service requirements.

Community Development Block Grant Fund

This fund is responsible for the administration of two HUD formula grant programs: the Community Development Block Grant (CDBG) and the HOME Investment Partnerships (HOME) programs. The CDBG and HOME Programs provide the City of Harlingen with an opportunity to develop viable communities by funding activities that provide a suitable living environment, create decent affordable housing, and provide economic opportunities for low and moderate-income households. Budgeted revenues and expenditures totaled \$1,310,638 for FY 2022 vs \$1,298,059 for FY 2023.

Harlingen Downtown Improvement Fund

The Harlingen Downtown Improvement Fund is primarily funded by the General Fund. In FY 2023, the General Fund will transfer \$230,000 to the Harlingen Downtown Improvement Fund, an increase of \$22,437 from FY 2022, and the Hotel/Motel Fund will transfer \$31,000. Expenses for this fund increased by 24.7%, or \$67,101 compared to last fiscal year. This year's budget total is \$338,477.

Catastrophic Emergency Fund

This fund accounts for expenditures specifically authorized by ordinance for catastrophic emergency-type expenditures such as hurricanes or floods. In anticipation of catastrophic events, \$25,000 has been budgeted for sand and sandbags for FY 2023. The estimated ending fund balance for FY 2023 is \$778,000.

Free Trade Bridge Fund

Revenues are generated by commercial and passenger vehicle bridge crossings at the Free Trade International Bridge and are shared by a three-way split between the City of Harlingen, the City of San Benito, and Cameron County. For FY 2023, proposed revenues increased from the prior year to \$283,800. The expenditures consist of \$184,600 for the City's matching share for the Lower Rio Grande Valley Development Council and \$60,500 for the Valley Metro's Regional Public Transportation System. The estimated ending fund balance for FY 2023 is \$481,506.

Harlingen Convention Center Fund

The City of Harlingen's convention venue opened in the early part of 2019. The Harlingen Convention Center can accommodate nearly any event, from small corporate meetings to large conventions, weddings, quinceañeras, trade shows, sporting events, and concerts, with over 44,000 square feet of space to include an outdoor venue that can hold up to 510 people. Revenues of \$1,200 have been budgeted, representing interest earnings. No expenditures have been budgeted for the Harlingen Convention Center Fund. The Harlingen Convention Center is owned by the City of Harlingen and operated by a third-party property management company. Projected Revenues are estimated at \$1,200 for FY2023.

Federal & State Forfeiture Funds

These funds derive their monies from Equitable Sharing Assets Forfeiture Laws. The funds are used to purchase law enforcement equipment to be used by the Harlingen Police Department for law enforcement activities and purposes. Federal and state forfeiture fund expenditures totaling \$360,000 and \$110,000, respectively, were budgeted for FY 2023.

Convention & Visitors Bureau Fund

Convention & Visitors Bureau revenues were budgeted at \$540,050, which includes a transfer of \$475,000 from the Hotel/Motel Fund, an increase in budgeted revenues of \$65,075 compared to last fiscal year. Total expenditure for FY 2023 is \$605,668. Budgeted expenditures for FY 2022 totaled \$477,220, an increase of \$128,448 from the last fiscal year. The increase is the costs of Rio Fest and Margarita Festivals. These events bring the community together in a festival setting with food, music, and entertainment. The Convention & Visitors Bureau will continue to carry out visitor promotions, attracting overnight visitors that bring revenue into the community, generating personal income, jobs, and tax revenue, thereby contributing to the economic fabric and quality of life in the community.

Grant Award Programs Fund

This fund was created in FY 2015 to increase the efficiency of grant budget management. A total of \$9,379,998 is anticipated in state and federal grant funding for FY 2023. Various grant awards have been budgeted, including American Rescue Plan Act 2021 (ARPA), Bullet Proof Vests, Homeland Security Grants, STEP Comprehensive, Justice Assistance, Crime Victim's Assistance, Tropical Texas Behavioral, and the University of Texas Health Science Center at Houston grant, Border Star, Operation Stonegarden, DEA Task Force, ICE Task Force, Crime Victims Liaison, VBLF - Arroyo Exntision, RGV Museum Association, as well as various public safety grants. Budgeted expenditures for FY 2023 are \$9,379,998.

The City of Harlingen's allocation under the ARPA Funding Coronavirus Local Fiscal Recovery Fund entitlement calculation was \$21,927,374. The funding is provided in two (2) tranches totaling \$10,963,687 each – the first half was received in May 2021 and the second half was received in June 2022, from the U.S. Department of the Treasury.

In the previous year, the City of Harlingen was awarded three major Capital Improvement Grants. The Texas Water Development Board (TWDB) awarded the City of Harlingen with a grant totaling \$5,613,300 for a Harlingen Flood Protection Planning Study. The Federal Emergency Management Agency (FEMA) and TWDB are joining efforts to fund the 9th and 13th Street Drainage Improvements Projects. The budget required for this project is \$2,858,886, FEMA is contributing with a grant of up to \$1,172,143, and TWDB awarded the City of Harlingen with a Grant for \$1,349,394 and a local match of \$337,349. LRGVDC has awarded the City of Harlingen \$5,627,452 for the Harlingen Transit Bus Terminal. These projects will be completed in the lapse of two years.

Tax Increment Financing Reinvestment Zones Funds (TIF 1, TIF 2, and TIF 3)

These funds are used to account for revenues that provide development incentives and funding for infrastructure improvements in selected areas. TIF 1 is an area along either side of the north leg of Loop 499. TIF 1 contains approximately 2,170 acres. TIF 2 is an area primarily between FM 801 (Ed Carey) and FM 509 containing approximately 1,183 acres. TIF 3 is an area north and south of Expressway 83 and

contains approximately 670 acres. The funds have combined budgeted revenues of \$1,375,505. Budgeted revenues for TIP 1, 2 and 3 totaled \$155,543, \$383,097, and \$836,865, respectively, and expenditures budgeted in TIF 3 totaled \$570,000.

Debt Service Fund

The Debt Service Fund exists to record the debt payments on outstanding General Obligation and Certificate of Obligations. The total general Debt Service Fund has revenues budgeted at \$4,580,224 and expenditures of \$4,695,682 for FY 2023.

Infrastructure Fund

The City uses the Infrastructure Fund to account for the Street Maintenance Fee. The fee is assessed on all residential and commercial type properties and ranges from \$2.50 to \$8.50 per month. Per ordinance, the revenues generated from the Street Maintenance Fee are restricted for use only on street improvement projects. Projected annual revenues from this fee are \$1,525,667. The Street Maintenance Fee secures continual funding for street improvement projects in the future. Total budgeted expenditures for the infrastructure fund totaled \$1,525,001.

Municipal Auditorium Fund

The Municipal Auditorium is anticipating an operating loss of \$28,389 due to expenses exceeding revenues. Ticket fee income and rental income are expected to decline due to the limited use of the auditorium facility, which has not returned to full use after the pandemic. The City will continue to evaluate opportunities to expand revenue through increased programming. The budgeted revenues total is \$336,950 compared to expenditures of \$365,339 for FY 2023.

Sanitation Fund

The Sanitation Fund will continue to provide a franchise fee payment equal to 6% of garbage collection revenues, totaling \$534,000 for the fiscal year 2023, and also will transfer \$202,731 to the General Fund to offset administrative expenses. The sanitation Fund revenue budget is \$9,793,000 and the expense budget is \$11,897,465, resulting in a net decrease to net position of \$2,104,465, leaving a projected ending net position of \$9,049,251.

Harlingen Arts and Heritage Museum Fund

FY 2023 revenues for the Museum were budgeted at \$76,495 and expenses were budgeted at \$117,546, resulting in expenses over revenues of \$41,051. The Museum Association Board staffs, on a volunteer basis, the operations of the Museum Tuesday through Saturday. The Museum continues to increase the number of activities available to the public and to educate them on Harlingen, as well as national and international culture.

Municipal Golf Course Fund

This fund is used to account for user fees received from the Municipal Golf Course and to account for expenses for maintenance and operations. Revenues for the Municipal Golf Course are projected to be \$1,213,886 and budgeted expenses are anticipated to total \$1,258,730, resulting in an ending deficit fund balance totaling (\$780,023) for the Municipal Golf Course Fund.

Motor Vehicle /Warehouse Fund

This fund consists of various internal service departments, including fleet, motor vehicle administration, materials management, purchasing, and vehicle replacement. Budgeted revenues for FY 2023 total \$6,236,680 and expenses budgeted are \$3,364,494, resulting in revenues over expenditures totaling \$2,872,186 and a projected fund balance of \$9,420,333.

Health Insurance Fund

The cost of health insurance for employees, retirees, and former employees is anticipated to increase for FY 2023. The city pays a portion of the dependent health care costs. The revenue budget is \$6,106,018 and the total expenses are \$6,106,018 for FY 2023.

Short-Term Factors and Budget Guidelines

The short-term factors that guided the development of the FY 2023 budget included preserving the current level of services with a conservative emphasis on resource utilization. Other significant factors included providing employees earning under \$75,000 with a 3% cost of living adjustment, continuing to fund collective bargaining agreements with the Fire and Police Departments and funding capital expenditures, and addressing the dynamic effects of the ongoing COVID-19 pandemic and inflation.

Capital Investments and their impact on the General Fund

A conservative approach was taken in recommending capital improvement funding. The goal was to minimize the fiscal impact these projects would have on the operating budget. The projects that were recommended and subsequently approved for funding represent those that the City has a core responsibility to fulfill and those for which the City would sustain with projected revenues. One of the main capital improvements in the FY 2023 budget is the street reseal and overlay project, which includes \$1.5 million in street improvements. The FY 2023 budget was prepared with these improvements in mind. The Street Maintenance Fee provides a steady stream of income to improve city streets. Continuous capital improvements to city streets will directly reduce the cost of street maintenance provided by the General Fund. Planning for capital investments is an ongoing and forward-looking process. The City consistently reviews its capital priorities and evaluates whether to repair and improve existing assets or construct and acquire new assets on the relative effectiveness and service implications of each option. The City anticipates seeking federal and state grant funding to accelerate street and drainage improvements.

During the year, the City has been actively working on capital projects on many streets and drainage improvements, including the 9th and 13th Street Drainage Improvement Phase I Project for \$3,107,713, the Arroyo Colorado Trail Extension Project totaling \$974,366, and several miles of sidewalks throughout the City. These projects improved and/or enhanced existing streets and drainage. Furthermore, these improvements to our community parks contribute to the health and wellness of all City of Harlingen's residents.

The approval of this budget represents the culmination of many hours of preparation by City staff and discussion by the City Commission toward the goal of maintaining the highest quality of services in a cost-effective manner for the citizens of Harlingen. Additional tables and graphs are provided in the Budget Overview section. Further information on capital projects is available in the Capital Improvement Plan Section.

ACKNOWLEDGMENTS

The Adopted Budget for Fiscal Year 2023 was prepared with the City Commission and with citizen and community priorities in mind and with a balanced effort in compliance with the City's financial policies. I would like to recognize and express my deep appreciation to the Mayor and City Commission for their time, effort, and leadership in formulating the budget, policies, and goals of the City. Their continuous involvement, flexibility, genuine support, and guidance have helped tremendously to prepare and adopt a lean budget in a transparent and efficient manner. Department Directors and staff should be commended for the many hours spent preparing departmental budget requests based on the City Commission and community concerns.

Respectfully,



Gabriel Gonzalez, CPM
City Manager



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Harlingen
Texas**

For the Fiscal Year Beginning

October 01, 2021

Christopher P. Morill

Executive Director

Mayor & City Commission



Mayor Norma Sepulveda



Ford Kinsley
District 1



Frank Morales
District 4



Michael Mezmar
District 3

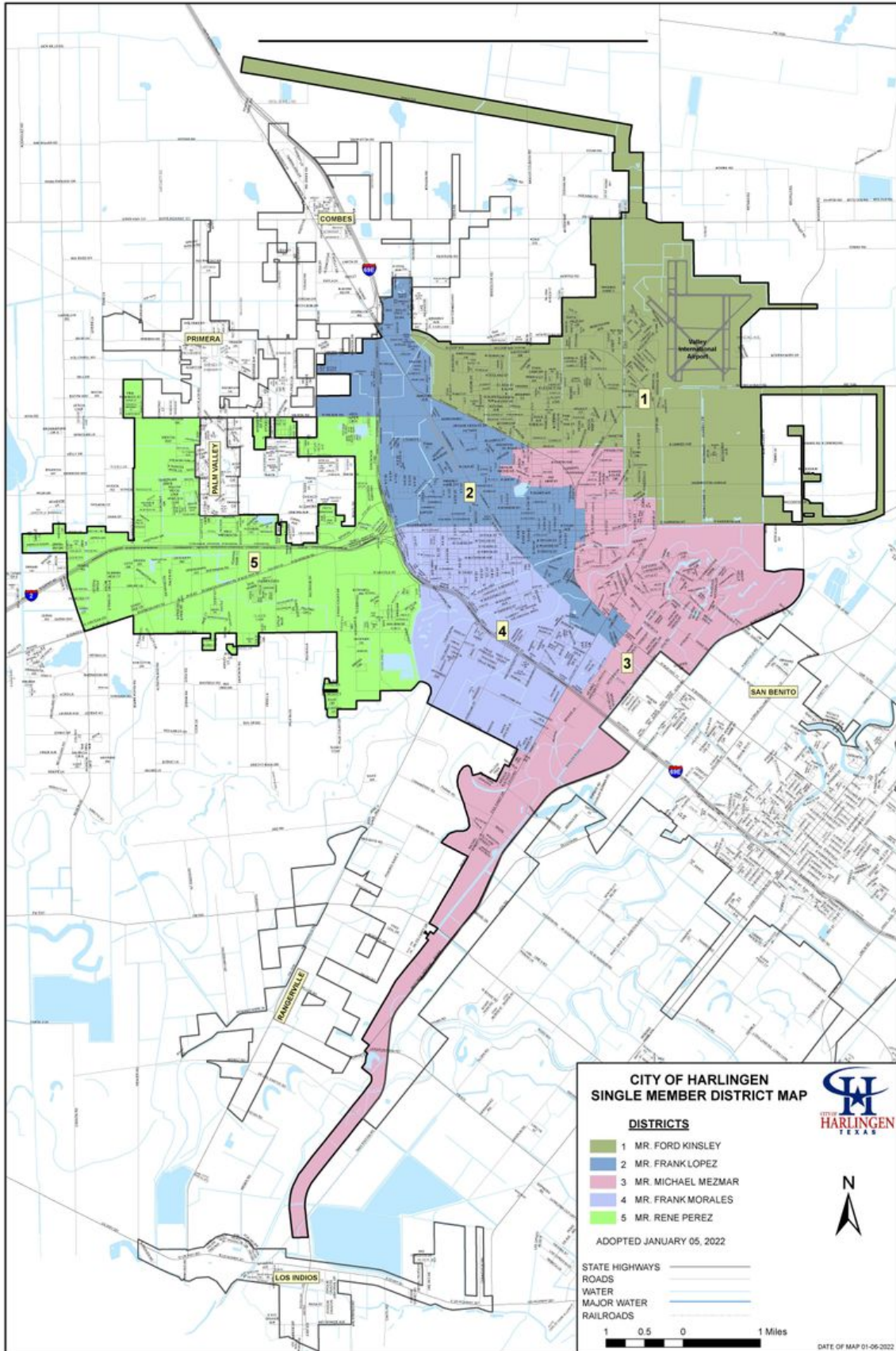


Daniel Lopez
District 2



Rene Perez
District 5

Single-Member District Map



The City of Harlingen - History and Brief Summary



The City of Harlingen was formally established on April 15, 1910. Formerly known as Six-Shooter Junction, the township consisted of Texas Rangers, Border Patrolmen and the founder, Lon C. Hill. He built a house, barn and corrals, and within a few years there was a Main Street (now Jackson Street), two general stores, a drug store, a hardware store, a barbershop, a blacksmith shop and four saloons. By 1912, it had its first school. 11 individuals from Brownsville to McAllen joined charter Valley Baptist Hospital in Harlingen in January of 1925. By 1941, the city's population had doubled in size, serving as a military base for both the US Army and US Air Force. Harlingen continues today with strategic and steady growth.

HARLINGEN DEMOGRAPHICS REFLECT LIFE ALONG U.S.-MEXICO BORDER

As in other Rio Grande Valley cities, a large part of Harlingen's transient population and a significant contributor to its economy consists of "Winter Texans." Winter Texans are generally retirees from the northern Midwestern states and Canada who come to escape the northern winter weather between November and March. Because of the mild winters, the Harlingen area plays host to thousands of Winter Texans who have made Harlingen their "home away from home".

BUSINESS CLIMATE

The City of Harlingen, nestled near the U.S.-Mexico border in the Rio Grande Valley, has been enjoying steady growth over the years, as more and more businesses realize the benefits of doing business near Mexico. Maquiladoras and many tax benefits in South Texas make Harlingen, located at the Crossroads of the Rio Grande Valley, a city poised for an economic boom.

KEY INDUSTRIES

There is so much happening in Harlingen and the Rio Grande Valley that almost any business will find success waiting for them. But here are some specific industries that should pay close attention to our South Texas region and the growing business opportunities being created:

Aerospace

The new SpaceX Commercial Orbital Launch Site is just 30 miles from Harlingen, making Harlingen an ideal location for future growth of the aerospace industry. With SpaceX planning to launch a dozen Falcon rockets annually, the enthusiasm for opportunities in the space and technology business is soaring high in South Texas.

Harlingen is already leading the way for companies interested in capitalizing on new aerospace opportunities, with the United Launch Alliance occupying a 300,000 square foot manufacturing facility at the Harlingen Aerotropolis. And we've got lots of room for more companies at The Harlingen Aerotropolis, a 480-acre air park recognized as a Certified Site and ready for development by McCallum Sweeney Consultants.

Logistics & Distribution

All roads lead to Harlingen. That's what people say once they realize Harlingen's strategic location at the literal crossroads of Mexico and North America. Harlingen's North American Free Trade Bridge connects the maquila manufacturing centers of Matamoros and Reynosa, Mexico with South Texas. The Harlingen industrial park is where shippers converge to have their goods organized and efficiently distributed to the world.

From Harlingen, shippers easily connect with every major market by air, sea, rail and land.

Industrial & Automotive Supply

Harlingen plays a key role in the supply chain logistics for industrial and automotive supply. Dozens of Tier I, II and III manufacturers and suppliers are using Harlingen's warehousing and distribution facilities to speed delivery and save money. The quick turnaround and delivery of goods from air, sea, rail and Interstate make Harlingen a brilliant choice.

Healthcare Industry

Harlingen is a regional leader in healthcare, and home to Valley Baptist Medical Center (VBMC). Valley Baptist Medical Center is the primary referral hospital for comprehensive and sub-specialty care in South Texas. The hospital and Level III Trauma Center provide state-of-the-art medical, surgical, obstetric and pediatric care.

Links and Resources

Additional information on the City of Harlingen can be found at the City's website:

www.harlingentx.gov

City Commission meetings are now live-streamed on the City of Harlingen YouTube Channel. Meetings take place every month on the 1st and 3rd Wednesday. The City of Harlingen also has an active presence on social media.

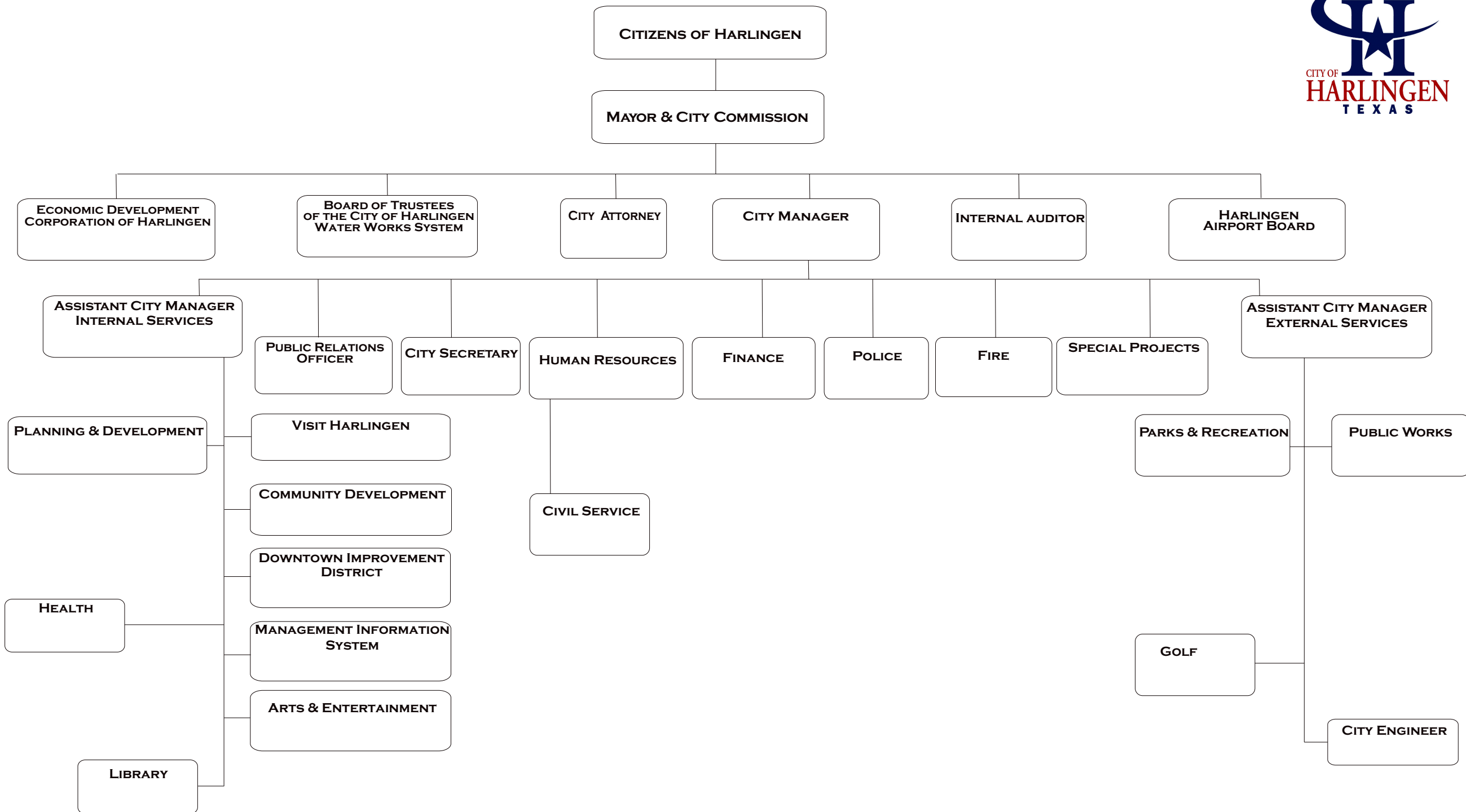


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Strategic Plan

THE PROCESS

The mayor and commission provide direction on vision and goals through the strategic plan. The commission meets, plans, creates schedules, gathers data, and communicates to create an action plan that aligns with the operating and capital budget. Performance Measures are incorporated into the departmental goals for continuous monitoring.

Directors provide Performance Measures addressing the current needs and forecast the resources needed to meet the approved budget goals. The City of Harlingen works in a fast-paced environment. However, the City prioritizes the community's input to develop a budget that meets the proposed items by the community. The Mayor and Commission meet twice per month. Special meetings are scheduled as necessary.

MISSION STATEMENT

"The City of Harlingen is striving to provide the best services for our citizens by ensuring a business-friendly climate focused on economic growth, quality of life and efficient delivery of excellent service to our community."

OBJECTIVES

Like the entire nation, the citizens struggled with the pandemic. The city has been able to offer support to the community through grant assistance sought from local, state and federal agencies. This alleviates both economic and health challenges that impact the community.

◦ ECONOMIC GROWTH

Harlingen will have a strong, diverse and sustainable economy that provides quality job opportunities for its residents and that makes the city a great place to live and work.

◦ TRANSPORTATION

Harlingen will continue to maintain and create excellent regional and local transportation options that enhance the character of the city and provide for all modes of travel.

◦ COMMUNITY IDENTITY

The City of Harlingen, all of its residents and developers will foster a one-of-a-kind image, building on the city's unique assets and constantly seeking to improve the appearance of the city. The image of the city will be considered in everything, both public and private developments in Harlingen.

◦ EDUCATION

Harlingen will work with area educational entities at all levels to provide first-class learning opportunities for all residents. Ranging from early childhood learning to vocational and college degrees and even lifelong learning and continuing education, Harlingen will be known for the quality of education in the city.

◦ PUBLIC SAFETY

Harlingen will provide first-class police and fire protection, providing the city's residents with a high level of confidence in safety. The City communicates to the directors the strategic plan. Performance measures are established to meet these goals. The focus is infrastructure, education, manufacturing, and promoting the healthcare industry and quality of life.

STRATEGIC GOALS

The Commissioners worked together to identify several strategic goals for the future. Those strategic goals serve as pillars that uphold the unified vision they have of the future they want for the City of Harlingen. They are not ranked because they are all crucial to the successful future that Harlingen desires.

◦ **Build Infrastructure.**

- Complete Water/Wastewater, Drainage, and Streets Master plan.
- Secure help in lobbying state legislature for funding.
- Conduct a rate study to determine the need and feasibility of rate adjustments.
- Consider Impact Fees.
- Complete Regional Drainage Study.
- Continue to make drainage improvements.
- IBWC-Arroyo Capacity Restoration.
- Create Street Inventory Plan.
- Develop a multi-year priority list for street maintenance.
- Seek to increase the funding for street maintenance.
- Be strategic about making use of intermediate options for street maintenance.

◦ **Expand Education Opportunities.**

- Strengthen partnership with UTRGV.
- Create an Internship Program with HCISD, TSTC, and UTRGV.
- Attract Allied Health Education.
- Advocate for legislation to create a law school through UTRGV.
- Find new ways to support TSTC.

◦ **Expand Manufacturing.**

- Continue marketing EDC lands, Aerotropolis/Private lands.
- Promote Port of Harlingen.
- Target Aerospace Companies.
- Establish Aerospace Clusters.
- Expand relationships with Mexican industries and leaders.
- Promote Los Indio's Bridge.

◦ **Promote the Health Care Industry.**

- Create a Marketing Campaign highlighting Harlingen's health care industry assets.
- Target Medical Manufacturing.
- Identify land for Expansion of Health Care Industries.
- Continue to work with Valley Baptist Legacy Foundation to provide needed resources.
- Continue to maximize the use of the Medical Overlay District.

◦ **Promote Quality of Life.**

- Have the EDC engage and seek out entertainment venues.
- Increase occupancy in retail space.
- Increase the housing stock in the city.
- Create entertainment venues.
- Pursue more shopping options.
- Promote more business incubator programs.
- Make golf course improvements.
- Provide entertainment venues at City Lake.
- Expand and Connect Trails within the city.
- Create trails for Motorsports and mountain bikes.
- Expand downtown facilities and venues.

BUDGET OVERVIEW

The Budget Process

The City's fiscal year has been established as the period beginning October 1 and ending September 30 of the subsequent year. With the exception of the General Obligation Bond, Projects Funds, and the Community Development Block Grant Fund, unused appropriations lapse at the end of the year.

The Budget process is more than the preparation of a legal document that appropriates funds for a series of line items. Budgeting is a broadly defined process that has political, managerial, planning, communication, and financial dimensions. The budget process consists of activities that encompass the development, implementation, and evaluation of a plan for the provision of services and capital assets.

Several essential features characterize this process:

- Incorporates a long-term perspective,
- Establishes linkages to broad organizational goals,
- Focuses budget decisions on results and outcomes,
- Involves and promotes effective communication, and
- Provides incentives to government, management, and employees.

The City of Harlingen does not have a formal budget department. The responsibility for the budget process has been given to the Finance Department. The budget process begins in March of each year. The Directors of the departments/funds prepare and present to the City Manager proposed goals and objectives. The Directors then present their proposed budgets during budget meetings with the City Manager. After numerous budget workshops with the City Commission and Department Directors, the City Manager presents his proposed budget at a final workshop. Based upon deliberations of the final workshop, the City staff prepares appropriation ordinances/resolutions, as applicable, for the City Commission to consider and approve at public hearings. The Commission votes on the budget at specially scheduled meetings.

Immediately after the proposed budget is adopted by the Commission in September, copies are available for public inspection at the City Secretary's office and on the City's website.

Approach

The revenue side of the budget is developed with an underlying conservative approach. While it is the intent of those involved in its formulation to be realistic, the probability of attainment is tantamount to assuring that the financial resources are available to meet the expenditures that are budgeted and to build the fund balances, which will assure a strong and stable financial condition of the City.

Interactivity

As indicated in the organizational chart presented in the introduction section, the Citizens of Harlingen are the "Stakeholders". They own the City. The "Board of Directors"- the Mayor and the City Commission, represents the citizens. They have the responsibility for guiding and directing the activities and operations of the City. The City Manager and Department heads are the appointed "Officers". "Advisory Board Members" consist of many volunteers that participate in a very active manner. In some cities, this description is part of the documentation file and ends there. In Harlingen, it is a reality that can be witnessed every day in the operations of the City.

The Mayor and Commissioners maintain an “open door” policy for citizens. This avenue of access is often used both informally and formally. Citizens often call upon the elected officials, both by phone and in person, and make known their views on the needs of the City. Each Commission meeting has an agenda item styled “Citizen Communication”. There are many opportunities for the Citizens of Harlingen to make their concerns known to those elected to serve them.

The City Manager also has an “open door” policy for the citizens. He also has extensive input on the needs of the City from the departments through daily contact and in regularly scheduled staff meetings. Department heads are in constant contact with the staff, who are on the “front line”, and are made aware of the City’s needs from a “grassroots” perspective. These views are communicated to the City Manager and the Department Heads on a daily basis and to the Mayor and City Commission in workshops.

The budget policy process in the City of Harlingen is not exclusively scheduled for a particular part of the year. It is ongoing and very interactive throughout the entire year. Perhaps the development of budgetary policy can best be described as a balance of the interaction between “from the bottom up” and “from the top down” policies.

The formal part of the budget process is presented on the following pages captioned “General Budget Requirements”.

Adopted budgets can be modified through approved budget adjustments and amendments.

Budget Adjustments - These adjustments are changes within the same department funding. The city Manager's approval is required.

Budget Amendments - City Commission approval is required. The Commission may amend the budget at any time after its budget adoption by a majority vote of the City Commission.

Approving the Budget

1. As indicated above, beginning in March, budget forms and worksheets are distributed to departments and are due by May 1. In June, meetings are held with each department to review budget requests. In July, the City Manager submits a proposed budget, at which time numerous meetings are held with the City Commission and staff.

The waterworks and airport managers along with their staff draft a separate budget. The Utility Trustees and Airport Board adopt each budget, which is then submitted and presented to the City Commission for final approval.

2. A public hearing is held in August by the City Commission to obtain citizen’s comments.

3. Prior to October 1, the City’s Waterworks and Airport budgets are legally enacted by formal approval of the City Commission.

4. Starting in FY 1987 – 1988, budgets were formulated and adopted for all funds.

5. During the fiscal year, the City Commission may transfer a Department or Agency to another at any time by passing an ordinance. In addition, the City Commission may amend any budget of a fund, department, or agency through the same procedure stated above. The City Manager may transfer appropriation balances from one expenditure account to another within a single office, department, or agency of the City without Council approval. Expenditures may not exceed object class appropriations as established by the policy of the City Commission.

Property Tax

The City shall have the power and is hereby authorized annually to levy and collect taxes, not exceeding two dollars and fifty cents (\$2.50) on each one hundred dollars (\$100.00) of assessed valuation of all real and personal property within the City limits, not exempt from taxation by the Constitution and Laws of the State, for any purpose not consistent with the Constitution of the State of Texas.

BUDGET TIMELINE

The Budget timeline is a tool that assists in Budget Planning and provides an orderly map of dates and activities needed during this detailed process. Departments are able to maintain their goals, setting aside the required time to accomplish this major project. The City Commission provides direction to staff during the preparation and formally adopts the City's Budget as required by State Statutes, Acts 1987, 70th Leg., ch. 149, Sec. 1, eff. Sept. 1, 1987.



General Budget Policies

Budget Preparation

The City's Budget is prepared in accordance with State Law, City Charter, and standards established by the Governmental Accounting Standards Board and the Government Finance Officers Association. The budget will be comprehensive in nature and will address the funds of the City. Ordinances approved by the City Council are required to increase or decrease appropriations of any fund. Although adopted by funds, budgets are prepared by line item and budget adjustments within a fund between line items are approved by the City Manager.

Government Finance Officers Association (GFOA) Distinguished Budget Program

Annually, the City submits its Official Budget to GFOA with an application for the Distinguished Budget Program.

Balanced Budget

State law and the City Charter require a balanced budget for each fund. A balanced budget is defined as one in which the total resources available, including the prior year-ending resources plus projected revenues, will be equal to or greater than the projected expenditures.

Public Hearings, Accessibility of Budget to Public

The City's policy is to have at least one public hearing on the Proposed Budget at a duly advertised public meeting. The public meeting will be advertised at least ten days before the budget is finally adopted. Copies of the Proposed Budget will be available for public inspection at any time after it has been submitted to the City Commission.

Cost Accounting

It is the policy of the City to allocate costs to the department levels to the extent it is practical.

Capital Expenditure

A capital expenditure is a purchase that a company records as an asset, such as property, plant, or equipment. Instead of recognizing the expense of an asset all at once, the City can spread the expense recognition over the life of the asset. The minimum capital threshold is \$5,000 and must have a minimum estimated life asset of 12 months of life.

Administrative Overhead Fee to Proprietary Funds

In accordance with City policy, each proprietary fund will pay the General Fund an amount set by the Budget. This payment is for general administrative overhead, including management, accounting, legal, and human resource services. From an accounting perspective, the fee has been characterized as an operating transfer.

Budgeted Revenue Projections

Revenues will be estimated on a reasonably attainable basis, with an emphasis on conservatism. This is accomplished by projecting revenues on historical trends, factoring in economic conditions and other factors (such as rate changes) that may affect revenues. Revenues are monitored on a continual basis during the fiscal year.

Budgetary Information

All funds except proprietary funds use the flow of current resource measurement focus and the modified accrual basis for accounting and budgeting. The proprietary funds are budgeted using the flow of economic resources measurement focus and the full accrual basis of accounting and budgeting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (when they become both measurable and available). “Measurable” means the amount of the transaction that can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Under the full accrual basis of accounting, the revenues are recognized when they are earned, and the expenses are recognized when they are incurred. The City considers property taxes as available if they are collected within 60 days after year-end. Expenditures are generally recorded when a liability is incurred, consistent with accrual accounting. However, debt service expenditures, as well as those related to compensated absences and claims and judgments are recognized only when payment is made.

FUND SUMMARIES



Fund Structure Overview

Governmental Fund Types, specifically the General Fund, accounts for a major portion of the City's operating revenues and expenditures. Below more detail on all the fund types, structures and functions are listed.

Governmental Funds

Governmental funds are used to account for all or most of a government's general activities, including the collection and disbursement of earmarked monies (special revenue funds), the acquisition or construction of capital assets (capital project funds), and the servicing of long-term debt (debt service funds). The main operating fund for the City of Harlingen, the General Fund, is always a major fund of the City and is used to account for resources devoted to funding services traditionally associated with local government.

The **General Fund** is the primary operating fund. It accounts for all of the financial resources of the general government, except those required to be accounted for in another fund.

Special Revenue Funds

These funds are used to account for the proceeds of specific revenue sources, other than for major capital projects that are legally restricted to expenditure for specified purposes. The different funds or grants that comprise the Special Revenue Funds are as follows:

MAJOR

- **Community Development Fund (CDBG)** is used to account for the annual Entitlement grant from the U.S. Department of Housing and Urban Development.
- **Award Programs-Restricted Fund** is a fund derived from local, state, federal, and inter-local agreements pertaining to various departments within the City of Harlingen. This fund operates on a cost-reimbursement basis, but some exclusions may apply.

NON-MAJOR

- **Tennis Court Fund** is used to account for the operations of the City's tennis center and for monies received from the Tennis Pro, on a percentage of total municipal tennis court fees. The fund accounts for expenditures related to the maintenance of the tennis center as needed.
- **Hotel/Motel Occupancy Tax Fund** is to account for monies received from the hotels and motels on 7% occupancy tax. The fund distributes an amount determined by the City Commission to the Chamber of Commerce for tourist promotion. The remainder of the funds will be used for other promotional expenses.
- **Catastrophic Emergency Relief Fund** is used to account for funds transferred from other funds and monies received from grants. The fund will account for expenditures specifically authorized by ordinances, authorizing capital improvements, and catastrophic emergency-type expenditures.
- **Harlingen Downtown Improvement District Fund** is used to account for funds received from downtown merchants and property owners to improve the quality of the downtown area and attract and promote new and existing businesses to the downtown area. The Harlingen Downtown District and La Placita District were combined into one geographic area in April 2005.
- **Free Trade Bridge Fund** is used to account for the City's participation in the operation of the International Bridge at Los Indios. This project is a joint venture of several governmental entities.
- **Convention and Visitor's Bureau Fund** is used to account for expenditures related to soliciting conventions, meetings, and other related group businesses; to carry out visitor promotions by generating overnight stays in Harlingen, thereby contributing to the economic fabric and quality of life in the community.
- **PEG Fund** was established to account for the one percent the city receives from cable companies specifically for allowable capital outlay.

- **Harlingen Convention Center Fund** accounts for the operational gains and losses of the City's convention center, in accordance with the Developer's Agreement.
- **Federal & State Forfeiture Funds** are used to account for monies awarded to, and received by, the Harlingen Police Department through the United States Asset Forfeiture Program. These funds are not to be used to supplant the General Fund but are used to finance initiatives that enhance the department's ability to be successful in its mission.
- **The Tax Increment Financing Reinvestment Zones 1, 2, & 3 Funds** are used to account for revenues that provide development incentives and funding for infrastructure improvements lacking in the selected areas.
- **Lon C. Hill Library Fund** is used to account for monies donated to benefit the library.

Debt Service Fund

The **Debt Service Fund** is used to account for the accumulation of resources for the payment of general long-term debt and interest for the City of Harlingen. This is a non-major fund.

Capital Projects Fund

The **Infrastructure Fund** is intended to maintain much of the City's existing infrastructure. The fund is financed by a special assessment of the sanitation bill as a separate monthly line item. This is a non-major fund.

Proprietary Funds

Proprietary Funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful for sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the government (internal service funds). Although these funds do not meet the 10% criteria, the City has chosen to display them as major funds-for reporting purposes.

Enterprise Funds

- **Municipal Auditorium Fund** has been established to account for the activities of the Municipal Auditorium.
- **Sanitation Fund** is provided to account for the resources from the collection of garbage within the city limits and the operation of the public landfill owned by the City of Harlingen.
- **Harlingen Arts and Heritage Museum Fund** is used to account for the activities of the City's Museum.
- **Municipal Golf Course Fund** is provided to account for user fees received from the Municipal Golf Course and account for expenditures for maintenance and operations.

Internal Services Funds

- **Motor Vehicle/Warehouse Fund**, which provides supplies and services for the maintenance of all City-owned vehicles and equipment and future replacements. This fund is funded primarily through charges to other departments of the City, which utilize this service.
- The **Health Insurance Fund** is used to accumulate all payments from the various departments for medical/health insurance premiums for payment to the insurance company and plan administrator.

Fiduciary Fund

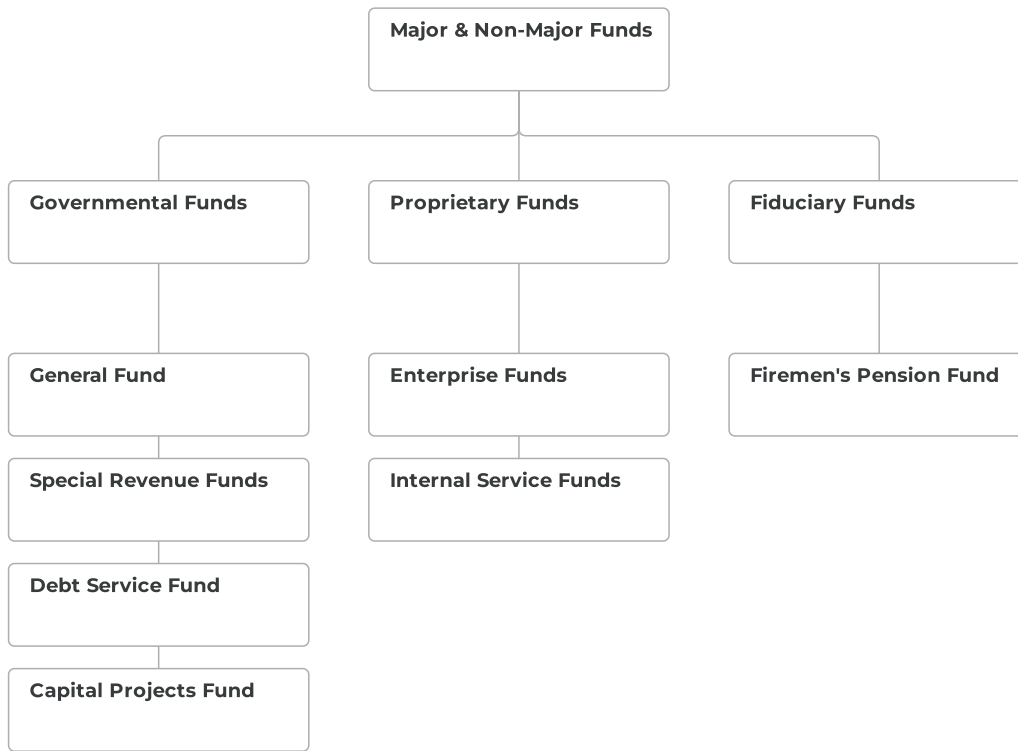
The City is the trustee, or fiduciary, of the **Firemen's Relief and Retirement Fund**, which is not a budgeted fund. It has been established to account for the Firemen's relief and retirement monies. The City is responsible for ensuring that these funds are used for their intended purpose and the City cannot use these funds to finance its programs or operations.

Component Units

Component Units are legally separate organizations that the City of Harlingen must include as part of its financial reporting entity for fair presentation. They are governed and budgeted by boards separate from the City Commission.

- **Harlingen Waterworks System** is a component unit which accounts for the operation of the Waterworks and Wastewater system. A board separate from the City Commission controls this component unit.
- **Valley International Airport Fund** is a component unit which accounts for the operations of Valley International Airport. A board separate from the City Commission controls this component unit.
- **Development Corporation of Harlingen, Inc. Fund** is a component unit which accounts for 75% of the ½ cent sales tax with expenditures to promote economic and industrial activity within the City of Harlingen. The collection of ½ cent sales tax for economic and industrial purposes commenced during the fiscal year beginning October 1, 1990. A board separate from the City Commission controls this component unit.
- **Harlingen Community Improvement Board Fund** is a component unit used to account for 25% of the ½ cent sales tax with expenditures to promote economic and industrial activity within the City of Harlingen. In May 2007 the citizens of Harlingen approved the establishment of a 4B sales tax corporation to fund numerous community projects. A board separate from the City Commission controls this component unit.

Fund Structure





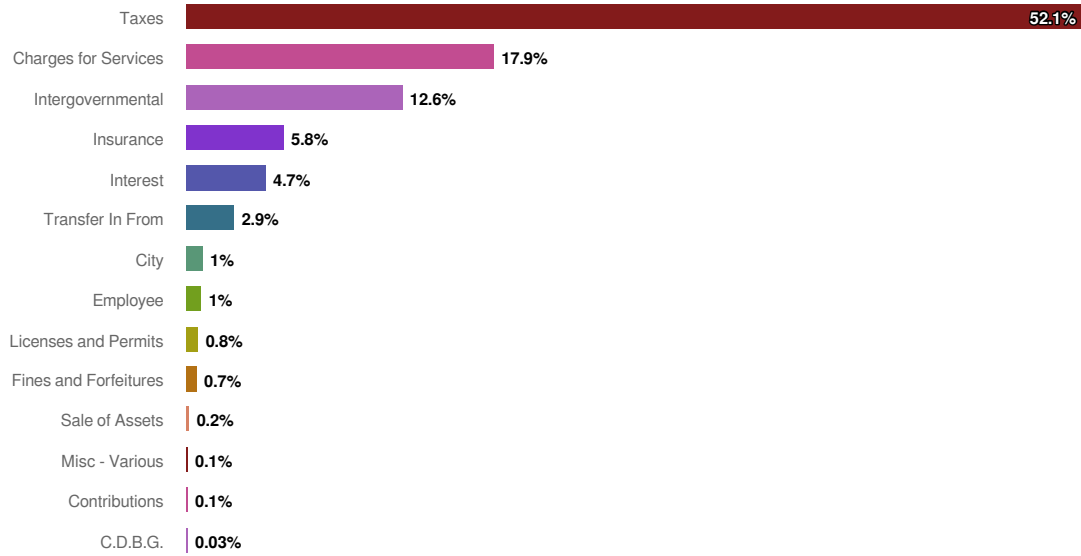
Summary of All Funds

Below are the financial summaries and schedules for all funds. The summaries outline the revenues and expenses of the City by source, type, and department.

For more information on each individual fund, you can reference the summary page headings that follow.

Revenues by Source - All Funds

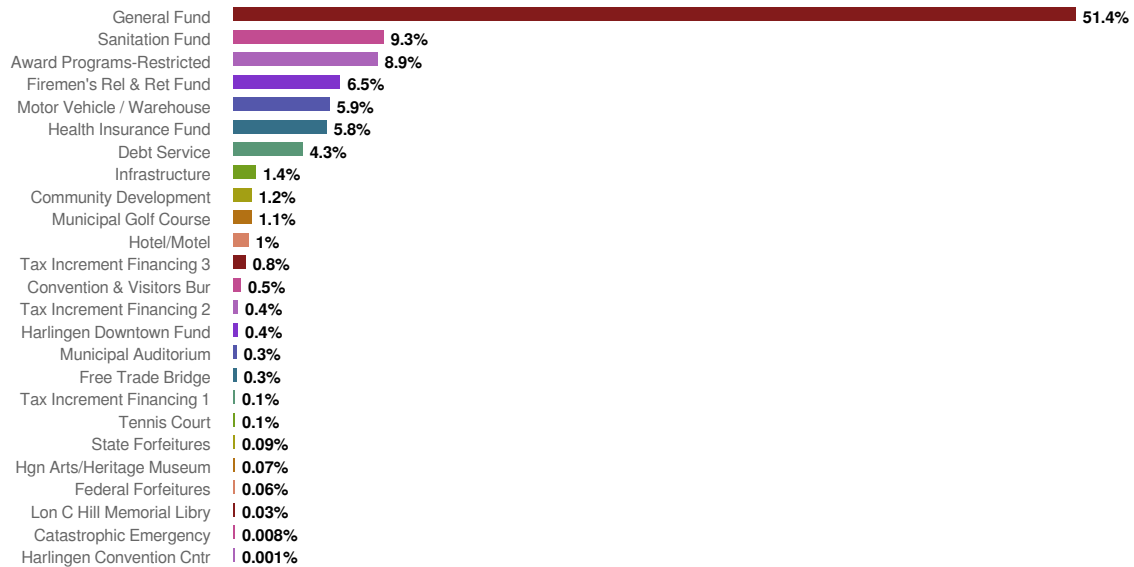
Projected 2023 Revenues by Source



| Name | FY2021 Budgeted | FY2022 Actual | FY2023 Budgeted |
|------------------------------|----------------------|----------------------|----------------------|
| Revenue Source | | | |
| Taxes | \$50,852,339 | \$52,277,768 | \$55,112,451 |
| Licenses and Permits | \$766,126 | \$907,790 | \$837,064 |
| Fines and Forfeitures | \$1,285,948 | \$634,228 | \$742,558 |
| Charges for Services | \$15,722,251 | \$17,062,800 | \$18,962,010 |
| Intergovernmental | \$15,170,245 | \$19,148,731 | \$13,319,357 |
| Interest | \$4,207,871 | -\$2,871,286 | \$4,951,961 |
| Contributions | \$519,926 | \$111,780 | \$104,800 |
| City | \$1,200,000 | \$1,206,683 | \$1,086,323 |
| Employee | \$1,000,000 | \$1,058,420 | \$1,007,652 |
| C.D.B.G. | \$33,505 | \$32,200 | \$31,397 |
| Insurance | \$5,363,229 | \$5,406,082 | \$6,105,918 |
| Misc - Various | \$122,950 | \$358,570 | \$117,177 |
| Transfer In From | \$7,767,016 | \$4,856,348 | \$3,071,945 |
| Sale of Assets | \$60,000 | \$429,000 | \$260,000 |
| Proceeds of Debt | \$456,765 | \$0 | \$0 |
| Refunding Bonds | \$4,500,000 | \$0 | \$0 |
| Total Revenue Source: | \$109,028,171 | \$100,619,115 | \$105,710,613 |

Revenues by Fund - All Funds

2023 Revenue by Fund

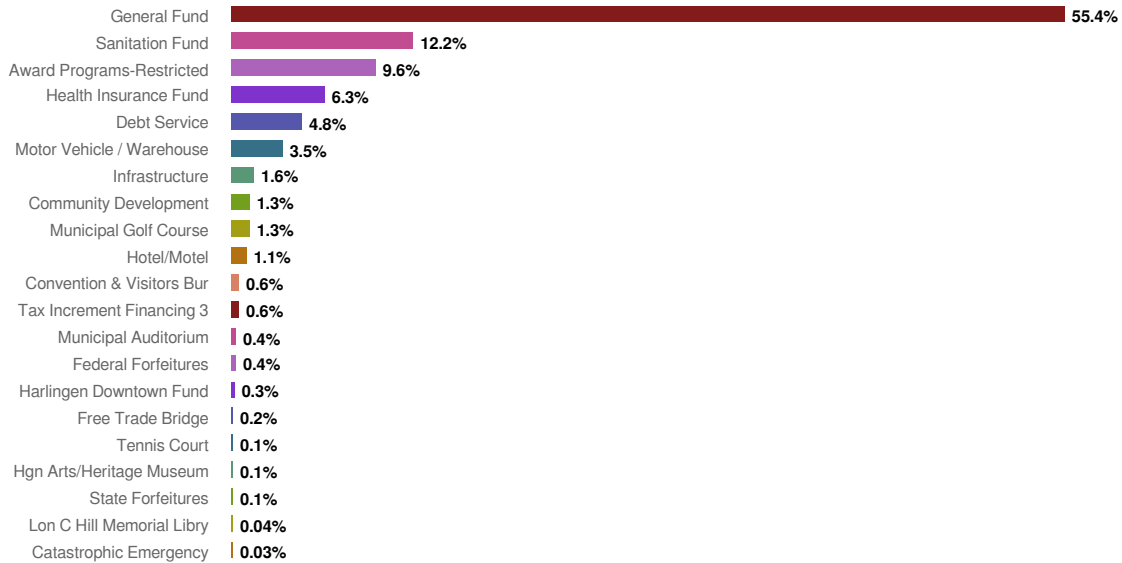


| Name | FY2021 Budgeted | FY2022 Actual | FY2023 Budgeted |
|---------------------------|-----------------|---------------|-----------------|
| General Fund | \$53,873,881 | \$51,948,494 | \$54,297,115 |
| Community Development | \$1,241,345 | \$2,263,114 | \$1,298,059 |
| Tennis Court | \$59,010 | \$117,434 | \$126,400 |
| Hotel/Motel | \$1,046,517 | \$1,498,076 | \$1,046,087 |
| Catastrophic Emergency | \$5,500 | \$5,521 | \$8,071 |
| Harlingen Downtown Fund | \$243,125 | \$300,518 | \$371,000 |
| Free Trade Bridge | \$285,500 | \$149,962 | \$283,800 |
| Convention & Visitors Bur | \$444,000 | \$553,648 | \$540,050 |
| Award Programs-Restricted | \$12,026,510 | \$14,010,880 | \$9,379,998 |
| Harlingen Convention Cntr | \$647,519 | \$2,170 | \$1,200 |
| Federal Forfeitures | \$20,500 | \$294,872 | \$60,000 |
| State Forfeitures | \$71,000 | \$24,852 | \$100,000 |
| Tax Increment Financing 1 | \$218,000 | \$242,943 | \$155,543 |
| Tax Increment Financing 2 | \$529,000 | \$559,982 | \$383,097 |
| Tax Increment Financing 3 | \$1,091,500 | \$1,055,783 | \$836,865 |
| Lon C Hill Memorial Libry | \$16,926 | \$19,711 | \$35,000 |
| Infrastructure | \$1,947,936 | \$2,085,555 | \$1,525,667 |
| Debt Service | \$9,164,736 | \$4,855,438 | \$4,580,224 |
| Municipal Auditorium | \$486,950 | \$302,528 | \$336,950 |
| Sanitation Fund | \$9,593,000 | \$10,641,174 | \$9,793,000 |
| Hgn Arts/Heritage Museum | \$97,175 | \$109,717 | \$76,495 |
| Municipal Golf Course | \$814,200 | \$1,312,692 | \$1,213,886 |
| Firemen's Rel & Ret Fund | \$6,209,000 | -\$1,112,377 | \$6,919,408 |
| Motor Vehicle / Warehouse | \$3,526,612 | \$3,965,051 | \$6,236,680 |

| Name | FY2021 Budgeted | FY2022 Actual | FY2023 Budgeted |
|-----------------------|----------------------|----------------------|----------------------|
| Health Insurance Fund | \$5,368,729 | \$5,411,378 | \$6,106,018 |
| Total: | \$109,028,171 | \$100,619,115 | \$105,710,613 |

Expenditures by Fund - All Funds

2023 Expenditures by Fund

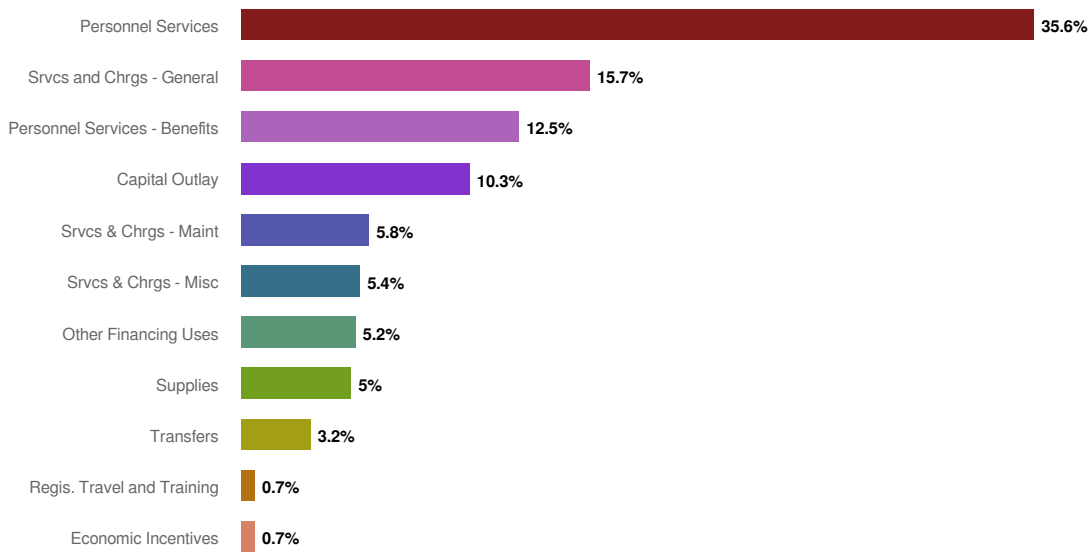


| Name | FY2021 Actual | FY2022 Actual | FY2023 Budgeted |
|---------------------------|---------------|---------------|-----------------|
| General Fund | \$57,634,555 | \$50,497,731 | \$53,987,605 |
| Community Development | \$1,865,117 | \$2,140,930 | \$1,298,059 |
| Tennis Court | \$51,998 | \$54,660 | \$126,400 |
| Hotel/Motel | \$1,513,035 | \$1,003,941 | \$1,097,720 |
| Catastrophic Emergency | \$10,505 | \$0 | \$25,000 |
| Harlingen Downtown Fund | \$252,710 | \$289,338 | \$338,477 |
| Free Trade Bridge | \$607,058 | \$49,261 | \$184,600 |
| Convention & Visitors Bur | \$356,990 | \$526,371 | \$605,668 |
| Award Programs-Restricted | \$10,784,370 | \$4,430,570 | \$9,379,998 |
| Federal Forfeitures | \$0 | \$0 | \$360,000 |
| State Forfeitures | \$33,030 | \$33,639 | \$110,000 |
| Tax Increment Financing 1 | \$0 | \$5,500 | \$0 |
| Tax Increment Financing 2 | \$0 | \$5,500 | \$0 |
| Tax Increment Financing 3 | \$570,000 | \$1,075,500 | \$570,000 |
| Lon C Hill Memorial Libry | \$61,171 | \$56,614 | \$35,000 |
| Infrastructure | \$1,396,226 | \$643,076 | \$1,525,001 |
| Debt Service | \$9,722,783 | \$4,685,372 | \$4,695,682 |
| Municipal Auditorium | \$311,786 | \$293,703 | \$365,339 |
| Sanitation Fund | \$10,609,365 | \$10,680,198 | \$11,897,465 |
| Hgn Arts/Heritage Museum | \$108,900 | \$105,262 | \$117,546 |

| Name | FY2021 Actual | FY2022 Actual | FY2023 Budgeted |
|---------------------------|----------------------|---------------------|---------------------|
| Municipal Golf Course | \$1,009,709 | \$1,161,752 | \$1,258,730 |
| Firemen's Rel & Ret Fund | \$2,992,729 | \$3,256,240 | \$0 |
| Motor Vehicle / Warehouse | \$4,100,671 | \$3,596,070 | \$3,364,494 |
| Health Insurance Fund | \$4,946,692 | \$5,389,204 | \$6,106,018 |
| Total: | \$108,939,398 | \$89,980,431 | \$97,448,802 |

Expenditures by Type - All Funds

Budgeted Expenditures by Type



| Name | FY2019 Actual | FY2021 Budgeted | FY2022 Actual | FY2023 Budgeted |
|-------------------------------|---------------------|----------------------|---------------------|---------------------|
| Expense Objects | | | | |
| Personnel Services | \$30,346,510 | \$34,065,260 | \$32,482,400 | \$34,692,302 |
| Personnel Services - Benefits | \$8,225,704 | \$10,019,101 | \$9,734,599 | \$12,196,759 |
| Supplies | \$4,084,761 | \$5,137,689 | \$4,879,285 | \$4,878,434 |
| Srvcs and Chrgs - General | \$12,557,846 | \$15,074,986 | \$13,724,123 | \$15,315,999 |
| Srvcs & Chrgs - Maint | \$4,076,981 | \$5,481,721 | \$5,826,274 | \$5,628,579 |
| Regis. Travel and Training | \$412,391 | \$618,068 | \$481,168 | \$668,531 |
| Srvcs & Chrgs - Misc | \$3,297,676 | \$8,802,994 | \$4,620,157 | \$5,256,643 |
| Depreciation | \$2,165,067 | -\$2,200 | \$2,116,476 | \$0 |
| Economic Incentives | \$564,622 | \$612,500 | \$663,397 | \$655,000 |
| Capital Outlay | \$4,244,177 | \$10,192,609 | \$5,535,840 | \$10,036,900 |
| Other Financing Uses | \$4,898,690 | \$10,123,115 | \$5,060,365 | \$5,047,710 |
| Transfers | \$4,896,623 | \$10,675,566 | \$4,856,348 | \$3,071,945 |
| Capital Contribution | \$1,601,917 | \$0 | \$0 | \$0 |
| Total Expense Objects: | \$81,372,965 | \$110,801,409 | \$89,980,431 | \$97,448,802 |

Fund Balance

Departmental Budget Projections and Requests Fiscal Year 2023

172 Days of Operation

| Fund | Estimated Beginning Fund Balance | Projected Revenues | Requested Expenditures | Revenues Over(Under) Expenditures | Estimated Ending Fund Balance |
|---------------------------------------------------|----------------------------------------|-----------------------|---------------------------|-----------------------------------------|-------------------------------------|
| General Fund | \$ 25,072,092 | \$ 54,297,115 | \$ 53,987,605 | \$ 309,510 | \$ 25,381,602 |
| Tennis Court | 41,105 | 126,400 | 126,400 | - | 41,105 |
| Hotel / Motel | 1,449,535 | 1,046,087 | 1,097,720 | (51,633) | 1,397,902 |
| Catastrophic Emergency | 794,929 | 8,071 | 25,000 | (16,929) | 778,000 |
| Free Trade Bridge | 382,306 | 283,800 | 184,600 | 99,200 | 481,506 |
| Convention and Visitors Bureau | 58,918 | 540,050 | 605,668 | (65,618) | (6,700) |
| Award Programs - Restricted | - | 9,379,998 | 9,379,998 | - | - |
| Public, Educational, and Governmental Programming | 1,036,516 | 100,600 | - | 100,600 | 1,137,116 |
| Harlingen Convention Center | 1,089,106 | 1,200 | - | 1,200 | 1,090,306 |
| Federal Forfeitures | 353,358 | 60,000 | 360,000 | (300,000) | 53,358 |
| State Forfeitures | 237,003 | 100,000 | 110,000 | (10,000) | 227,003 |
| Tax Increment Financing No. 1 | 947,191 | 155,543 | - | 155,543 | 1,102,734 |
| Tax Increment Financing No. 2 | 1,638,940 | 383,097 | - | 383,097 | 2,022,037 |
| Tax Increment Financing No. 3 | 600,813 | 836,865 | 570,000 | 266,865 | 867,678 |
| Debt Service | 610,222 | 4,580,224 | 4,695,682 | (115,458) | 494,764 |
| Infrastructure | 107,017 | 1,525,667 | 1,525,001 | 666 | 107,683 |
| Municipal Auditorium* | 801,632 | 336,950 | 365,339 | (28,389) | 773,243 |
| Sanitation/Sanitary Landfill* | 11,153,716 | 9,793,000 | 11,897,465 | (2,104,465) | 9,049,251 |
| Harlingen Arts and Heritage Museum* | 18,215 | 76,495 | 117,546 | (41,051) | (22,836) |
| Municipal Golf Course* | (735,179) | 1,213,886 | 1,258,730 | (44,844) | (780,023) |
| Motor Vehicle Warehouse* | 6,548,147 | 6,236,680 | 3,364,494 | 2,872,186 | 9,420,333 |
| Health Insurance* | 473,326 | 6,106,018 | 6,106,018 | - | 473,326 |
| Lon C. Hill Memorial Library | 64,280 | 35,000 | 35,000 | - | 64,280 |
| Total | \$ 52,743,188 | \$ 97,222,746 | \$ 95,812,266 | \$ 1,410,480 | \$ 54,153,668 |

*Net Position presented in place of fund balance.



General Fund

The General Fund accounts for the resources used to finance the fundamental operations of the City. It is the basic fund of the City and covers all activities for which a separate fund has not been established. Since it is a major fund of the City, this section details the revenues by type and expenditures by function for each department. Charts and graphs have been used to illustrate the overall effect the revenues and expenditures have on the total General Fund budget.

Fund Balance

| | FY2022 | FY2023 | % Change |
|----------------------------|---------------------|---------------------|--------------|
| Fund Balance | — | — | |
| Unassigned | \$21,590,364 | \$24,808,233 | 14.9% |
| Assigned | \$573,369 | \$573,369 | 0% |
| Restricted | \$0 | \$0 | 0% |
| Nonspendable | \$0 | \$0 | 0% |
| Total Fund Balance: | \$22,163,733 | \$25,381,602 | 14.5% |

Revenues by Source

Projected 2023 Revenues by Source



| Name | FY2021 Budgeted | FY2022 Actual | FY2023 Budgeted |
|----------------------------------|-----------------|---------------|-----------------|
| Revenue Source | | | |
| Taxes | | | |
| Taxes - Property / Current Taxes | \$18,494,431 | \$18,644,900 | \$19,977,290 |

| Name | FY2021 Budgeted | FY2022 Actual | FY2023 Budgeted |
|-----------------------------------------------------|---------------------|---------------------|---------------------|
| Taxes - Property / Delinquent Taxes | \$349,422 | \$184,676 | \$495,353 |
| Taxes - Property / Penalty and Interest | \$415,352 | \$327,719 | \$456,625 |
| Taxes - Property / Payment in Lieu of Taxes | \$220,762 | \$370,853 | \$194,596 |
| Taxes - Sales / 1.00% | \$15,343,471 | \$14,417,279 | \$15,751,256 |
| Taxes - Sales / 0.50 | \$6,456,369 | \$7,328,365 | \$7,875,628 |
| BPS 380 Agreem. 83/77 Dev / Add. Retail Facilities | \$204,549 | \$239,452 | \$213,742 |
| Taxes - Franchise / Telecomm - S.W. Bell/AT&T | \$89,785 | \$63,632 | \$92,485 |
| Taxes - Franchise / Misc. Telecommunication | \$21,562 | \$24,850 | \$35,364 |
| Taxes - Franchise / Electric - AEP | \$1,849,117 | \$2,005,353 | \$1,987,342 |
| Taxes - Franchise / Electric - Magic Valley | \$80,277 | \$89,119 | \$83,087 |
| Taxes - Franchise / Gas - Texas Gas | \$216,135 | \$323,548 | \$235,263 |
| Taxes - Franchise / Cable - Time Warner | \$551,898 | \$407,452 | \$566,330 |
| Street Use Fee / Commercial Waste Haulers | \$15,947 | \$12,446 | \$16,209 |
| Street Use Fee / Sanitation Department | \$518,981 | \$534,000 | \$537,165 |
| Taxes - Other / Bingo | \$33,824 | \$31,401 | \$59,199 |
| Taxes - Other / Mixed Beverage | \$190,000 | \$235,792 | \$228,257 |
| Total Taxes: | \$45,051,882 | \$45,240,836 | \$48,805,191 |
| | | | |
| Licenses and Permits | | | |
| Lic & Permits - General / Alcoholic Beverage | \$25,000 | \$23,041 | \$26,193 |
| Lic & Permits - General / Food Handler's | \$50,000 | \$56,530 | \$53,437 |
| Lic & Permits - General / Dog Licenses/Pound Fees | \$3,000 | \$3,052 | \$2,322 |
| Lic & Permits - General / Building Permits | \$408,058 | \$439,466 | \$423,995 |
| Lic & Permits - General / Electrical Permits | \$93,118 | \$136,048 | \$100,200 |
| Lic & Permits - General / Gas Permits | \$3,000 | \$5,740 | \$4,357 |
| Lic & Permits - General / Plumbing Permits | \$32,000 | \$48,608 | \$44,898 |
| Lic & Permits - General / Sewer Tap Permits | \$7,500 | \$11,305 | \$11,701 |
| Lic & Permits - General / Mechanical Permits | \$18,650 | \$27,289 | \$18,458 |
| Lic & Permits - General / Curb Permits | \$5,500 | \$7,080 | \$7,638 |
| Lic & Permits - General / House Moving Permits | \$300 | -\$450 | \$250 |
| Lic & Permits - General / Registration Fees | \$32,000 | \$39,700 | \$43,677 |
| Lic & Permits - General / Certificate of Occupancy | \$13,000 | \$20,055 | \$18,439 |
| Lic & Permits - General / Re-Inspection Fees | \$17,500 | \$29,040 | \$28,939 |
| Lic & Permits - General / Energy Conserv Inspection | \$6,500 | \$11,521 | \$9,812 |
| Lic & Permits - General / Other Business Permits | \$5,000 | \$6,505 | \$7,882 |
| Lic & Permits - General / Business - Alarm Permit | \$31,000 | \$25,113 | \$21,637 |
| Lic & Permits - General / Residential- Alarm Permit | \$0 | \$0 | \$600 |
| Lic & Permits - General / Tire Business Permits | \$0 | \$620 | \$0 |
| Lic & Permits - General / Excavation Permit | \$0 | \$50 | \$129 |
| Lic & Permits - General / Miscellaneous Permits | \$15,000 | \$17,477 | \$12,500 |
| Total Licenses and Permits: | \$766,126 | \$907,790 | \$837,064 |
| | | | |
| Fines and Forfeitures | | | |
| Fines & Forfeitures-Court / Traffic | \$841,877 | \$533,164 | \$600,000 |

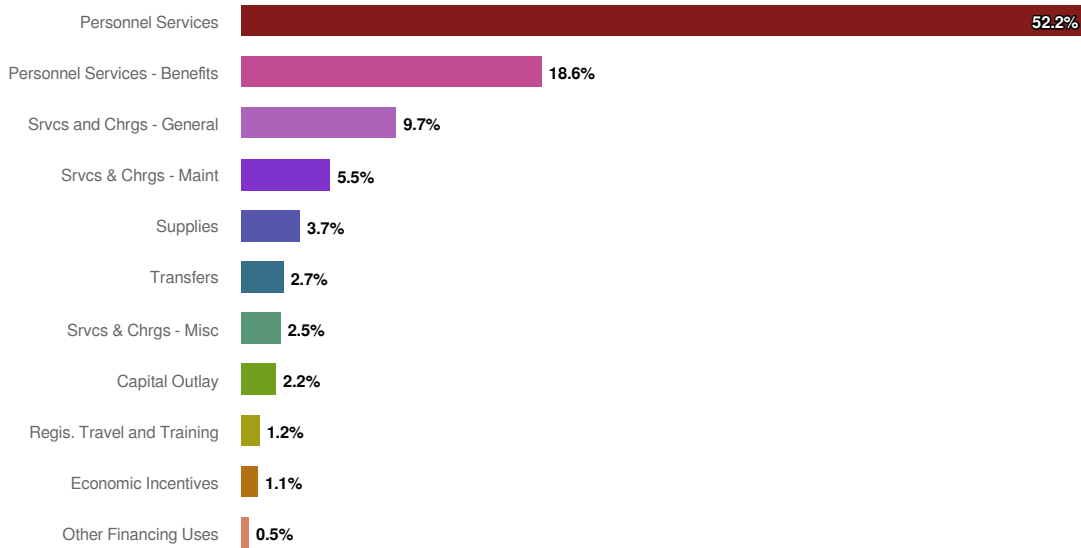
| Name | FY2021 Budgeted | FY2022 Actual | FY2023 Budgeted |
|-----------------------------------------------------|--------------------|------------------|------------------|
| Fines & Forfeitures-Court / Leash Law | \$12,222 | \$4,911 | \$10,000 |
| Fines & Forfeitures-Court / Arrest | \$30,000 | \$23,206 | \$25,000 |
| Fines & Forfeitures-Court / Improper Parking | \$1,238 | \$87 | \$1,200 |
| Fines & Forfeitures-Court / FTA Program | \$4,006 | \$2,353 | \$2,900 |
| Fines & Forfeitures-Court / Technology Funds | \$111,172 | \$0 | \$8,500 |
| Fines & Forfeitures-Court / Security Funds | \$165,798 | \$0 | \$11,845 |
| Fines & Forfeitures-Court / Juvenile Case Manager | \$25,338 | \$0 | \$0 |
| Fines & Forfeitures-Court / Misc. Ordinance Violati | \$21,233 | \$12,562 | \$25,000 |
| Fines & Forfeitures-Court / Misc. Crossing Guard Pr | \$2,439 | \$3,102 | \$2,200 |
| Fines & Forfeitures-Court / Scofflaw City Fee | \$143 | \$169 | \$0 |
| Fines & Forfeitures-Other / Library | \$12,500 | \$8,777 | \$7,019 |
| Library / Inter Library Loan Reimb. | \$7,500 | \$4,954 | \$6,200 |
| Fines & Forfeitures-Other / Business-False Alarm Fe | \$49,482 | \$39,944 | \$41,659 |
| Fines & Forfeitures-Other / Residential- False Alar | \$1,000 | \$1,000 | \$1,035 |
| Total Fines and Forfeitures: | \$1,285,948 | \$634,228 | \$742,558 |
| | | | |
| Charges for Services | | | |
| Chrgs for Svcs - Rentals / Sports Complex | \$2,292 | \$7,890 | \$8,000 |
| Chrgs for Svcs - Rentals / Tourist Building | \$128,671 | \$19,982 | \$25,000 |
| Chrgs for Svcs - Rentals / Casa Del Sol | -\$59,001 | \$56,226 | \$45,000 |
| Chrgs for Svcs - Rentals / Victor Pavilion | \$2,580 | \$10,560 | \$10,000 |
| Chrgs for Svcs - Rentals / Pendleton Pavilion | \$2,154 | \$15,470 | \$12,000 |
| Chrgs for Svcs - Rentals / Dixieland Pavilion | \$2,760 | \$10,675 | \$11,000 |
| Chrgs for Svcs - Rentals / Destination Park Pavilio | \$0 | \$275 | \$5,000 |
| Chrgs for Svcs - Rentals / Rangerville Gazebo | \$1,668 | \$3,415 | \$5,000 |
| Chrgs for Svcs - Rentals / Library Meeting Room | -\$864 | \$4,600 | \$9,000 |
| Chrgs for Svcs - Rentals / Child Care Center | \$51,881 | \$51,879 | \$50,000 |
| Chrgs for Svcs - Rentals / Cultural Arts Center | \$3,963 | \$18,962 | \$20,000 |
| Chrgs for Svcs - Rentals / Tower Rental | \$14,584 | \$19,692 | \$59,385 |
| Chrgs for Svcs - Rentals / Hgn Baseball Stadium | \$0 | \$0 | \$3,000 |
| Chrgs for Svcs - Rentals / Miscellaneous | -\$434 | \$0 | \$1 |
| Chrgs for Svcs - Misc / Recreational Activities | \$85,000 | \$82,774 | \$65,000 |
| Chrgs for Svcs - Misc / Pool - Hill | \$20,000 | \$972 | \$15,000 |
| Chrgs for Svcs - Misc / Pool - Victor | \$17,000 | \$2,646 | \$16,500 |
| Chrgs for Svcs - Misc / Pool - Pendleton | \$44,000 | \$11,353 | \$30,000 |
| Pool - Pendleton / Water Aerobics | \$2,400 | \$1,225 | \$2,400 |
| Chrgs for Svcs - Misc / Library - Xerox | \$14,000 | \$11,983 | \$9,866 |
| Chrgs for Svcs - Misc / Library Card Fees | \$150 | \$184 | \$151 |
| Chrgs for Svcs - Misc / Lost Book Fees | \$2,500 | \$3,873 | \$2,406 |
| Chrgs for Svcs - Misc / Birth & Death Certificate | \$210,000 | \$222,172 | \$233,396 |
| Birth & Death Certificate / Burial Transit Permits | \$2,500 | \$4,935 | \$6,329 |
| Birth & Death Certificate / Searching Fee | \$100 | \$205 | \$115 |
| Birth & Death Certificate / Notary Fee | \$300 | \$70 | \$52 |
| Chrgs for Svcs - Misc / Cleanup Mowing | \$35,000 | \$52,430 | \$39,629 |

| Name | FY2021 Budgeted | FY2022 Actual | FY2023 Budgeted |
|-----------------------------------------------------|--------------------|--------------------|--------------------|
| Chrgs for Svcs - Misc / Duplicate Lien Release | \$0 | \$11,346 | \$1,337 |
| Chrgs for Svcs - Misc / Fire - County | \$262,741 | \$314,463 | \$303,146 |
| Chrgs for Svcs - Misc / Fire Calls - Primera | \$130,932 | \$159,312 | \$113,547 |
| Chrgs for Svcs - Misc / Fire Calls - Combes | \$95,727 | \$111,284 | \$53,431 |
| Chrgs for Svcs - Misc / Fire Calls - Palm Valley | \$118,939 | \$124,533 | \$61,826 |
| Chrgs for Svcs - Misc / Street Banner Fees | \$500 | \$240 | \$600 |
| Chrgs for Svcs - Reimburs / For City Manager | \$1,070 | \$823 | \$1,008 |
| Chrgs for Svcs - Reimburs / For Finance | -\$738 | \$789 | \$806 |
| Chrgs for Svcs - Reimburs / For Internal Auditor | -\$900 | \$0 | \$0 |
| Chrgs for Svcs - Reimburs / For Police | \$15,333 | \$57,379 | \$46,931 |
| For Police / Victim Assist Med Reimb | \$460 | \$0 | \$396 |
| Chrgs for Svcs - Reimburs / For Police Services | \$0 | \$0 | \$8,000 |
| Chrgs for Svcs - Reimburs / For Fire Suppression | \$91,271 | \$9,387 | \$107,525 |
| Chrgs for Svcs - Reimburs / For Planning & Develop. | -\$17,434 | \$2,996 | \$15,853 |
| Chrgs for Svcs - Reimburs / Traffic Signal Maint. | \$0 | \$150 | \$0 |
| Chrgs for Svcs - Reimburs / For Street Maintenance | -\$290 | \$16,966 | \$13,111 |
| Chrgs for Svcs - Reimburs / Street Cut Repairs | \$16,491 | \$64,201 | \$20,000 |
| Chrgs for Svcs - Reimburs / Public Services Admin. | \$0 | \$0 | \$40,000 |
| Chrgs for Svcs - Reimburs / For Public Buildings | \$41,047 | \$34,941 | \$60,000 |
| Chrgs for Svcs - Reimburs / For Health | \$11 | \$0 | \$9 |
| Total Charges for Services: | \$1,338,364 | \$1,523,255 | \$1,530,756 |
| | | | |
| Intergovernmental | | | |
| Federal Pass Thru / Coronavirus Relief Fund | \$0 | \$12,779 | \$0 |
| Intergovt - State / LEOSE Training - Police | \$8,575 | \$14,381 | \$7,906 |
| Intergovt - State / Signal Maintenance Fees | \$49,800 | \$49,800 | \$47,248 |
| Intergovt - State / LEOSE Training - Fire | \$0 | \$554 | \$1,153 |
| Harlingen C.I.S.D. / School Resource Officers | \$24,200 | \$0 | \$0 |
| Harlingen C.I.S.D. / Crossing Guards | \$6,000 | \$3,992 | \$1,268 |
| Valley Intl Airport / Aircraft Rescue & Firefig | \$939,048 | \$873,117 | \$944,908 |
| Valley Intl Airport / Indirect Cost | \$49,763 | \$45,468 | \$51,637 |
| Cameron County / Child Safety | \$67,188 | \$71,389 | \$60,000 |
| HrIng Economic Devlp Corp / Administrative Services | \$58,000 | \$58,000 | \$60,000 |
| HrIng Economic Devlp Corp / Lobbyists | \$120,000 | \$105,000 | \$120,000 |
| Total Intergovernmental: | \$1,322,574 | \$1,234,481 | \$1,294,120 |
| | | | |
| Interest | | | |
| Interest - Investments / CD's | -\$170,000 | \$13,430 | \$23,846 |
| Interest - Investments / TexPool | \$175,000 | \$181,657 | \$8,533 |
| Interest - Investments / NOW | \$24,000 | \$22 | \$430 |
| Total Interest: | \$29,000 | \$195,109 | \$32,809 |
| | | | |
| Contributions | | | |
| Donations/Contributions / Autism Awareness | \$0 | \$1,950 | \$1,500 |

| Name | FY2021 Budgeted | FY2022 Actual | FY2023 Budgeted |
|-------------------------------------------|---------------------|---------------------|---------------------|
| Outside Sources / Miscellaneous Donations | \$0 | \$0 | \$1,500 |
| Total Contributions: | \$0 | \$1,950 | \$3,000 |
| | | | |
| Misc - Various | | | |
| Misc - Various / Demolition | \$2,500 | \$12,057 | \$4,231 |
| Misc - Various / Insurance Recovery-Other | \$0 | \$147,846 | \$8,405 |
| Misc - Various / Police Records | \$43,000 | \$27,829 | \$31,012 |
| Misc - Various / Cash Over/Short | \$0 | -\$280 | \$0 |
| Misc - Various / NSF - Fees | \$0 | \$175 | \$26 |
| Misc - Various / Credit Card Fees | \$28,000 | \$46,830 | \$42,003 |
| Misc - Various / Miscellaneous | \$25,000 | \$90,540 | \$0 |
| Miscellaneous / Jail Phone Fees | \$2,000 | \$2,744 | \$3,209 |
| Total Misc - Various: | \$100,500 | \$327,742 | \$88,886 |
| | | | |
| | | | |
| Transfer In From | | | |
| Transfer In From / Free Trade Bridge | \$551,894 | \$0 | \$0 |
| Transfer In From / Sanitation Fund | \$481,000 | \$481,000 | \$202,731 |
| Transfer In From / TWDB - FIF Grant | \$1,349,394 | \$0 | \$0 |
| Transfer In From / Grants Fund | \$847,199 | \$0 | \$0 |
| Transfer In From / Health Insurance Fund | \$210,000 | \$0 | \$0 |
| Transfer In From / TIF # 3 Fund | \$500,000 | \$1,000,000 | \$500,000 |
| Total Transfer In From: | \$3,939,487 | \$1,481,000 | \$702,731 |
| | | | |
| Sale of Assets | | | |
| Sale of Assets / Sale of Fixed Assets | \$40,000 | \$0 | \$110,000 |
| Sale of Assets / Sale of Land | \$0 | \$51,177 | \$0 |
| Sale of Assets / Online Auction Sales | \$0 | \$350,926 | \$150,000 |
| Total Sale of Assets: | \$40,000 | \$402,103 | \$260,000 |
| | | | |
| | | | |
| Total Revenue Source: | \$53,873,881 | \$51,948,494 | \$54,297,115 |

Expenditures by Type

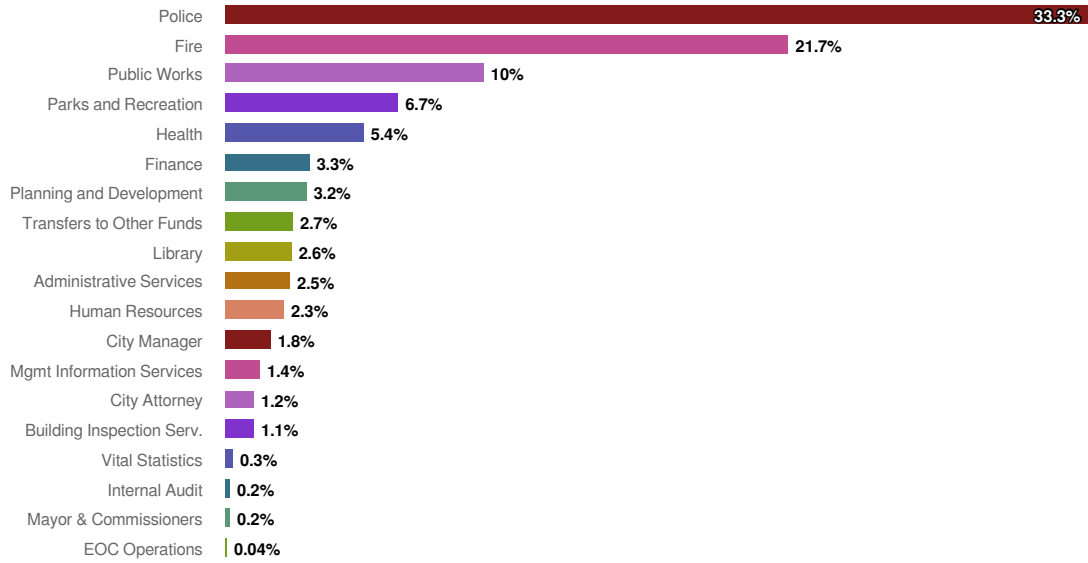
Budgeted Expenditures by Expense Type



| Name | FY2021 Budgeted | FY2022 Actual | FY2023 Budgeted |
|-------------------------------|---------------------|---------------------|---------------------|
| Expense Objects | | | |
| Personnel Services | \$25,623,171 | \$25,151,620 | \$28,183,004 |
| Personnel Services - Benefits | \$8,377,471 | \$8,431,487 | \$10,057,199 |
| Supplies | \$2,208,102 | \$2,034,948 | \$2,018,840 |
| Srvcs and Chrgs - General | \$4,970,463 | \$4,055,630 | \$5,221,753 |
| Srvcs & Chrgs - Maint | \$2,692,041 | \$3,054,718 | \$2,977,312 |
| Regis. Travel and Training | \$618,068 | \$481,168 | \$668,531 |
| Srvcs & Chrgs - Misc | \$1,598,091 | \$994,534 | \$1,357,656 |
| Economic Incentives | \$542,500 | \$593,397 | \$585,000 |
| Capital Outlay | \$5,166,255 | \$3,073,027 | \$1,176,000 |
| Other Financing Uses | \$312,781 | \$312,751 | \$295,316 |
| Transfers | \$2,856,869 | \$2,314,452 | \$1,446,994 |
| Total Expense Objects: | \$54,965,812 | \$50,497,731 | \$53,987,605 |

Expenditures by Function

Budgeted Expenditures by Function



| Name | FY2021 Budgeted | FY2022 Actual | FY2023 Budgeted |
|----------------------------|---------------------|---------------------|---------------------|
| Expenditures | | | |
| Mayor & Commissioners | \$84,220 | \$93,636 | \$110,071 |
| City Manager | \$1,016,012 | \$814,201 | \$972,258 |
| City Attorney | \$613,531 | \$456,655 | \$638,531 |
| Administrative Services | \$994,833 | \$1,166,278 | \$1,375,211 |
| Internal Audit | \$115,990 | \$25,758 | \$123,488 |
| Human Resources | \$1,363,673 | \$964,248 | \$1,240,600 |
| Finance | \$1,766,139 | \$1,623,863 | \$1,787,345 |
| Vital Statistics | \$165,180 | \$148,084 | \$177,327 |
| Mgmt Information Services | \$579,929 | \$719,054 | \$760,437 |
| Police | \$17,741,597 | \$16,335,878 | \$17,959,551 |
| Fire | \$13,037,336 | \$12,455,846 | \$11,739,472 |
| EOC Operations | \$25,500 | \$19,991 | \$20,554 |
| Public Works | \$4,178,184 | \$4,266,120 | \$5,381,243 |
| Parks and Recreation | \$3,213,464 | \$3,220,729 | \$3,610,835 |
| Library | \$1,218,019 | \$1,252,163 | \$1,415,353 |
| Planning and Development | \$1,616,715 | \$1,486,619 | \$1,704,782 |
| Health | \$3,899,552 | \$2,651,405 | \$2,909,134 |
| Building Inspection Serv. | \$479,069 | \$482,750 | \$614,419 |
| Transfers to Other Funds | \$2,856,869 | \$2,314,452 | \$1,446,994 |
| Total Expenditures: | \$54,965,812 | \$50,497,731 | \$53,987,605 |



Fund Descriptions

Community Development Block Grant Fund is the fund used to account for grant monies from the Department of Housing and Urban Development, Office of Community Development Program. The program's objective is for "the development of viable urban communities by providing decent housing and suitable living environments and expanding economic opportunities for persons of low and moderate income."

Tennis Court Fund is used to account for the city's percentage of total municipal tennis court fees and expenditures for the maintenance and upkeep of the tennis court as needed.

Hotel/Motel Occupancy Tax Fund is used to account for the 7% occupancy tax received from the hotels and motels. The fund distributes an amount determined by the City Commission to the Chamber of Commerce for tourist promotion. The remainder of the funds are used for other promotional expenses.

Catastrophic Emergency Relief Fund is used to account for funds transferred from other funds and monies received from grants. The fund will account for expenditures specifically authorized by ordinances, authorizing capital improvements and catastrophic emergency type expenditures.

Harlingen's Downtown Improvement District Fund is used to account for funds received from downtown merchants and property owners to improve the quality of the downtown area and to attract and promote new and existing business to the downtown area. The Harlingen Downtown District and La Placita District were combined into one geographic area in April 2005.

Free Trade Bridge Fund is used to account for the City's participation in the operation of the International Bridge at Los Indios. This project is a joint venture of several governmental entities.

Convention and Visitor's Bureau Fund is used to account for expenditures related to encouraging and promoting tourism, conventions, meetings, and other related group businesses, and for visitor promotions that will generate overnight stays in Harlingen thereby contributing to the economic fabric and quality of life in the community.

Harlingen Convention Center Fund is used to account for operational gains and losses of the events and activities at the city's convention center, in accordance to the Developer's Agreement.

Award Programs-Restricted Fund is used to account for revenues derived from local, state, federal, and inter-local agreement funds pertaining to various departments within the City of Harlingen. This fund operates on a cost-reimbursement basis, but some exclusions may apply.

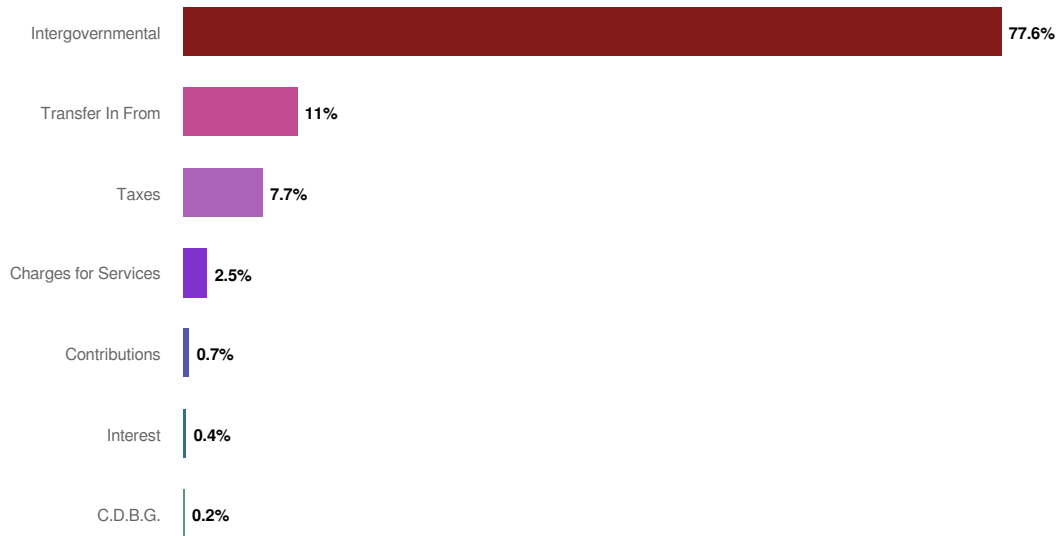
Federal & State Forfeitures Funds are used to account for monies awarded to, and received by the Harlingen Police Department through the United States Asset Forfeiture Fund.

PEG (Public Education Grant) Fund was established to account for fees in accordance with a franchise agreement for franchisees renewal fees collected from channel capacity that is designated for public access, educational access or governmental access.

The Tax Increment Financing Funds are used to account for revenues that provide development incentive and funding for infrastructure improvements lacking in the selected areas.

Revenue By Source

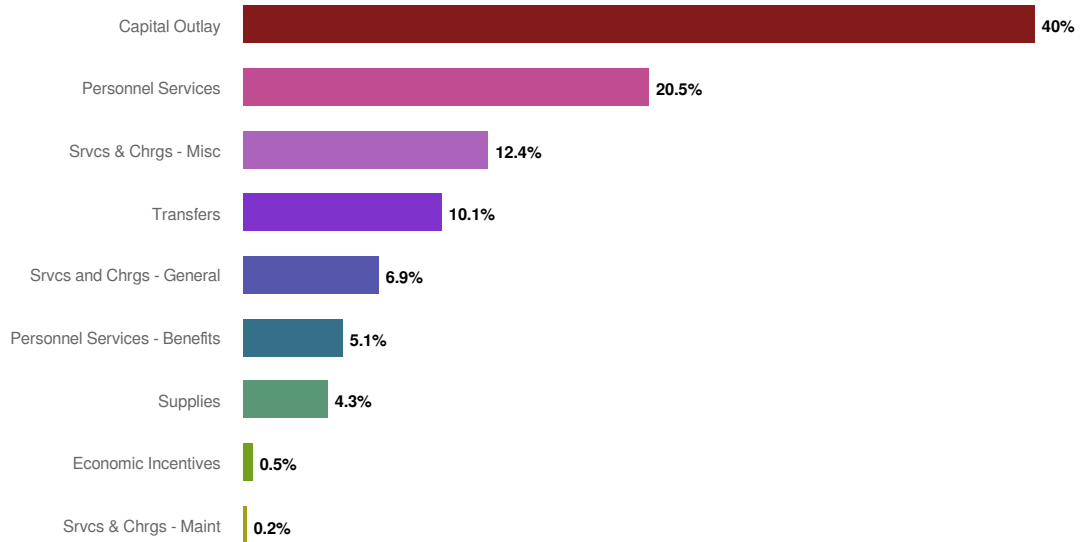
Projected 2023 Revenues by Source



| Name | FY2021 Budgeted | FY2022 Actual | FY2023 Budgeted |
|------------------------------|---------------------|---------------------|---------------------|
| Revenue Source | | | |
| Taxes | \$1,130,517 | \$1,570,518 | \$1,139,263 |
| Charges for Services | \$349,000 | \$172,025 | \$361,095 |
| Intergovernmental | \$13,242,656 | \$17,306,398 | \$11,420,665 |
| Interest | \$66,771 | \$197,865 | \$60,527 |
| Contributions | \$517,926 | \$109,805 | \$99,800 |
| C.D.B.G. | \$33,505 | \$32,200 | \$31,397 |
| Misc - Various | \$0 | \$1,411 | \$0 |
| Transfer In From | \$2,699,577 | \$1,776,985 | \$1,613,023 |
| Sale of Assets | \$0 | \$20,922 | \$0 |
| Total Revenue Source: | \$18,039,952 | \$21,188,128 | \$14,725,770 |

Expenditure By Type

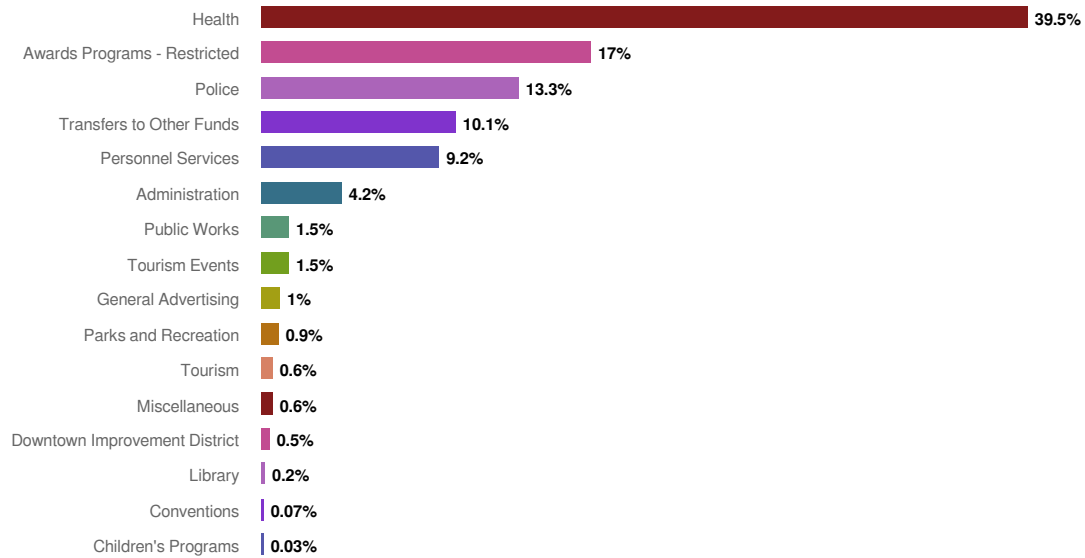
Budgeted Expenditures by Expense Type



| Name | FY2021 Budgeted | FY2022 Actual | FY2023 Budgeted |
|-------------------------------|---------------------|--------------------|---------------------|
| Expense Objects | | | |
| Personnel Services | \$2,350,337 | \$1,509,467 | \$2,903,047 |
| Personnel Services - Benefits | \$487,539 | \$345,929 | \$720,026 |
| Supplies | \$732,425 | \$466,103 | \$607,914 |
| Srvcs and Chrgs - General | \$1,695,466 | \$1,442,216 | \$969,836 |
| Srvcs & Chrgs - Maint | \$65,369 | \$151,459 | \$33,467 |
| Srvcs & Chrgs - Misc | \$5,475,476 | \$1,958,232 | \$1,750,787 |
| Economic Incentives | \$70,000 | \$70,000 | \$70,000 |
| Capital Outlay | \$1,790,355 | \$1,827,334 | \$5,653,625 |
| Transfers | \$7,127,697 | \$1,901,085 | \$1,422,220 |
| Total Expense Objects: | \$19,794,664 | \$9,671,824 | \$14,130,922 |

Expenditures by Function

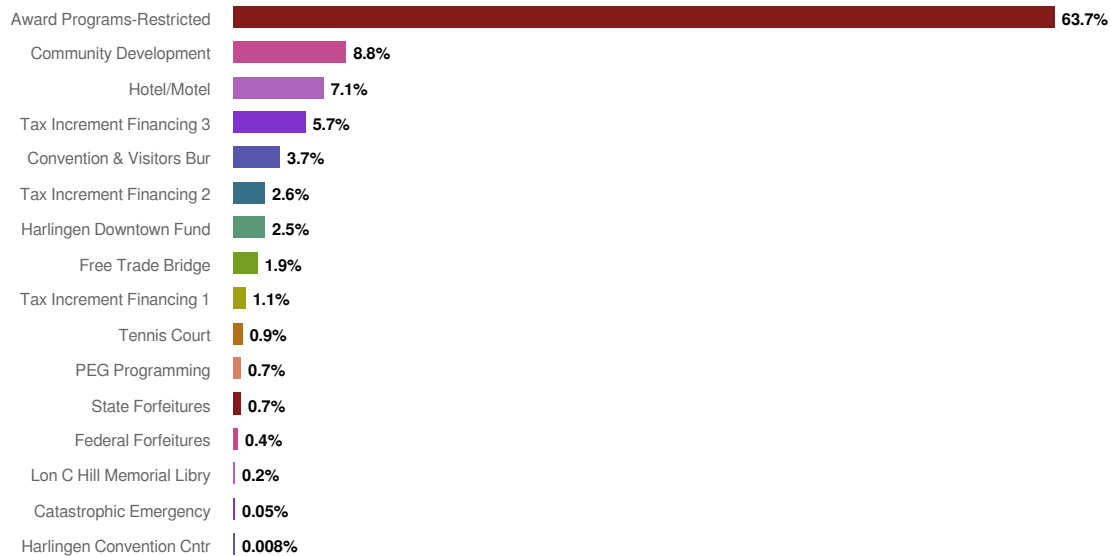
Budgeted Expenditures by Function



| Name | FY2021 Budgeted | FY2022 Actual | FY2023 Budgeted |
|-------------------------------|---------------------|--------------------|---------------------|
| Expenditures | | | |
| Administration | \$603,862 | \$583,323 | \$591,269 |
| Downtown Improvement District | \$0 | \$15,721 | \$70,000 |
| Police | \$1,405,856 | \$1,340,062 | \$1,878,294 |
| Awards Programs - Restricted | \$4,410,062 | \$1,086,197 | \$2,396,967 |
| Fire | \$28,700 | \$0 | \$0 |
| Public Works | \$635,365 | \$1,512,724 | \$209,600 |
| Parks and Recreation | \$178,688 | \$411,812 | \$126,400 |
| Personnel Services | \$0 | \$0 | \$1,298,059 |
| Tourism | \$61,000 | \$81,000 | \$91,500 |
| Miscellaneous | \$34,000 | \$24,000 | \$84,000 |
| Library | \$398,674 | \$102,844 | \$31,150 |
| Children's Programs | \$2,400 | \$3,770 | \$3,850 |
| Conventions | \$19,735 | \$8,780 | \$10,500 |
| General Advertising | \$94,165 | \$125,782 | \$137,376 |
| Tourism Events | \$101,650 | \$172,015 | \$205,000 |
| Health | \$823,715 | \$161,780 | \$5,574,737 |
| CDBG | \$3,869,095 | \$2,140,930 | \$0 |
| Transfers to Other Funds | \$7,127,697 | \$1,901,085 | \$1,422,220 |
| Total Expenditures: | \$19,794,664 | \$9,671,824 | \$14,130,922 |

Revenue by Fund

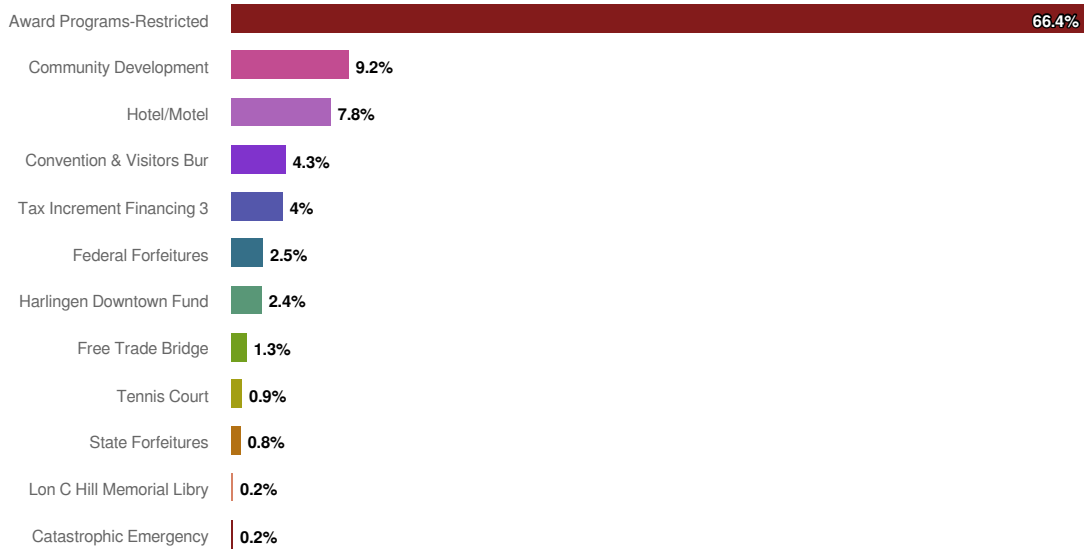
2023 Revenue by Fund



| Name | FY2021 Budgeted | FY2022 Actual | FY2023 Budgeted |
|---------------------------|---------------------|---------------------|---------------------|
| Community Development | \$1,241,345 | \$2,263,114 | \$1,298,059 |
| Tennis Court | \$59,010 | \$117,434 | \$126,400 |
| Hotel/Motel | \$1,046,517 | \$1,498,076 | \$1,046,087 |
| Catastrophic Emergency | \$5,500 | \$5,521 | \$8,071 |
| Harlingen Downtown Fund | \$243,125 | \$300,518 | \$371,000 |
| Free Trade Bridge | \$285,500 | \$149,962 | \$283,800 |
| Convention & Visitors Bur | \$444,000 | \$553,648 | \$540,050 |
| Award Programs-Restricted | \$12,026,510 | \$14,010,880 | \$9,379,998 |
| PEG Programming | \$94,000 | \$88,664 | \$100,600 |
| Harlingen Convention Cntr | \$647,519 | \$2,170 | \$1,200 |
| Federal Forfeitures | \$20,500 | \$294,872 | \$60,000 |
| State Forfeitures | \$71,000 | \$24,852 | \$100,000 |
| Tax Increment Financing 1 | \$218,000 | \$242,943 | \$155,543 |
| Tax Increment Financing 2 | \$529,000 | \$559,982 | \$383,097 |
| Tax Increment Financing 3 | \$1,091,500 | \$1,055,783 | \$836,865 |
| Lon C Hill Memorial Libry | \$16,926 | \$19,711 | \$35,000 |
| Total: | \$18,039,952 | \$21,188,128 | \$14,725,770 |

Expenditures by Fund

2023 Expenditures by Fund



| Name | FY2021 Budgeted | FY2022 Actual | FY2023 Budgeted |
|---------------------------|---------------------|--------------------|---------------------|
| Community Development | \$3,869,095 | \$2,140,930 | \$1,298,059 |
| Tennis Court | \$60,600 | \$54,660 | \$126,400 |
| Hotel/Motel | \$1,544,035 | \$1,003,941 | \$1,097,720 |
| Catastrophic Emergency | \$25,000 | \$0 | \$25,000 |
| Harlingen Downtown Fund | \$253,942 | \$289,338 | \$338,477 |
| Free Trade Bridge | \$627,094 | \$49,261 | \$184,600 |
| Convention & Visitors Bur | \$470,470 | \$526,371 | \$605,668 |
| Award Programs-Restricted | \$12,217,502 | \$4,430,570 | \$9,379,998 |
| Federal Forfeitures | \$40,000 | \$0 | \$360,000 |
| State Forfeitures | \$100,000 | \$33,639 | \$110,000 |
| Tax Increment Financing 1 | \$0 | \$5,500 | \$0 |
| Tax Increment Financing 2 | \$0 | \$5,500 | \$0 |
| Tax Increment Financing 3 | \$570,000 | \$1,075,500 | \$570,000 |
| Lon C Hill Memorial Libry | \$16,926 | \$56,614 | \$35,000 |
| Total: | \$19,794,664 | \$9,671,824 | \$14,130,922 |



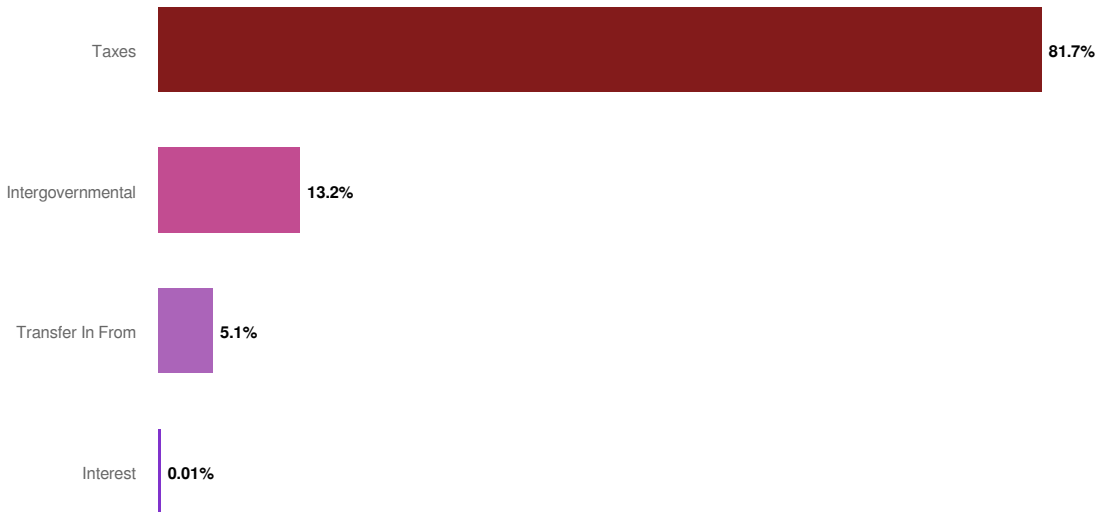
Debt Service Fund

Debt Service Fund is used to account for the accumulation of resources and the payment of general obligation bond principal and interest from governmental resources when the City is obligated in some manner for the payment.

Revenues by Source

The revenues source is represented by 82.5% in Property Taxes, Intergovernmental 12.6% and Transfer in from about 4.8%.

Projected 2023 Revenues by Source



| Name | FY2021 Budgeted | FY2022 Actual | FY2023 Budgeted |
|------------------------------|--------------------|--------------------|--------------------|
| Revenue Source | | | |
| Taxes | \$3,359,940 | \$4,010,413 | \$3,742,997 |
| Intergovernmental | \$605,015 | \$607,852 | \$604,572 |
| Interest | \$11,000 | \$5,158 | \$655 |
| Transfer In From | \$232,016 | \$232,016 | \$232,000 |
| Proceeds of Debt | \$456,765 | \$0 | \$0 |
| Refunding Bonds | \$4,500,000 | \$0 | \$0 |
| Total Revenue Source: | \$9,164,736 | \$4,855,438 | \$4,580,224 |

Expenditures by Type

This chart reflects Debt Service Payment FY2019- 2022.

| Name | FY2021 Budgeted | FY2022 Actual | FY2023 Budgeted |
|-----------------------------------------------------|-----------------|---------------|-----------------|
| Expense Objects | | | |
| Other Financing Uses | | | |
| Other Financing Uses-Debt / Debt Service - Principa | \$3,500,000 | \$3,515,000 | \$3,680,000 |

| Name | FY2021 Budgeted | FY2022 Actual | FY2023 Budgeted |
|-----------------------------------------------------|--------------------|--------------------|--------------------|
| Other Financing Uses-Debt / Debt Service - Interest | \$1,294,681 | \$1,167,623 | \$1,012,682 |
| Other Financing Uses-Debt / Paying Agent Fees | \$3,000 | \$2,749 | \$3,000 |
| Other Financing Uses-Debt / Pmt to Refunding Bd Esc | \$4,839,727 | \$0 | \$0 |
| Other Financing Uses-Debt / Cost of Issuance | \$117,038 | \$0 | \$0 |
| Total Other Financing Uses: | \$9,754,446 | \$4,685,372 | \$4,695,682 |
| Total Expense Objects: | \$9,754,446 | \$4,685,372 | \$4,695,682 |

Legal Debt Limit

The City of Harlingen does not have a legal debt limit mandated by law.

Article XI, Section 5, of the Texas Constitution is applicable to the City, and limits its maximum ad valorem tax rate to \$2.50 per \$100 Taxable Assessed Valuation for all City purposes. The Home Rule Charter of the City adopts the constitutionally authorized maximum tax rate of \$2.50 per \$100 Taxable Assessed Valuation. Administratively, the Attorney General of the State of Texas will permit the allocation of \$1.50 of the \$2.50 maximum tax rate for all General Obligation debt service, as calculated at the time of issuance. For October 1, 2022, the tax rate is \$0.606357 per \$100 Assessed Valuation.

Taxable Assessed Valuation \$4,426,281,253

Limited on amount designated for Debt Service X\$2.50 per 100

Legal property tax levy limit \$110,657,031

Estimated amount budgeted for general obligation
Debt Service during the fiscal year 2022-2023 \$3,226,538

Debt Service To Maturity

DEBT SERVICE REQUIREMENTS TO MATURITY BY FISCAL YEAR SOURCE OF FUNDING - PROPERTY TAX RATE

| FISCAL YEAR ENDING | 2013 REFUNDING G.O. BONDS | | 2016 REFUNDING G.O. BONDS | | 2016 CERTIFICATES OF OBLIGATION | | 2019 REFUNDING G.O. BONDS | | TOTAL DEBT PRINCIPAL |
|--------------------|---------------------------|-----------------|---------------------------|--------------------|---------------------------------|--------------------|---------------------------|------------------|----------------------|
| | PRINCIPAL | INTEREST | PRINCIPAL | INTEREST | PRINCIPAL | INTEREST | PRINCIPAL | INTEREST | |
| 9/30/2023 | 215,000 | 14,688 | 2,400,000 | 391,500 | 430,000 | 425,944 | 140,000 | 65,350 | 3,185,000 |
| 9/30/2024 | 220,000 | 9,250 | 2,500,000 | 294,000 | 450,000 | 413,001 | 145,000 | 58,225 | 3,315,000 |
| 9/30/2025 | 260,000 | 3,250 | 2,645,000 | 216,825 | 460,000 | 398,826 | 170,000 | 52,050 | 3,535,000 |
| 9/30/2026 - | - | - | 2,990,000 | 132,300 | 475,000 | 383,876 | 180,000 | 45,000 | 3,645,000 |
| 9/30/2027 - | - | - | 2,915,000 | 43,725 | 490,000 | 367,964 | 185,000 | 35,875 | 3,590,000 |
| 9/30/2028 - | - | - | - | - | 510,000 | 350,814 | 200,000 | 26,250 | 710,000 |
| 9/30/2029 - | - | - | - | - | 525,000 | 332,199 | 210,000 | 16,000 | 735,000 |
| 9/30/2030 - | - | - | - | - | 545,000 | 311,304 | 215,000 | 5,375 | 760,000 |
| 9/30/2031 - | - | - | - | - | 570,000 | 289,613 | - | - | 570,000 |
| 9/30/2032 - | - | - | - | - | 595,000 | 266,927 | - | - | 595,000 |
| 9/30/2033 - | - | - | - | - | 620,000 | 242,294 | - | - | 620,000 |
| 9/30/2034 - | - | - | - | - | 645,000 | 216,626 | - | - | 645,000 |
| 9/30/2035 - | - | - | - | - | 670,000 | 189,923 | - | - | 670,000 |
| | <u>\$695,000</u> | <u>\$27,188</u> | <u>\$13,450,000</u> | <u>\$1,078,350</u> | <u>\$10,790,000</u> | <u>\$4,691,266</u> | <u>\$1,445,000</u> | <u>\$304,125</u> | <u>\$26,380,000</u> |
| | Funding Source | | | | Purpose | | | | |

2013 G.O. Series Bond

To Refund Series 2005 and provide resources to cover costs of issuance to purchase qualifying securities that were placed in an irrevocable trust used to generate resources for all future debt service payments of the refunded debt.

2016 G.O. Series Bond

To refund portions of outstanding GO Bonds 2007 & 2016 and CO 2017.

2016 Certificate of Obligation

To construct a new convention center and pay for fiscal and engineering expenses of said project, as well as expenses related to the issuance of certificates.

2019 G.O. Series Bond

To refund 2010 Series Combination Tax & Revenue Certificates of Obligations, as well as provide resources to cover cost of issuance to purchase qualifying securities placed in an irrevocable trust for the purpose of generating resources for all future debt service payments of the refunded debt.

Annual Debt Service Expenditures

RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR GENERAL GOVERNMENTAL BONDED DEBT TO TOTAL GENERAL FUND EXPENDITURES

LAST TEN FISCAL YEARS

| FISCAL YEAR | PRINCIPAL | INTEREST | TOTAL DEBT SERVICE BOND PAYMENTS | TOTAL GENERAL FUND OPERATING EXPENDITURES | RATIO OF DEBT SERVICE FUND TO GENERAL FUND EXPENDITURES |
|----------------|-----------|-----------|----------------------------------------------|-------------------------------------------------------|---------------------------------------------------------------------|
| 2014 | 2,165,000 | 1,774,329 | 3,939,329 | 40,779,527 | 9.66% |
| 2015 | 2,365,000 | 1,621,195 | 3,986,195 | 44,702,076 | 8.92% |
| 2016 | 2,610,000 | 1,545,421 | 4,155,421 | 40,181,184 | 10.34% |
| 2017 | 2,705,000 | 1,242,954 | 3,947,954 | 41,711,224 | 9.46% |
| 2018 | 3,155,000 | 1,535,508 | 4,690,508 | 43,162,409 | 10.87% |
| 2019 | 3,225,000 | 1,469,145 | 4,694,145 | 45,336,999 | 10.35% |
| 2020 | 3,360,000 | 1,452,203 | 4,812,203 | 52,774,129 | 9.12% |
| 2021 | 3,465,000 | 1,301,587 | 4,766,587 | 48,662,236 | 9.80% |
| 2022 | 3,515,000 | 1,167,623 | 4,682,623 | 51,637,665 | 9.07% |
| 2023 | 3,185,000 | 897,482 | 4,082,482 | 53,987,605 | 7.56% |

Long Term Debt Policies & Purpose

CAPITAL IMPROVEMENT PLAN

Major capital improvement will normally be funded through the issuance of long-term debt.

DEBT POLICIES

The City will limit financing by the issuance of long-term debt to those capital projects that cannot be funded from current revenues.

The City will not utilize long-term debt to finance recurring maintenance and operating costs.

The City will not issue long-term debt for a period that exceeds the estimated useful life of the related capital project.

The City's last General Obligation bond rating is as follows: Fitch is rated AA+ and Standard & Poor is rated at AA-.



Capital Projects Fund

The Capital Projects Funds are to account for financial resources to be used for the acquisition or construction of major capital facilities by the City of Harlingen, including those financed by special assessments. The current working fund for capital projects is the infrastructure fund. This fund is intended to maintain much of the city's existing infrastructure. The fund is financed by a special assessment on the sanitation bill as a separate monthly line item.

Revenues by Source

| Name | FY2021 Budgeted | FY2022 Actual | FY2023 Budgeted |
|------------------------------|--------------------|--------------------|--------------------|
| Revenue Source | | | |
| Taxes | \$1,400,000 | \$1,537,844 | \$1,525,000 |
| Interest | \$7,000 | \$64,912 | \$2,167 |
| Misc - Various | \$0 | \$55 | \$20 |
| Transfer In From | \$540,936 | \$522,356 | \$0 |
| Total Revenue Source: | \$1,947,936 | \$2,125,167 | \$1,527,187 |

Expenditures by Type

| Name | FY2021 Budgeted | FY2022 Actual | FY2023 Budgeted |
|-------------------------------|--------------------|------------------|--------------------|
| Expense Objects | | | |
| Srvcs and Chrgs - General | \$50,500 | \$14,037 | \$36,100 |
| Capital Outlay | \$1,364,500 | \$629,039 | \$1,488,901 |
| Total Expense Objects: | \$1,415,000 | \$643,076 | \$1,525,001 |

Enterprise Funds are established to account for operations, which are intended to be self-supporting through user charges. The City has the following enterprise funds, two of which are component units:



Enterprise Funds

The Municipal Auditorium Fund has been established to account for the activities of the Municipal Auditorium and the Casa de Amistad facility for economic gain as well as encouragement of the arts.

The Sanitation Fund is provided to account for the resources from the collection of garbage and public landfill operations within the City limits.

The Harlingen Arts and Heritage Museum Fund is used to account for the activities of the City Museum.

The Municipal Golf Course Fund is provided to account for user fees received from the Municipal Golf Course and account for expenditures of maintenance and operations.

Revenues by Source

Projected 2023 Revenues by Source

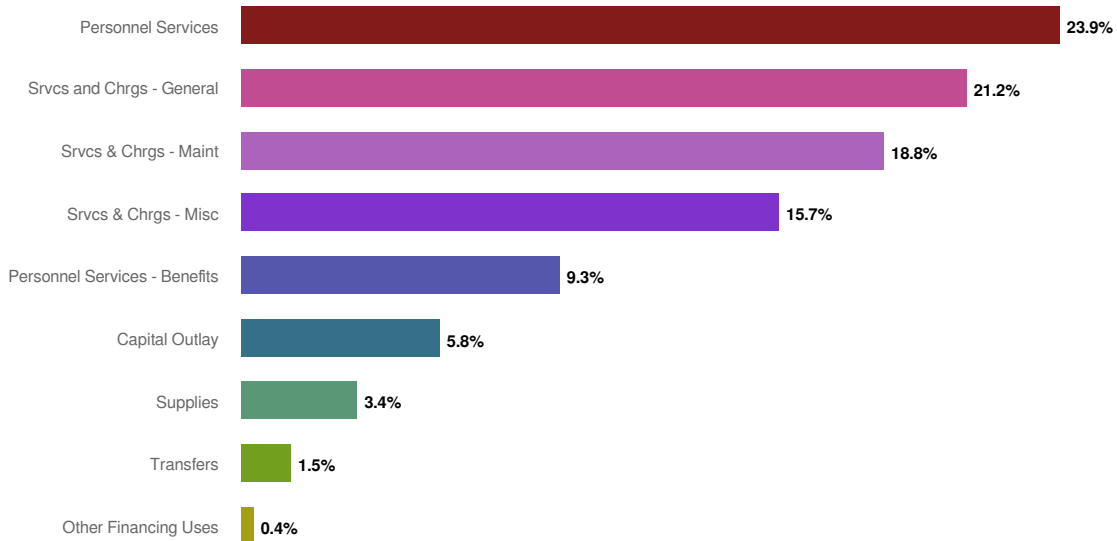


| Name | FY2021 Budgeted | FY2022 Actual | FY2023 Budgeted |
|----------------------|-----------------|---------------|-----------------|
| Revenue Source | | | |
| Charges for Services | \$10,537,275 | \$11,436,700 | \$10,861,479 |
| Interest | \$57,600 | \$55,254 | \$6,200 |
| Contributions | \$2,000 | \$25 | \$2,000 |
| Misc - Various | \$19,450 | \$24,164 | \$26,461 |
| Transfer In From | \$355,000 | \$843,991 | \$524,191 |

| Name | FY2021 Budgeted | FY2022 Actual | FY2023 Budgeted |
|------------------------------|---------------------|---------------------|---------------------|
| Sale of Assets | \$20,000 | \$5,976 | \$0 |
| Total Revenue Source: | \$10,991,325 | \$12,366,110 | \$11,420,331 |

Expenditures by Type

Budgeted Expenditures by Expense Type



| Name | FY2021 Budgeted | FY2022 Actual | FY2023 Budgeted |
|-------------------------------|---------------------|---------------------|---------------------|
| Expense Objects | | | |
| Personnel Services | \$2,579,957 | \$2,511,795 | \$3,257,277 |
| Personnel Services - Benefits | \$1,026,280 | \$848,053 | \$1,273,139 |
| Supplies | \$409,067 | \$390,218 | \$464,130 |
| Srvc and Chrgs - General | \$2,558,431 | \$2,503,255 | \$2,888,195 |
| Srvc & Chrgs - Maint | \$2,684,311 | \$2,567,541 | \$2,563,800 |
| Srvc & Chrgs - Misc | \$1,722,677 | \$1,666,541 | \$2,141,950 |
| Depreciation | -\$2,200 | \$1,203,830 | \$0 |
| Capital Outlay | \$755,050 | \$6,440 | \$791,146 |
| Other Financing Uses | \$55,888 | \$62,242 | \$56,712 |
| Transfers | \$481,000 | \$481,000 | \$202,731 |
| Total Expense Objects: | \$12,270,461 | \$12,240,915 | \$13,639,080 |

Revenue by Fund

| Name | FY2021 Budgeted | FY2022 Actual | FY2023 Budgeted |
|----------------------|-----------------|---------------|-----------------|
| Enterprise Funds | | | |
| Municipal Auditorium | \$486,950 | \$302,528 | \$336,950 |
| Sanitation Fund | \$9,593,000 | \$10,641,174 | \$9,793,000 |

| Name | FY2021 Budgeted | FY2022 Actual | FY2023 Budgeted |
|--------------------------------|---------------------|---------------------|---------------------|
| Hgn Arts/Heritage Museum | \$97,175 | \$109,717 | \$76,495 |
| Municipal Golf Course | \$814,200 | \$1,312,692 | \$1,213,886 |
| Total Enterprise Funds: | \$10,991,325 | \$12,366,110 | \$11,420,331 |

Expenditures by Fund

| Name | FY2021 Budgeted | FY2022 Actual | FY2023 Budgeted |
|--------------------------------|---------------------|---------------------|---------------------|
| Enterprise Funds | | | |
| Municipal Auditorium | \$350,827 | \$293,703 | \$365,339 |
| Sanitation Fund | \$10,782,138 | \$10,680,198 | \$11,897,465 |
| Hgn Arts/Heritage Museum | \$113,945 | \$105,262 | \$117,546 |
| Municipal Golf Course | \$1,023,551 | \$1,161,752 | \$1,258,730 |
| Total Enterprise Funds: | \$12,270,461 | \$12,240,915 | \$13,639,080 |

Internal Service Funds are established to report activities that provide supplies and services for the City’s other programs and activities on a cost-reimbursement basis. The City has the following Internal Services Funds:



Internal Service Funds

The Motor Vehicle / Warehouse Fund has been established to account for the monies received in servicing motorized vehicles and other equipment required for various departments of the City together with those related costs associated with the maintenance and repair of such vehicle and equipment.

The Health Insurance Fund has been established to account for the monies received in providing medical insurance to the City’s employees and families through a medical benefit program of a commercial carrier.

Revenues by Source

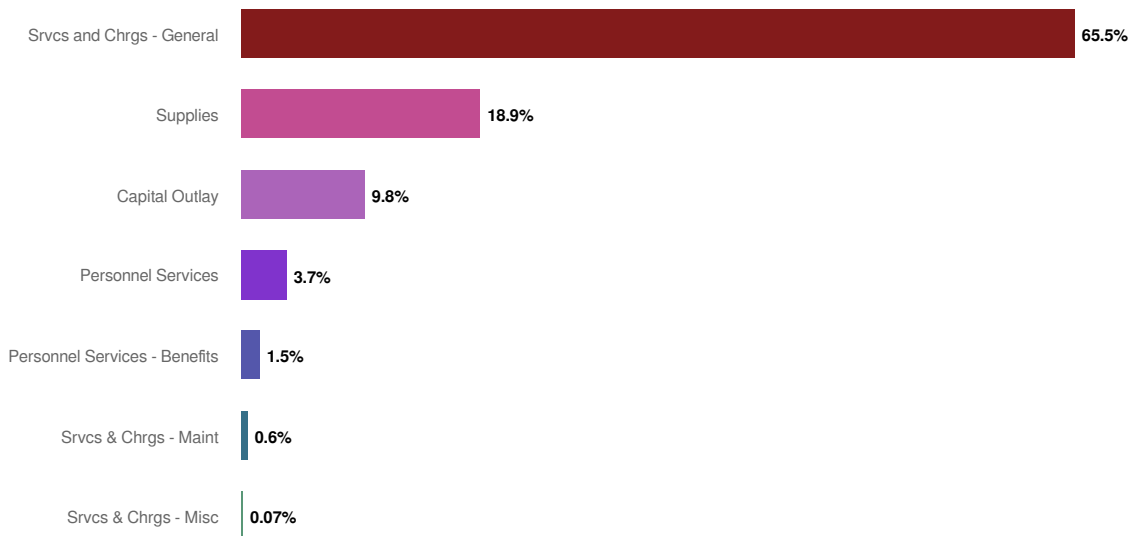
Projected 2023 Revenues by Source



| Name | FY2021 Budgeted | FY2022 Actual | FY2023 Budgeted |
|------------------------------|--------------------|--------------------|---------------------|
| Revenue Source | | | |
| Charges for Services | \$3,497,612 | \$3,930,820 | \$6,208,680 |
| Interest | \$34,500 | \$34,274 | \$28,100 |
| Insurance | \$5,363,229 | \$5,406,082 | \$6,105,918 |
| Misc - Various | \$0 | \$5,254 | \$0 |
| Total Revenue Source: | \$8,895,341 | \$9,376,429 | \$12,342,698 |

Expenditures by Expense Type

Budgeted Expenditures by Expense Type



| Name | FY2021 Budgeted | FY2022 Actual | FY2023 Budgeted |
|-------------------------------|--------------------|--------------------|--------------------|
| Expense Objects | | | |
| Personnel Services | \$311,795 | \$282,737 | \$348,974 |
| Personnel Services - Benefits | \$127,811 | \$109,130 | \$146,395 |
| Supplies | \$1,787,595 | \$1,988,016 | \$1,787,550 |
| Srvcs and Chrgs - General | \$5,457,326 | \$5,485,557 | \$6,200,115 |
| Srvcs & Chrgs - Maint | \$33,500 | \$46,526 | \$54,000 |
| Srvcs & Chrgs - Misc | \$1,750 | \$850 | \$6,250 |
| Depreciation | \$0 | \$912,646 | \$0 |
| Capital Outlay | \$1,116,449 | \$0 | \$927,228 |
| Transfers | \$210,000 | \$159,811 | \$0 |
| Total Expense Objects: | \$9,046,226 | \$8,985,273 | \$9,470,512 |

Revenue by Fund

| Name | FY2021 Budgeted | FY2022 Actual | FY2023 Budgeted |
|--------------------------------------|--------------------|--------------------|---------------------|
| Internal Service Funds | | | |
| Motor Vehicle / Warehouse | \$3,526,612 | \$3,965,051 | \$6,236,680 |
| Health Insurance Fund | \$5,368,729 | \$5,411,378 | \$6,106,018 |
| Total Internal Service Funds: | \$8,895,341 | \$9,376,429 | \$12,342,698 |

Expenditures by Fund

| Name | FY2021 Budgeted | FY2022 Actual | FY2023 Budgeted |
|------|-----------------|---------------|-----------------|
|------|-----------------|---------------|-----------------|

| Name | FY2021 Budgeted | FY2022 Actual | FY2023 Budgeted |
|--------------------------------------|--------------------|--------------------|--------------------|
| Internal Service Funds | | | |
| Motor Vehicle / Warehouse | \$3,472,997 | \$3,596,070 | \$3,364,494 |
| Health Insurance Fund | \$5,573,229 | \$5,389,204 | \$6,106,018 |
| Total Internal Service Funds: | \$9,046,226 | \$8,985,273 | \$9,470,512 |



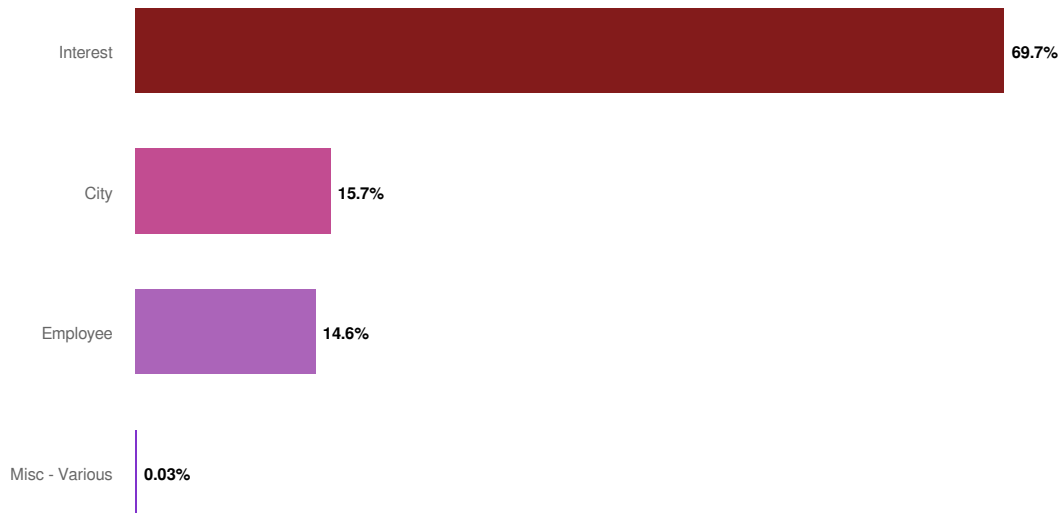
Fiduciary Funds

Fiduciary Funds are established for the purpose of accounting for money and property held by the City as trustee or agent for individuals, private organizations, and other governmental units. The Fiduciary Fund of the City of Harlingen is composed of a Pension Trust Fund:

The Firemen’s Relief and Retirement Fund has been established to account for the Firemen’s relief and retirement monies. The Fund is administered by the City and is operated as a part of the State Fireman’s Relief and Retirement Fund.

Revenues by Source

Projected 2023 Revenues by Source



| Name | FY2021 Budgeted | FY2022 Actual | FY2023 Budgeted |
|------------------------------|--------------------|---------------------|--------------------|
| Revenue Source | | | |
| Interest | \$4,006,000 | -\$3,377,480 | \$4,823,603 |
| City | \$1,200,000 | \$1,206,683 | \$1,086,323 |
| Employee | \$1,000,000 | \$1,058,420 | \$1,007,652 |
| Misc - Various | \$3,000 | \$0 | \$1,830 |
| Total Revenue Source: | \$6,209,000 | -\$1,112,377 | \$6,919,408 |

Expenditures by Expense Type

| Name | FY2019 Actual | FY2021 Budgeted | FY2022 Actual |
|---------------------------|---------------|-----------------|---------------|
| Expense Objects | | | |
| Personnel Services | \$2,724,497 | \$3,200,000 | \$3,026,781 |
| Supplies | \$0 | \$500 | \$0 |
| Srvcs and Chrgs - General | \$277,318 | \$342,800 | \$223,429 |

| Name | FY2019 Actual | FY2021 Budgeted | FY2022 Actual |
|-------------------------------|--------------------|--------------------|--------------------|
| Srvcs & Chrgs - Maint | \$6,030 | \$6,500 | \$6,030 |
| Srvcs & Chrgs - Misc | \$548 | \$5,000 | \$0 |
| Total Expense Objects: | \$3,008,393 | \$3,554,800 | \$3,256,240 |

FUNDING SOURCES

Analysis of Property Tax Revenues

| FISCAL YEAR | TOTAL TAX LEVY | CURRENT TAX COLLECTIONS | PERCENT OF LEVY COLLECTIONS | DELINQUENT TAX COLLECTIONS | TOTAL TAX COLLECTIONS | TOTAL COLLECTIONS AS PERCENT OF CURRENT LEVY | OUTSTANDING DELINQUENT TAXES |
|-------------|----------------|-------------------------|-----------------------------|----------------------------|-----------------------|----------------------------------------------|------------------------------|
| 2014 | 16,859,308 | 16,273,691 | 96.53% | 422,472 | 16,696,163 | 99.03% | 1,711,434 |
| 2015 | 17,081,984 | 16,686,954 | 97.69% | 365,347 | 17,052,301 | 99.83% | 1,694,744 |
| 2016 | 17,126,250 | 17,249,682 | 100.72% | 380,976 | 17,630,658 | 102.95% | 1,501,498 |
| 2017 | 17,833,596 | 17,389,186 | 97.51% | 347,028 | 17,736,214 | 99.45% | 1,540,551 |
| 2018 | 18,454,185 | 17,696,104 | 95.89% | 386,519 | 18,082,623 | 97.99% | 1,617,109 |
| 2019 | 19,173,502 | 18,462,142 | 96.29% | 320,881 | 18,783,023 | 97.96% | 1,757,003 |
| 2020 | 21,546,150 | 21,197,076 | 98.38% | 452,194 | 21,649,271 | 100.48% | 1,771,898 |
| 2021 | 21,385,791 | 22,205,963 | 103.84% | 598,695 | 22,804,658 | 106.63% | 1,690,602 |
| 2022 | 23,053,463 | 21,954,547 | 95.23% | 394,526 | 22,349,073 | 96.94% | 1,577,026 |
| *2023 | 24,107,436 | 23,867,772 | 99.01% | 557,569 | 24,425,341 | 101.32% | 1,259,121 |

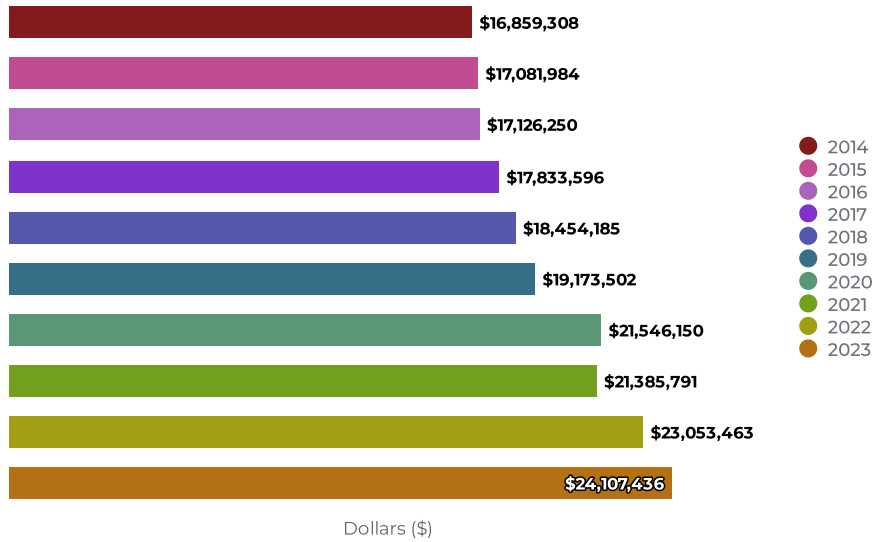
* ESTIMATED FOR TAX YEAR 2023

Property Tax Levy Collections

| FISCAL YEAR | TOTAL TAX LEVY | CURRENT TAX COLLECTIONS | PERCENT OF LEVY COLLECTIONS | DELINQUENT TAX COLLECTIONS | TOTAL TAX COLLECTIONS | TOTAL COLLECTIONS AS PERCENT OF CURRENT LEVY | OUTSTANDING DELINQUENT TAXES |
|-------------|----------------|-------------------------|-----------------------------|----------------------------|-----------------------|----------------------------------------------|------------------------------|
| 2014 | 16,859,308 | 16,273,691 | 96.53% | 422,472 | 16,696,163 | 99.03% | 1,711,434 |
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* ESTIMATED FOR TAX YEAR 2023

PROPERTY TAX LEVY 10 YEAR COMPARISON



Property Tax Rates All Overlapping Governments

(PER \$100 OF ASSESSED VALUE)
LAST TEN FISCAL YEARS

| FISCAL YEAR | GENERAL FUND | DEBT SERVICE FUND | TOTAL | HARLINGEN INDEPENDENT SCHOOL DISTRICT | CAMERON COUNTY | SOUTH TEXAS INDEPENDENT SCHOOL DISTRICT | PORT OF HARLINGEN AUTHORITY | TOTAL |
|-------------|--------------|-------------------|----------|---------------------------------------|----------------|-----------------------------------------|-----------------------------|----------|
| 2014 | 0.449723 | 0.139104 | 0.588827 | 1.218000 | 0.384291 | 0.049200 | 0.000000 | 2.240318 |
| 2015 | 0.450901 | 0.137926 | 0.588827 | 1.218000 | 0.399291 | 0.049200 | 0.000000 | 2.255318 |
| 2016 | 0.458590 | 0.130237 | 0.588827 | 1.318000 | 0.399291 | 0.049200 | 0.000000 | 2.355318 |
| 2017 | 0.460327 | 0.12850 | 0.588827 | 1.318000 | 0.407743 | 0.049200 | 0.000000 | 2.363770 |
| 2018 | 0.456327 | 0.13250 | 0.588827 | 1.318000 | 0.410803 | 0.049200 | 0.030000 | 2.396830 |
| 2019 | 0.460827 | 0.12800 | 0.588827 | 1.318000 | 0.416893 | 0.049200 | 0.030000 | 2.372920 |
| 2020 | 0.518100 | 0.11190 | 0.630000 | 1.216400 | 0.436893 | 0.049200 | 0.030000 | 2.332493 |
| 2021 | 0.525798 | 0.09409 | 0.619885 | 1.172300 | 0.436893 | 0.049200 | 0.027657 | 2.278278 |
| 2022 | 0.512839 | 0.10701 | 0.619849 | 1.156200 | 0.436893 | 0.049200 | 0.026897 | 2.262142 |
| 2023 | 0.512729 | 0.09363 | 0.606357 | 1.156200 | 0.436893 | 0.049200 | 0.026013 | 2.248650 |

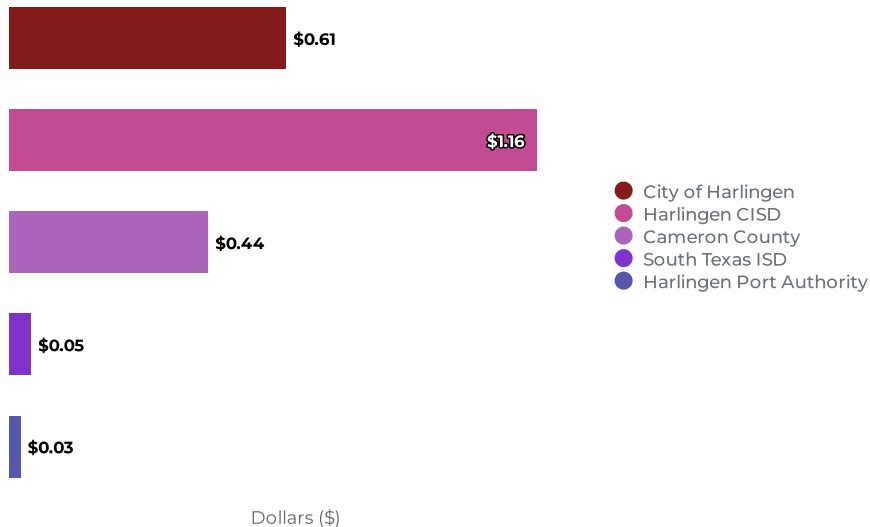
Tax rate limit City: \$2.50

Tax due date: January 31

Discount allowed: None

Penalty and Interest: Begins at 7% in February (delinquency date) and continues to 18% in July after which a 1% per month interest is assessed until taxes are paid.

PROPERTY TAX RATES - ALL OVERLAPPING GOVERNMENTS



Principal Tax Payers 2023 Assessed Valuation

| <u>TAXPAYER</u> | <u>TYPE OF BUSINESS</u> | 2023 TAXABLE ASSESSSED VALUATION | PERCENTAGE OF TOTAL TAXABLE ASESSSED VALUATION |
|-------------------------------|----------------------------|-------------------------------------------|------------------------------------------------------------|
| VHS HARLINGEN HOSPITAL CO LLC | MEDICAL SERVICES | \$67,312,543 | 1.69% |
| AEP TEXAS CENTRAL COMPANY | ELECTRICITY SUPPLIERS | 55,296,020 | 1.39% |
| VHS HARLINGEN HOSPITAL CO LLC | MEDICAL SERVICES | 28,411,998 | 0.71% |
| BOYER HARLINGEN LC | COMMERCIAL REAL ESTATE | 27,575,632 | 0.69% |
| WALMART INC | DEPARTMENT STORE | 25,729,396 | 0.65% |
| HMC REALTY LLC | MEDICAL SERVICES | 24,480,000 | 0.62% |
| VALLEY VISTA MALL REALTY | SHOPPING CENTER OPERATIONS | 15,557,027 | 0.39% |
| RANCHO HARLINGEN CORNERS LLC | SHOPPING CENTER OPERATIONS | 1,500,000 | 0.04% |
| Y & O HARLINGEN CORNERS LLC | SHOPPING CENTER OPERATIONS | 15,050,168 | 0.38% |
| UNION PACIFIC RR CO-07C | LINE HAUL RAIL ROAD | 14,693,950 | 0.37% |
| | | <u>\$275,606,734</u> | <u>6.93%</u> |

SOURCE: CAMERON APPRAISAL DISTRICT

DEPARTMENTS

Personnel

The City of Harlingen is committed to providing the highest quality of service to the management staff, employees and employment candidates of the City of Harlingen in all personnel matters by recruiting applicants, administering employee benefits, maintaining records and implementing City policies in a proficient, professional and equitable manner with respect for the privacy of the individual and free of prejudice or discrimination.

About Personnel Services

The Finance Department manages the personnel services budget, implements and manages a comprehensive employee program. The Human Resources Department is involved in recruitment, selection, training, compensation, benefits, workers' compensation, employee relations and communications. This department makes available to the City's employees accurate and timely information on policies, procedures, benefits and/or programs affecting their employment with the City.

PERSONNEL CHANGES

As we see changes in the marketplace or in service delivery needs, the City of Harlingen carefully plans and adapts its personnel position allocations to address those issues.

The proposed staff budget for Fiscal Year 2023 includes a pay rate increase for CDL drivers of \$190,300, Swimming Pool Lifeguards \$98,963, police dispatchers \$162,399, two vector truck operators \$105,018 and wage increases for employees earning less than \$10. This is a cost of \$90,817 for a total wage increase of \$647,497. Implementing market competitive rates improves retaining highly qualified employees.

A total of 5 new positions have been approved for FY 2023. As part of the growth process, the Public Relations Department will add two Media Coordinators to meet the plans for media outreach. Planning Development departments experienced a higher demand for their daily transactions, which resulted in the need for additional personnel to cover these additional duties. A Permit Clerk and a Building and Engineering Inspector were approved for FY2023.

As part of the Cost of Living Adjustment (COLA) A 3% increase was budgeted for employees earning under \$75K and a 1% COLA increase for employees earning over \$75K, exclusive of Harlingen Waterworks and Valley International Airport.

Unfilled positions will be reviewed on a case-by-case basis for back filling; however, priority approvals are given in the City of Harlingen Police Department and City of Harlingen Fire Department, where adequate levels must be maintained in order to provide high-quality protection services to its citizens.

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New Positions Added

| Department | Position | Positions Added |
|------------------------|-----------------------|-----------------|
| Public Relations | Media Coordinator | 2 |
| Code Compliance | Building Inspector | 1 |
| Planning & Development | Permit Clerk | 1 |
| Engineering | Engineering Inspector | 1 |
| | Total | 5 |

Position Summary Schedule

| | ACTUAL FY 20/21 | ACTUAL FY 21/22 | PROPOSED FY 22/23 |
|--------------------------------|--------------------|--------------------|----------------------|
| <u>GENERAL FUND</u> | | | |
| CITY MANAGER | 7.0 | 8.0 | 8.0 |
| LEGAL | 0.0 | 1.0 | 1.0 |
| PUBLIC RELATIONS | 1.0 | 1.0 | 3.0 |
| SPECIAL PROJECTS | 1.0 | 2.0 | 2.0 |
| INTERNAL AUDIT | 1.0 | 1.0 | 1.0 |
| HUMAN RESOURCES | 6.0 | 6.0 | 6.0 |
| FINANCE | 11.0 | 11.0 | 11.0 |
| PURCHASING | 2.0 | 2.0 | 2.0 |
| MATERIALS MANAGEMENT | 2.0 | 2.0 | 2.0 |
| VITAL STATISTICS | 3.5 | 4.0 | 4.0 |
| MUNICIPAL COURT | 9.0 | 9.0 | 9.0 |
| MANAGEMENT INFO. SYSTEMS | 3.0 | 4.0 | 4.0 |
| POLICE | 139.0 | 144.0 | 144.0 |
| POLICE SERVICES | 43.0 | 48.0 | 48.0 |
| FIRE SUPPRESSION | 97.0 | 107.0 | 107.0 |
| AIRPORT SUPPRESSION | 10.0 | 10.0 | 10.0 |
| FIRE PREVENTION | 6.0 | 5.0 | 5.0 |
| PUBLIC WORKS ADMINISTRATION | 3.0 | 4.0 | 4.0 |
| ENGINEERING | 5.0 | 6.0 | 7.0 |
| TRAFFIC SIGNAL MAINTENANCE | 4.0 | 4.0 | 4.0 |
| STREET MAINTENANCE | 25.0 | 25.0 | 25.0 |
| STREET CLEANING | 6.0 | 5.0 | 5.0 |
| PARKS AND RECREATION ADMIN. | 3.0 | 3.0 | 3.0 |
| PARKS | 29.0 | 33.0 | 33.0 |
| RECREATION | 2.0 | 2.0 | 2.0 |
| SWIMMING POOLS | 1.0 | 1.0 | 1.0 |
| LIBRARY | 22.0 | 22.0 | 22.0 |
| PLANNING AND DEVELOPMENT | 5.0 | 5.0 | 6.0 |
| CODE COMPLIANCE | 7.0 | 7.0 | 8.0 |
| HEALTH SERVICES | 5.0 | 6.0 | 6.0 |
| ANIMAL CONTROL | 4.0 | 5.0 | 5.0 |
| PUBLIC BUILDINGS | 19.0 | 20.0 | 20.0 |
| BUILDING INSPECTIONS | 7.0 | 7.0 | 7.0 |
| GENERAL FUND SUB-TOTAL | 488.5 | 520.0 | 525.0 |
| <u>OTHER FUNDS</u> | | | |
| COMMUNITY DEVELOPMENT | 4.5 | 5.0 | 5.0 |
| HARLINGEN DOWNTOWN | 3.0 | 3.0 | 3.0 |
| CONVENTION AND VISITORS BUREAU | 3.0 | 3.0 | 3.0 |
| UT GRANT | 1.0 | 1.0 | 1.0 |
| MUNICIPAL AUDITORIUM | 1.0 | 1.0 | 1.0 |
| SANITATION | 20.0 | 20.0 | 20.0 |
| SANITATION-BRUSH AND DEBRIS | 20.0 | 20.0 | 20.0 |
| SANITATION-LANDFILL | 12.0 | 12.0 | 12.0 |
| SANITATION-RECYCLING CENTER | 1.0 | 1.0 | 1.0 |
| HGN. ARTS & HERITAGE MUSEUM | 2.0 | 2.0 | 2.0 |
| MUNICIPAL GOLF COURSE | 17.5 | 18.0 | 18.0 |
| INTERNAL SERVICES | 9.0 | 9.0 | 9.0 |
| OTHER FUNDS SUB-TOTAL | 94.0 | 95.0 | 95.0 |
| GRAND TOTAL | 582.5 | 615.0 | 620.0 |

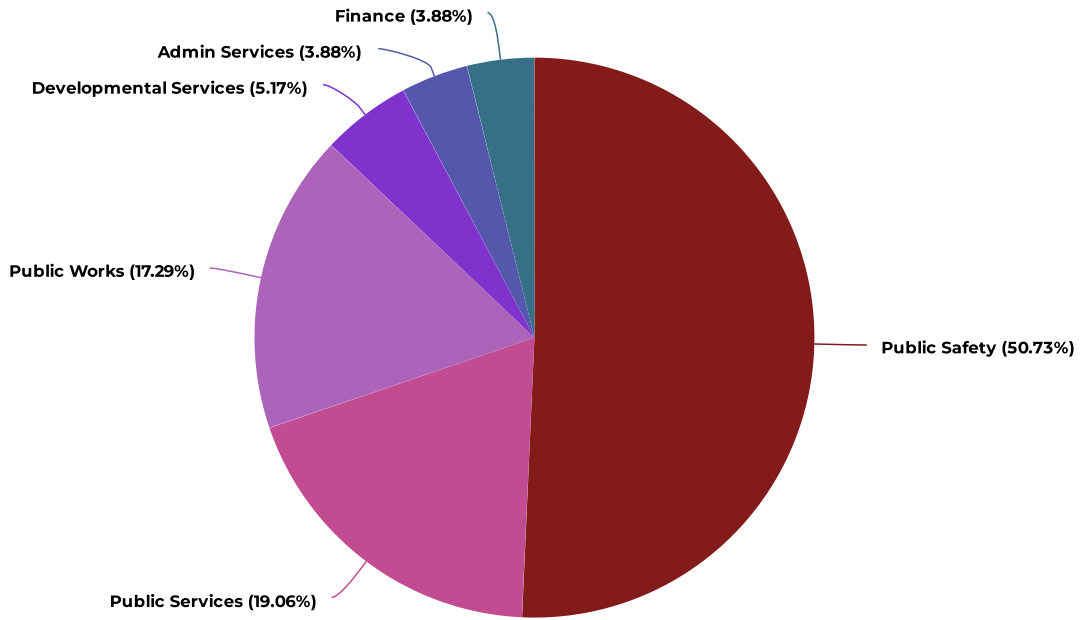
Note: Does not include seasonal employees.

Personnel by Division

| | |
|--------------------------------|------------|
| Manager | 8 |
| Public Info Officer | 3 |
| Special Projects | 2 |
| Internal Auditor | 1 |
| Human Resources | 3 |
| Civil Service | 1 |
| MIS | 4 |
| Risk Mgmt | 2 |
| Administrative Services | 24 |
| Police | 144 |
| Police Services | 48 |
| Fire Suppression | 107 |
| Airport Suppression | 10 |
| Fire Prevention | 5 |
| Public Safety | 314 |
| Finance | 11 |
| Municipal Court | 9 |
| Purchasing | 2 |
| Material Management | 2 |
| Finance | 24 |
| Planning & Development | 6 |
| Code Enforcement | 8 |
| Building Inspections | 7 |
| CDBG | 5 |
| HDID | 3 |
| CVB | 3 |
| Developmental Services | 32 |

| | |
|------------------------------|------------|
| Public Works Administration | 4 |
| Engineering | 7 |
| Traffic Signal Maintenance | 4 |
| Street Maintenance | 25 |
| Street Cleaning | 5 |
| Sanitation | 20 |
| Sanitation Brush & Debris | 20 |
| Sanitation Landfill | 12 |
| Sanitation Recycling Center | 1 |
| Internal Svcs | 9 |
| Public Works | 107 |
| Vital Statistics | 4 |
| Pub Svcs Administration | 3 |
| Parks | 33 |
| Recreation | 2 |
| Pendleton Pool | 1 |
| Library | 22 |
| Public Buildings | 20 |
| Environmental Health | 6 |
| UT Grant | 1 |
| Animal Control | 5 |
| Auditorium | 1 |
| Museum | 2 |
| Golf Course | 18 |
| Public Services | 118 |
| TOTAL PERSONNEL COUNT | 619 |

PERSONNEL SERVICES



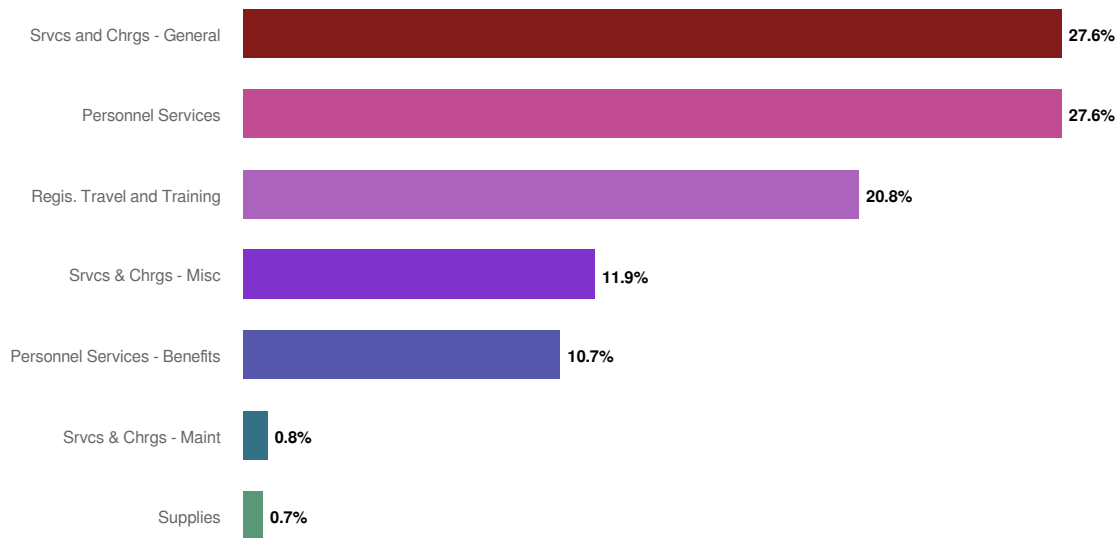
ADMINISTRATIVE SERVICES

Administrative Services covers a wide range of services to both external (citizens) and internal (employees) customers, of the City of Harlingen. Quality, efficient and excellent customer service are a priority. Such services include:

- The Offices of the Mayor, City Commission and City Manager
- Public Relations and Special Projects
- Human Resources

Expenditures by Expense Type

Budgeted Expenditures by Expense Type



| Name | FY2021 Actual | FY2022 Actual | FY2023 Budgeted |
|-------------------------------|--------------------|--------------------|--------------------|
| Expense Objects | | | |
| Personnel Services | \$1,396,349 | \$815,186 | \$887,505 |
| Personnel Services - Benefits | \$292,505 | \$193,817 | \$344,186 |
| Supplies | \$16,637 | \$15,290 | \$22,000 |
| Srvcs and Chrgs - General | \$740,498 | \$713,987 | \$887,910 |
| Srvcs & Chrgs - Maint | \$28,573 | \$17,901 | \$27,113 |
| Regis. Travel and Training | \$599,708 | \$481,168 | \$668,531 |
| Srvcs & Chrgs - Misc | \$259,795 | \$314,716 | \$382,314 |
| Capital Outlay | \$0 | \$4,464 | \$0 |
| Total Expense Objects: | \$3,334,065 | \$2,556,528 | \$3,219,559 |

MAYOR & CITY COMMISSION

In accordance with the State Constitution, State Statutes, and the city charter, all powers and the authority of the City is vested in the elected City Commission. As the legislative and governing body of the City, the Commission enacts all ordinances and resolutions and adopts all regulations. The Mayor is the presiding officer of the City Commission but is not a voting member of the Commission, except in the case of a tie.

The regular meetings of the Commission are held on the first and third Wednesday of every month at 5:30 p.m.

EXPENDITURES BY TYPE

| Name | FY2021 Actual | FY2022 Actual | FY2023 Budgeted |
|-------------------------------|-----------------|-----------------|------------------|
| Expense Objects | | | |
| Personnel Services | \$9,065 | \$8,682 | \$9,054 |
| Personnel Services - Benefits | \$694 | \$666 | \$692 |
| Supplies | \$3,825 | \$1,963 | \$0 |
| Srvcs and Chrgs - General | \$41,264 | \$52,637 | \$53,825 |
| Srvcs & Chrgs - Maint | \$0 | \$0 | \$5,000 |
| Regis. Travel and Training | \$3,236 | \$25,171 | \$30,000 |
| Srvcs & Chrgs - Misc | \$10,450 | \$4,516 | \$11,500 |
| Total Expense Objects: | \$68,534 | \$93,636 | \$110,071 |

OBJECTIVES

- Approve a balanced budget for fiscal year 2022-2023.
- Continuing partnerships/networking at state and federal levels.
- Improve Harlingen’s visual image / Entry-way enhancement – (Tyler & Harrison)
- Continue efforts to revitalize the downtown.
- Approve funding sources for the Comprehensive Plan Priority Projects
- Continue to fund drainage improvements throughout the city.
- Continue to fund street construction throughout the city.

PERFORMANCE INDICATORS

| | Actual FY 20-21 | Estimated FY 21-22 | Proposed FY 22-23 |
|------------------|--------------------|-----------------------|----------------------|
| Regular Meetings | 18 | 24 | 24 |
| Special Meetings | 14 | 10 | 12 |

CITY MANAGER



Gabriel Gonzalez
City Manager

The City Manager, with the assistance of the Assistant City Managers for Internal and External Services, oversees the orderly growth and development of the City and ensures that the City services are delivered in an efficient and effective manner. He also develops programs and strategies for a business-friendly environment and creates a positive perception of the City by working with other governmental agencies, administering policies established by the City Commission, and coordinating, directing, and reviewing activities of all municipal operations.

EXPENDITURES BY TYPE

| Name | FY2021 Actual | FY2022 Actual | FY2023 Budgeted |
|-------------------------------|--------------------|------------------|------------------|
| Expense Objects | | | |
| Personnel Services | \$1,136,804 | \$598,737 | \$675,975 |
| Personnel Services - Benefits | \$225,650 | \$139,984 | \$181,932 |
| Supplies | \$6,699 | \$4,761 | \$7,000 |
| Srvcs and Chrgs - General | \$69,453 | \$59,602 | \$103,701 |
| Srvcs & Chrgs - Maint | \$1,655 | \$473 | \$3,650 |
| Srvcs & Chrgs - Misc | \$649 | \$10,645 | \$0 |
| Total Expense Objects: | \$1,440,911 | \$814,201 | \$972,258 |

OBJECTIVES

- Continue to market the Harlingen Convention Center
- Cultivate opportunities to improve the quality of life for our citizens with particular emphasis on drainage improvements across the city and ETJ
- Work with the EDC to identify and promote economic development opportunities through Opportunity Zones
- Work with the EDC to develop projects and increase job opportunities
- Continue working on expanding educational opportunities in Harlingen
- Promote the use of the Multi-Modal facility and the construction of a new facility
- Promote the use of the Cold Storage Facility at Los Indios
- Continue to provide training opportunities for Department Heads to create a more cohesive working environment and establish a team culture with better customer service
- Continue working on Federal and State Legislative issues
- Continue to identify funding sources for the priority projects identified from the Comprehensive Plan
- Prepare a balanced budget for fiscal year 2023-2024
- Work with the Internal Auditor to implement safeguards within departments
- Pursue grant opportunities

OBJECTIVES CONTINUED

- Continue to improve departmental safeguards related to operations
- Manage the day to day operations of the City
- Continue hosting bi-weekly staff meetings with all Department Heads
- Promote awareness of city activities, projects and events
- Continue beautification efforts throughout the city
- Continue to meet with individual Department Heads six times per year or on an as-needed basis to maintain open lines of communication
- Attend and participate in all HWWS Board meetings
- Attend and participate in all Airport Board meetings
- Attend and participate in all EDC meetings
- Develop agendas for the 4B Board as needed
- Develop funding strategies to construct quality of life, transportation and drainage projects
- Promote Healthy Harlingen Initiatives including Its Time Texas Challenge
- Beautify our entryway corridors
- Promote the Downtown District
- Work with UTRGV to expand their campus footprint in Harlingen
- Work on Succession Planning for the City

PERFORMANCE MEASURES

The completion of the performance measures determines the success, economic and educational advancement of the City of Harlingen's constituents.

- Developed Strategic Plan
- Succession Plan
- Public Safety and Health
- Expanding Economic Development Opportunities
- Educational Activities
- Improved Quality of Life for its Citizens

The performance measures reproduce the guidance from the City of Harlingen Citizens, to the Commission and relatively to the City Manager. The City Manager plays a significant role directing department heads to accomplish budget goals and priorities to accomplish the City's needs.

The City's performance measures include both objective and subjective indicators of the quality of police services, fire and other services not limited to city streets, water system, sewage, airport services system and general areas, including the overall quality of city services, overall appearance and changes in taxable market value and bond rating.

CITY ATTORNEY

The City Attorney serves as the Chief Legal Advisor to the City of Harlingen, a home-ruled municipality organized under the Texas Constitution and the laws of the State of Texas.

The legal team advises and represents the Mayor and City Commissioners, as well as the City Manager and all executive management department heads. In addition, the legal team serves as the primary legal advisor to boards created and appointed by the City Commission.

In addition, the legal team represents the City and its officials in court proceedings, in arbitrations, and before administrative agencies. The City Attorney oversees prosecutions in Municipal Court and supervises the work of specialized attorneys hired by the City to handle special projects on behalf of the City.

EXPENDITURES BY TYPE

| Name | FY2021 Actual | FY2022 Actual | FY2023 Budgeted |
|-------------------------------|------------------|------------------|------------------|
| Expense Objects | | | |
| Srvcs and Chrgs - General | \$686 | \$659 | \$0 |
| Regis. Travel and Training | \$596,472 | \$455,997 | \$638,531 |
| Total Expense Objects: | \$597,157 | \$456,655 | \$638,531 |

PROGRAM GOAL

To continue to provide professional legal services and assistance to the City of Harlingen, its elected and appointed officials, the City's administrative departments, and to prosecute and defend the City of Harlingen's interests in all court actions and administrative proceedings.

Legal would request that the costs of contested proceedings such as filing fees, court reporter fees, arbitrator fees, and other such costs of litigation be borne by the department out of which any contested proceeding arises and not be borne by the legal department.

PERFORMANCE MEASURES

- Performance meets expectations in terms of staffing, case work, and time usage
- Relevant data in this area includes but not limited to:
 - Percentage of cases solved/resolved successfully
 - Matters per attorney and/or per paralegal
 - Staffing (internal) or billing (external) of paralegals to attorneys
 - Recording of requested services for proper department expense allocation
 - Time for legal invoice processing and payment
 - Attending legal matters meeting compliance and or priority as needed.

PUBLIC RELATIONS



Christina Garcia
Public Relations Coordinator

The Public Relations Department serves as an information resource center for the public and the media. Information is regularly distributed regarding City services such as infrastructure projects, legislation, the economic stability of the City, health, business, events, and decisions made by the City Commission.

EXPENDITURES BY TYPE

| Name | FY2021 Actual | FY2022 Actual | FY2023 Budgeted |
|-------------------------------|------------------|------------------|------------------|
| Expense Objects | | | |
| Personnel Services | \$76,348 | \$77,669 | \$189,162 |
| Personnel Services - Benefits | \$21,769 | \$22,877 | \$78,703 |
| Supplies | \$700 | \$1,023 | \$5,750 |
| Srvcs and Chrgs - General | \$5,890 | \$19,068 | \$17,500 |
| Srvcs & Chrgs - Misc | \$10,000 | \$8,810 | \$10,000 |
| Total Expense Objects: | \$114,706 | \$129,447 | \$301,115 |

PROGRAM GOALS

- Serve as the City’s spokesperson and primary media liaison.
- Develop positive press releases.
- Keep direct contact with the media.
- Provide support to the City Commission in the development of newspaper columns, speeches, and the development of an annual report.
- Provide the City Manager support and information on issues of interest to the media and in organizing and coordinating special events such as groundbreaking and grand openings.
- Work closely with the Management Information System Department in updating the website with news stories press releases, announcements, and pictures.
- Manage City’s Social Media sites.
- Develop communication plans for various City campaigns.
- Respond to public records requests made by the news media with assistance from the City Secretary.
- Produce an Annual Report.
- Maintain a Photo Library.
- Work with City Manager to organize annual State of the City Address.
- Produce City Manager’s Monthly Report.

SPECIAL PROJECTS



Ana Hernandez
Special Projects Director

The Special Projects (SP) Department collaborates with other city departments and community stakeholders on a wide range of special projects and initiatives led by the City Manager. The department assists with analysis, research and policy recommendations to improve operational efficiency and oversight of the City's programs and projects. The department is also responsible for special projects' development, coordination and implementation. Special projects are those identified by the City Manager as having the greatest benefit to City operations and the community at large.

EXPENDITURES BY TYPE

| Name | FY2021 Actual | FY2022 Actual | FY2023 Budgeted |
|-------------------------------|------------------|------------------|------------------|
| Expense Objects | | | |
| Personnel Services | \$85,514 | \$100,232 | \$132,292 |
| Personnel Services - Benefits | \$23,442 | \$27,236 | \$51,461 |
| Supplies | \$452 | \$132 | \$1,400 |
| Srvcs and Chrgs - General | \$813 | \$4,642 | \$17,650 |
| Srvcs & Chrgs - Maint | \$25,104 | \$15,900 | \$16,630 |
| Total Expense Objects: | \$135,325 | \$148,142 | \$219,433 |

OBJECTIVES

- Research, prepare and monitor grant applications related to road and drainage infrastructure, public safety quality of life projects, homelessness, and grants on benefit of low- and moderate-income persons
- Implement City-wide policy to centralize and administer grants from application to post award phase
- Identify and make available for sale city-owned surplus real property no longer needed for public purposes
- Work with the Lower Rio Grande Valley Development Council Valley Metro to construct Harlingen’s Multi-modal Transit Facility
- Continue participation in - and monitoring of projects funded by- the Rio Grande Valley Metropolitan Planning Organization (RGVMPO)

PERFORMANCE INDICATORS

| | Actual | Estimated | Proposed |
|---------------------------------------|----------|-----------|------------|
| | FY 20-21 | FY 21-22 | FY 22-23 |
| % of Special Projects Complete | 100% | 100% | 100% |
| Grant Proposals Submitted | - | - | 7 |
| Grant Proposals Awarded | - | - | 3 |
| Amount Awarded | - | - | \$ 567,796 |

ADMINISTRATIVE SERVICES

The expenditures of the Administrative Services Department include: fees paid to the Appraisal District, fees paid to the Cameron County Tax Office for collection of property taxes, advertising costs, and payments to Boys & Girls Club Operation and Loaves & Fishes (a Social Service Organization dedicated to providing help for the hungry and the homeless).

The Miscellaneous Account represents expenditures for the following governmental activities related to training: seminars; consultant fees; and miscellaneous functions, such as award events, service pins, plaques, in-house training, and City Commission courtesies (flowers, etc.) incurred for general government purposes that have no specific account category in the miscellaneous account.

EXPENDITURES BY TYPE

| Name | FY2021 Actual | FY2022 Actual | FY2023 Budgeted |
|-------------------------------|------------------|------------------|------------------|
| Expense Objects | | | |
| Personnel Services | \$0 | \$10,200 | -\$200,000 |
| Supplies | \$4,867 | \$7,411 | \$7,500 |
| Srvcs and Chrgs - General | \$621,181 | \$577,379 | \$687,559 |
| Srvcs & Chrgs - Misc | \$237,515 | \$289,234 | \$359,604 |
| Capital Outlay | \$0 | \$4,464 | \$0 |
| Total Expense Objects: | \$863,563 | \$888,689 | \$854,663 |

INTERNAL AUDIT

Article IV, Section 14 of the City Charter establishes the Internal Audit department. Internal audit is an independent department that reports, and is accountable, to the Audit Committee, the Mayor and the City Commission. Internal audit conducts performance audits and attestation engagements of City departments, programs, and activities in accordance with Government Auditing Standards (GAS).

Performance audits provide objective analysis, findings, and conclusions to assist management and those charged with governance and oversight with, among other things, improving performance of operations, reducing costs, facilitating decision making by parties responsible for overseeing or initiating corrective action, and contributing to public accountability.

MISSION

The mission of the Internal Audit department is to provide an independent assessment of financial, contractual, operational and environmental matters by conducting objective and professional evaluations of City operations to assist management in meeting prudent internal control standards and operational efficiencies.

EXPENDITURES BY TYPE

| Name | FY2021 Actual | FY2022 Actual | FY2023 Budgeted |
|-------------------------------|------------------|-----------------|------------------|
| Expense Objects | | | |
| Personnel Services | \$88,618 | \$19,666 | \$81,022 |
| Personnel Services - Benefits | \$20,950 | \$3,054 | \$31,398 |
| Supplies | \$93 | \$0 | \$350 |
| Srvcs and Chrgs - General | \$1,212 | \$0 | \$7,675 |
| Srvcs & Chrgs - Maint | \$1,814 | \$1,528 | \$1,833 |
| Srvcs & Chrgs - Misc | \$1,180 | \$1,510 | \$1,210 |
| Total Expense Objects: | \$113,868 | \$25,758 | \$123,488 |

PROGRAM GOALS

Through performance audits and attestation engagements, the Internal Audit department provides independent and objective information necessary to assist the Mayor, City Commission, and City management in evaluating how well the City complies with applicable laws, rules and regulations, achieves stated goals and objectives; efficiently and effectively uses resources; and safeguards and protects City personnel and assets.

Internal audit assists the City to accomplish its objectives through a systematic, disciplined approach to evaluating and improving the effectiveness of risk management, control, and governance processes.

Internal Audit also administers the City's Fraud Hotline program and performs investigations for all material complaints received related to fraud, waste, and abuse.

OBJECTIVES

To accomplish the department's mission, program and goals, the following objectives will be continued and/or established for this fiscal year.

- Fund the Internal Audit department for the second half of the fiscal year and hire the Internal Auditor no later than March 1, 2023, with a start date no later than April 1, 2023
- Adhere to the Ethical, Independence and principles of Professional Judgment in accordance with Government Auditing Standards
- Present useful and achievable audit recommendations, such as best practices established for business activities, identification of operational efficiencies, and safeguarding City personnel and assets
- Perform all performance and attestation engagements audits in compliance with Government Auditing Standards
- Develop an annual internal audit plan and internal audit objectives using risk-based analysis, which considers the complexity of the activity, fiscal impact, most recent audit results, applicability of laws, rules and regulations, changes in the organization, effects on the welfare of the public and length of time since the last audit
- Complete audits in a professional, cost-effective and timely manner
- Perform post-audit follow-up reviews within one year after completion of each audit
- Obtain sufficient training to maintain professional competence and satisfy GAS continuing education requirements (GAS 4.16 - 4.53); and
- Maintain a system of quality control that is designed to provide reasonable assurance that the internal audit department and personnel comply with professional standards and applicable legal and regulatory requirements (GAS 5.02-5.95)

The Internal Auditor's budget (91.10% of which is for salaries and benefits, 7% for professional development, and 1.90% for supplies and computer software), permits the office to carry out its responsibilities, serving to support the City Commission's governance and City Management's operational responsibilities.

The following Performance Indicators are used to measure Internal Audit’s effectiveness, efficiency, and output, in the department’s efforts in achieving its goals and objectives.

Through performance audits and attestation engagements, the Internal Audit department provides independent and objective information necessary to assist the Mayor, City Commission, and City management in evaluating how well the City complies with applicable laws, rules and regulations, achieves stated goals and objectives; efficiently and effectively uses resources; and safeguards and protects City personnel and assets.

PERFORMANCE INDICATORS

| | ACTUAL FY 20-21 | BUDGET FY 21-22 | PROPOSED FY 22-23 |
|------------------------------------------------|--------------------|--------------------|----------------------|
| Annual Audit Plan Completed | 85% | 100% | 100% |
| Auditee Concurrence with Audit Recommendations | 100% | 100% | 100% |
| <u>EFFICIENCY</u> | | | |
| Hours Spent in Auditing | 85% | 85% | 85% |
| Percent of Audit Administration Hours | 15% | 15% | 15% |
| <u>OUTPUT</u> | | | |
| Audit service hours (direct) | 1,750 | 1,750 | 1,750 |
| <u>Audit reports Issued</u> | | | |
| Performance Audits | 4 | 4 | 4 |
| Follow-up Audits | 1 | 2 | 2 |
| Attestation Engagements | 4 | 4 | 4 |

HUMAN RESOURCES



Erica A. Balli, SHRM-CP
Director of Human Resources and Risk Management

The Human Resources Department provides professional Human Resources management services to all City of Harlingen departments, including technical and organizational consultation, program development and administration, record administration, employee administration relations, Civil Service, and other customer service. This Department evaluates, monitors, develops, and administers human resources systems and programs such as compensation, performance planning and evaluation, special programs such as employee training and development, employee relations, benefits and recruitment, City compliance with state and federal employment laws and regulations, including Civil Service statutes, City procedures and practices in support of City policies. The Civil Services Division of the Human Resources Department is responsible for direct support of the City’s Civil Service Commission, personnel records and actions, administration of all fire and police personnel, and compliance with municipal Civil Service Laws (Local Government Code 143).

EXPENDITURES BY FUND

| Name | FY2021 Actual | FY2022 Actual | FY2023 Budgeted |
|-------------------------------|------------------|------------------|------------------|
| General Fund | | | |
| Personnel Services | \$152,157 | \$159,946 | \$166,482 |
| Personnel Services - Benefits | \$47,094 | \$53,083 | \$59,260 |
| Supplies | \$9,201 | \$5,457 | \$4,000 |
| Srvcs and Chrgs - General | \$32,577 | \$17,869 | \$50,929 |
| Srvcs & Chrgs - Maint | \$11,956 | \$12,960 | \$13,400 |
| Total General Fund: | \$252,984 | \$249,315 | \$294,071 |

PROGRAM GOAL

Improve the quality of our employees, through employee development, recruitment and retention. Insure that the City is compliance with all Federal, State, and Local employment laws and policies.

OBJECTIVES

- Continue in house training for all employees with an emphasis on customer service and sexual harassment prevention.
- Continue supervisory and management training program for employees, using both internal and external resources.
- Continue to recruit and retain the best qualified employees possible.
- Continue to update the City of Harlingen Personnel Policy Manual to insure compliance with new Federal regulations and to allow the Manual to meet the needs of the City.
- Insure that proper procedures are followed on all disciplinary actions.
- Insure that the City’s Succession Plan is viable and up-to-date.

CIVIL SERVICE

The Civil Service Director provides direct support to the City Civil Service Commission as mandated by Local Government Code 143.012. The Civil Service Director is responsible for performing those duties required by the Civil Service Commission and acts as secretary to the Commission. Additionally, the Civil Service Director assures that the City complies with Local Government Code 143 (Municipal Civil Service) in the personnel administration of police and fire classification and appointments, compensation practice, disciplinary actions, leaves, entry and promotional examinations, and other statutory provisions. The Civil Service Director, in coordination with the Human Resources Department, also facilitates employee and management services within the City's' two civil service departments, Police and Fire.

EXPENDITURES BY TYPE

| Name | FY2021 Actual | FY2022 Actual | FY2023 Budgeted |
|-------------------------------|-----------------|-----------------|------------------|
| Expense Objects | | | |
| Personnel Services | \$59,532 | \$59,968 | \$62,417 |
| Personnel Services - Benefits | \$18,268 | \$17,028 | \$19,225 |
| Supplies | \$14,117 | \$12,512 | \$17,750 |
| Srvcs and Chrgs - General | \$4,175 | \$6,134 | \$4,477 |
| Total Expense Objects: | \$96,092 | \$95,642 | \$103,869 |

PROGRAM GOAL

Fully staff all Police and Fire vacancies following the applicable Civil Service Statute and Collective Bargaining requirements.

OBJECTIVES

- Fill all Civil Service vacancies in the Fire and Police Departments.
- Insure all entry and promotional exams are administered in compliance with State Statues.
- Review and revise Local Civil Service Government Rules on an ongoing basis

PERFORMANCE INDICATORS

| | ACTUAL <u>FY 20-21</u> | ESTIMATED <u>FY 21-22</u> | PROPOSED <u>FY 22-23</u> |
|--------------------------------------|-----------------------------------------|--------------------------------------------|-------------------------------------------|
| Turnover Percentage | 0% | 0% | 0% |
| Applications Processed | 220 | 250 | 320 |
| New Employees Processed | 30 | 25 | 15 |
| Employees Action Forms Processed | 800 | 800 | 800 |
| Civil Service Commission Hearings | -1 | 1 | 1 |

RISK MANAGEMENT

The Risk Management and Benefits division of the Human Resources Department combines the claims, insurance, safety, and wellness functions under a City of Harlingen budget, with Employee Benefits procurement, enrollment, customer service, and COBRA / Retiree Benefits administration. Overall, the Risk Management & Benefits Division monitors many financial exposures of the City of Harlingen, including Worker’s Compensation and Property and Casualty.

EXPENDITURES BY TYPE

| Name | FY2021 Actual | FY2022 Actual | FY2023 Budgeted |
|-------------------------------|------------------|------------------|------------------|
| Expense Objects | | | |
| Personnel Services | \$112,737 | \$88,917 | \$114,934 |
| Personnel Services - Benefits | \$27,161 | \$24,044 | \$34,756 |
| Supplies | \$6,258 | \$2,072 | \$3,100 |
| Srvcs and Chrgs - General | \$586,916 | \$502,886 | \$686,370 |
| Srvcs & Chrgs - Misc | \$2,247 | \$1,372 | \$3,500 |
| Total Expense Objects: | \$735,320 | \$619,292 | \$842,660 |

PROGRAM GOAL

To provide a safe and healthy work environment for all City’s employees. To provide the City with the best possible options for Health and Commercial Insurances.

OBJECTIVES

- Continue to improve internal customer service,
- Evaluate the Driver’s listing to conduct Driver’s Safety classes during the fiscal year
- Monitor and intervene in work related injuries that appear to be questionable or costly
- Provide quarterly claims history and trends to the City Manager, Department Directors and Supervisory Staff.
- Encourage accident investigations, safety inspections and health and safety training at a departmental level.
- Continue to review Texas Motor Vehicle driving records of all employees assigned driving responsibilities.
- Continue to maintain up-to-date driver’s license and personal vehicle insurance records on all City drivers and employees assigned incidental job related driving duties.
- Insure that the TML Discovery Program is followed.

PERFORMANCE INDICATORS

| | <u>ACTUAL</u> <u>FY 20-21</u> | <u>ESTIMATED</u> <u>FY 21-22</u> | <u>PROPOSED</u> <u>FY 22-23</u> |
|----------------------------------|----------------------------------|-------------------------------------|------------------------------------|
| <u>CLAIMS PROCESSED</u> | | | |
| Workers' Compensation | 82 | 80 | 80 |
| General Liability | 30 | 30 | 25 |
| Law Enforcement Liability | 04 | 03 | 03 |
| Public Officials Liability | 1 | 2 | 1 |
| Auto Liability | 29 | 24 | 15 |
| Vehicle Physical Damage | 6 | 10 | 10 |
| Real and Personal Property | 0 | 0 | 3 |
| <u>INSURANCE PREMIUMS</u> | | | |
| Workers' Compensation | \$ 513,000 | \$ 513,000 | \$ 575,000 |
| Commercial Insurance Cost | \$ 500,000 | \$ 500,000 | \$ 575,000 |
| Medical Benefits | \$4,500,000 | \$ 4,500,000 | \$4,800,000 |
| Life and AD&D Benefits | \$ 12,200 | \$ 12,000 | \$ 12,000 |
| Windstorm Insurance | \$ 88,398 | \$ 88,398 | \$ 105,000 |

MANAGEMENT INFORMATION SYSTEMS



Sergio V. Mujica
M.I.S. Director

The Management Information Systems Department is responsible for assisting City departments with the highest level of computer technologies available at the lowest possible costs.

EXPENDITURES BY TYPE

| Name | FY2021 Actual | FY2022 Actual | FY2023 Budgeted |
|-------------------------------|------------------|------------------|------------------|
| Expense Objects | | | |
| Personnel Services | \$205,509 | \$231,093 | \$251,541 |
| Personnel Services - Benefits | \$58,798 | \$75,002 | \$73,396 |
| Supplies | \$37,387 | \$100,694 | \$47,250 |
| Srvcs and Chrgs - General | \$135,916 | \$140,810 | \$203,000 |
| Srvcs & Chrgs - Maint | \$139,404 | \$171,455 | \$185,250 |
| Srvcs & Chrgs - Misc | \$322 | \$0 | \$0 |
| Total Expense Objects: | \$577,336 | \$719,054 | \$760,437 |

PROGRAM GOAL

To provide the most cost-efficient, high-productivity tools that today's technology currently offers, in order to enhance services for City departments and thereby offer the highest electronic capabilities to the citizens of the City of Harlingen.

OBJECTIVES

- Continue to provide mandatory cyber security training to all network users.
- Continue to increase the MIS private wireless network connection between city departments. This will increase network speed and save money on communications.
- Continue with annual network vulnerability scan of all city networks to improve cyber security protection.
- Purchase 100 MS Office 365 2016 licenses for city departments.
- Continue with City Drone video services for city events and get MIS Staff pilot certifications, also train other city departments on how to fly city drones.
- Continue with Harlingen broadband initiative project and work with consultants to finalize a plan to start implementation of the city's fiber network.
- Finish installation of office 365 hybrid environments with our MS exchange email service.
- Complete the setup of the new city domain name www.harlingen.tx.gov.
- Setup new virtual desktop environment for some network users to reduce hardware support time spent by MIS Staff.
- Complete installation of new media room at Town Hall to better live stream city meetings.
- Install new smart LED monitors and projector screen in the EOC training room.
- Install a new network firewall with an intrusion prevention system in the EOC Building.
- Install new video wall in the Town Hall Lobby area
- Migrate the current VOIP system to a hosted cloud system and reduce annual cost.

PERFORMANCE INDICATORS

| | Actual FY 20-21 | Estimated FY 21-22 | Proposed FY 22-23 |
|--------------------------------------|--------------------|-----------------------|----------------------|
| Effectiveness | | | |
| IBM AS400 Disk Storage | 146 | 218 | 286 |
| IBM AS400 Data Files | 30,717 | 32,253 | 32,253 |
| IT issues Resolved | 7,698 | 7,926 | 7,542 |
| Efficiency | | | |
| Cost of IT Resolutions & Maintenance | \$ 231,433 | \$ 238,214 | \$ 244,402 |
| Output | | | |
| Hardware & Software Repairs/Patches | 3,248 | 3,313 | 3,712 |
| Hours saved on repetitive call-ins | 556 | 528 | 624 |
| IBM AS400 System Jobs | 8,320 | 8,320 | 9,880 |

PUBLIC SAFETY

The City of Harlingen Public Safety Department includes the Harlingen Police Department and Harlingen Fire Department. The Harlingen Police Department consists of Police Operations and Police Services, while the Harlingen Fire Department consists of Fire Suppression, Fire Prevention and Airport Suppression. Further detail is explained under each department segment.

POLICE OPERATIONS



Michael Kester
Chief of Police

The Harlingen Police Department is a civil service department currently comprised of one hundred and thirty-four (134) authorized police officers and a civilian support staff of fifty-five (55) employees, which includes nine (9) part-time school crossing guards. The sworn and non-sworn personnel service the community utilizing three different locations. The main public safety (police) building is located at 1018 Fair Park Boulevard, Harlingen, Texas. The employees from the Professional Standards (Internal Affairs) Unit and Organized Crime Unit (OCU) operate from the City of Harlingen Annex Building located at 24200 FM 509, Harlingen, Texas. The 9-1-1 Communications (Dispatch) Center receives public calls for service and dispatch from 101 North Loop 499, Harlingen, Texas.

The main objective of these men and women is defined by the department’s Mission Statement: ‘...to provide services with integrity and dedication, to preserve life, to enforce the law, and to work in partnership with the community to enhance the quality of life in the City of Harlingen.’ Our mission is in support of our Departmental Vision, which is simply: ‘To ensure a safe and proud Community where people live, work, and visit; free from the fear of crime’.

The police budget is broken down into three (3) different components. The “Police Operations” budget is comprised of the sworn staff of the Harlingen Police Department. The “Police Services” budget covers the non-sworn staff of the police department including the Communication Center personnel. The “Special Investigations” budget consist of funds received from asset forfeiture proceedings and are utilized to purchase equipment and for other necessities that will support in accomplishing the mission of the police department.

EXPENDITURES BY TYPE

| Name | FY2021 Actual | FY2022 Actual | FY2023 Budgeted |
|-------------------------------|---------------------|---------------------|---------------------|
| Expense Objects | | | |
| Personnel Services | \$8,802,842 | \$8,856,069 | \$9,750,131 |
| Personnel Services - Benefits | \$2,534,669 | \$2,852,764 | \$3,150,959 |
| Supplies | \$438,525 | \$372,442 | \$393,906 |
| Srvcs and Chrgs - General | \$321,875 | \$332,279 | \$470,689 |
| Srvcs & Chrgs - Maint | \$570,432 | \$785,513 | \$761,752 |
| Srvcs & Chrgs - Misc | \$42,373 | \$49,858 | \$58,000 |
| Capital Outlay | \$1,304,490 | \$715,611 | \$407,500 |
| Other Financing Uses | \$186,115 | \$186,109 | \$168,674 |
| Total Expense Objects: | \$14,201,321 | \$14,150,644 | \$15,161,611 |

The police force consists of one (1) Chief, one (1) Assistant Chief, three (3) Deputy Chiefs, five (5) Commanders, sixteen (16) Sergeants, and one hundred and eight (108) sworn police officers. The personnel are assigned to various divisions for duties, and through teamwork, cover more than 40.31 square miles of city limits, incorporating more than 308.88 miles of paved roadways using 105 police vehicles (marked and unmarked) and serving and protecting a residential population of 71,829 citizens according to the 2020 Census. The Department has 10 Police Districts in the city based on the number of calls for service, in order to provide better community service and resources. In doing this, the Department has assigned Patrol Officers, Criminal Investigators and Police District Representatives to each District to address specific crime trends and respond to community concerns.

The Harlingen Police Department is divided into 3 Bureaus:

- Uniformed Operations Bureau
- Criminal Investigations Bureau
- Support Services Bureau

Each Bureau is under the command of a Deputy Chief, who in turn reports to the office of the Chief of Police through the Assistant Chief. The Operations Bureau is the most visible and provides protection and service to the community 24 hours a day, 7 days a week.

PROGRAM GOALS

- To ensure a safe and proud community where people live, work, and visit; free from the fear of crime.
- To ensure that all of our actions are based upon our vision, mission, and core values and that all actions are in direct support of the above; to improve the quality of life within the City of Harlingen.
- Provide the public with a safe and secure environment through pro-active, geographical, team-policing and to provide prompt, professional reaction regarding initial police response to emergency and non-emergency requests for service.
- To ensure follow-up contact with all crime victims and relentless follow-up on cases with existing solvability factors.
- Continued recruitment and aggressive hiring efforts of top tier quality applicants to minimize turnover and provide highly efficient service.
- Continue to maintain and improve a closer community policing partnership with the citizens of Harlingen and the business sector to resolve issues such as burglaries, the sale or possession of illicit drugs, graffiti, gang activity, and violent crimes through collaborative interdiction, intervention, prevention and Data Driven Approaches to Crime a Traffic Safety (DDACTS) strategies.
- Continue the implementation and modernization of technological advancements such as virtualization and real-time data dissemination through available software.

OBJECTIVES

- Continue to host and provide advanced training for the development of department personnel and other local law enforcement officers.
- Provide a decrease in the number of violent and non-violent crimes.
- Continue to develop and improve our crime analysis information dissemination through our CompStat (computer statistics) weekly meetings.

- Reduce the number of fatalities and injuries resulting from traffic accidents within the City through targeted traffic enforcement and compliance strategies, as well as directed patrols by Data-Driven Approaches to Crime and Traffic Safety (DDACTS) in high crime/accident areas.
- Address crime trends throughout the City proactively through the deployment of high visibility police resources and strategies to focus on identified crime reduction initiatives.
- Continue development of our community partnerships and volunteers supporting the department’s crime prevention and community policing efforts through existing programs to include: the Citizens Police Academy, the Summer Youth Academy, Youth Police Explorers Post (through the Boy Scouts of America), Neighborhood Watch Programs, Volunteers in Policing, Police Chaplain Services, school programs, and other police/community partnerships.
- Increase the training of citizens Community Organizations and Churches in Citizen Response to Active Shooter Events and Crime Prevention Through Environmental Design (CPTED).
- To apprehend and prosecute offenders and/or resolve investigations in a more effective and efficient manner and to improve case disposition documentation with the District Attorneys’ Office.
- Continue in accreditation and compliance with Texas Best Practices “Recognized” status for Law Enforcement. We have been Re-Accredited in 2022, the next re-accreditation is due in 2026.
- To strengthen the working relationship between law enforcement, victim assistance centers, and other agencies that provides services to victims of violent crimes.
- To educate all department police officers and dispatchers in mental health issues so they have a clear understanding in handling individuals with mental health challenges. All police officers will be certified Mental Health Officers (MHO). As well as ensuring all Officers and Dispatchers receive the more than the required minimum training standards required by the Texas Commission on Law Enforcement (TCOLE).

SIGNIFICANT SERVICE LEVEL CHANGES

Provide adequate resources and staffing levels that will directly contribute to the crime fighting process, reduction in the fear of crime, the apprehension of criminals, and the reduction of vehicle accidents through targeted traffic enforcement, DDACTS and compliance strategies for citizen safety and overall improvement of the quality of life within the City of Harlingen.

Based on the 2020 Census (71,829) the Police Department needs to add ten positions to continue providing optimal services at the industry standard of two (2) officers per 1000 population. The City of Harlingen continues to prosper and grow, both in population and area. In order to provide the standard of service and the quality policing the residents of Harlingen need and expect, these positions are necessary. Not only with the positions enhance safety and security in the City but also address officer safety issues to reduce the stress on already overworked staff. These positions would ultimately add seven (7) patrol officers, two (2) investigators, and one (1) district representative. The Grant Manager will research available funding Grants to assist in adding officer positions.

PERFORMANCE INDICATORS

| | ACTUAL FY 20-21 | ESTIMATED FY 21-22 | PROPOSED FY 22-23 |
|-------------------------------------|--------------------|-----------------------|----------------------|
| Reported Part I Crimes | 3,501 | 3,450 | 3,400 |
| Total reported criminal offenses | 8,934 | 8,645 | 8,500 |
| Number of accidents investigated | 2,477 | 2,500 | 2,500 |
| Number of authorized sworn officers | 139 | 139 | 139 |

| | | | |
|----------------------------------------|----------|----------|----------|
| Average cost per call for service | \$142.63 | \$146.30 | \$153.50 |
| Average cost per calls per citizen | \$94.14 | \$93.63 | \$96.71 |
| Priority one average response time | 5:21 | 5:54 | 5:10 |
| Budgeted number of sworn-in officers | 139 | 139 | 139 |
| Average sworn officers per 1K citizens | 2.059 | 1.866 | 1.866 |
| Service calls handled | 129,831 | 130,000 | 132,000 |
| Officer Initiated Calls | 54,464 | 56,000 | 60,000 |
| Adult Arrests | 2,749 | 2,700 | 2,600 |
| Juveniles detained (in custody) | 90 | 125 | 115 |
| Traffic Enforcement Action (citations) | 12,312 | 12,500 | 13,000 |

POLICE SERVICES

The Police Services budget supports all operational activities of the Harlingen Police Department. This Bureau serves to support all non-sworn functions within the Harlingen Police Department. The Deputy Chief and a civilian Police Manager supervise this Bureau. The Deputy Chief and the civilian Police Administrator report to the Assistant Chief of Police.

All the duties within the Police Services budget support the Operational readiness, effectiveness and efficiency of the Harlingen Police Department. All our employees work synergistically towards the achievement of our Vision:

**‘To ensure a safe and proud Community,
where people live, work, and visit;
free from the fear of crime’.**

EXPENDITURES BY TYPE

| Name | FY2021 Actual | FY2022 Actual | FY2023 Budgeted |
|-------------------------------|--------------------|--------------------|--------------------|
| Expense Objects | | | |
| Personnel Services | \$1,452,276 | \$1,492,376 | \$1,888,392 |
| Personnel Services - Benefits | \$438,898 | \$503,487 | \$691,772 |
| Supplies | \$37,955 | \$35,747 | \$40,221 |
| Srvcs and Chrgs - General | \$17,818 | \$32,762 | \$47,265 |
| Srvcs & Chrgs - Maint | \$80,634 | \$83,840 | \$123,831 |
| Srvcs & Chrgs - Misc | \$0 | \$3,658 | \$0 |
| Capital Outlay | \$77,515 | \$18,983 | \$0 |
| Total Expense Objects: | \$2,105,096 | \$2,170,853 | \$2,791,481 |

PROGRAM GOALS

- Provide efficient, effective, prompt and courteous service to the community.
- Continue to implement customer-friendly policies and procedures to increase section efficiencies and deliver exceptional service.
- Maintain adequate police and support staff equipment and personnel levels to properly deliver our services to an ever-growing population.
- Provide coordinated, responsive and reliable 911 emergency dispatch services and continue to improve in call to dispatch service times, as well as priority call dispatch and arrival times.
- To have modern and efficient computerized systems to ensure compliance with State and Federal Laws and provide the staff with access to accurate and reliable data information.

OBJECTIVES

- Provide ongoing mandated and developmental training for sworn and non-sworn personnel.
- Ensure compliance with Criminal Justice Information Systems (CJIS) for department employees, city employees with PD access and PD Volunteers.
- Continue aggressive recruitment and retention efforts to ensure full staffing.
- Continue multi-jurisdictional collaboration efforts regarding inter-agency-operability with our AEGIS law enforcement software.
- Upgrade Information Technology servers and equipment to software standards and requirements

SIGNIFICANT BUDGET CHANGES

The Department is looking to adding an additional Records Clerk position to handle administrative tasks for the Criminal Investigations Division and would also be a back-up payroll clerk providing weekly hours in assisting with the proper entries into the time clock system. Other hours would be assisting the CID with documents, computer entries, customer service for requests and other administrative duties. *Estimated cost \$28,000.*

SIGNIFICANT SERVICE LEVEL CHANGES

The above actions would allow us to improve overall service delivery within the City of Harlingen with minimal fiscal impact when considering cost/benefit analysis. Citizens, victims and arrested persons would benefit from improved overall service to the community and allow for the Department to implement customer service initiatives.

PERFORMANCE INDICATORS

| | ACTUAL FY 20-21 | ESTIMATED FY 21-22 | PROPOSED FY 22-23 |
|-------------------------------------|--------------------|-----------------------|----------------------|
| High priority average dispatch time | 3:37 | 3:35 | 3:15 |
| Police calls for service | 104,813 | 108,950 | 110,000 |
| Fire calls for service | 3,461 | 3,758 | 4,000 |
| Number of alarms | 3,817 | 4,000 | 4,200 |

| | | | |
|-----------------------------------------------|--------|--------|--------|
| Victims served by the Crime Victim Liaison | 601 | 550 | 900 |
| % of priority 1 calls dispatched | 100% | 100% | 100% |
| Volunteer hours worked | 239 | 450 | 800 |
| RMS permanent entries | 9,451 | 9,476 | 9,500 |
| Records Division Requests | 10,141 | 10,500 | 11,000 |
| Number of volunteer initiatives | 50 | 150 | 800 |
| Total alarm permits on file | 574 | 750 | 850 |
| Number of TCVC applications submitted | 215 | 230 | 245 |

FIRE SUPPRESSION



Rafael Balderas
Fire Chief

The Harlingen Fire Department with a force of 110 members and 3 administrative staff is responsible for fire and rescue services to the City of Harlingen, Combes, Palm Valley, Primera, and approximately 60 square miles of Cameron County. The department maintains eight fire stations at ready-status, twenty-four hours a day seven days a week throughout the year. The department consists of the following operations divisions: Administration, Suppression, Fire Prevention, Training, Emergency Management, and Airport Rescue and Firefighting.

Public Safety - Fire Expenditures by Type

| Name | FY2021 Actual | FY2022 Actual | FY2023 Budgeted |
|-------------------------------|---------------------|---------------------|---------------------|
| Expense Objects | | | |
| Personnel Services | \$5,920,335 | \$6,336,670 | \$6,666,000 |
| Personnel Services - Benefits | \$1,943,153 | \$2,199,063 | \$2,418,337 |
| Supplies | \$322,123 | \$346,776 | \$258,263 |
| Srvcs and Chrgs - General | \$217,661 | \$229,358 | \$269,482 |
| Srvcs & Chrgs - Maint | \$472,153 | \$514,149 | \$373,449 |
| Srvcs & Chrgs - Misc | \$375 | \$120 | \$375 |
| Capital Outlay | \$2,074,901 | \$1,430,932 | \$140,000 |
| Total Expense Objects: | \$10,950,701 | \$11,057,067 | \$10,125,906 |

PROGRAM GOAL

Continue to improve the delivery of fire suppression, rescue, hazardous materials response team, and emergency medical services to the citizens of Harlingen and surrounding areas by replacing aging fire extrication and suppression equipment.

OBJECTIVES

- Continue to enhance equipment and personnel to reach and maintain a lower (ISO) Insurance Service Rating.
- Continue to support a vehicle maintenance in-house program.
- Continue to search and apply for fire service grants to enhance department capabilities.
- Conduct state required continuing education, training, Aircraft Rescue Firefighting (ARFF), Emergency Medical First Response, and Hazardous Materials.
- Continue to enhance the Emergency Management Plan for Hurricanes to an all Hazard Plan with Cameron County and the State of Texas.
- Continue to enhance and maintain equipment inventory for cost effectiveness.
- Replace existing aging rescue/extrication equipment.
- Continue to support the transition from Rescue Net FireRMS to Tyler Technologies New World software.
- Continue to enhance our firefighting and rescue capabilities.
- Continue to support and train our Special Operations Teams.
- Continue to enhance all Emergency Management Annex's and provide the necessary E.O.C. training for all city staff.
- Continue to enhance the policy and procedures of our health and safety program.

AIRPORT FIRE SUPPRESSION

Airport Fire ensures the protection of the flying public through the efficient delivery of professional Aircraft Rescue Fire Fighting and Emergency Medical Services at Valley International Airport. Additionally, persist in the continuous improvement of all skill sets and up-to-date training in ARFF Strategies, Tactics and Equipment.

EXPENDITURES BY TYPE

| Name | FY2021 Actual | FY2022 Actual | FY2023 Budgeted |
|-------------------------------|------------------|------------------|------------------|
| Expense Objects | | | |
| Personnel Services | \$598,312 | \$629,758 | \$686,646 |
| Personnel Services - Benefits | \$205,753 | \$224,625 | \$243,245 |
| Supplies | \$2,740 | \$3,878 | \$4,000 |
| Srvcs and Chrgs - General | \$8,592 | \$14,229 | \$18,055 |
| Srvcs & Chrgs - Maint | \$0 | \$626 | \$650 |
| Total Expense Objects: | \$815,397 | \$873,117 | \$952,596 |

PROGRAM GOALS

- Continue to maintain the Standards required for **Class I** Airport Operating Certificate, as required by the Federal Aviation Administration, Texas Commission on Fire Protection and National Fire Protection Administration
- Increase participation from Harlingen Fire Department Instructors within ARFF Division
- Increase both frequency and participation of Aircraft Rescue Fire Fighting Alternates in evening Runway/Taxiway Inspections
- Increase Training on the Airfield to include Night Training Sessions
- Increase number of combined Training Sessions between Harlingen Fire Department Aircraft Rescue Fire Fighting and Suppression Units.
- Conduct Aircraft Rescue Fire Fighting Academy to increase the number of available Certified personnel.

PERFORMANCE INDICATORS

| | ACTUAL | ESTIMATED | PROPOSED |
|--------------------------------|-----------------|-----------------|-----------------|
| | <u>FY 20-21</u> | <u>FY 21-22</u> | <u>FY 22-23</u> |
| Aircraft Alerts | 6 | 4 | 6 |
| Medical Assist | 2 | 3 | 4 |
| FAA Trg., Live Fire Burn Certs | 24 | 24 | 24 |
| FAA Trg, AC 150/5210-17B | 265 | 45 | 45 |
| FBO Inspections, Fuel | 4 | 4 | 4 |

Fire Prevention

The primary function of the Fire Prevention Bureau is to minimize the burden of fire by enforcing all local, state and federal laws where applicable. This process is best attained by utilizing the following: public education programs, routine inspections, plan review process, consultations, technical inspections and the endeavor to determine the origin and cause of all fires within the city limits of Harlingen and prosecute when necessary.

EXPENDITURES BY TYPE

| Name | FY2021 Actual | FY2022 Actual | FY2023 Budgeted |
|-------------------------------|------------------|------------------|------------------|
| Expense Objects | | | |
| Personnel Services | \$402,310 | \$348,720 | \$427,084 |
| Personnel Services - Benefits | \$132,152 | \$132,899 | \$169,666 |
| Supplies | \$20,055 | \$17,284 | \$22,700 |
| Srvcs and Chrgs - General | \$18,589 | \$14,109 | \$22,802 |
| Srvcs & Chrgs - Maint | \$12,206 | \$11,985 | \$16,718 |
| Srvcs & Chrgs - Misc | \$40 | \$666 | \$2,000 |
| Total Expense Objects: | \$585,352 | \$525,663 | \$660,970 |

PROGRAM GOAL

To monitor existing programs, determine effectiveness and possible improvements with recommendations; utilizing local, state and national guidelines.

OBJECTIVES

- To continue the fire safety and awareness program within the community by providing educational hand-outs, private consultations and public presentations.
- To provide fire and safety education and awareness to the businesses, community, private and public learning institutions within the City of Harlingen.
- To augment and/or replace fire investigation, fire inspection, public education equipment, supplies, and training.
- To continue working with the phase 2 (mobile technology) for New World Records Management to facilitate computerized field inspections (enhancing fire inspector efficiency) and preplanning of the buildings into the database which will assist and enhance emergency responder safety and efficiency.

PERFORMANCE INDICATORS

| | ACTUAL FY 20/21 | ESTIMATED FY 21/22 | PROPOSED FY 22/23 |
|-------------------------------------------------------------|--------------------|-----------------------|----------------------|
| Inspections (routine, re-occupancy, final, etc.) | 1,850 | 1,900 | 1,950 |
| Plan Reviews (new construction, additions, remodeling, etc. | 500 | 500 | 600 |
| Subdivision Reviews | 70 | 85 | 90 |
| Fire Drills | 32 | 32 | 50 |
| Complaints | 50 | 50 | 50 |
| Investigations | 80 | 80 | 80 |
| Presentations | 165 | 165 | 170 |
| Attendance at Presentations | 20,500 | 20,500 | 22,000 |
| Meetings | 475 | 500 | 550 |

FINANCE SERVICES

The Finance Director is the head of the City's finance services and reports directly to the City Manager and is the director of the Finance Department. Accounting is the process of assembling, analyzing, classifying and recording data relevant to the financial transactions and events that affect the city's operations. The Finance Department is responsible for the financial planning, policy development and administration of the City's financial activities and personnel.

Finance Services include the Municipal Court, Purchasing Department, and Materials Management located in the City's Warehouse.

FINANCE

Robert Rodriguez
Director of Finance

The Finance Department provides accounting, financial reporting and internal control services to City departments and is responsible for management of the budget, audit, and provision of fiscal controls, cash management, accounts payable, accounts receivable and payroll functions of the City. The Finance Department oversees the City's financial planning, forecasting cash inflows and outflows, balancing funds, allocation of funds, effective use of funds; and financial control (budgetary and non-budgetary). The Finance Department certifies record accuracy through annual audits, internal audits and CAFR and GFOA Budget Certification.

EXPENDITURES BY TYPE

| Name | FY2021 Actual | FY2022 Actual | FY2023 Budgeted |
|-------------------------------|------------------|------------------|--------------------|
| Expense Objects | | | |
| Personnel Services | \$579,732 | \$603,124 | \$622,636 |
| Personnel Services - Benefits | \$146,525 | \$181,879 | \$193,953 |
| Supplies | \$28,117 | \$22,564 | \$28,200 |
| Srvcs and Chrgs - General | \$202,286 | \$164,075 | \$215,960 |
| Srvcs & Chrgs - Maint | \$13,208 | \$16,905 | \$30,600 |
| Srvcs & Chrgs - Misc | \$26,096 | \$6,972 | \$4,850 |
| Total Expense Objects: | \$995,964 | \$995,520 | \$1,096,199 |

PROGRAM GOALS

The Finance Department has the overall responsibility for all accounting and finance matters relating to the City. This responsibility is assigned in accordance with Federal and State regulations, the City Charter, Ordinances enacted by the City Commission, and directives from the City Manager, which are consistent with standards from the Governmental Accounting Standards Board.

- Accounting control over the automated financial system, including systems development
- Active cash and investment management
- Supervising accounts receivable, cash receipts, accounts payable, cash disbursements, payroll, special assessments, and licensing
- Debt administration
- Budgeting, including publication of the Official Annual Budget Document.
- Reporting, including the Annual Comprehensive Financial Report, Interim Financial Reports on a monthly basis, and the Capital Projects Status Reports
- Internal and administrative control
- Staff support for the following boards appointed by the City Commission:
 - Harlingen Downtown Improvement District
 - Convention and Visitor's Bureau
 - Tax Increment Financing Zone 1
 - Tax Increment Financing Zone 2
 - Tax Increment Financing Zone 3
 - The Development Corporation of Harlingen, Inc. Harlingen Community Improvement Board
 - Firemen's Relief and Retirement Fund
 - Tax Advisory Board
- Support to the Health Insurance Fund on matters of financial and/or accounting significance
- Supervision of the Municipal Court, Purchasing Department, and the Warehouse
- Preparing requests for Proposals, analyzing the Proposals & recommending awarding or contracts to the City Commission for the following:
 - Contract for Banking Services (Depository Agreement)
 - Contract for Collection of Current and Delinquent Property Taxes
 - Contract for Professional Auditing Services
- Planning, coordinating and participating in the client side of the Annual Financial Audit performed by Independent Certified Public Accountants (CPA's) in a manner to achieve cost containment/savings
- Tax Assessor Function, including the calculation and publication of the No-new-revenue tax rate and the Voter-approval tax rate, including compliance with "Truth in Taxation" Laws and other matters pertaining thereto
- Tax Collector Function, overseeing the Cameron County Tax Office
- Other Property Tax matters, including fielding calls from taxpayers regarding complaints and/or information on how the Texas Property Tax System works
- Administering Industrial District Agreements (non-Annexation Agreement), including determining and billing for Payments in Lieu of Taxes

OBJECTIVES

- Develop enhanced financial reporting for internal and external audiences

- Streamline internal financial and accounting processes
- Implement a continuous check and balance process based on risk assessment
- Increase efficiency and innovation in the external audit timelines and final delivery process
- Promote continuous improvement through training and education opportunities

PERFORMANCE INDICATORS

| | ACTUAL | ESTIMATED | PROPOSED |
|------------------------------------------|----------|-----------|----------|
| | FY 20-21 | FY 21-22 | FY 22-23 |
| Received GFOA Distinguished Budget Award | Yes | Yes | Yes |
| Received GFOA Certificate of Achievement | Yes | Yes | Yes |
| Interim Financial Reports | 12 | 12 | 12 |
| Cash Receipts Issued | 20,191 | 20,689 | 20,440 |
| Payroll Checks Issued | 161 | 125 | 150 |
| Payroll Direct Deposits Issued | 16,899 | 17,500 | 18,000 |
| Accounts Payable Vendor Checks Issued | 6,599 | 7,388 | 7,000 |

MUNICIPAL COURT



Cynthia R. Weaver
Court Administrator

The Municipal Court provides a forum for the City of Harlingen and its citizens for consideration of matters within the court's jurisdiction. It accepts complaints of Class "C" misdemeanors, enters pleas, sets cases for trial and tries cases, prepares appeals, sends appeals to the County Court of Law, conducts post-arrest hearings for defendants charged with serious offenses, sets bonds, issues arrest and blood and search warrants, conducts driver's license suspension hearings, accepts fines, maintains the Court's Docket, and reports convictions to the Department of Public Safety. The Court has separate court docket days for Ordinance docket, Bench and Jury trials and Youth Court as well as Pre-trial dockets.

The Court processes Blood Warrants on DWI arrests. The Court also provides for the magistration of Felonies and Class "A" and Class "B" misdemeanor arrests, conducts emergency commitment hearings, emergency protection order hearings, and examining trials. The Court staff promotes the Municipal Traffic Safety Initiatives of Texas by hosting Traffic Safety presentations and distributing traffic safety materials and drug and alcohol awareness pamphlets to elementary schools, during youth court, to young (new) drivers at a local driving school and to teens and adult groups who tour the court.

The City retains one full-time presiding judge, three contract alternate judges and one court administrator who work together with court staff to provide courteous, prompt and efficient customer service, consistent with principles of due process and equality under the law.

EXPENDITURES BY TYPE

| Name | FY2021 Actual | FY2022 Actual | FY2023 Budgeted |
|-------------------------------|------------------|------------------|------------------|
| Expense Objects | | | |
| Personnel Services | \$327,835 | \$326,354 | \$348,389 |
| Personnel Services - Benefits | \$98,600 | \$117,900 | \$129,304 |
| Supplies | \$24,303 | \$22,149 | \$26,600 |
| Srvcs and Chrgs - General | \$82,107 | \$82,133 | \$106,551 |
| Srvcs & Chrgs - Maint | \$27,743 | \$75,607 | \$75,702 |
| Srvcs & Chrgs - Misc | \$1,536 | \$4,201 | \$4,600 |
| Total Expense Objects: | \$562,124 | \$628,344 | \$691,146 |

PROGRAM GOAL

Provide citizens a safe alternate method of appearing in court by continuing Virtual Court sessions using the Zoom application. Continue to submit cases to the Cameron County Scofflaw Program, the collection agency, and the Omni/DPS Failure To Appear program. Increase fine collections by providing a web-based payment system. Reduce the number of warrants by initiating contact with defendants to resolve their case prior to the issuance of warrants. Reduce the number of outstanding warrants by conducting monthly Warrant Service Days and special programs such as a “Amnesty On Failure To Appear”. Work with warrant officers to increase the number of warrants cleared by having officers call defendants with warrants and give them an opportunity to appear. Increase fine collections by continuing state-recommended in-house collection procedures. Work with the city prosecutor to clear the trial docket. Increase the Court’s effectiveness and efficiency by having the Chief Court Clerk with Juvenile Case Manager duties work on court duties and on juvenile and young offender cases in lieu of prosecution. Increase the Court’s efficiency by setting up Court Notify to send text messages to defendants to notify them of the status of their cases.

OBJECTIVES

- Provide quality service to our defendants by permitting virtual court appearances and accepting email and mailed in pleas.
- Provide quality service to our defendants by practicing prompt response time and courteous service.
- Provide quality service to defendants by ensuring staff continued attendance in Customer Service Training.
- Increase the efficiency of the court by having the Chief Court Clerk with Juvenile Case Manager duties work on court duties and on juvenile and young offender cases in lieu of prosecution.
- Reduce the number of warrants by increasing calls and contact with defendants prior to the issuance of warrants.
- Reduce the number of delinquent fines through the continuing submittal of cases to a collection agency.
- Address the public’s need by the use of special court sessions for Youth Court, Ordinance Court, Trial Court and Traffic/State Violations Court.
- Ensure the continued efficiency in the magistration of Class “A” and “B” misdemeanor and felony arrests.
- Work with the Cameron County District Attorney’s Office and Pre-trial Services to protect the accused person’s rights.
- Increase the number of warrants served by dedicating monthly Warrant Service Days.
- Ensure that all staff members receive necessary training to make well-informed decisions.
- Continue to coordinate community service with various non-profit organizations.
- Reduce the number of cases scheduled for trial by continuing pre-trial conferences with city prosecutors.
- Increase efficiency and effectiveness by reviewing and revising the Procedures Manual.
- Work with warrant officers to increase the number of warrants cleared.
- Participate in National Night Out.
- Promote Traffic Safety and Driving on the Right Side of the Road initiatives by distributing traffic safety materials.

- Promote alcohol and drug awareness during Youth Court and during various Adult courts.

SIGNIFICANT BUDGET AND SERVICE LEVEL CHANGES

The decrease in revenue is a result of Texas Legislative changes and requirements to provide defendants with alternatives to payment of fines and costs and the increase of the number of defendants who are unable to pay fines due to loss of income during the continuing COVID-19 pandemic crisis.

Increase of two part-time Deputy Clerk positions to Deputy Clerk full-time positions. Recent legislation requires that staff enter information in the Protective Order registry, the DPS Assault Family Violence registry, and the new requirement beginning April 1, 2022 of entering and reporting all higher class arrests in the Public Safety Reporting System prior to the daily commencement of the magistrate warning sessions. The increase in the requirements reduces the part-time Deputy Clerks' ability to complete their current duties in the already constrained time allotted by their part-time positions.

PERFORMANCE INDICATORS

| | <u>ACTUAL</u> FY 20-21 | <u>ESTIMATED</u> FY 21-22 | <u>PROPOSED</u> FY 21-23 |
|---------------------------------------|---------------------------|------------------------------|-----------------------------|
| <u>EFFECTIVENESS</u> | | | |
| Traffic and Parking Tickets Processed | 14,303 | 14,904 | 15,649 |
| State Law Processed | 1,614 | 2,428 | 2,549 |
| Ordinance/Leash/Litter Law Processed | 1,996 | 2,203 | 2,313 |
| Magistrate Warnings & Processes | 3,073 | 3,448 | 3,620 |
| <u>EFFICIENCY</u> | | | |
| Traffic and Parking Tickets | \$ 383,115 | \$ 439,620 | \$465,337 |
| State Law Violations | \$ 43,232 | \$ 71,618 | \$ 75,797 |
| Ordinance/Leash/Litter Law Processed | \$ 53,465 | \$ 64,982 | \$ 68,779 |
| Magistrate Warnings & Processes | \$ 82,312 | \$ 101,705 | \$107,644 |
| <u>OUTPUT</u> | | | |
| Traffic and Parking Tickets | \$ 636,981 | \$ 878,018 | \$ 878,018 |
| State Law Violations | \$ 22,976 | \$ 30,000 | \$ 30,000 |
| Ordinance/Leash/Litter Fines | \$ 30,909 | \$ 35,000 | \$ 35,000 |

Purchasing

The Purchasing division renders assistance to requesting departments in their procurement needs. The primary objective of this department is to ensure that all Federal, State, and Local purchasing laws and internal procedures are followed and that the requesters receive all goods and services of the best quality and value to the City. The Purchasing division reviews purchase requisitions and processes all purchase orders.

EXPENSE BY TYPE

| Name | FY2021 Actual | FY2022 Actual | FY2023 Budgeted |
|-------------------------------|------------------|------------------|------------------|
| Expense Objects | | | |
| Personnel Services | \$83,107 | \$65,026 | \$82,830 |
| Personnel Services - Benefits | \$3,698 | \$20,687 | \$38,592 |
| Supplies | \$2,694 | \$2,905 | \$4,400 |
| Srvcs and Chrgs - General | \$11,544 | \$11,472 | \$17,350 |
| Total Expense Objects: | \$101,044 | \$100,091 | \$143,172 |

PROGRAM GOAL

The goal of the Purchasing Department is to manage departmental purchases and to provide efficient leadership and instruction in solving departmental purchasing problems by effectively providing training and guidance to employees and seeking new technological procedures for more valuable purchasing.

OBJECTIVES

- Review departmental purchases by verifying proper use of vendor quotes and/or use of cooperative contract pricing and/or sealed bids on all purchases, as required
- Attend purchasing seminars to ensure that internal procedures follow the latest federal, state, and local purchasing laws
- Establish new training materials for procurement procedures according to the newly updated Purchasing Policy
- Train employees on purchasing methods to increase knowledge of the city's purchasing policies and procedures, and proper use of software
- Review and/or renew service contracts to reduce costs on cell phones, copiers, and fuel
- Utilize the internet by posting bid notices on the City's website, verifying cooperative contracts and assisting departments with outside vendor searches

PERFORMANCE INDICATORS

| | ACTUAL | ESTIMATED | PROPOSED |
|--------------------------------------------------------|------------------------|------------------------|------------------------|
| | <u>FY 20-21</u> | <u>FY 21-22</u> | <u>FY 22-23</u> |
| Improve the awareness level of each department's needs | 98% | 98% | 100% |
| Knowledge of new available products | 95% | 95% | 95% |
| Vendors contacted for quotes on all purchases | 95% | 98% | 98% |

Materials Management

The Materials Management division is responsible for managing the operations of a centralized warehouse. The primary objective of this department is to provide a central operation for the ordering, shipping, receiving, and warehousing of commonly used goods and supplies, auto parts, including fuel and lubricants for the supply and use of all departments.

EXPENSE BY TYPE

| Name | FY2021 Actual | FY2022 Actual | FY2023 Budgeted |
|-------------------------------|--------------------|--------------------|--------------------|
| Expense Objects | | | |
| Personnel Services | \$55,843 | \$49,149 | \$53,432 |
| Personnel Services - Benefits | \$24,603 | \$24,093 | \$29,551 |
| Supplies | \$1,457,944 | \$1,785,261 | \$1,579,400 |
| Srvcs and Chrgs - General | -\$10,084 | \$42,018 | \$28,820 |
| Srvcs & Chrgs - Maint | \$24,040 | \$25,753 | \$20,800 |
| Srvcs & Chrgs - Misc | \$250 | \$250 | \$250 |
| Total Expense Objects: | \$1,552,595 | \$1,926,523 | \$1,712,253 |

PROGRAM GOALS

The goal of the Materials Management Department is to warehouse the most commonly used goods and supplies for the use of all departments and to maintain accurate inventory control for the goods and services provided, and to provide excellent customer service to internal customers by improving our delivery and pickup routes.

OBJECTIVES

Consistent with previously established goals, Materials Management objectives include:

- Ordering in bulk to stock the most commonly used operating supplies and vehicle repair parts to provide cost savings to departments on man-hours, fuel, and wear & tear on vehicles.
- Search for better pricing from current and new vendors to save money for city departments and maintain a working relationship with vendors.
- Provide fuel reporting for all departments for faster and better vehicle budget accountability.
 - Check incoming and outgoing stock orders for product faults or defects.
- Conduct more periodic inventory counts to improve warehouse inventory accuracy and accountability.
- Increase inter-departmental communications by providing a prompt daily route schedule.

PERFORMANCE INDICATORS

| | ACTUAL | ESTIMATED | PROPOSED |
|----------------------------|------------------------|------------------------|------------------------|
| | <u>FY 20-21</u> | <u>FY 21-22</u> | <u>FY 22-23</u> |
| Provide Fuel Usage Reports | 100% | 100% | 100% |
| Department deliveries | 95% | 95% | 95% |
| Warehouse fuel inventory | 98% | 98% | 98% |

DEVELOPMENTAL SERVICES

The City of Harlingen has a wide network of Development Service departments responsible for coordinating land, building and business development throughout the City. The various Development Service departments help homeowners, business owners, and those in the commercial industry plan and execute development projects. From permits, grants and revitalization programs, the City offers an array of services available to its citizens. The departments include Planning and Zoning, Code Compliance, Building Inspections, Community Development Block Grant, Downtown Improvement District and the Harlingen Convention and Visitors Bureau.

PLANNING & DEVELOPMENT



Xavier Cervantes
Dir. of Planning and Development Serv.

The City of Harlingen Planning and Development Department guides the growth of the City and its extra-territorial jurisdiction (ETJ) through land use policies, decisions, and regulations adopted by the Mayor and City Commission. The Planning and Development Department strives for everyone in the community to have a high quality of life, and a positive community environment through orderly growth.

The Planning and Development Department continually supports the City Commission, the Planning and Zoning Commission, and the Zoning Board of Adjustment and Appeals by drafting new ordinances, amending existing ordinances, and preparing agenda items and meeting packets. The Department also coordinates the application processes for zoning changes, subdivision plats, voluntary annexations, and variance requests.

Meetings are regularly scheduled with developers and property owners to explain the development process and the city requirements.

EXPENDITURES BY TYPE

| Name | FY2021 Actual | FY2022 Actual | FY2023 Budgeted |
|-------------------------------|------------------|------------------|--------------------|
| Expense Objects | | | |
| Personnel Services | \$614,438 | \$615,753 | \$711,840 |
| Personnel Services - Benefits | \$186,320 | \$195,643 | \$311,103 |
| Supplies | \$10,621 | \$16,665 | \$17,500 |
| Srvcs and Chrgs - General | \$37,497 | \$38,559 | \$42,575 |
| Srvcs & Chrgs - Maint | \$54,010 | \$16,946 | \$19,944 |
| Srvcs & Chrgs - Misc | \$2,026 | \$1,793 | \$6,500 |
| Capital Outlay | \$0 | \$0 | \$30,000 |
| Total Expense Objects: | \$904,912 | \$885,359 | \$1,139,462 |

PROGRAM GOALS

- To ensure that the city’s growth continues in a positive, safe and efficient way with respect to development and construction.
- To properly communicate with all developers, engineers and residents of Harlingen on how to comply with the zoning and subdivision codes.
- To implement the City’s Comprehensive Plan.

OBJECTIVES

- Create a new Senior Planner position to help guide engineers and developers on how to process subdivisions.
- Implement the goals of the Harlingen Comprehensive Plan One Vision, One Harlingen and pursue a comprehensive plan update.
- Pursue the voluntary annexation into the city limits of any proposed subdivision processed within the ETJ by properly communicating with developers the benefits of being inside the city limits.
- Continue to work with the Planning and Zoning Commission and the Zoning Board of Adjustments to properly process all application requests.
- Update the City Zoning and Subdivision ordinances as necessary to implement the City’s Comprehensive Plan.
- Continue to update the Division’s web pages to be more informative and to properly explain application and development processes.
- Continue to update the zoning map on the City website as rezoning applications are approved by the City Commission.
- Guide developers and engineers with the adopted subdivision ordinance and the updated Subdivision Development Guide.
- Implement the recently-purchased Centralsquare software that will allow city staff to process building permits and subdivisions more efficiently.
- Continue to ensure that exceptional service is provided for all customers.

PERFORMANCE INDICATORS

| <u>EFFECTIVENESS</u> | <u>ACTUAL</u> | <u>ESTIMATE</u> | <u>PROPOSED</u> |
|----------------------------------|------------------------|------------------------|------------------------|
| | <u>FY 20-21</u> | <u>FY 21-22</u> | <u>FY 22-23</u> |
| Subdivisions Reviewed | 53 | 55 | 58 |
| Subdivisions Variances processed | 2 | 6 | 6 |
| Subdivisions Recorded | 15 | 18 | 20 |
| Zoning Variances processed | 11 | 12 | 12 |
| Re-zonings | 11 | 19 | 18 |
| Specific Use Permits (SUP) | 25 | 20 | 22 |
| Building Site Plans reviewed | 128 | 130 | 135 |
| Sign Permits Reviewed | 63 | 95 | 100 |
| Re-occupancies | 100 | 120 | 130 |
| Vendor permits | 25 | 58 | 40 |

| | | | |
|---------------------------------------------|--------|--------|--------|
| Circus/Carnival permits/Temp. Amusements | 2 | 3 | 4 |
| Customer Service Calls | 16,800 | 16,900 | 17,000 |
| Ordinance amendments | 4 | 5 | 4 |
| Annexations | 2 | 2 | 2 |
| License to Encroach | 1 | 3 | 3 |
| Easement and ROW Abandonments | 2 | 3 | 4 |

Code Compliance

The Code Compliance Department ensures the protection of the health, safety, general welfare and quality of life of the Harlingen citizens through efficient and effective enforcement of the City's nuisance, stormwater pollution prevention and zoning ordinances.

EXPENDITURES BY TYPE

| Name | FY2021 Actual | FY2022 Actual | FY2023 Budgeted |
|-------------------------------|------------------|------------------|------------------|
| Expense Objects | | | |
| Personnel Services | \$209,673 | \$207,032 | \$228,714 |
| Personnel Services - Benefits | \$67,947 | \$76,824 | \$103,067 |
| Supplies | \$13,954 | \$13,966 | \$16,300 |
| Srvcs and Chrgs - General | \$36,885 | \$27,308 | \$42,848 |
| Srvcs & Chrgs - Maint | \$14,159 | \$24,596 | \$23,168 |
| Srvcs & Chrgs - Misc | \$4,183 | \$7,946 | \$24,000 |
| Capital Outlay | \$23,548 | \$6,300 | \$30,000 |
| Total Expense Objects: | \$370,350 | \$363,971 | \$468,097 |

PROGRAM GOALS

To safeguard the community by ensuring that residential and commercial properties are maintained in a fashion that emphasizes cleanliness, safety and a healthy environment. To help maintain property values throughout the community.

OBJECTIVES

- Create a new temporary clerk position to allow our clerk to enter the weedy lot liens information from paper cards into our software system.
- Create a second city mower position to help mow weedy properties and eliminate the need to use private mowing contractors on occasion.
- Create a 5th code compliance officer position to handle the city’s growth.
- Continue to improve the aesthetics of the City through proactive code compliance, preferably through voluntary compliance.
- Continue with initiatives that encourage community participation, such as conducting bi-monthly Neighborhood Clean Sweeps and quarterly Community-wide Trash Off events.
- Continue to identify and abate as much as possible unsafe and/or blighted structures using the Texas National Guard’s Operation Crackdown Program or city resources.
- Continue to provide brochures and educational materials containing ordinance information.
- Continue to provide assistance and programs to both the community and the Harlingen school district.
- Provide timely and accurate information for the community.
- Continue to improve the E-GovLink software and ensure all workflow and complaints are dealt with in a timely manner.
- Continue to enter the weedy lot liens information in WebQA.
- Continue to mow weedy properties in an efficient manner.
- Continue to assist the city with food distribution and vaccination events.
- Continue to work with the Rio Grande Valley Stormwater Taskforce towards continuing compliance with Harlingen’s TCEQ MS4 permit.
- Continue to provide the means for staff to go through proper educational training and to stay current with any certification requirements.

PERFORMANCE INDICATORS

| | ACTUAL | ESTIMATE | PROPOSED |
|--------------------------------|------------------------|------------------------|------------------------|
| | <u>FY 20-21</u> | <u>FY 21-22</u> | <u>FY 22-23</u> |
| <u>EFFECTIVENESS</u> | | | |
| Demolition Letters Processed | 16 | 10 | 25 |
| Demolition Projects/Structures | - | 10 | 10 |
| Property Clean-up Notices | 804 | 900 | 950 |
| Statements Processed | 203 | 280 | 290 |

| | | | |
|--------------------------|-----|-----|-----|
| Liens Processed | 181 | 240 | 250 |
| Property mowed | 210 | 280 | 290 |
| Junk Vehicle inspections | 220 | 350 | 400 |
| Junk Vehicle notices | 211 | 300 | 400 |
| Nuisance complaints | 340 | 400 | 550 |
| Zoning complaints | 201 | 100 | 150 |
| Written Warnings Issued | 220 | 50 | 100 |

EFFICIENCY COSTS

| | | | |
|------------------------------|---------|---------|---------|
| Demolition Letters Processed | \$13.00 | \$14.00 | \$15.00 |
| Demolition | \$50.00 | \$60.00 | \$60.00 |
| Projects/Structures | | | |
| Property Clean-up Notices | \$50.00 | \$60.00 | \$70.00 |
| Junk Vehicle Processing | \$70.00 | \$75.00 | \$80.00 |
| Nuisance complaints | \$40.00 | \$45.00 | \$50.00 |
| Zoning complaints | \$50.00 | \$60.00 | \$70.00 |
| Written Warnings Issued | \$50.00 | \$55.00 | \$60.00 |

OUTPUT

| | | | |
|--------------------|-------------|-------------|-------------|
| Property Clean-ups | \$50,000.00 | \$55,000.00 | \$65,000.00 |
|--------------------|-------------|-------------|-------------|

Building Inspections

The Building Inspections Department exists to ensure that buildings within the city limits are constructed safely and in compliance with all applicable codes and ordinances.

EXPENDITURES BY TYPE

| Name | FY2021 Actual | FY2022 Actual | FY2023 Budgeted |
|-------------------------------|------------------|------------------|------------------|
| Expense Objects | | | |
| Personnel Services | \$325,418 | \$337,522 | \$373,634 |
| Personnel Services - Benefits | \$103,283 | \$108,068 | \$162,818 |
| Supplies | \$7,780 | \$12,560 | \$12,000 |
| Srvcs and Chrgs - General | \$5,683 | \$6,560 | \$13,050 |
| Srvcs & Chrgs - Maint | \$11,101 | \$16,246 | \$16,417 |
| Srvcs & Chrgs - Misc | \$2,026 | \$1,793 | \$6,500 |
| Capital Outlay | \$0 | \$0 | \$30,000 |
| Total Expense Objects: | \$455,291 | \$482,750 | \$614,419 |

PROGRAM GOALS

- To promote and protect the health, safety and welfare of citizens by ensuring that proper procedures and codes are followed in building construction projects throughout the City;
- To provide guidance to the developmental community by administering building codes and assisting in the implementation of the zoning ordinance;
- To properly communicate with contractors and the citizens the regulations associated with the 2018 International Codes.
- To promote professional growth by providing adequate training to the employees in an effort to stay up to date with the latest issues affecting building construction.

OBJECTIVES

- Create a new job position for a senior clerk to accommodate the increase in work load due to the great increase in the processing of building permits.
- Create a new Deputy Chief Building Official position to help guide customers on how to obtain building permits, conduct inspections, and manage routing and receiving of permit documents.
- Implement the Centralsquare permitting software system that will be user-friendly in creating permits, scheduling inspections, creating invoicing and receipts, tracking plan reviews and code related cases and pursue online permitting.
- Conduct a permit fee study to determine if permit fees should be increased and/or additional fees be implemented.
- Continue to maintain a good working relationship with contractors, engineers, architects, and design professionals in achieving compliance with the recently adopted International Codes
- Continue to properly coordinate inspections and plan review procedures with the Fire Prevention, Planning and Zoning, Health, Engineering, Environmental, and Code Compliance Departments to provide exceptional customer service.
- Continue to provide the means for staff to go through proper educational training and to stay current with any certification requirements.

PERFORMANCE INDICATORS

| | <u>ACTUAL</u> <u>FY 20-21</u> | <u>ESTIMATE</u> <u>FY 21-22</u> | <u>PROPOSED</u> <u>FY 22-23</u> |
|-------------------------------|----------------------------------|------------------------------------|------------------------------------|
| <u>EFFECTIVENESS</u> | | | |
| Building Permits Sold | 5,318 | 6,000 | 5157 |
| Inspections Conducted | 9,588 | 7,800 | 8,034 |
| Customer Service Calls | 23,567 | 20,000 | 20,600 |
| Plans Reviewed | 898 | 1,020 | 1,051 |
| Reports on Permits | 334 | 130 | 134 |
| <u>OUTPUT REVENUES</u> | | | |
| Permits sold | \$613,444.50 | \$495,000.00 | \$509,850.00 |

Community Development Block Grant (CDBG)

The Community Development Division is responsible for the administration of two HUD formula grant programs: the Community Development Block Grant (CDBG) and the HOME Investment Partnerships (HOME) programs. The CDBG and HOME Programs provide the City of Harlingen with an opportunity to develop viable communities by funding activities that provide a suitable living environment, create decent affordable housing, and provide economic opportunities to/for low and moderate-income households. Funds are awarded to carry out a wide range of housing and community development activities directed towards neighborhood revitalization and the improvement of community facilities and services.

PROGRAM GOAL

The program goal for the FY 2023 Community Development Program for the City of Harlingen is to place emphasis on activities that meet Housing and Urban Development (H.U.D.) priorities and provide for a decent and viable urban environment. This goal will be accomplished by promoting standard housing, providing public services, necessary utility infrastructure and expanding economic opportunities that principally benefit people of low and moderate income.

OBJECTIVES

Community Development is funded by an annual Entitlement Grant (Community Development Block Grant (CDBG) and HOME Investment Partnership Program (HOME)) from the U.S. Department of Housing and Urban Development.

The primary objective of this division is to assist low and moderate income persons by upgrading neighborhoods with street and drainage improvements, park and recreation facilities, housing rehabilitation, and code enforcement. This department also administers the Affordable Housing Programs, including Homeownership Opportunity Programs and Homebuyer Programs. The reconstruction and new construction programs also assist in the revitalization of our existing neighborhoods.

- Document progress of infrastructure projects funded with CDBG funds (Park Improvements/Street Improvements).
- Monitor departmental expenditures of CDBG funds on a continuous basis to ensure compliance with HUD's 1.5 expenditure ratio requirement.
- Monitor Public Service Organizations receiving CDBG funds to ensure compliance with federal regulations.
- Complete a minimum of 3 housing rehabilitation and/or reconstruction projects.
- Complete annual verifications for those previously assisted with housing assistance through the CDBG and HOME program.
- Continue to provide loan services to those previously assisted with housing assistance through the CDBG and HOME programs.
- Assist a minimum of 8 first-time homebuyers with the affordable housing program.

Downtown Improvement District

Harlingen Downtown Improvement District is responsible for allocating funds received from downtown merchants and property owners to improve the quality of the downtown area, as well as attract and promote new and existing businesses to the downtown area. The Harlingen Downtown District and La Placita District were combined into one geographic area in April 2005.

Downtown Harlingen, a Public Improvement District, was established in 1989 to foster economic growth and redevelopment in Harlingen's central business district. Since the 1980s, Downtown Harlingen has gone from abandoned to more than 93% occupancy. Today there are more than 180 businesses or organizations in the 18-block downtown district, as well as families that reside in spacious upper-story lofts.

Harlingen's Downtown Revitalization Program has been a public/private partnership since its beginning. In addition to funding provided by the City, downtown property owners have voted six times to tax themselves through an annual assessment to generate revenue for improvements including landscaping, signage, promotions, and security and storefront enhancements. A twelve-member Board of Directors appointed by the Mayor and City Commission oversees the expenditure of assessment funds. The Downtown Manager, Redevelopment Specialist, and Maintenance Coordinator coordinate daily operations with other city departments, volunteers, property owners, and business managers.

Economic growth, creation of new jobs, historical preservation, and development of community pride are among the goals of the program. Downtown Harlingen is a nationally accredited Main Street Program affiliated with the Texas Historical Commission and the National Main Street Center, a subsidiary of the National Trust for Historic Preservation. Eight businesses in Downtown Harlingen have received the prestigious Texas Treasure Business Award. The Downtown District was expanded to include W. Van Buren Street from the railroad tracks to E Street in 2018.

PROGRAM GOAL

1. ***Downtown Safety Goal:*** To protect the residents, businesses, and visitors of Downtown Harlingen.
2. ***Downtown Promotion Goal:*** To promote Downtown Harlingen as a premier destination for shopping, dining, entertainment, living, and working.
3. ***Downtown Infrastructure Goal:*** To provide a downtown that is clean and well maintained.
4. ***Downtown Parking Goal:*** To provide adequate and safe parking for downtown residents, employees and visitors.
5. ***Downtown Public Goal:*** To keep the public informed of the Downtown Improvement District activities.
6. ***Downtown Historic Preservation Goal:*** Retain the older, historically valuable buildings in the and around downtown. Encourage adaptive re-use of older buildings by promoting rehabilitation and reuse of existing structures that contribute to the overall design character of downtown.

OBJECTIVES

- Strengthen the downtown's identity, image and sense of place.
- Maintain establish specific design review criteria and regulations that express the need for projects to respect and preserve the historic nature of the downtown. (Downtown Improvement District Overlay)
- Encourage cooperation between the business community and the city in the establishment of an attractive and successful downtown. Encourage individuals (merchants, owners, and business people) to contribute and maintain landscaping throughout downtown on their own property and in the public domain.
- Recognize that different parts of the downtown have special character, and develop programs to strengthen and reinforce it.

- Improve the visual and environmental quality of the downtown, with an emphasis on the pedestrian environment.
- Support entrance and façade remodeling on downtown buildings that will contribute to the pedestrian environment and the historic character of downtown.
- Encourage cooperation between the business community and the city in the establishment of an attractive, functional, meaningful and successful downtown.
- Provide cultural and recreational activities for a wide range of people.
- Provide a variety of outdoor spaces for pedestrians, particularly gathering spaces.
- Improve the opportunity for night time and weekend activities in the downtown to provide for a longer period of activity in the area.
- Strive for a socially diverse, economically thriving downtown, including a strong retail sector.
- Strengthen and diversify the downtown’s economic base by helping existing businesses grow, property owners to convert unused or underutilized buildings into productive commercial space, and downtown business people to sharpen their competitiveness and merchandising skills.
- Partner with public and private sector groups in beautification and public improvement projects.
- Bring more outdoor public art and art programs to the downtown district.

PERFORMANCE INDICATORS

| | ACTUAL | ESTIMATED | PROPOSED |
|---------------------------------------|------------------------|------------------------|------------------------|
| | <u>FY 20-21</u> | <u>FY 21-22</u> | <u>FY 22-23</u> |
| <u>Downtown Grant Programs</u> | | | |
| Sign Grants Awarded | 3 | 5 | 5 |
| Total Awarded | \$ 2,265 | \$ 2,000 | \$ 2,000 |
| Storefront Improvement Grants Awarded | 1 | 3 | 3 |
| Total Awarded | \$ 660 | \$ 2,000 | \$ 2,000 |
| Security Enhancement Grants Awarded | 1 | 3 | 3 |
| Total Awarded | \$ 1,068 | \$ 1,000 | \$ 1,000 |

Harlingen CVB

The Harlingen Convention and Visitors Bureau (CVB), better known as Visit Harlingen, is funded by hotel occupancy tax revenues. Visit Harlingen is the official marketing arm of the City. Its mission is to fuel the local business climate and broaden the local tax base by doing the following: Attracting and serving visitors as a means of bringing money into the community, generating personal income, jobs and tax revenue; marketing and ensuring Harlingen as a destination.

<https://visitharlingentexas.com/>

PROGRAM GOALS

- Continue to market Harlingen to our visitors from Northern Mexico.
- Target and attract national and international visitors to Harlingen to stay in our hotels.
- Continue to promote and market the Harlingen Half Marathon, Jalapeno 100, RGV Birding Festival, Winter Texas Appreciation Fiesta, Blues on the Hill, Margarita Fest, Concert in the Park and Freedom Fest.
- Encourage visitors to spend more money in Harlingen.
- Ensure consistent brand messaging about Harlingen.

OBJECTIVES

- Market Harlingen to increase overnight stays in our hotels.
- Gain continuous input from CVB advisory board and stakeholders on marketing of events and attractions.
- Promote events and attractions on a statewide and international level.

PUBLIC WORKS SERVICES

The Public Works Administration Division offers assistance to other City Departments and private developers. This division provides assistance to private developers and engineers to promote private developments and comply with City requirements and ordinances. Staff also reviews all subdivision requests in order to ensure proper sizing and design with city standards. The department also contracts with private firms for surveying services as needed. As well as acquire right-of-way for approved projects and responds' to citizen complaints pertaining to garbage collection accounts.

MISSION STATEMENT

Continue providing assistance to other departments, engineers and contractors in the development of public or private projects to ensure compliance with city requirements. Provide assistance to the general public in matters relating to street ROW, paving construction, lot size, etc. Handle complaints pertaining to Public Works in an expedient manner. Continue to update all accounts pertaining to collection and disposal of garbage.

PUBLIC WORKS

Oscar Garcia
Public Works Director

The Public Works Administration Division is responsible for directing the day-to-day operations of all divisions of the Public Works Department. Public Works Administration provides assistance to various city departments and private developers to promote development within the city. The Department also contracts with private engineering and architectural firms for construction services as needed. Public Works Administration staff also responds to citizen complaints related to all divisions of the Department.

EXPENDITURES BY TYPE

| Name | FY2021 Actual | FY2022 Actual | FY2023 Budgeted |
|-------------------------------|------------------|------------------|------------------|
| Expense Objects | | | |
| Personnel Services | \$129,347 | \$136,892 | \$167,066 |
| Personnel Services - Benefits | \$34,858 | \$40,592 | \$77,317 |
| Supplies | \$2,755 | \$3,201 | \$7,000 |
| Srvcs and Chrgs - General | \$5,633 | \$2,355 | \$8,968 |
| Total Expense Objects: | \$172,593 | \$183,039 | \$260,351 |

MISSION STATEMENT

Continue providing assistance to other departments, engineers and contractors in the development of public or private projects to ensure compliance with city requirements. Provide assistance to the general public in matters relating to street ROW, paving construction, lot size, etc. Handle complaints pertaining to Public Works in an expedient manner. Continue to update all accounts pertaining to collection and disposal of garbage.

PROGRAM GOAL

Continue aiding other departments to ensure compliance with city requirements. Provide assistance to the general public in matters relating to street right-of-way, roadway improvements and subdivision requirements. Handle complaints pertaining to Public Works in an expedient manner.

OBJECTIVES

- Work with the general public to address areas of concern related to the City's infrastructure
- Develop and administer all departmental budgets
- Update the Emergency Operations Manual
- Continue monitoring of performance-based benchmarks for divisions
- Direct the day-to-day operations of all Public Works Departments to ensure goals and objectives are met.
- Continue to utilize the e-gov link to improve customer service response time
- Continue to update the Public Works Website Page to insure drainage projects and mowing schedules are accurate.

PERFORMANCE INDICATORS

| | Actual | Estimated | Proposed |
|-----------------------------------|----------------|------------------|-----------------|
| | FY20-21 | FY21-22 | FY22-23 |
| Contracts maintained | 8 | 9 | 4 |
| Population Served | 65,679 | 65,679 | 65,679 |
| Cost per capita | \$2.56 | \$2.71 | \$3.81 |
| Number of Contracts maintained | 8 | 9 | 4 |

ENGINEERING

City Engineer
Luis Vargas, P. E.

The mission of the Engineering Department is to build and maintain Harlingen’s drainage and street infrastructure. In doing so, the Department manages the city’s drainage and street capital projects and ensures new infrastructure, and private development, adheres to City Code. Additional services include traffic control plan review, grant application management, coordination with internal staff and external agencies, floodplain administration, hazard mitigation planning, emergency operations command, permit review, citizen assistance and updating of City Ordinances.

EXPENDITURES BY TYPE

| Name | FY2021 Actual | FY2022 Actual | FY2023 Budgeted |
|-------------------------------|------------------|------------------|------------------|
| Expense Objects | | | |
| Personnel Services | \$297,572 | \$349,615 | \$438,345 |
| Personnel Services - Benefits | \$81,220 | \$92,184 | \$133,171 |
| Supplies | \$16,195 | \$5,170 | \$7,500 |
| Srvcs and Chrgs - General | \$36,596 | \$77,340 | \$256,943 |
| Srvcs & Chrgs - Maint | \$15,517 | \$18,132 | \$25,333 |
| Srvcs & Chrgs - Misc | \$568 | \$0 | \$35,000 |
| Capital Outlay | \$220,974 | \$86,314 | \$0 |
| Total Expense Objects: | \$668,643 | \$628,755 | \$896,292 |

PROGRAM GOAL

Protect public health, safety, and welfare through the administration of comprehensive engineering design with a focus on flood mitigation and street maintenance.

OBJECTIVES

- Identify and start construction on “shovel-ready” drainage and street projects using the General Fund
- Execute design and/or construction contracts for projects identified in the 2008 Drainage Master Plan using the General fund and/or Grants
- Identify and continue to assign drainage and street projects to the nine engineering firms approved by the City Commission using American Rescue Plan Act funds
- Incorporate a Pavement Condition Index study to identify and prioritize street projects as part of the Street Improvement Program
- Administer the 2022-2023 Street Improvement Program within
- Continue to:
 - Seek additional grant funding and opportunities through federal, state, and external partners to continue to leverage City funds for drainage and street projects
 - Provide thorough oversight and coordination for all city construction projects
 - Provide plans, construction management, and funding requests assistance for the CDBG program
 - Provide exceptional internal and external customer service
 - Aid citizens in requests for information regarding drainage, streets and traffic control devices
 - Support the Planning Department with review and approval of ordinances for conformance with the latest standards and practices
 - Support the City’s operational departments in the development of Citywide master plans
 - Update the City’s infrastructure database, which includes paved and unpaved roads and alleys, sidewalks, drainage appurtenances, inlets, and traffic control devices
 - Update the City of Harlingen Standard Details
 - Administer the City’s speed hump installation program
 - Develop maps for city projects and/or requests as necessary
 - Improve the data management structure of the department

SIGNIFICANT BUDGET AND SERVICE LEVEL CHANGES

- Addition of supplementary staff to include one (1) administrative assistant, one (1) EIT for permitting assistance, one (1) Project Control Officer and two (2) interns organizing and digitizing the City’s record drawings
- Renew survey equipment VRS subscription
- Renew AutoCAD and ArcGIS licenses
- Requisition for an A/E contract to perform PCI analysis on the existing City road network utilizing specialized mobile analysis equipment.

TRAFFIC SIGNAL MAINTENANCE

The Traffic Signal Maintenance Department oversees the daily operations of all traffic signals, school flashers, flashing beacons and street lights throughout the city. The department also collects data for traffic control studies of specific areas within the city to determine the need for traffic control improvements. Upon request, staff provides assistance to the general public with the placement of street banners within state right of way.

EXPENDITURES BY TYPE

| Name | FY2021 Actual | FY2022 Actual | FY2023 Budgeted |
|-------------------------------|------------------|------------------|------------------|
| Expense Objects | | | |
| Personnel Services | \$133,189 | \$141,122 | \$146,654 |
| Personnel Services - Benefits | \$45,449 | \$59,556 | \$65,077 |
| Supplies | \$24,972 | \$50,673 | \$31,950 |
| Srvcs and Chrgs - General | \$25,884 | \$23,764 | \$41,161 |
| Srvcs & Chrgs - Maint | \$9,238 | \$18,843 | \$28,967 |
| Capital Outlay | \$22,960 | \$0 | \$56,000 |
| Total Expense Objects: | \$261,692 | \$293,959 | \$369,809 |

PROGRAM GOALS

Maintain and improve traffic signals, school flashers, flashing beacons and street lights. Enhance traffic circulation throughout the city. Improve department efficiency by updating equipment.

OBJECTIVES

- Continue to replace worn out LED's and signal heads at traffic signal intersections throughout the city.
- Continue to maintain the proper operation of traffic signals and school solar flashers
- Continue to respond to after-hour system failures in a timely manner.
- Continue to coordinate with AEP/MVEC, the servicing and repair of the street lights throughout the city.
- Coordinate the installation of new street lights where needed throughout the city
- Continue annual inspections/repair of traffic signal poles and signal arms.
- Purchase new batteries for UPS systems at traffic signal intersections that are out of service due to old/bad batteries as needed.
- Request funding to purchase MMU's for stock.
- Request funding to purchase traffic signal controllers for stock.
- Request funding to purchase traffic signal cabinets.
- Request funding to purchase LEDs for signal heads and equipment for stock.

PERFORMANCE INDICATORS

| | <u>ACTUAL</u> <u>FY 20-21</u> | <u>ESTIMATED</u> <u>FY 21-22</u> | <u>PROPOSED</u> <u>FY 22-23</u> |
|--------------------------------------------------|----------------------------------|-------------------------------------|------------------------------------|
| Population Served | 65,679 | 65,679 | 65,679 |
| Traffic Signals Maintained | 89 | 89 | 90 |
| School Flashing Beacons Maintained | 118 | 118 | 118 |
| Banners installed/removed | 14 | 28 | 30 |
| Traffic Count Studies Performed | 54 | 40 | 45 |
| Cost per capita | \$ 0.25 | \$ 0.22 | \$ 0.20 |
| Traffic Signal/ School Flasher Maintenance Calls | 760 | 680 | 700 |
| After hour Emergency calls | 42 | 40 | 40 |
| Banners installed/removed | 14 | 28 | 30 |
| Traffic Count Studies Performed | 54 | 40 | 45 |

STREET MAINTENANCE

This division of the Public Works Department is responsible for maintaining city streets in good condition and free of surface failures. City staff performs all street and drainage work necessary to provide for the safety and convenience of the traveling public. The department is also responsible for the installation and maintenance of city street name signs, regulatory signs and pavement markings necessary to provide for good vehicle flow. This division also maintains approximately 271 miles of paved and unpaved city streets, 8 miles of open drain ditches, 82 miles of paved and unpaved city alleyways and 103 miles of sidewalks. Additional responsibilities include the construction of new sidewalks, drainage structures and responding to all weather-related emergency and catastrophic events.

EXPENDITURES BY TYPE

| Name | FY2021 Actual | FY2022 Actual | FY2023 Budgeted |
|-------------------------------|--------------------|--------------------|--------------------|
| Expense Objects | | | |
| Personnel Services | \$650,944 | \$673,504 | \$881,879 |
| Personnel Services - Benefits | \$260,949 | \$306,370 | \$433,546 |
| Supplies | \$160,674 | \$244,090 | \$298,800 |
| Srvcs and Chrgs - General | \$741,237 | \$732,825 | \$721,773 |
| Srvcs & Chrgs - Maint | \$268,942 | \$380,177 | \$283,167 |
| Srvcs & Chrgs - Misc | \$101,951 | \$84,100 | \$180,000 |
| Capital Outlay | \$5,499,167 | \$134,717 | \$0 |
| Total Expense Objects: | \$7,683,864 | \$2,555,782 | \$2,799,165 |

PERFORMANCE INDICATORS

Keep city streets and alleys in the best condition possible to a degree that will provide hazard-free travel. Continue with the City’s street improvement program to maintain city streets in acceptable condition. Keep drainage systems clear of obstacles to ensure proper drainage. Replace and install street names and regulatory signs to improve signage around the city. Provide barricade assistance to civic and non-profit organizations.

OBJECTIVES

- Maintain approximately 271 miles of paved and unpaved city streets in good condition.
- Maintain approximately 82 miles of paved and unpaved alleys in good condition
- Maintain approximately 113 miles of sidewalks in good condition
- Maintain open drain ditches clear of debris and obstructions.
- Install drainage structures necessary to correct drainage problems.
- Extend the life of city streets by patching potholes throughout the city.
- Replace damaged street name signs as needed throughout the city.
- Replace 200 regulatory signs throughout the city.
- Continue our maintenance program to mow overgrown grass and weeds along the city right-of-way.
- Repair street-cuts related to work done by HWWS.
- Continue trimming tree limbs hanging onto the city right-of-way.
- Continue our maintenance program to install approximately 10,000 linear feet of new thermo-plastic street crosswalks and directional arrows on city streets.
- Request the necessary funds to continue our pavement maintenance and crack seal more than 400,000 linear feet of asphalt.
- Re-grade over 71,000 linear feet of alleys.
- Re-grade over 27,000 linear feet of caliche roads.
- Clean and grade over 52,000 linear feet of drain and road side ditches.

PERFORMANCE INDICATORS

| Description | Actual | Estimated | Proposed |
|-----------------------------------------------|----------|-----------|----------|
| | FY20-21 | FY21-22 | FY22-23 |
| Miles of city streets maintained | 273 | 273 | 273 |
| Miles of storm drains maintained | 127 | 127 | 127 |
| Miles of open drain ditches maintained | 8 | 8 | 15 |
| Miles of alleys maintained | 105 | 105 | 105 |
| Miles of sidewalks maintained | 105 | 105 | 105 |
| Cost per mile to maintain city infrastructure | \$14,195 | \$7,353 | \$10,686 |
| No. of potholes repaired | 2,500 | 2,500 | 2,500 |
| Square yards of street cuts repaired | 21,000 | 21,000 | 21,000 |
| Linear ft. of open drain ditches cleaned | 30,000 | 30,000 | 30,000 |
| Linear ft. of concrete curb sidewalks | 3,000 | 3,000 | 3,000 |

| | | | |
|----------------------------------|--------|--------|--------|
| Linear ft. of crosswalks | 1,000 | 1,000 | 1,000 |
| Linear ft. of road striping | 26,000 | 26,000 | 26,000 |
| Linear ft. of stop bars | 700 | 700 | 700 |
| No. of regulatory signs replaced | 400 | 200 | 100 |
| No. of warnings sign replaced | 60 | 60 | 60 |
| Miles of city streets overlaid | 5 | 5 | 5 |

Street Cleaning

The Street Cleaning division of the Public Works Department is responsible for the maintenance of street sweeping and storm sewer cleaning. The department consists of three (3) street sweepers which are used for the maintenance of street sweeping 310 lane road miles. The department also has two (2) tractor-trucks which are used for cleaning/flushing over 125 miles of storm sewer lines throughout the city.

EXPENDITURES BY TYPE

| Name | FY2021 Actual | FY2022 Actual | FY2023 Budgeted |
|-------------------------------|------------------|------------------|--------------------|
| Expense Objects | | | |
| Personnel Services | \$153,234 | \$156,415 | \$277,247 |
| Personnel Services - Benefits | \$56,761 | \$62,748 | \$143,910 |
| Srvcs and Chrgs - General | \$3,877 | \$3,056 | \$6,136 |
| Srvcs & Chrgs - Maint | \$121,383 | \$108,356 | \$128,333 |
| Capital Outlay | \$269,880 | \$272,000 | \$500,000 |
| Total Expense Objects: | \$605,136 | \$602,575 | \$1,055,626 |

PROGRAM GOALS

Continue to improve our street sweeping operations through effective planning measures and use of available resources. Maintain the storm sewer systems clear of obstructions.

OBJECTIVES

- Utilize our tractor-trucks and televising equipment to help locate and clear problems within storm drainage lines
- Utilize each of the department's 3 street sweepers to clean a combined total of 315 miles of streets per week.
- Maintain the storm sewer system in good repair and free of obstructions

PERFORMANCE INDICATORS

| | <u>ACTUAL</u> <u>FY 20-21</u> | <u>ESTIMATED</u> <u>FY 21-22</u> | <u>PROPOSED</u> <u>FY 21-23</u> |
|---------------------------------------------|----------------------------------|-------------------------------------|------------------------------------|
| Miles of Roads & Alleys | 326 | 326 | 326 |
| Miles of Storm Drains | 128 | 128 | 128 |
| Cost per mile | \$1,856 | \$2,053 | \$3,842 |
| Miles of streets swept with street sweepers | 10,000 | 10,000 | 10,000 |
| Linear ft of Storm lines flushed | 300,000 | 300,000 | 300,000 |
| No. of City Blocks of ROW mowed | 85,000 | 85,000 | 85,000 |
| Truckloads of tree limbs trimmed | 525 | 525 | 525 |

Sanitation

Sanitation services are provided to the citizens from the resources collected from garbage and public landfill operations within the city limits. The Sanitation Division of the Public Works Department is responsible for the collection of garbage from all residential and commercial customers and transporting it to the City's Transfer Station. Household garbage is collected twice a week in residential areas and up to seven times per week for commercial establishments.

Expenditures by Expense Type

| Name | FY2021 Actual | FY2022 Actual | FY2023 Budgeted |
|-------------------------------|---------------------|---------------------|---------------------|
| Expense Objects | | | |
| Personnel Services | \$1,998,421 | \$1,892,367 | \$2,503,583 |
| Personnel Services - Benefits | \$643,469 | \$642,074 | \$999,825 |
| Supplies | \$239,198 | \$203,283 | \$277,200 |
| Srvcs and Chrgs - General | \$2,235,545 | \$2,295,412 | \$2,555,730 |
| Srvcs & Chrgs - Maint | \$2,408,226 | \$2,490,680 | \$2,497,000 |
| Srvcs & Chrgs - Misc | \$1,770,757 | \$1,642,139 | \$2,107,250 |
| Depreciation | \$832,749 | \$1,026,804 | \$0 |
| Capital Outlay | \$0 | \$6,440 | \$754,146 |
| Total Expense Objects: | \$10,128,365 | \$10,199,198 | \$11,694,734 |

PROGRAM GOAL

Provide refuse collection services for all our customers in a consistent and timely manner to preserve the city's public health and environment. Manage the municipal solid waste collection program through careful planning while ensuring the best quality of service for our customers.

OBJECTIVES

- Collect garbage twice a week from residential customers
- Continue to provide commercial establishments with garbage collection service up to seven times per week as requested
- Continue to maintain balanced collection routes for all areas
- Continue to provide education and training to employees when route changes are made to insure a smooth transition
- Continue to improve our ability to provide garbage collection services to our residential and commercial customers by purchasing new garbage trucks to reduce down time
- Purchase residential and commercial garbage containers to replace existing deteriorated containers
- Continue to conduct monthly safety meetings with employees to improve workplace safety.
- Build a truck wash station to help maintain Refuse, Tractor Rigs trucks and Trailers clean

Brush & Debris Collection

This division of the Public Works Department is responsible for the collection of brush and debris from our customers. All residential customers are provided monthly collection and disposal services for a maximum of one (1) truckload of brush and two (2) cubic yards of debris each month. Commercial customers can also be provided with brush & debris collection services upon request for an additional charge. The department also collects and removes illegal dumpsites from the city in cooperation with the City’s Code Compliance Department. Brush is transported to the City’s Air Curtain Incinerator for disposal.

EXPENDITURES BY TYPE

| Name | FY2021 Actual | FY2022 Actual | FY2023 Budgeted |
|-------------------------------|--------------------|--------------------|--------------------|
| Expense Objects | | | |
| Personnel Services | \$563,056 | \$494,087 | \$857,884 |
| Personnel Services - Benefits | \$192,736 | \$172,708 | \$383,669 |
| Supplies | \$64,022 | \$21,429 | \$71,700 |
| Srvcs and Chrgs - General | \$447,218 | \$445,909 | \$496,586 |
| Srvcs & Chrgs - Maint | \$500,898 | \$641,569 | \$557,000 |
| Srvcs & Chrgs - Misc | \$0 | \$4,432 | \$5,000 |
| Depreciation | \$0 | \$969 | \$0 |
| Capital Outlay | \$462,013 | \$0 | \$114,361 |
| Total Expense Objects: | \$2,229,943 | \$1,781,102 | \$2,486,200 |

PROGRAM GOAL

Strive to provide brush and debris collection services to all our customers in a consistent and timely manner to preserve the city's public health and environment. Manage the municipal solid waste collection program through careful planning while ensuring the best quality of service to our customers.

OBJECTIVES

- Continue to provide collection services for up to one (1) brush truckload of brush from residential customers every 4 to 6 weeks
- Continue to provide collection services for up to two (2) cubic yards of debris (bulky waste) from residential customers every 4 to 6 weeks
- Maintain balanced collection routes for all areas
- Continue to provide education and training to our employees to improve customer service
- Continue to provide special pick-up collection services, upon request, to all residential and commercial customers
- Continue the operation of the City's Air-Curtain Incinerator for efficient brush disposal
- Continue to maintain citizens drop-off area in good working order
- Purchase four (4) new 30 cubic yard containers for use at our drop-off center
- Purchase twelve (12) new tarps for use on city brush trucks
- Continue to hold monthly safety meetings to improve workplace safety

Landfill

This division of the Public Works Department is responsible for the operation of the City’s Solid Waste Transfer Station. All refuse generated by our residential and commercial customers, including some from surrounding communities, is delivered to the City’s Transfer Station located on E. Harrison Street where it is loaded onto transport trailers and transported to an approved landfill. The Transfer Station is operated in compliance with all Texas Commission on Environmental Quality (TCEQ) rules and regulations.

EXPENDITURES BY TYPE

| Name | FY2021 Actual | FY2022 Actual | FY2023 Budgeted |
|-------------------------------|--------------------|--------------------|--------------------|
| Expense Objects | | | |
| Personnel Services | \$430,480 | \$406,383 | \$540,625 |
| Personnel Services - Benefits | \$141,331 | \$149,362 | \$216,937 |
| Supplies | \$24,558 | \$24,326 | \$35,000 |
| Srvcs and Chrgs - General | \$311,333 | \$378,066 | \$495,357 |
| Srvcs & Chrgs - Maint | \$956,736 | \$896,126 | \$850,000 |
| Srvcs & Chrgs - Misc | \$1,675,535 | \$1,546,609 | \$1,857,250 |
| Depreciation | \$17,954 | \$142,642 | \$0 |
| Capital Outlay | \$10,913 | \$6,440 | \$324,785 |
| Total Expense Objects: | \$3,568,841 | \$3,549,954 | \$4,319,954 |

PROGRAM GOAL

To operate the Transfer Station in compliance with rules and regulations established by the Texas Commission on Environmental Quality and monitor the post closure care of the remaining closed landfill cells.

OBJECTIVES

- Continue to maintain the area on East Harrison between Loop 499 to the Industrial Park clear of debris and upkeep landscaped areas at the landfill and Transfer Station
- Continue to monitor and maintain the leachate collection system and gas monitoring wells
- Replace existing tarps for our transfer trailers to help from scattering trash along the highways to the landfill as required by Department of Transportation (DOT)
- Overlay the road leading to Transfer Station
- Purchase four (4) new 30 cubic yard containers for use at our drop-off center
- Purchase four (4) new solid tires for the trash pusher at Transfer Station
- Purchase five (4) new rubber blades for unit 463 at Transfer Station this will help not to break concrete floor at transfer station
- Continue to Operate the Transfer Station in compliance with the rules and regulations established by the Texas Commission on Environmental Quality (TCEQ)

Recycling

This division of our Public Works Department has been closed to the public since March of 2020 due to the COVID – 19 pandemic. In its place, the city has placed six (6) stand-alone self-service containers. Each container is labeled as to which recyclable commodity corresponds with the container. We continue to support our Keep Harlingen Beautiful Board (Harlingen Proud Board) whose purpose is to educate the community on the facts contributing to littering behavior, establish programs to deter littering, encourage beautification within the community and promote volunteerism to help maintain a clean and safe environment in which to live.

EXPENDITURES BY TYPE

| Name | FY2021 Actual | FY2022 Actual | FY2023 Budgeted |
|-------------------------------|------------------|-----------------|------------------|
| Expense Objects | | | |
| Personnel Services | \$47,928 | \$27,457 | \$57,773 |
| Personnel Services - Benefits | \$16,842 | \$8,399 | \$27,460 |
| Supplies | \$31,620 | \$469 | \$500 |
| Srvcs and Chrgs - General | \$5,855 | \$5,964 | \$10,731 |
| Srvcs & Chrgs - Maint | \$5,016 | \$4,746 | \$13,000 |
| Srvcs & Chrgs - Misc | \$0 | \$0 | \$150,000 |
| Total Expense Objects: | \$107,261 | \$47,036 | \$259,464 |

PROGRAM GOAL

Continue to divert solid waste to help extend the life of area landfills through conservation and recycling measures. Work with Keep Harlingen Beautiful Board to promote beautification projects throughout the city and educate citizens on the importance of maintaining a clean and healthy Harlingen to improve the quality of life and to provide excellent customer service.

OBJECTIVES

- Track market trends contributing to the sale of recyclable materials
- Coordinate volunteer groups to perform community service at the Recycling Center
- Assist Keep Harlingen Beautiful with the annual Litter Bash event(s) and other city projects
- Purchase blue 30 cubic yard containers to rotate at the recycling center
- Transport recyclable material to the City of McAllen.

PERFORMANCE INDICATORS

| | ACTUAL FY 20-21 | ESTIMATED FY 21-22 | PROPOSED FY 22-23 |
|---------------------------------------|--------------------|-----------------------|----------------------|
| EFFECTIVENESS | | | |
| Population served | 65,679 | 65,690 | 66,675 |
| EFFICIENCY | | | |
| Cost per capita | \$ 1.90 | \$ 3.51 | \$ 3.19 |
| OUTPUT | | | |
| Tons of recyclable material processed | 270 | 300 | 350 |

Internal Services

This division of the Public Works Department is responsible for administrative support, and maintaining a program to plan for future replacements and periodic maintenance of all City-owned vehicles and equipment. This department is funded primarily through charges to other departments of the City that utilize this service. This department is also responsible for registering all city vehicles with the State and acquiring exempt and non-exempt licenses.

Motor Vehicle/Warehouse Fund

This division of the Public Works Department is responsible for administrative support, and oversight of the vehicle and equipment depreciation program to plan for future replacements of all City-owned vehicles and equipment. This division is also responsible for registering all city vehicles with the State and acquiring all exempt, non-exempt and alias license plates.

EXPENDITURES BY TYPE

| Name | FY2021 Actual | FY2022 Actual | FY2023 Budgeted |
|-------------------------------|--------------------|--------------------|--------------------|
| Expense Objects | | | |
| Personnel Services | \$295,481 | \$282,737 | \$348,974 |
| Personnel Services - Benefits | \$80,946 | \$109,130 | \$146,395 |
| Supplies | \$1,676,087 | \$1,988,016 | \$1,787,550 |
| Srvcs and Chrgs - General | \$46,853 | \$96,353 | \$94,097 |
| Srvcs & Chrgs - Maint | \$30,404 | \$46,526 | \$54,000 |
| Srvcs & Chrgs - Misc | \$1,010 | \$850 | \$6,250 |
| Depreciation | \$998,991 | \$912,646 | \$0 |
| Capital Outlay | \$0 | \$0 | \$927,228 |
| Total Expense Objects: | \$3,129,773 | \$3,436,259 | \$3,364,494 |

PROGRAM GOAL

Plan and project costs for future replacement of all city-owned vehicles and equipment. Inform City departments of budgetary requirements for future replacement costs.

OBJECTIVES

- Continue to update vehicle depreciation list
- Continue to plan for future replacement of all city-owned vehicles and equipment
- Continue to register city vehicles and renew exempt license plates
- Continue to process all license plate transfers for all auctioned vehicles and equipment

PERFORMANCE INDICATORS

| | <u>ACTUAL</u> <u>FY 20-21</u> | <u>ESTIMATED</u> <u>FY 21-22</u> | <u>PROPOSED</u> <u>FY 22-23</u> |
|--------------------------------------------------|----------------------------------|-------------------------------------|------------------------------------|
| <u>EFFECTIVENESS</u> | | | |
| Vehicles maintained in database | 515 | 550 | 570 |
| License plates processed | 300 | 300 | 300 |
| Vehicle acquisitions processed | 26 | 30 | 25 |
| Vehicles/Equipment processed for auction | 29 | 35 | 30 |
| <u>EFFICIENCY</u> | | | |
| Admin cost per vehicle/equip | \$ 2,558.00 | \$ 1526.00 | \$ 2738.00 |
| <u>OUTPUT</u> | | | |
| No. of vehicles/ equipment purchased | 26 | 32 | 20 |
| No. of license plates processed | 300 | 300 | 300 |
| No. of vehicles/ equipment processed for auction | 29 | 35 | 30 |

Fleet Maintenance

The Fleet Maintenance division of the Public Works Department is responsible for the maintenance of all City vehicles and equipment. Vehicle and Equipment repairs are coordinated and handle by this division at a cost savings to the City while minimizing downtime. Preventive maintenance is an important activity of this division. Regular repairs (oil changes, tune-ups, etc.) are scheduled to keep vehicles and equipment running efficiently. Equipment in good condition reduces downtime and increases productivity. This division provides maintenance and repairs to over 250 vehicles and heavy equipment, such as front-end loaders, packers, and street sweepers.

EXPENDITURES BY TYPE

| Name | FY2021 Actual | FY2022 Actual | FY2023 Budgeted |
|-------------------------------|------------------|------------------|------------------|
| Expense Objects | | | |
| Personnel Services | \$156,531 | \$168,563 | \$212,712 |
| Personnel Services - Benefits | \$52,645 | \$64,350 | \$78,252 |
| Supplies | \$15,164 | \$11,998 | \$8,500 |
| Srvcs and Chrgs - General | \$38,296 | \$39,511 | \$47,005 |
| Srvcs & Chrgs - Maint | \$6,364 | \$20,773 | \$33,200 |
| Srvcs & Chrgs - Misc | \$760 | \$600 | \$6,000 |
| Capital Outlay | \$0 | \$3,804 | \$6,000 |
| Total Expense Objects: | \$269,761 | \$309,598 | \$391,669 |

PROGRAM GOAL

Minimize repairs performed by outside vendors. Provide efficient and responsive service for all of our customers. Continue to promote our preventative maintenance program. Maintain city vehicles and equipment in operating condition.

OBJECTIVES

- Maintain up-to-date information on all vehicle and equipment repairs
- Continue utilizing the new fleet maintenance software to improve productivity and maintain accurate records on maintenance repairs
- Inform departments of required preventative service needs
- Improve turnaround time by maintaining well trained mechanics on staff
- Track department productivity
- Provide training opportunities to our in-house mechanics to stay up-to-date with the latest vehicle and equipment technology.
- Continue providing training for new employees to repair heavy duty vehicles
- Maintain up-to-date with latest scanner software and shop equipment / tools
- Reduce the amount of work that is outsourced by 15%

PUBLIC SERVICES

Public Services are various services available to the public and citizens of Harlingen. Ranging from parks, pools and recreation, to use of facilities and programs offered at the public library, the municipal auditorium, the arts and heritage museum and the municipal golf course. There are also health services, including vital statistics, animal control and environmental health. The city has a wide range of rooms and buildings available for its citizens to rent for private events.

PARKS AND RECREATION



Javier Mendez
Dir. of Parks and Recreation

The Parks and Recreation Administration staff provides supervision and guidance to include short and long-range planning and budgeting services for the City's Parks, Cemetery, Swimming Pools, Tennis Courts, Harlingen Field, and Recreation. The Parks Department oversees the maintenance and operation of Twenty-Four (24) city parks and recreation facilities on approximately 563 acres of park and recreational facilities. The administration is fiscally responsible for ten (10) divisions and approximately 2.9 million dollars, plus any grant projects. In addition, the administration actively seeks and prepares grant applications to prospective granting entities. Staff also provides support to the Parks and Recreation Advisory Board, Harlingen Proud/Keep Harlingen Beautiful, Harlingen Community Improvement Corporation (4B), Tony Butler Golf Course, Convention and Visitor Bureau and the City Commission.

EXPENDITURES BY TYPE

| Name | FY2021 Actual | FY2022 Actual | FY2023 Budgeted |
|-------------------------------|------------------|------------------|------------------|
| Expense Objects | | | |
| Personnel Services | \$181,595 | \$196,972 | \$201,980 |
| Personnel Services - Benefits | \$47,688 | \$53,828 | \$70,997 |
| Supplies | \$1,723 | \$2,736 | \$4,300 |
| Srvcs and Chrgs - General | \$1,308 | \$1,849 | \$6,467 |
| Srvcs & Chrgs - Maint | \$206 | \$0 | \$0 |
| Srvcs & Chrgs - Misc | \$0 | \$0 | \$500 |
| Total Expense Objects: | \$232,520 | \$255,385 | \$284,244 |

PROGRAM GOAL

Continuously plan and promote short (0-2 years), intermediate (3-5 years), and long term (5+ years) goals to improve the parks and recreation system and increase the quality of life opportunities for the community. This includes quality of life and inclusivity opportunities for special-needs families.

OBJECTIVES

- With the assistance of the Parks and Recreation Advisory Board, update the Parks and Recreation Needs Assessment and Park Master Plan.
- Pursue CDBG Grant funding for lighting the 3rd sports field at Vestal Park, adding a Public Restroom at Victor Park, and improvements to C.B. Wood.
- Continue to seek funding for projects identified in the City's 2010 Trail Master Plan.
- Continue to staff and promote approximately 25 community events sponsored and/or co-sponsored by the City.
- Provide contract compliance related to facility agreements between the City and various youth/adult sports leagues for the use of City-owned facilities.
- Provide staff support to the Parks and Recreation Advisory Board Meetings, Mayor's Wellness Council, and Convention and Visitors Bureau.
- Pursue funding for the trail extension construction from McKelvey Park back to Hugh Ramsey Nature Park, and the Kayak Launch facility.
- Actively apply for grants to TPWD, TxGLO, TxDOT, CDBG and VBLF.
- Complete phase two of the Destination Park at Lon C. Hill Park.
- Pursue funding source to improve C.B. Woods with additional parking, pavilion, and restrooms.
- Continue to pursue funding sources to construct an Education and Welcome Center at Hugh Ramsey Nature Park.
- Pursue funding to construct retaining walls for the lakes at Pendleton Park, Wilson Sports Complex and Harlingen Soccer Complex.
- Implement a replacement plan to replace outdated and unsafe equipment, including mowers, bleachers, trucks, tractors, and backhoes.

SIGNIFICANT BUDGET AND SERVICE LEVEL CHANGES

Continue to pursue additional Capital Outlay funding for park improvements, additional parking, and the replacement of playgrounds and construction equipment.

PERFORMANCE INDICATORS

| | <u>ACTUAL</u> <u>FY 20-21</u> | <u>ESTIMATED</u> <u>FY 21-22</u> | <u>PROPOSED</u> <u>FY 22-23</u> |
|------------------------------|----------------------------------|-------------------------------------|------------------------------------|
| Park Sites | 24 | 24 | 24 |
| Park Acreage | 612.25 | 612.25 | 612.25 |
| Public Building Sites | 15 | 15 | 15 |
| Cemeteries | 1 | 1 | 1 |
| Baseball and Softball Fields | 30 | 30 | 30 |
| Soccer and Football Fields | 18 | 18 | 18 |

| | | | |
|------------------------------------|-----------|-----------|-----------|
| Annual O&M cost per acre | \$ 415.65 | \$ 466.69 | \$ 474.30 |
| Pavilion Rentals | 270 | 540 | 616 |
| Sports fields prepared for play | 2000 | 4,000 | 4,000 |
| Parks cleaned | 24 | 24 | 24 |
| Parks mowed and trimmed | 24 | 24 | 24 |
| Public buildings mowed and trimmed | 16 | 16 | 16 |
| Special events supported by staff | 15 | 25 | 25 |

Parks

The Park's Department is responsible for the maintenance and upkeep of Twenty-Four (24) City's Parks and Recreation facilities. Included in the park inventory are approximately 563 acres of park and recreational facilities. The department also maintains public building grounds including City Hall, RGV Museum, City Cemetery, City Recycling Center, the EOC, the Police Department, the I69 interchange, and the City Library. The department's main focus is to provide the highest quality of recreational facilities and services for our citizens. These include but are not limited to park shelters, playground facilities, trails, parking, tennis courts, sports fields, exercise stations, park pavilions, disc golf course, irrigation systems and aquatic facilities.

EXPENDITURES BY TYPE

| Name | FY2021 Actual | FY2022 Actual | FY2023 Budgeted |
|-------------------------------|--------------------|--------------------|--------------------|
| Expense Objects | | | |
| Personnel Services | \$762,297 | \$805,757 | \$899,575 |
| Personnel Services - Benefits | \$244,667 | \$315,758 | \$369,989 |
| Supplies | \$273,118 | \$361,163 | \$321,000 |
| Srvcs and Chrgs - General | \$398,048 | \$433,958 | \$549,326 |
| Srvcs & Chrgs - Maint | \$141,668 | \$172,661 | \$152,333 |
| Srvcs & Chrgs - Misc | \$13,403 | \$16,685 | \$11,000 |
| Capital Outlay | \$71,459 | \$92,621 | \$0 |
| Total Expense Objects: | \$1,904,661 | \$2,198,603 | \$2,303,223 |

PROGRAM GOAL

To continue to maintain existing parks and recreation facilities and services through increasing the inventory of trails, maintenance and park improvements; the development of parks and facilities that are spatially balanced and meet the needs of diverse interests; to provide continuous management and coordination to ensure that parks and recreation facilities contribute to an improved quality of life for residents.

OBJECTIVES

- Continue to proactively maintain the City's parks and recreation system by identifying and completing both routine maintenance repairs and special projects; prioritize and implement the parks and recreation's needs assessment plan and 2016 Parks and Recreation Master Plan.
- Continue to support and promote approximately 25 community events sponsored and/or co-sponsored by the City.
- Replenish engineered wood fiber material in all playgrounds as needed.
- Improve walking trails and increase irrigation to the back of Hugh Ramsey Nature Park.
- Construct a large gazebo with bar b que pit area and restroom at C. B. Wood Park.
- Construct storage buildings in parks where metal storage containers were removed.
- Install a retaining wall along the trail at McKelvey Park close to the small pavilion for erosion control and for event seating
- Add Outdoor Exercise Equipment to C.B. Wood and Bonham Park.
- Landscape at least 3 sites with new landscape material or improving existing sites.
- Complete the renovation of the walking trail at the sports complex.
- Improve the walking trail at the soccer complex in phases with new curbs and decomposed granite.
- Purchase and install shade shelters over the exercise equipment at McKelvey and Pendleton Park.
- Install fencing around Hunter Park Playground.
- Replace old wooden bleachers with aluminum bleachers throughout the parks.
- Purchase and install new Christmas ornaments at Destination Park.
- Add electrical outlets to the trees and open space areas for Christmas lighting at Lon C. Hill Destination Park.
- Construct retaining structures for the lakes/ponds at the Soccer Complex, Sports Complex & Pendleton Park.
- Replace wood park sign in at least one park.
- Pursue funding to replace the playground at Victor Park next to Victor Park Pool.
- Install fencing around Vestal Park.
- Install fencing around athletic fields at Victor Park.
- Purchase and install new soccer goals for the Harlingen Soccer Complex.
- Pursue funding to replace the parking lot light poles at the Harlingen Soccer Complex.
- Purchase and install new benches with shades along walking trails as needed.
- Install fencing around Hunter Park.
- Install sports lighting at Soccer Complex for fields 3 & 4 and improve field conditions.
- Replace BBQ pits at Parks Pavilion rentals. (Victor, Dixieland, Rangerville, Sports Complex)
- Widen and resurface the trail on City Lake.
- Repair fencing and resurface the basketball court at the Sports Complex.

- Purchase a new mobile restroom for special events.
- Purchase a new Mobile Stage for city events.
- Increase staff to handle additional ground maintenance areas including the EOC, Public Works and Police Department.

SIGNIFICANT BUDGET AND SERVICE LEVEL CHANGES

Increase accounts to achieve the objectives for FY 2023

- Hire a consultant to update the City's 2016 Parks Master Plan.
- Replenish engineered wood fiber material for playgrounds.
- Purchase material to install a retaining wall at McKelvey Park.
- Purchase materials to complete the walking trail at the Sports Complex and to begin the walking trail at the Soccer Complex.
- Contract the installation of fencing in front of Hunter Park.
- Replace old wood bleachers with aluminum bleachers for parks.
- Purchase additional Christmas Ornaments for Lon C. Hill Park.
- Purchase material for the construction of a retaining wall for the lakes at either the Soccer Complex, the Sports Complex, or Pendleton Park.
- Replace the playground at Victor Park next to the swimming pool.
- Contract the widening and resurfacing of the trail at City Lake.

Recreation

The Recreation Division's provides a diversified year-round recreation and leisure activities program consisting of a variety of activities for the citizens of Harlingen.

EXPENDITURES BY TYPE

| Name | FY2021 Actual | FY2022 Actual | FY2023 Budgeted |
|-------------------------------|------------------|------------------|------------------|
| Expense Objects | | | |
| Personnel Services | \$113,688 | \$145,876 | \$170,723 |
| Personnel Services - Benefits | \$22,543 | \$33,589 | \$33,702 |
| Supplies | \$38,286 | \$39,578 | \$49,200 |
| Srvcs and Chrgs - General | \$66,288 | \$112,417 | \$99,616 |
| Srvcs & Chrgs - Maint | \$0 | \$1,997 | \$0 |
| Srvcs & Chrgs - Misc | \$130,982 | \$132,178 | \$145,757 |
| Total Expense Objects: | \$371,786 | \$465,635 | \$498,998 |

PROGRAM GOAL

Provide the community with various adult and youth recreation activities to promote health and wellness, and provide numerous community leisure and entertainment events that create a sense of place, strengthen safety and security for our residents, as well as promote sports and entertainment tourism. Working with youth leagues and scheduling the use of city-owned fields and contract compliance.

OBJECTIVES

- Continue to improve upon and expand the City’s summer recreational programs, including Summer Playground’s full-day programs, track and field, and swim team.
- Continue to promote the city programs through social media, newspapers and other media sources.
- Expand the categories of recreational programs that currently exist.
- Expand on city recreation events such as the Easter Egg Hunt, Movies in the Park, Halloween on Jackson, VIVA Streets, Cinco de Mayo, Diez y Seis de Septiembre and Annual Health Fair.
- Continue to facilitate the expansion of the seasonal adult softball leagues.
- Pursue the creation of a city-run COED adult kickball league and an adult flag football league.
- Create a 35-year and older city basketball league and expand the City’s 7 on 7 program.
- Pursue the implementation of a Summer Special Needs summer program together with HCISD.
- Continue to assure contract compliance with youth leagues.
- Pursue the possibility of a city recreation center.
- Add a track coach position to the summer track program to be able to increase the number of participants.

SIGNIFICANT BUDGET AND SERVICE LEVEL CHANGES

Continue attempting to adjust line items to increase seasonal position hours.

PERFORMANCE INDICATORS

| | ACTUAL | ESTIMATED | PROPOSED |
|-------------------------------------------|------------------------|------------------------|------------------------|
| | <u>FY 20-21</u> | <u>FY 21-22</u> | <u>FY 22-23</u> |
| Adult Sports Leagues | 4 | 4 | 4 |
| Youth Sports Activities | 2 | 4 | 4 |
| Community Recreation Classes | 20 | 41 | 41 |
| Support Special Events | 20 | 40 | 40 |
| Recreation annual cost per resident | \$7.25 | \$6.57 | \$6.68 |
| Adult sports league teams | 225 | 225 | 225 |
| Community recreation program participants | 1,000 | 3,000 | 3,000 |
| "Blues On The Hill" attendees annually | 0 | 15,000 | 15,000 |

Swimming Pools

The Swimming Pool Division provides for the operation and maintenance of the City's four (4) seasonal outdoor aquatics facilities: Lon C. Hill Pool, the Splash Pad at Lon C. Hill Park, Victor Pool, and Pendleton Pool. In addition to public swimming, the aquatic division provides swimming lessons, lifeguard training, and accommodates the Harlingen Aquatic Team, contracted Water Aerobic services, Learn to Swim Lessons and party rentals.

Expenditures by Expense Type

| Name | FY2021 Actual | FY2022 Actual | FY2023 Budgeted |
|-------------------------------|------------------|------------------|------------------|
| Expense Objects | | | |
| Personnel Services | \$130,055 | \$131,315 | \$325,863 |
| Personnel Services - Benefits | \$19,302 | \$22,866 | \$34,487 |
| Supplies | \$42,095 | \$54,449 | \$52,250 |
| Srvcs and Chrgs - General | \$63,673 | \$62,773 | \$80,270 |
| Srvcs & Chrgs - Maint | \$6,248 | \$5,903 | \$31,500 |
| Capital Outlay | \$10,940 | \$23,800 | \$0 |
| Total Expense Objects: | \$272,313 | \$301,106 | \$524,370 |

PROGRAM GOALS

Provide a safe and well-maintained environment in which families, adults and groups can enjoy seasonal aquatic programs; emphasize and promote the facilities and their availability to local businesses and groups; develop and promote learning to swim for youth and adults and provide a full range of family-oriented activities.

OBJECTIVES

- Continue to promote aquatic safety amongst our community through the city’s learn to swim programs for youth and adults.
- Continue to fine-tune off-season maintenance plan to reduce pre-season staff and maintenance costs.
- Expand our aquatic exercise program to involve a larger audience.
- Expand the season for Victor Pool for lap swimming, general admission and/or for Triathlon training.
- Pursue other services such as adults learning to swim and triathlon training.
- Construct two new shade structures at Victor Park Pool for possible party rental.
- Maximize pool facilities during hours of operation to include public swimming, swim lessons, water aerobics, and lap swimming.
- Seek funding to replace the metal roof and repair the anchor bolts on the structural beams at Pendleton Pool.
- Investigate the possibility of installing a mechanical ventilation system for the pool building at Pendleton Pool.
- Increases staffing to allow for City run competitive swim training, maintenance of pools and Splash pad, and open up pools on the weekend.
- Relocate all the splash pad equipment in the pump room closer to the reservoir tank and construct a roof over it.
- Remove grass within the fenced area of the splash pad area and replace it with concrete.
- Construct an ADA ramp at Lon C. Hill.
- Replace Splash Pad components.

SIGNIFICANT BUDGET AND SERVICE LEVEL CHANGES

Increase the line item accounts to provide the improvements noted in the objectives for this fiscal year and to operate Victor Pool longer during the season.

PERFORMANCE INDICATORS

| | ACTUAL | ESTIMATED | PROPOSED |
|------------------------------------|------------------------|------------------------|------------------------|
| | <u>FY 20-21</u> | <u>FY 21-22</u> | <u>FY 22-23</u> |
| Facilities Operated | 4 | 4 | 4 |
| Learn to swim sessions held | 0 | 0 | 8 |
| Number of learn to swim classes | 0 | 0 | 32 |
| Annual cost per resident for pools | \$6.40 | \$6.00 | \$5.87 |
| Public swimming admissions | \$8,151.00 | \$22,000.00 | \$48,000.00 |

Public Buildings

The Public Buildings Department is responsible for the maintenance of all city-owned buildings. Utilizing a work order program, the department develops action plans to address potential equipment failures and deficiencies. Labor and technical assistance is provided to organizations and other city departments for special events/functions. Custodial and attendant services are also provided to customers renting city buildings for private and/or public functions. Other responsibilities include custodial services for city buildings, construction repair projects, plumbing installation and repairs, electrical installation and repairs, computer line installation and remodeling of city buildings. The department also assists customers with the rental of city-owned buildings for public and/or private functions.

Expenditures by Expense Type

| Name | FY2021 Actual | FY2022 Actual | FY2023 Budgeted |
|-------------------------------|--------------------|--------------------|--------------------|
| Expense Objects | | | |
| Personnel Services | \$528,604 | \$515,018 | \$604,214 |
| Personnel Services - Benefits | \$202,921 | \$220,937 | \$269,360 |
| Supplies | \$37,243 | \$40,817 | \$57,500 |
| Srvcs and Chrgs - General | \$520,936 | \$108,849 | \$151,223 |
| Srvcs & Chrgs - Maint | \$558,937 | \$552,389 | \$603,667 |
| Srvcs & Chrgs - Misc | \$26,063 | \$54,317 | \$76,460 |
| Capital Outlay | \$157,250 | \$285,276 | \$0 |
| Total Expense Objects: | \$2,031,955 | \$1,777,604 | \$1,762,424 |

PROGRAM GOALS

Maintain city-owned buildings in acceptable and safe operating condition. Continue utilizing the department's work order system. Improve the response time to address all priority maintenance requests and concerns. Improving the energy envelope for city-owned buildings and implementing energy reduction ideas. Maintain buildings in a clean and sanitized condition. Provide prompt and courteous service to all customers interested in renting a City-owned building for a public and/or private event/function.

OBJECTIVES

- Provide technical assistance and services to all departments.
- Provide technical & labor services for the Feast of Sharing, Birding Festival, Arroyo Christmas Lighting, Cultural Arts Christmas Lighting Ceremony, Mayor's Prayer Breakfast, etc.
- Provide assistance to various City Departments with sound systems and facilities set up.
- Provide custodial and attendant services for all private and public functions held at city-owned facilities.
- Replace A/C chiller at the Casa De Amistad building
- Redo concrete driveway on the side entrance to Casa Del Sol.
- Purchase new glass doors at Casa Del Sol.
- Replace all ceiling tiles and ceiling lights at the City Public Library.
- Construct a temperature-controlled room for all city records at the PW Complex.
- Hire engineers to prepare plans to install service doors on the second floor roof of City Hall.
- Repair foam roof on Casa Del Sol with uniflex.
- Hire a contractor to level and repair the foundation on the Historical Hospital at the museum.
- Hire a contractor to level and repair the foundation on the Historical Paso Real Hotel at the museum.
- Hire a contractor to repair the stucco and paint the exterior walls for the Police Department.
- Paint the interior walls in the administration offices on the first floor of the Police Department.
- Replace the metal framed doors in the City Commission Chambers with wood frame doors.
- Construct two entrance canopies at the rear and side entrance to the Harlingen Police Department.
- Replace five public building technician's and custodial worker's vehicles.
- Hire additional part-time custodial staff to maintain the Public Works complex (Wednesday-Sunday Evenings).
- Replace the roof on the old police department building on Commerce Street.
- Install the City's Mission Statement and Vision Statement on the walls of the City Commission Chambers.

SIGNIFICANT BUDGET AND SERVICE LEVEL CHANGES

Increase accounts in order to complete projects being requested as part of the Goals and Objectives for FY 2023:

- Replacing Air Condition Chiller for the Casa De Amistad.
- The replacement of the glass doors at the Casa Del Sol.
- Construct a temperature-controlled records room at the Public Works complex.
- The replacement roof on the Casa Del Sol building.
- Repair historical buildings at the museum.

- Repaint the exterior walls at the Harlingen Police Department.
- Construct two canopies over the rear and side entrance to the Harlingen Police Department.
- The replacement for vehicles used by the technicians and custodial staff.
- Hire an additional part time worker to assist with the custodial work at the Public Works complex, due to the reduction of hours allowed to work.
- Replace the roof at the old police department building on Commerce Street.

PERFORMANCE INDICATORS

| | ACTUAL | ESTIMATED | PROPOSED |
|-------------------------------------------|------------------------|------------------------|------------------------|
| | <u>FY 20-21</u> | <u>FY 21-22</u> | <u>FY 22-23</u> |
| Work Orders Completed | 1,600 | 1,400 | 1,800 |
| Events | 220 | 600 | 650 |
| Total building sq. ft. maintained | 527,277 | 527,277 | 527,277 |
| Cost per square ft. to maintain bldgs. | \$3.29 | \$3.00 | \$3.00 |
| Work order man-hours | 6,400 | 5,600 | 7,200 |
| Event man-hours | 1,100 | 2,500 | 2,875 |
| Enterprise Fund Reimbursements | \$32,857 | \$45,000 | \$45,000 |
| Revenue from Bldg. Rentals | \$72,332 | \$100,000 | \$175,000 |
| Lease Agreement revenue | \$51,878 | \$51,878 | \$51,878 |

Library



Dauna Campbell
Library Director

The Harlingen Public Library is a dynamic organization that serves Harlingen, Texas. The residents in and around the City of Harlingen are the primary beneficiaries of a comprehensive customer-focused service delivery strategy. The Harlingen Public Library links people to the world, through a broadly defined platform of educational, recreational and cultural programs and services for persons of all ages, ethnicities, and life stages throughout Greater Harlingen and the surrounding region.

EXPENDITURES BY TYPE

Supplies charged reflects a 10.6% increase, in reference to last year's expense. FY2021 Budget was \$182,500 vs FY 2022 \$201,800.

| Name | FY2021 Actual | FY2022 Actual | FY2023 Budgeted |
|-------------------------------|--------------------|--------------------|--------------------|
| Expense Objects | | | |
| Personnel Services | \$678,448 | \$697,150 | \$746,875 |
| Personnel Services - Benefits | \$194,631 | \$217,621 | \$249,006 |
| Supplies | \$185,628 | \$194,710 | \$226,650 |
| Srvcs and Chrgs - General | \$83,121 | \$89,254 | \$132,505 |
| Srvcs & Chrgs - Maint | \$15,811 | \$40,591 | \$31,517 |
| Srvcs & Chrgs - Misc | \$3,611 | \$12,837 | \$16,300 |
| Capital Outlay | \$666 | \$0 | \$12,500 |
| Total Expense Objects: | \$1,161,915 | \$1,252,163 | \$1,415,353 |

PROGRAM GOAL

The Harlingen Public Library is a dynamic organization that serves Harlingen, Texas. The residents in and around the City of Harlingen are the primary beneficiaries of a comprehensive customer-focused service delivery strategy.

The Harlingen Public Library links people to the world, through a broadly defined platform of educational, recreational and cultural programs and services for persons of all ages, ethnicities, and life stages throughout Greater Harlingen and the surrounding region.

OBJECTIVES

- **Technology Access and Instruction** – Harlingen Public Library endeavors to provide up-to-date and innovative technology and training to our community. We strive to ensure we have ample technological infrastructure to meet the evolving needs of our community. We will replace outdated public computers and add new online resources. We will continue to expand our digital resources to meet the demands of our community.
- **Environment-** Harlingen Public Library strives to create a warm, inviting, and safe atmosphere for all. We will continue the refreshing and renovation of the library facility.
- **Youth Engagement** – Supporting families and early childhood education through programming, interactive equipment, and family education workshops. Supporting youth with programs and services including summer learning, outreach to schools, and expanded teen services with emphasis on access to technology, media literacy, and other STEM topics.
- **Adult Services-** Harlingen Public Library will continue to provide a variety of educational, cultural, and artistic adult programs to enhance the lives of our community members.
- **Community Partnerships and Outreach** – The Harlingen Public Library will develop new partnerships and expand existing relationships to leverage the Harlingen Public Library’s resources to strengthen the services and programs offered and help the Library reach a larger audience.
- **Organizational Excellence** – Harlingen Public Library’s staff is the key to our success. By fostering a culture of learning, we will have a well-trained and educated organization. We will enhance the knowledge of job duties for all employees.
- **Workforce Development** – Harlingen Public Library customers will have access to education, training and resources dedicated to providing them with the skills and knowledge to acquire employment, succeed in the workplace, and explore small business and entrepreneurial opportunities.

PERFORMANCE INDICATORS

| | ACTUAL FY 20-21 | ESTIMATED FY 21-22 | PROPOSED 22-23 |
|------------------------------------------|--------------------|-----------------------|-------------------|
| EFFECTIVENESS | | | |
| Number of physical materials checked out | 85,483 | 99,182 | 112,000 |
| Number of digital materials checked out | 24,735 | 26,500 | 28,000 |
| Number of items purchased | 5,203 | 5,650 | 58,000 |
| Registered Users | 50,511 | 47,400 | 49,000 |

| | | | |
|--------------------------|--------|--------|--------|
| Library Visitors | 59,874 | 76,105 | 85,000 |
| Library Computer Use | 13,787 | 27,500 | 38,000 |
| Number of Youth Programs | 234 | 268 | 270 |
| Youth Program Attendance | 1,435 | 3,505 | 4,000 |
| Number of Adult Programs | 140 | 143 | 150 |
| Adult Program Attendance | 1,466 | 3,063 | 3,128 |

Vital Statistics

Staffed by one (1) Local Registrar and three (3) Deputy Registrars under the direction of the Environmental Health Director, the Vital Statistics Department is entrusted with daily reviewing & recording birth, death, and fetal death certificates. These records are submitted by hospitals, midwives, home births, funeral directors, one medical examiner & several Justices Of The Peace. The department also archives legal name changes, paternity forms, adoption records, amendments & corrections on birth & death certificates sent in from the State Registrar. Day to day, the department issues certified copies of birth and death certificates to the general public, death certificates & Burial Transit Permits to the funeral directors. In addition, our department also maintains a daily account of monies collected for certificates issued; they prepare a monthly report of birth & death records for the State Registrar; a quarterly sales report for the State Comptroller’s office & a death abstract report for the Secretary of State, the Cameron County Voters Registration office and the Cameron County Appraisal District. All staff members are certified annually by the Office of the Attorney General to process Acknowledgment of Paternity Forms and establish paternity and secure benefits for children born out of wedlock.

EXPENDITURES BY TYPE

| Name | FY2021 Actual | FY2022 Actual | FY2023 Budgeted |
|-------------------------------|------------------|------------------|------------------|
| Expense Objects | | | |
| Personnel Services | \$96,496 | \$83,478 | \$93,587 |
| Personnel Services - Benefits | \$30,919 | \$35,327 | \$50,931 |
| Supplies | \$23,573 | \$21,107 | \$17,500 |
| Srvcs and Chrgs - General | \$3,804 | \$3,269 | \$6,309 |
| Srvcs & Chrgs - Maint | \$3,752 | \$3,924 | \$5,500 |
| Srvcs & Chrgs - Misc | \$1,492 | \$979 | \$3,500 |
| Total Expense Objects: | \$160,035 | \$148,084 | \$177,327 |

PROGRAM GOAL

Provide excellent customer service that is timely, accurate and professional.

OBJECTIVES

- Maintain staff informed and educated on revised policies and new directives issued by the Texas Department of Health & Human Services Vital Statistics Unit.
- Assist hospitals, birthing centers, funeral directors, medical examiner & Justice of the Peace with updated information on how to properly prepare and complete certificates for filing as required by the Texas Department of State Health Services Vital Statistics Unit.
- Continue digitalizing records from prior years in order to achieve a paperless office.
- Submit error free birth, death and fetal records to the State Office in a timely and accurate manner.
- Complete all necessary requirements to continue to be awarded the “5 Star Exemplary Award” by the Texas Department of State Health Services Vital Statistics Unit.
- To convert all microfiche records into digital format to comply with state requirements.

PERFORMANCE INDICATORS

| | ACTUAL <u>FY 20-21</u> | ESTIMATED <u>FY 21-22</u> | PROPOSED <u>FY 22-23</u> |
|-------------------------------------|---------------------------|------------------------------|-----------------------------|
| <u>EFFECTIVENESS</u> | | | |
| Birth Certificates Recorded | 2,541 | 2,430 | 2,450 |
| Death Certificates Recorded | 1,824 | 1,854 | 1,800 |
| Burial Transit Permits Recorded | 550 | 600 | 600 |
| <u>OUTPUT</u> | | | |
| Birth Certificates Issued | 8,641 | 7,994 | 8,000 |
| Death Certificates @ \$4 issued | 6,212 | 7,257 | 7,300 |
| Death Certificates @ \$21 Issued | 547 | 518 | 550 |
| Burial Transit Permits Issued | 609 | 581 | 600 |
| <u>EFFICIENCY</u> | | | |
| Revenue from Birth Certificates | \$180,090 | \$183,800 | \$184,000 |
| Revenue from Death Certificates | \$32,030 | \$39,900 | \$40,000 |
| Revenue from Burial Transit Permits | \$5,440 | 6,500 | 7,000 |

* The figure shown is been estimated due to State BVS filing of records based on calendar year period.

ENVIRONMENTAL HEALTH DEPARTMENT

Shannon Harvill
Interim Environmental Health Dir.

The City of Harlingen Environmental Health Department is under the direction of the Environmental Health Director and is staffed by one Environmental Health Manager, one Senior Health Inspector, two Health Inspectors and one Executive Secretary. The Environmental Health Department promotes safe food handling practices through education and enforcement of the City’s adopted Texas Food Establishment Rules (TFER) that require monitoring of all eating and drinking establishments through on-site inspections. Emphasis on educating restaurant owners/managers and employees on the importance of proper food safety practices. Additionally, the Environmental Health Department investigates reported food-borne illnesses and unsanitary conditions received from the general public. Furthermore, the department has obtained a grant from the Department of State Health Services to improve and enhance our mosquito surveillance and prevention program. The department will continue to larvicide and adulticide for vector control by utilizing (ULV) ultra-low volume mosquito fogging equipment. Due to the COVID-19 Pandemic, the Environmental Health Department works closely with numerous county and state agencies to protect our citizens. As such, the department has also incorporated COVID-19 testing, and vaccinations of citizens.

EXPENDITURES BY TYPE

| Name | FY2021 Actual | FY2022 Actual | FY2023 Budgeted |
|-------------------------------|--------------------|------------------|--------------------|
| Expense Objects | | | |
| Personnel Services | \$385,342 | \$347,540 | \$416,285 |
| Personnel Services - Benefits | \$115,090 | \$122,056 | \$183,477 |
| Supplies | \$28,468 | \$29,802 | \$43,400 |
| Srvcs and Chrgs - General | \$30,072 | \$35,117 | \$65,130 |
| Srvcs & Chrgs - Maint | \$18,878 | \$19,262 | \$35,418 |
| Srvcs & Chrgs - Misc | \$288,563 | \$287,755 | \$403,000 |
| Capital Outlay | \$174,464 | \$0 | \$0 |
| Total Expense Objects: | \$1,040,876 | \$841,530 | \$1,146,710 |

PROGRAM GOALS

To promote proper food safety practices through education and enforcement of the City’s adopted Texas Food Establishment Rules. Promote professional growth by providing adequate training to employees to stay up-to-date on the latest issues affecting food service sanitation and public health. Utilize mosquito-fogging equipment as needed throughout the year to combat vector-borne type diseases. Conduct weekly COVID-19 vaccination clinics to ensure all citizens who want to be vaccinated have the opportunity.

OBJECTIVES

- Provide retail food service inspections utilizing the IFA (inspection frequency assessment) questionnaire based on risk factors at each eating and drinking establishment.
- Inspect each permitted temporary food vendor function.
- Continue mosquito control program through the effective use of city equipment and resources. Implementing the Zika Virus program by installing mosquito traps in designated areas throughout the city, monitoring these traps on a weekly basis, filling out the G14 Forms and mailing in the mosquito samples to Austin, TX.
- Complete required continuing education units (CEUs) to maintain all state certifications needed for Environmental Health Inspectors relating to the use of mosquito equipment and chemicals.
- Stay current with the latest information and training regarding proper food service sanitation.
- Provide training sessions upon request to restaurant owners, managers, and employees on the importance of food safety.
- Stay current with the latest information and training regarding COVID-19 vaccinations.
- Provide easy access to vaccinations for citizens who want to be vaccinated against COVID-19.

PERFORMANCE INDICATORS

| | ACTUAL <u>FY 20-21</u> | ACTUAL <u>FY 21-22</u> | PROPOSED <u>FY 22-23</u> |
|---------------------------------------|-----------------------------------------|-----------------------------------------|-------------------------------------------|
| <u>EFFECTIVENESS</u> | | | |
| Retail Food Establishment Inspections | 1,028 | 1,200 | 1,200 |
| Temporary Food Vendor Inspections | 92 | 150 | 150 |
| Est. Complaint Investigations | 85 | 127 | 127 |
| Vector Control, Spraying Hrs. | 241 | 240 | 240 |
| <u>EFFICIENCY</u> | | | |
| Food Establishment Inspections | \$ 250.11 | \$199.23 | \$199.23 |
| Temporary Food Vendor Inspections | \$ 250.11 | \$199.23 | \$199.23 |
| Complaint Investigations | \$ 250.11 | \$199.23 | \$199.23 |
| Vector Control | \$ 250.11 | \$199.23 | \$199.23 |
| <u>OUTPUT</u> | | | |
| Food Permits Issued | 475 | 500 | 500 |
| Food Permit Revenue | \$ 40,000 | \$42,000 | \$42,000 |
| Reimbursements | \$ 12 | \$20 | \$20 |

Animal Control

The Animal Control Division has three Animal Control Officers under the direction of the Environmental Health Director. The staff is responsible for the enforcement of the City’s Animal Control Ordinances and State Health and Safety Laws to promote responsible pet ownership by educating the public and visiting the various schools. The staff works closely with the Humane Society of Harlingen for the efficient and proper monitoring of cats and dogs that are involved in bite incidents and impounded at the City’s Animal Shelter. Animal Control Officers respond to citizen concerns on a daily basis regarding stray or vicious animals and investigate reports of possible cruelty to animal cases in cooperation with the Harlingen Police Department. The Animal Control Officers also respond to bee call complaints, eradicate and or determine disposition to correct the problem. Animal Control Officers are also responsible for removal of dead animal carcasses from private, and public property and for patrolling and capture of stray animals throughout the city limits.

EXPENDITURES BY TYPE

| Name | FY2021 Actual | FY2022 Actual | FY2023 Budgeted |
|-------------------------------|------------------|------------------|------------------|
| Expense Objects | | | |
| Personnel Services | \$137,253 | \$118,782 | \$171,705 |
| Personnel Services - Benefits | \$46,245 | \$49,545 | \$92,974 |
| Supplies | \$11,206 | \$13,218 | \$19,600 |
| Srvcs and Chrgs - General | \$25,537 | \$27,704 | \$54,069 |
| Srvcs & Chrgs - Maint | \$10,969 | \$12,728 | \$21,168 |
| Srvcs & Chrgs - Misc | \$288,563 | \$287,755 | \$403,000 |
| Capital Outlay | \$149,985 | \$0 | \$0 |
| Total Expense Objects: | \$669,757 | \$509,732 | \$762,516 |

PROGRAM GOALS

The primary program goal is to convey to the public the importance of responsible pet ownership through education and enforcement of the City's Animal Control Ordinances and State Health and Safety Laws. The importance of having pets vaccinated against the rabies virus and micro-chipped by sponsoring annual citywide, micro-chip, rabies and vaccination clinics in cooperation with local veterinarians, at a minimal cost to the public. The Animal Control Program maintains a good working relationship with the Humane Society of Harlingen in the operation of the City's Animal Shelter.

OBJECTIVES

- Sponsor an annual microchip and rabies clinic program on city-owned park grounds for easy access to the public.
- Maintain current knowledge of updated rules and regulations affecting Animal Control as provided by the Texas Department of State Health Services and other organizations.
- Maintain a good working relationship with the Humane Society of Harlingen in the operation of the City's Animal Shelter by attending scheduled meetings.
- Comply with applicable State Regulations about the City's Animal Shelter by facilitating quarterly meetings with the Animal Shelter Advisory Committee.
- Promote professionalism within the Department by attending training workshops and maintaining all certifications, such as "Basic Animal Control Officers" and "Euthanasia Training" for all Animal Control Officers.
- Respond to all after-hours emergency calls within one (1) hour.

PERFORMANCE INDICATORS

| | <u>ACTUAL</u> <u>FY 20-21</u> | <u>ACTUAL</u> <u>FY 21-22</u> | <u>PROPOSED</u> <u>FY 22-23</u> |
|-----------------------------|----------------------------------|----------------------------------|------------------------------------|
| <u>EFFECTIVENESS</u> | | | |
| Animal Control Calls | 9,000 | 7,167 | 7,500 |
| After hour calls | 110 | 186 | 110 |
| Bite Cases | 120 | 213 | 200 |
| Bee calls | 125 | 63 | 65 |
| <u>EFFICIENCY</u> | | | |
| Animal Control Calls | \$51.78 | \$67.86 | \$71.58 |
| After hour calls | \$149.52 | \$92.28 | 172.26 |
| Bite Cases | \$456.85 | \$268.62 | 315.82 |
| Bee calls | \$87.72 | \$181.64 | 194.35 |
| <u>OUTPUT</u> | | | |
| Revenue from dog licenses | \$ 2,243 | \$2,436 | \$2,500 |

Municipal Auditorium Fund

The Municipal Auditorium serves as an encouragement of the arts. The auditorium hosts a variety of theater, dance and performance acts throughout the year.

“Presenting, promoting and participating in regional arts and cultural affairs”

PROGRAM GOALS

- **Serve** as the premier theatrical venue for patrons, producers and promoters, alike, seeking a quality theatre experience in the Rio Grande Valley
- **Provide** a safe, functional environment for local arts organizations to present performances throughout the year
- **Surpass** customer expectations in providing quality rental facilities for private, professional and promotional events
- **Engage** theatre patrons by working with arts organizations and private promoters to provide quality live entertainment

OBJECTIVES

Engagement

- Provide arts opportunities to the Valley’s young people by offering a venue for local dance studios and musical programs.
- Serve as the performance venue of choice for Harlingen nonprofit arts organizations, Valley school districts and private entities.
- Examine opportunities to expand revenue thru increased programming
- Continue our current joint efforts with the Harlingen Arts and Heritage Museum and local arts entities to provide interdisciplinary arts opportunities for arts patrons of all ages.

Surpass customer expectations of providing quality rental facilities

- Revise and improve marketing strategies to enhance our facilities’ visibility in the marketplace and increase rental revenue.

SIGNIFICANT BUDGET & SERVICE LEVEL CHANGES

- Since implementing ticketing services, the system has generated over \$90,000 in revenue. In December of 2019, a contract for this service was awarded to Top Box Tickets. Staff will continue to work with Top Box to reduce City Staff time on settlement and reconciliation and increase financial transparency.
- Utilize information obtained through the audit process to affect change that will increase financial transparency, create a smoother flow of communications, improve record keeping and enable staff to more effectively carry out, adhere to and enforce City Policy
- Work with presenting organizations such as the Harlingen Concert Association and Bravo Arts to create an environment conducive to presenting performances outside of their regularly scheduled season programming.

Arts & Heritage Museum

The Harlingen Arts and Heritage Museum is a one of a kind museum in the Rio Grande Valley. Our museum has three historical buildings on its grounds: the original home of Lon C. Hill, Harlingen's town founder; the Paso Real Stagecoach Inn, and Harlingen's first hospital. Also on the grounds is the Historical Museum, formerly the Air Police Squadron and Brig of the Harlingen Air Force Base. This building houses the permanent collection of Harlingen and Texas historical objects and photos. The main museum building features rotating art and cultural exhibits.

“To celebrate Harlingen’s heritage and our community’s culture through preservation, education and programming”

Expenditures by Expense Type

| Name | FY2021 Actual | FY2022 Actual | FY2023 Budgeted |
|-------------------------------|------------------|------------------|------------------|
| Expense Objects | | | |
| Personnel Services | \$76,904 | \$71,267 | \$82,791 |
| Personnel Services - Benefits | \$23,318 | \$25,617 | \$30,798 |
| Supplies | \$2,186 | \$6,301 | \$9,800 |
| Srvcs and Chrgs - General | \$129,588 | \$113,212 | \$211,950 |
| Srvcs & Chrgs - Maint | \$7,042 | \$12,753 | \$15,000 |
| Srvcs & Chrgs - Misc | \$3,939 | \$3,726 | \$13,000 |
| Depreciation | \$68,810 | \$60,826 | \$0 |
| Capital Outlay | \$0 | \$0 | \$2,000 |
| Total Expense Objects: | \$311,786 | \$293,703 | \$365,339 |

PROGRAM GOALS

- **Engage** Harlingen citizens and museum patrons by telling the history and stories of our community, through the preservation of historic artifacts, offering educational programming to our community's young people and to present programming in the visual arts that may expand horizons and broaden minds.
- **Serve** as the caretakers of our community's history through the preservation of historic artifacts, photographs and documents, and to make these items available to the public for viewing so that they may develop a deeper sense of who we are as a community, by understanding where we came from.
- **Build** audiences for the future by engaging young people in fun, educational and informative programming
- **Provide** quality rental facilities and superior customer service for small gatherings and events in a clean, safe, well-maintained environment.

OBJECTIVE

Preservation

- Prioritize and begin the structural repairs of the historical buildings:
- Historic Harlingen Hospital-Leveling and stabilization of structure to re-open to public
- Lon C. Hill Home – Improve external aesthetics of the structure by replacing shutters and rotting wood
- El Paso Real – Replace roof and shutters

Engagement

- Develop a Holiday themed exhibit that may be exhibited annually, based on the poem, A Visit from St. Nick ('Twas the Night Before Christmas) and utilizing the donated Holsum Bakery sign
- Expand on the relationship between Harlingen Arts and Heritage Museum and the Hispanic Genealogical Society (now housed at HAHM) by providing space for archives, monthly membership and board meetings and exploring exhibit opportunities
- Provide exhibit opportunities for local and burgeoning artists from South Texas
- Expand existing partnerships with colleague organizations through Texas Association of Museums and Humanities Texas to provide opportunities for HAHM patrons to experience various traveling exhibits

Building Audience

- Re-build on the success of the Museum's Summer Youth Programming, Extended Holiday Hours Programming and Spring Break Programming that was established prior to COVID pandemic.
- To continue expanding community participation in the annual Christmas Tree Extravaganza

Provide quality rental facilities

- Address floor finishes in the main museum building and purchase new 8' tables.

Significant Budget and Service Level Changes

- Expanded youth programming such as the Summer Youth Workshop, The Extended Holiday Hours Children's Program and Spring Break Programming is proving impactful on HAHM's budget
- In order to better serve the needs of our rental customers we are looking at options to refinish the floors in the main museum building

Municipal Golf Course

Tony Butler Golf Course is a twenty-seven hole facility complete with driving range, putting and chipping greens, Pro Shop and short order kitchen. There is also a conference room that can be rented out for special events.

EXPENDITURES BY TYPE

| Name | FY2021 Actual | FY2022 Actual | FY2023 Budgeted |
|-------------------------------|--------------------|--------------------|--------------------|
| Expense Objects | | | |
| Personnel Services | \$476,632 | \$501,622 | \$606,082 |
| Personnel Services - Benefits | \$141,811 | \$166,746 | \$227,112 |
| Supplies | \$131,671 | \$177,122 | \$171,680 |
| Srvcs and Chrgs - General | \$83,455 | \$74,252 | \$100,144 |
| Srvcs & Chrgs - Maint | \$32,920 | \$54,633 | \$41,800 |
| Srvcs & Chrgs - Misc | \$29,401 | \$20,182 | \$20,200 |
| Depreciation | \$107,376 | \$104,952 | \$0 |
| Capital Outlay | \$0 | \$0 | \$35,000 |
| Other Financing Uses | \$6,443 | \$62,242 | \$56,712 |
| Total Expense Objects: | \$1,009,709 | \$1,161,752 | \$1,258,730 |

Golf Course Club House

The City-owned and operated Tony Butler Golf course is one of the few twenty-seven hole golf courses. The clubhouse was renovated in March 2010 and includes a pro shop with golf apparel, a large reception room for gatherings and a small concession with a dining area.

EXPENDITURES BY TYPE

| Name | FY2021 Actual | FY2022 Actual | FY2023 Budgeted |
|-------------------------------|------------------|------------------|------------------|
| Expense Objects | | | |
| Personnel Services | \$199,957 | \$192,861 | \$242,716 |
| Personnel Services - Benefits | \$38,632 | \$52,800 | \$83,757 |
| Supplies | \$35,133 | \$44,377 | \$42,625 |
| Srvcs and Chrgs - General | \$38,731 | \$40,696 | \$50,644 |
| Srvcs & Chrgs - Maint | \$9,198 | \$21,581 | \$4,000 |
| Srvcs & Chrgs - Misc | \$28,975 | \$19,822 | \$19,500 |
| Depreciation | \$53,716 | \$52,361 | \$0 |
| Other Financing Uses | \$0 | \$6,354 | \$0 |
| Total Expense Objects: | \$404,343 | \$430,851 | \$443,242 |

PROGRAM GOAL

Focus on increasing revenues through promotion of golf in the community, Winter Texans and surrounding market and increase service standards. Increase customer service training to ensure each customer has a positive experience. Evaluate the pricing structure to be more competitive in local market.

OBJECTIVES

- Initiate a new business plan to increase revenue and ultimately operate within a balanced budget. Introduce a new price on green fees and memberships to increase revenue to one million. Maximize tee sheet to become more competitive in the local market, which discounts their fees.
- Initiate player development programs to introduce golf to new customers with the objective of generating a new player base.
- Create a marketing plan to draw back Winter Texans that left. Create partnership with Foreup point of sales system marketing plan.
- Decrease golf outing rounds during the peak season from October to April to better the Winter Texans and annual members
- Promote and increase conference room rentals.
- Control and promote golf rounds and annual membership usage utilizing the ForeUp point of sale system.
- Promote youth-play at Tony Butler by partnering with surrounding schools..
- Create an ordinance for special offers during the slow periods.
- Promote the golf course with Harlingen Chamber Digital Signs and the Airport Digital Sign.
- Continue the weekly golf scramble.
- Maintain golf carts for at least another year.

Golf Course Grounds

The course meanders through the natural South Texas terrain and is extremely easy to walk if you so choose. The 18-hole course is a championship layout measuring 6,400 yards (par 71) featuring Champions Ultra-Dwarf Bermuda greens.

The 9-hole course is a shorter course measuring 2,600 yards (par 35) with newly renovated Emerald Zoysia greens.



PROGRAM GOAL

Provide optimum conditions on a more consistent basis for a more positive golf experience through proven methods/practice of agronomy. The City-owned and operated Tony Butler Golf course is a twenty-seven hole course complete with driving range, putting and chipping greens, snack bar and Pro Shop. The 18-hole course is a championship layout measuring 6,400 yards, par 71. The City Commission in November 2019 voted to close the Executive Nine portion of the course effective April 1, 2020. The Executive Nine was reopened November 1, 2021.

OBJECTIVES

- Implement practices to maintain turf quality and playability through general agronomy practices and chemical/fertilizer applications.
- Train employees on how to care for newly established greens, tees and fairways.
- Continue to improve course aesthetics by cleaning ponds, brush, and tree trimming.
- Increases chemical budget to provide a weed free program on tee-boxes, fairways, surround green areas.
- Reconstruct the driving range by removing the current multi-tiered teeing locations, and possibly install some artificial turf mats to ensure quality hitting space year around and reduce the wear and tear.
- Works closely with management and golf advisory board to improve on course/playing conditions
- Establish a proactive schedule for fertilization, fungicides and herbicides.
- Create a marketing plan to increase customer base.
- Continue funding the lease agreement for grounds equipment.
- Increase marshal training.
- Reseed and establish weak green on holes 19-23.

Golf Course Restaurant

The Kitchen has menu items that include breakfast tacos, fresh sandwiches, hot dogs, and a great cheeseburger. You may also choose from a wide variety of your favorite refreshments and snacks.

Expenditures by Expense Type

| Name | FY2021 Actual | FY2022 Actual | FY2023 Budgeted |
|-------------------------------|------------------|------------------|------------------|
| Expense Objects | | | |
| Personnel Services | \$40,632 | \$45,052 | \$48,310 |
| Personnel Services - Benefits | \$14,588 | \$16,610 | \$18,104 |
| Supplies | \$52,596 | \$58,546 | \$50,575 |
| Srvcs and Chrgs - General | \$88 | \$2,206 | \$500 |
| Srvcs & Chrgs - Misc | \$426 | \$300 | \$700 |
| Total Expense Objects: | \$108,329 | \$122,713 | \$118,189 |

PROGRAM GOALS

Offer golfers and golf outings a variety of food and beverages with great customer service. Service standards and cost control measures will be increased to optimize potential. The food and beverage division of the golf course offers fresh hot breakfast and lunches, and cold beverages. There are new opportunities for increased sales with new menu options and pricing. Advertising and promoting golf course will make new/past customers aware of new facilities and warm food options at our club. The staff is investigating the benefits of possibly outsourcing the food and beverage component of the golf course.

OBJECTIVES

- Develop and maintain exceptional customer service through staff training, written policy and procedures and customer surveys.
- Improve profitability by offering additional menu items
- Implement competitive menu pricing.
- Expand inventory tracking to optimize sales, show inventory as an asset, and to better control the safeguarding of food and beverage inventory.
- Evaluate and implement procedures to reduce waste and loss.
- Adjusting hours of operation for more coverage of the day.
- Establish a true beverage cart program. Find funding for a beverage cart and 4 beverage cart drivers.

CAPITAL IMPROVEMENT PLAN

5 YEAR CAPITAL IMPROVEMENT PLAN (CIP) 2023 - 2027

The City of Harlingen Capital Improvement Plan (CIP) for Fiscal Years 2023-2027 has allocated estimated funding for infrastructure projects, park improvements, and remodeling facilities. The estimated budget for drainage and street improvements totals \$33,940,257, almost 50% of the budget. Park improvements with an emphasis on the heavily used soccer complex and community walking trails will cost \$11,972,569 of the budget. Additional improvement projects such as the golf course and public buildings will undergo various phases of maintenance and renovations that will require the remaining budget of \$22,446,528. The Capital Improvement Plan for the next five years totals \$68,359,354.

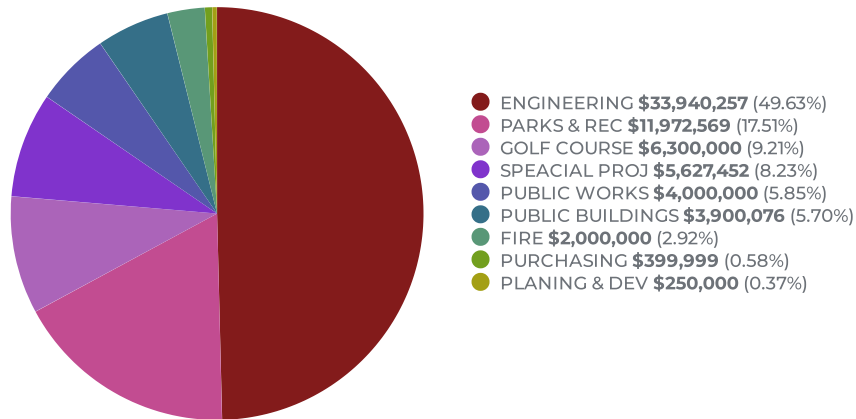
The City of Harlingen is constantly seeking state and federal assistance to benefit and achieve capital projects with a major cost impact. \$43.8 million of the 5 year CIP will be funded by state and federal sources.

The City of Harlingen is receiving assistance from ARPA, FEMA, TASA, TPWD, FTA and annual capital improvement funding. The city will continue to seek funding to accomplish future development.

CIP BY DEPARTMENT

| Department Name | FY 2023 | FY 2024 | FY 2025 | FY 2026 | FY 2027 | Sum of Total |
|--------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Engineering | \$ 4,389,168 | \$ 5,640,639 | \$ 7,598,390 | \$ 8,570,861 | \$ 7,710,200 | \$ 33,940,257 |
| Fire | 2,000,000 | - | - | - | - | \$ 2,000,000 |
| Golf Course | - | 6,300,000 | - | - | - | \$ 6,300,000 |
| Parks & Recreation | 4,845,669 | 1,371,000 | 2,309,900 | 1,554,000 | 1,892,000 | \$ 11,972,569 |
| Planning and Development | 125,000 | 125,000 | - | - | - | \$ 250,000 |
| Public Buildings | 285,076 | 405,000 | 205,000 | 334,000 | 2,671,000 | \$ 3,900,076 |
| Public Works | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 | - | \$ 4,000,000 |
| Purchasing | 399,999 | - | - | - | - | \$ 399,999 |
| Special Project | 5,627,452 | - | - | - | - | \$ 5,627,452 |
| Grand Total | \$ 18,672,364 | \$ 14,841,639 | \$ 11,113,290 | \$ 11,458,861 | \$ 12,273,200 | \$ 68,390,354 |

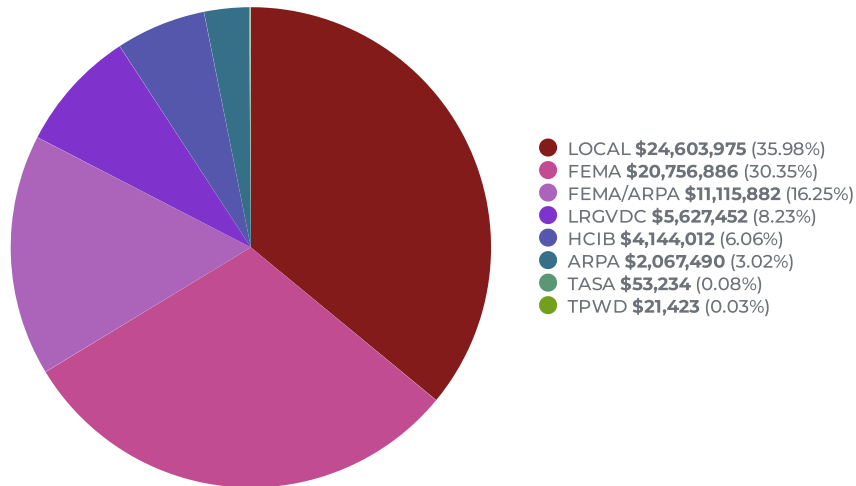
CIP BY DEPARTMENT



CIP FUNDING BY SOURCE

| SOURCE | FY 2023 | FY 2024 | FY 2025 | FY 2026 | FY 2027 | Total |
|--------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| ARPA | \$ 2,036,490 | \$ - | \$ - | \$ - | \$ - | \$ 2,067,490 |
| FEMA | 1,812,469 | 2,696,869 | 2,620,303 | 5,917,046 | 7,710,200 | 20,756,886 |
| FEMA/ARPA | 540,210 | 2,943,770 | 4,978,087 | 2,653,815 | - | 11,115,882 |
| HCIB | 4,144,012 | - | - | - | - | 4,144,012 |
| LRGVDC/FTA | 5,627,452 | - | - | - | - | 5,627,452 |
| TASA | 53,234 | - | - | - | - | 53,234 |
| TPWD | 21,423 | - | - | - | - | 21,423 |
| LOCAL | 4,437,075 | 9,201,000 | 3,514,900 | 2,888,000 | 4,563,000 | 24,603,975 |
| Grand Total | \$ 18,672,364 | \$ 14,841,639 | \$ 11,113,290 | \$ 11,458,861 | \$ 12,273,200 | \$ 68,390,354 |

PROJECTS BY FUNDING SOURCE



Capital Improvement Plan Detail

| Project ID | Project Name | Project Description | Sources and Funds | Project Manager | Address | Completion Timeframe | Total |
|--------------|-----------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|-------------------|------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|-----------|
| ENG-001-2023 | Jefferson Street Storm Drain Improvements- Phase I and II | Project will replace 8,728 linear feet of reinforced pipe, 27 manholes, and 55 inlets along the length of the project | FEMA | 5005- Luis Vargas | 76TH Drive (Jefferson to Sul Ross Ave.), 13th St (Harrison) | June 2022 | 2,881,737 |
| ENG-002-2023 | Business 77 & 13th Street Storm Sewer | The project will consist of upgrading the existing drainage system by removing the existing antiquated storm sewer drainage system and replacing it with a larger more adequate drainage system. The project will replace the existing storm sewer system with approximately 7,592 linear feet of reinforced concrete pipe, 1,868 linear feet of reinforced concrete boxes, 24 manholes, and 37 inlets along the length of the project. The project will also involve some minor utility adjustments along with cut and restore of the existing streets. The project may also involve some minor curb and gutter repairs at the locations of the replacement of the inlets. | FEMA/ARPA | 5005- Luis Vargas | Along Business 77 and 13th Street | 36 Months | 5,927,128 |
| ENG-003-2023 | 5th & 7th Storm Sewer Improvements | The project will consist of upgrading the existing drainage system by removing the existing antiquated storm sewer drainage system and replacing it with a larger more adequate drainage system. The project will replace the existing storm sewer system with approximately 11,487 linear feet of reinforced concrete pipe, 45 manholes, and 95 inlets along the length of the project. The project will also involve some minor utility adjustments along with cut and restore of the existing streets. | FEMA/ARPA | 5005- Luis Vargas | A section starts at 7th street from East Polk, south 1,910' to Commerce. Another section starts on 5th and Van Buren 2,330' south to Commerce. | 36 Months | 2,681,882 |
| Project ID | Project Name | Project Description | Sources and Funds | Project Manager | Address | Completion Timeframe | Total |
| ENG-006-2023 | Jackson Avenue Drainage Improvements Project | The project will consist of upgrading the existing drainage system by removing the existing antiquated storm sewer drainage system and replacing it with a larger more adequate drainage system. The project will replace the existing storm sewer system inlets along the length of the project. The project will also involve some minor utility adjustments along with cut and restore of the existing streets. The project may also involve some minor curb and gutter repairs at the locations of the replacement of the inlets. | ARPA | 5005- Luis Vargas | Jackson Avenue and C Street | 24 Months | 581,190 |
| ENG-007-2023 | Hickory Hill Road Drainage Improvement Project | The project will consist of channel improvements, reinforced concrete pipe, trench backfill, metal beam guardrail, concrete riprap, flex-base or other associated improvements. The removal of the existing infrastructure will be required. | ARPA | 5005- Luis Vargas | Hick Hill Road and Drainage Channel | 24 Months | 139,000 |

| | | | | | | | |
|-------------------|-------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|--------------|
| ENG-008-2023 | Lozano Street Detention Facility | The project will consist of an updated analysis of the T-Street Channel drainage area and the use of a nearby land area for a new detention facility. | ARPA | 5005- Luis Vargas | At the intersection of Beal Ave and Lozano Street | 24 Months | 1,347,300 |
| ENG-009-2023 | Adam's Crossing Subdivision Storm Sewer Improvement Project | The project will consist of upgrading the existing drainage system by removing the existing antiquated storm sewer drainage system and replacing it with a larger more adequate drainage system. | FEMA | 5005- Luis Vargas | At Adam's Crossing Subdivision | 24 Months | 800,000 |
| ENG-010-2023 | H Street Storm Sewer System Improvements Project | The project will consist of upgrading the existing drainage system by removing the existing antiquated storm sewer drainage system and replacing it with a larger more adequate drainage system. | FEMA | 5005- Luis Vargas | At Adam's Crossing Subdivision | 24 Months | 1,551,186 |
| Project ID | Project Name | Project Description | Sources and Funds | Project Manager | Address | Completion Timeframe | Total |
| ENG-004-2023 | 21st Street Storm Sewer Improvements | The project will consist of upgrading the existing drainage system by removing the existing antiquated storm sewer drainage system and replacing it with a larger more adequate drainage system. The project will replace the existing storm sewer system with approximately 6,174 linear feet of reinforced concrete pipe, 22 manholes, and 50 inlets along the length of the project. The project will also involve some minor utility adjustments along with cut and restore of the existing streets. The project may also involve some minor curb and gutter repairs at the locations of the replacement of the inlets. | FEMA/ARPA | 5005- Luis Vargas | The project starts at 21st Street and East Austin and extends south 3,620' to East Van Buren. A small lateral line will extend from the intersection of 21st Street and Washington Street, west 750'. | 36 Months | 2,506,872 |
| ENG-005-2023 | Treasure Hills/25th Street Storm Sewer Improvements | This project will see upgrades to the existing compromised storm sewer system to increase capacity, add connectivity to system 018, and improve system hydraulics. The proposed improvements will replace the existing system collection points, conveyance lines, and manholes with new infrastructure. This project will also connect adjoining system 018 which is a system that has failed to relieve flooding on multiple occasions. Due to the shallow nature of the system as constrained by the outfall, the project will incorporate shallow box culverts rather than circular pipe. Associated repair of existing street sections, removal and replacement of curbs, and relocation of utilities will also be included in the project | FEMA | 5005- Luis Vargas | Along Treasure Hills Blvd. from Haine Dr., through 25th St. and Emerald Lake Dr., then terminates at the discharge into Emerald Lake. A portion of this project will connect to Becky Lane. 5005- Luis Vargas | 24 Months | 1,118,303 |

| Project ID | Project Name | Project Description | Sources and Funds | Project Manager | Address | Completion Timeframe | Total |
|------------|--------------|---------------------|-------------------|-----------------|---------|----------------------|-------|
|------------|--------------|---------------------|-------------------|-----------------|---------|----------------------|-------|

| | | | | | | | |
|--------------|--------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------|-------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|-----------|
| ENG-011-2023 | Teegee and Fairpark Storm Sewer System Project | The project will consist of upgrading the existing drainage system by removing the existing antiquated storm sewer drainage system and replacing it with a larger more adequate drainage system. | FEMA | 5005- Luis Vargas | Along Teegee, Adam's, and Fairpark Blvd | 24 Months | 3,250,000 |
| ENG-012-2023 | Jacaranda Storm Sewer System Improvement Project | The project will consist of upgrading the existing drainage system by removing the existing antiquated storm sewer drainage system and replacing it with a larger more adequate drainage system. | FEMA | 5005- Luis Vargas | Along Jacanda from Treasure Hills to Willowickie | 24 Months | 353,000 |
| ENG-013-2023 | Ed Carey Storm Sewer System Improvement Project | Improve the existing drainage systems by increasing the capacity of the drainage pipes and replacing the inlets and manholes. | FEMA | 5005- Luis Vargas | South side of Ed Carey from existing South of Haine North 1,875' cross over NW about 200' to tie into existing then North 1,750' to tie into 77 Sunshine, branch | 24 Months | 3,075,000 |
| ENG-014-2023 | Pickens Storm Sewer Improvements Project | Improve the existing drainage systems by increasing the capacity of the drainage pipes and replacing the inlets and manholes. | FEMA | 5005- Luis Vargas | From existing off US Highway 77 east 300' along north side of Fair Park Blvd then south about 200' then east about 300' to cross T St | 24 Months | 1,973,000 |

| Project ID | Project Name | Project Description | Sources and Funds | Project Manager | Address | Completion Timeframe | Total |
|--------------|------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------|-------------------|-------------------|---------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|---------|
| ENG-015-2023 | Summerfield Storm Sewer System Improvement Project | Improve the existing drainage systems by increasing the capacity of the drainage pipes and replacing the inlets and manholes. | FEMA | 5005- Luis Vargas | Beginning from the existing storm sewer system located on the North side of Summerfield, heading Northwest at the intersection of Summerfield and | 24 Months | 45,000 |
| ENG-016-2023 | Beck Ave Storm Sewer Improvement Project | Improve the existing drainage systems by increasing the capacity of the drainage pipes and replacing the inlets and manholes. | FEMA | 5005- Luis Vargas | From existing on Beck St east of 3rd heading east to about 275' to the outfall | 24 Months | 114,600 |
| ENG-017-2023 | Jackson Monroe, and Van Buren Outfall Improvements Project | Improve the existing drainage systems by increasing the capacity of the drainage pipes and replacing the inlets and manholes. | FEMA | 5005- Luis Vargas | Beginning from the existing storm sewer system located on the North side of Summerfield, heading Northwest at the | 24 Months | 212,000 |
| ENG-018-2023 | 1st Street Storm Sewer Improvement Project | Improve the existing drainage systems by increasing the capacity of the drainage pipes and replacing the inlets and manholes. | FEMA | 5005- Luis Vargas | 1st St from existing on Davis south to Williamson | 24 Months | 320,000 |
| ENG-019-2023 | Alcott Storm Sewer System Improvement Project | Improve the existing drainage systems by increasing the capacity of the drainage pipes and replacing the inlets and manholes. | FEMA | 5005- Luis Vargas | From existing 30: on Alcott St eastward onto 13th St outfall | 24 Months | 342,000 |
| ENG-020-2023 | 7th Street Storm Sewer Improvement Project | Improve the existing drainage systems by increasing the capacity of the drainage pipes and replacing the inlets and manholes. | FEMA | 5005- Luis Vargas | From existing on Davis and 7th St intersection to run south along 7th St and tie into existing in front of | 24 Months | 412,000 |

| Project ID | Project Name | Project Description | Sources and Funds | Project Manager | Address | Completion Timeframe | Total |
|--------------|------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------|-------------------|-------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|---------|
| ENG-021-2023 | Hoogland Street Storm Sewer Improvements | Increasing Drainage capacity pipes, replacing inlets and manholes | FEMA | 5005- Luis Vargas | Regency about 720' East to out fall; from intersection of | 24 Months | 300,000 |
| ENG-022-2023 | Fairpark Blvd Storm Sewer System Improvement Project | Improve the existing drainage systems by increasing the capacity of the drainage pipes and replacing the inlets and manholes. | FEMA | 5005- Luis Vargas | From existing off US Highway 77 east 300' along north side of Fair Park Blvd then south about 200' then east about 300' to cross TSt then north crossing over | 24 Months | 672,000 |
| ENG-023-2023 | Rose Street Storm Sewer Improvement Project | Improve the existing drainage systems by increasing the capacity of the drainage pipes and replacing the inlets and manholes. | FEMA | 5005- Luis Vargas | Along Beck from New Combers outfall west about 250' | 24 Months | 274,000 |
| ENG-024-2023 | Beck and Breedlove Storm Sewer Improvement Project | Improve the existing drainage systems by increasing the capacity of the drainage pipes and replacing the inlets and manholes. | FEMA | 5005- Luis Vargas | Along Beck from New Combes outfall west about 250' | 24 Months | 182,000 |
| ENG-025-2023 | Dilworth Storm Sewer Improvement Project | Improve the existing drainage systems by increasing the capacity of the drainage pipes and replacing the inlets and manholes. | FEMA | 5005- Luis Vargas | From existing on Dilworth south about 500 ft. | 24 Months | 258,000 |
| ENG-026-2023 | Quail Run Street Storm Sewer Improvement Project | Improve the existing drainage systems by increasing the capacity of the drainage pipes and replacing the inlets and manholes. | FEMA | 5005- Luis Vargas | Run to cross Emerald Lake and end South of Quail Run opening the run | 24 Months | 200,000 |
| ENG-027-2023 | Hapner Street Storm Sewer Improvement Project | Improve the existing drainage systems by increasing the capacity of the drainage pipes and replacing the inlets and manholes. | FEMA | 5005- Luis Vargas | From existing east of Kratzer St north about 300ft to tie into the existing east of | 24 Months | 167,200 |

| Project ID | Project Name | Project Description | Sources and Funds | Project Manager | Address | Completion Timeframe | Total |
|----------------|--------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|-----------------------|---------------------------------------------------------------------|----------------------|-----------|
| ENG-028-2023 | Rio Hondo Road Ditch Improvements | Replacing the existing culverts and headwalls | FEMA | 5005- Luis Vargas | From Academy St. to TXDOT 2 Ditch | 24 Months | 1,901,000 |
| ENG-029-2023 | Cantu Lateral Ditch Improvement Project | Channel and culvert improvements. | FEMA | 5005- Luis Vargas | At Cantu Lateral from Morris Road up North then west to Calle Reina | 24 Months | 354,860 |
| FIRE-001-2023 | Fire Station No. 6 | Fire Station No. 6 | CAP | 3510- Rafael Balderas | 1001 Rangerville R | 12 Months | 2,000,000 |
| PARKS-001-2023 | Update Park Master Plan | Update 6 yrs old Park Master Plan | CAP | 7220- Javier Mendez | COH | 12 Months | 20,000 |
| PARKS-002-2023 | Kayak Launch (TPWD Match) | Design and enviromental clearance of a proposed non-motorized boat launching site on the Arroyo Colorado at McCullough Park | TPWD | 6010- Javier Mendez | COH | 12 Months | 21,423 |
| PARKS-003-2023 | Arroyo Colorado Trail Extension Phase III (TASA Match) | Design and enviromental clearance feasibility for the construction of a trail extension from McKelvey Park along the Arroyo Colorado to Hugh Ramsey Park. | TASA | 6010- Javier Mendez | COH | 12 Months | 53,234 |
| PARKS-004-2023 | C.B. Wood Parking Lot, Restroom & Pavilion | Construction of additional parking spaces, the construction of a men/women restroom and a large picnic pavilion. | CAP | 6010- Javier Mendez | COH | 12 Months | 425,000 |
| PARKS-005-2023 | Soccer Complex Field Renovation | Renovate the 10 soccer fields by removing top 12 inches of bad soil, bringing in conducive soil for resodding with appropriate sports turf. | CAP | 6010- Javier Mendez | COH | 36 Months | 1,200,000 |
| PARKS-006-2023 | Soccer Complex Trail Reconstruction (69,730 sq.ft.) | Reconstruct the trail at the Soccer Complex with curbing on both sides and replacing the surfacing with decomposed granit. | CAP | 6010- Javier Mendez | COH | 36 Months | 105,000 |

| Project ID | Project Name | Project Description | Sources and Funds | Project Manager | Address | Completion Timeframe | Total |
|----------------|------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------|-------------------|--------------------|---------|----------------------|---------|
| PARKS-007-2023 | Complete the Sports Complex Trail Reconstruction (47,690 sq.ft. remaining) | Reconstruct the trail at the Sports Complex with curbing on both sides and replacing the surfacing with decomposed granit. | CAP | 6010-Javier Mendez | COH | 24 Months | 48,000 |
| PARKS-008-2023 | Repave Arroyo Colorado Trail (137,280 sq.ft.) | Resurface the existing 10' trail along the Arroyo Colorado from Mckelvey Park to Boggus Ford Dealership. | CAP | 6010-Javier Mendez | COH | 12 Months | 535,400 |
| PARKS-009-2023 | Repave City Lake Trail (33,220 sq.ft.) | Resurface the existing 10' trail along City Lake. | CAP | 6010-Javier Mendez | COH | 12 Months | 130,000 |
| PARKS-010-2023 | Renovate Hugh Ramsey Nature Park Trail (82,900 sq.ft.) | Reconstruct the existing trail by reworking the caliche and creating positive drainage. | CAP | 6010-Javier Mendez | COH | 36 Months | 45,000 |
| PARKS-011-2023 | Retaining Walls at Sports Complex Lake (1190 l.f.) | Install a retaining structure along the shoreline of the lake at Wilson Sports Complex. | CAP | 6010-Javier Mendez | COH | 36 Months | 225,000 |
| PARKS-012-2023 | Retaining Walls at Soccer Complex Lakes (1767 l.f.) | stall a retaining wall along the shorelline of the East Lake. | CAP | 6010-Javier Mendez | COH | 48 Months | 350,000 |
| PARKS-013-2023 | Retaining Walls at Pendleton Park Lake (951 l.f.) | Install a retaining wall along the shoreline of the lake | CAP | 6010-Javier Mendez | COH | 36 Months | 180,000 |
| PARKS-014-2023 | Shade over existing Exercise Equipment (Mckelvey, Rangerville, and Sports Complex) | Purchase and install shades over the exisiting exercise equipment at the three park locations. | CAP | 6010-Javier Mendez | COH | 12 Months | 36,000 |
| PARKS-015-2023 | Replace Park Monument Sign for McKelvey, Windsor and Arroyo Park | Purchase and install park signs at the three park locations. | CAP | 6010-Javier Mendez | COH | 36 Months | 84,000 |

| Project ID | Project Name | Project Description | Sources and Funds | Project Manager | Address | Completion Timeframe | Total |
|----------------|---------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------|-------------------|--------------------|---------|----------------------|---------|
| PARKS-016-2023 | Install chain link fencing at Bonham Park. 1500 lf | Purchase and install chain link fencing along Jefferson Street side of the park. | CAP | 6010-Javier Mendez | COH | 48 Months | 78,000 |
| PARKS-017-2023 | Construct retaining wall for audience seating at Mckelvey Park | Construct retaining walls to prevent erosion of the soil on the hill and to also serve as audience seating. | CAP | 6010-Javier Mendez | COH | 12 Months | 60,000 |
| PARKS-018-2023 | Replace Splash Pad water features | Purchase and install the replacement features at the existing splash pad. | CAP | 6010-Javier Mendez | COH | 48 Months | 48,000 |
| PARKS-019-2023 | Replace Parking Lot lights at Soccer Complex | Purchase and install the replacement of parking lot lights. | CAP | 6010-Javier Mendez | COH | 12 Months | 23,000 |
| PARKS-020-2023 | Install Sports Field lights for fields at Sports Complex (2 Fields) | Purchase and install sports lighting on the multi-purpose fields. | CAP | 6010-Javier Mendez | COH | 24 Months | 360,000 |
| PARKS-021-2023 | Install fencing for Vestal Park Sports Fields | Construction of fencing along the parking lot at Vestal Park. | CAP | 6010-Javier Mendez | COH | 12 Months | 45,000 |

| Project ID | Project Name | Project Description | Sources and Funds | Project Manager | Address | Completion Timeframe | Total |
|----------------|---------------------------------------------------------------------|-----------------------------------------------------------------------------------------|-------------------|--------------------|---------|----------------------|---------|
| PARKS-022-2023 | Install Sports Field lights for fields at Soccer Complex (4 Fields) | Contract the installation of sports lighting for field #3 at Vestal Park. | CAP | 6010-Javier Mendez | COH | 36 Months | 750,000 |
| PARKS-023-2023 | Install Sports Field Lights for field at Vestal Park (1 Field) | COH PARKS | CAP | 6010-Javier Mendez | COH | 12 Months | 250,000 |
| PARKS-024-2023 | Install Artificial turf at Splash Park | Contract the installation of artificial turf outside of the splash park at Lon C. Hill. | CAP | 6010-Javier Mendez | COH | 12 Months | 42,000 |
| PARKS-025-2023 | Hugh Ramsey Nature Park Welcome Center | Design and construct a welcome center at Hugh Ramsey Nature park. | CAP | 6010-Javier Mendez | COH | 36 Months | 750,000 |
| PARKS-026-2023 | Restroom at Lozano Park | Construct a men and womens restroom structure at Lozano Plaza. | CAP | 6010-Javier Mendez | COH | 12 Months | 300,000 |
| PARKS-027-2023 | Concession at Vestal Park | Design and construct a concession building at Vestal Park. | CAP | 6010-Javier Mendez | COH | 12 Months | 200,000 |
| PARKS-028-2023 | Concession at Victor Park Football Fields | Design and construct a concession building at Victor Park. | CAP | 6010-Javier Mendez | COH | 12 Months | 175,000 |
| PARKS-029-2023 | Parking addition at Victor Park | Design and construct additional parking spaces. | CAP | 6010-Javier Mendez | COH | 12 Months | 200,000 |

| Project ID | Project Name | Project Description | Sources and Funds | Project Manager | Address | Completion Timeframe | Total |
|----------------|------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|--------------------|---------|----------------------|-----------|
| PARKS-030-2023 | Replace wood bleachers throughout parks | Purchase and install alluminum replacement bleachers throughout the parks. | CAP | 6010-Javier Mendez | COH | 12 Months | 75,000 |
| PARKS-031-2023 | Repair roof at Pendleton Pool | Repair the roof at Pendleton Pool and install mechanical ventilation system. | CAP | 6010-Javier Mendez | COH | 12 Months | 378,500 |
| PARKS-032-2023 | Construct splash pad at Victor Pool | Design and construct a splash pad that would connect to Victor Park Pool. | CAP | 6010-Javier Mendez | COH | 12 Months | 325,000 |
| PARKS-033-2023 | Construct ADA wheelchair ramp at Lon C. Hill Pool | Design and construct an ADA wheelchair ramp at Lon C. Hill Pool | CAP | 6010-Javier Mendez | COH | 12 Months | 42,000 |
| PARKS-034-2023 | Basketball Court at Hunter Park with lights | Design and construct a lighted basketball court at Hunter Park | CAP | 6010-Javier Mendez | COH | 12 Months | 62,000 |
| PARKS-035-2023 | Basketball Court at Bonham Park with lights | Design and construct a lighted basketball court at Bonham Park | CAP | 6010-Javier Mendez | COH | 12 Months | 62,000 |
| PARKS-036-2023 | Install shade structure over basketball court at Pendleton Park. | Design and construct a shade structure over the existng basketball court at Pendleton Park. | CAP | 6010-Javier Mendez | COH | 12 Months | 145,000 |
| PARKS-037-2023 | Destination Park Phase II | Design and Construction of the Amphitheater, Multi Purpose Trail and the Adaptive (Miracle) Field. Amphitheater will be covered stage with Fixed Seating of 792 and a grassy area (524). Multipurpose Trail will be 7,784 Lf. Of 1.0 miles and 10 feet wide. The trail will run behind the Casa of the Amistad and Auditorium | HCIB (4B) | 6010-Javier Mendez | COH | 12 Months | 4,144,012 |

| Project ID | Project Name | Project Description | Sources and Funds | Project Manager | Address | Completion Timeframe | Total |
|----------------|------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|-----------------------|-----------------|----------------------|---------|
| PLAN-001-2023 | Comprehensive Plan Study | The scope of work consists of updating the Comprehensive Plan, which is the core policy document of the City's vision, goals, strategies, and implementation measures for growth and prosperity. It is an integrated approach to future development with a focus on the economy, transportation, public services, quality of life, education, housing, civic facilities, land use, public safety, community character, partnerships and civic involvement. Costs will be divided in two Fiscal Years | CAP | 7001-Xavier Cervantes | COH | 12 Months | 250,000 |
| PBLGD-001-2023 | Replace Ceiling Lights with LED Flat Panels in the Library | Purchase and replace all existing light fixtures on the first and second floor of the library. | CAP | 7220-Javier Mendez | LIBRARY | 12 Months | 25,500 |
| PBLGD-002-2023 | Replace Ceiling Tiles for 1st & 2nd Floor of the Library | Replace the existing 2' x 2' ceiling tiles with moisture and mold resistant tiles for the 1st & 2nd floor of Library. | CAP | 7220-Javier Mendez | LIBRARY | 12 Months | 89,000 |
| PBLGD-003-2023 | Pressure Wash, Repair and Paint Exterior Walls of Library | Pressure wash and repair the surface cracks in the exterior walls of the library and seal and paint them. | CAP | 7220-Javier Mendez | LIBRARY | 12 Months | 145,000 |
| PBLGD-005-2023 | City Records Room Upgrade | Construct fire rated walls, install a fire rated door and ceiling, insulate the walls and air condition the room. | CAP | 7220-Javier Mendez | COH | 12 Months | 45,379 |
| PBLGD-006-2023 | Museum (Paso Real) Building Leveling and Repairs | Construct fire rated walls, install a fire rated door and ceiling, insulate the walls and air condition the room. | CAP | 7220-Javier Mendez | 2425 Boxwood St | 12 Months | 78,000 |
| PBLGD-007-2023 | Museum (Lon C. Hill) Building Leveling and Repairs | Contract the renovation of the Lon C. Hill historical Building and construct footing and level the building. | CAP | 7220-Javier Mendez | 2425 Boxwood St | 12 Months | 34,000 |
| PBLGD-008-2023 | Museum (Hospital) Building Leveling and Repairs | Contract the renovation of the Hospital historical Building and construct footings and level the building. | CAP | 7220-Javier Mendez | 2425 Boxwood St | 12 Months | 37,197 |
| PBLGD-009-2023 | Harlingen Outreach (Old Police Dept Bldg) | Contract the repair of the roof and replace the Air Condition RTU at the former Police Dept. Building. | CAP | 7220-Javier Mendez | COH | 12 Months | 115,000 |

| Project ID | Project Name | Project Description | Sources and Funds | Project Manager | Address | Completion Timeframe | Total |
|----------------|-------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------|-------------------|--------------------|-------------------|----------------------|-----------|
| PBLGD-020-2023 | Casa Del Sol Roof Repair | Contract the roof replacement on the Casa Del Sol Building. | CAP | 7220-Javier Mendez | 221 E. Madison Av | 12 Months | 157,000 |
| PBLGD-021-2023 | Fire Station #1 Building Renovation | Renovate the interior rooms and Restroom/Showers of Fire Station #1. | CAP | 7220-Javier Mendez | FIRE STATION NO 1 | 12 Months | 50,000 |
| PBLGD-022-2023 | Replace Flat Form Risers 4'x8'x24" with Carpet | Replace the flat form risers which is generally used for a temporary stage for special events. | CAP | 7220-Javier Mendez | COH | 12 Months | 10,000 |
| PBLGD-023-2023 | Add to Lon C. Hill Building for Additional Office Space (7,500 sq. ft.) | Design and construct additional office space by adding to the existing Lon C. Hill Building. | CAP | 7220-Javier Mendez | 502 E. Tyler | 12 Months | 2,500,000 |
| PBLGD-024-2023 | Add parking spaces to Lon C. Hill (10,890 sq. ft.) | Design and construct additional parking spaces to the existing Lon C. Hill Building parking lot. | CAP | 7220-Javier Mendez | COH | 12 Months | 85,000 |
| PBLGD-025-2023 | Renovate warehouse for storage | Construct addition to the parks and public buildings w | CAP | 7220-Javier Mendez | COH | 12 Months | 48,000 |
| PBLGD-026-2023 | LED Informational Sign at City Hall | Purchase and install a digital LED informational sign at the corner of Commerce St. & Tyler St. | CAP | 7220-Javier Mendez | 118 E Tyler Ave | 12 Months | 36,000 |
| PBLGD-027-2023 | LED Informational Sign at Lon C. Hill | Purchase and install a digital LED informational sign at the corner of Tyler St and 5th street. | CAP | 7220-Javier Mendez | COH | 12 Months | 36,000 |
| PBLGD-028-2023 | Construct a Media Room at City Hall | Construct a Media room upstairs at City Hall to be able to record public meetings in the Commission Chambers. | CAP | 7220-Javier Mendez | 118 E Tyler Ave | 12 Months | 22,000 |
| PBLGD-029-2023 | Replace Air Condition RTU at Police Department | Contract the replacement of Air Condition RTU at the Police Department with R410. | CAP | 7220-Javier Mendez | COH | 36 Months | 175,000 |

| Project ID | Project Name | Project Description | Sources and Funds | Project Manager | Address | Completion Timeframe | Total |
|----------------|----------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|----------------------------|------------------|----------------------|-----------|
| PBLGD-030-2023 | Repair Foundation at Lon C. Hill | Contract the repairs to the foundation at the Lon C. Hill Building by leveling and installing piers underneath the foundation. | CAP | 7220- Javier Mendez | COH | 12 Months | 46,000 |
| PBLGD-031-2023 | Resurface Parking Lot at City Hall | Contract the services to add drainage and resurface to the parking lot next to City Hall. | CAP | 7220- Javier Mendez | 118 E Tyler Ave | 12 Months | 85,000 |
| PBLGD-032-2023 | Replace sewer line to Harlingen Library | Contract the replacement of the main sewer line that serves the library with a 6" line. | CAP | 7220- Javier Mendez | LIBRARY | 12 Months | 29,000 |
| PBLGD-033-2023 | Upgrade Ecostructure (Automated A/C controls) to add EOC | Upgrade Ecostructure (Automated A/C controls) to add EOC (Emergency Operations Center) | CAP | 7220- Javier Mendez | COH | 12 Months | 52,000 |
| PW-001-2023 | Public Works Building Renovation @ 404 S. 54th St | Replacing roof of the admin. Bldg, shop area, traffic signals, purchasing building, and vehicle canopy area. Replace sheet rock inside the three buidlings that were damaged due to water coming in through the brick , roof, and windows. Reseal brick to avoid water seepage in to buildings . Enclose the canopy area to convert into a large enclosed room to accomodate for weather, special events, etc. | CAP | 1305- Ana Hdz | 404 S. 54TH ST | 48 Months | 4,000,000 |
| SPEC-001-2023 | Transit Bus Terminal | Harlingen Transit Bus Terminal LRGVDC TX-2021-064 00. Building of seven buses terminals.1.8-acre site with access to the area's highway system | LRGVDC/FTA | 5001- Rodrigo Davila | 201 North T St. | 18 Months | 5,627,452 |
| GOLF-01-2023 | Tony Butler Golf Course Renovation | Reconstruct the greens and tee boxes, regrade the fairways, and replace the irrigation system of the 18 hole main couse | CAP | 404-6051- Jeff Hart | 2640 Golf Course | 12 Months | 6,300,000 |

| Project ID | Project Name | Project Description | Sources and Funds | Project Manager | Address | Completion Timeframe | Total |
|----------------|----------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|-----------------------|-------------------|----------------------|-------------------|
| PURCH-001-2023 | Fuel Storage Replacement 54th St | Replacement of Fuel Storage Tanks, Six Dual Dispensers, Upgrade of four Prokee Fuel Master Units, Two Hose Upgrade of two Veedertoot Automatic Tank gauging systems. | CAP | 451- Robert Rodriguez | 54th St. COH -War | 6 Months | 399,999 |
| | | | | | | Total | 68,390,354 |

COMPONENT UNITS

Harlingen Waterworks System (HWWS)

Waterworks and Wastewater System Fund is a component unit, which accounts for the operation of the Waterworks and Wastewater system. A board separate from the City Commission controls this component unit.

HWWS Summary of Revenues & Expenses

| | ACTUAL FY 2020-21 | BUDGET FY 2021-22 | APPROVED FY 2022-23 |
|--------------------------------------------|----------------------|-----------------------|------------------------|
| <u>OPERATING REVENUES</u> | | | |
| Base Charges - Water | \$ 3,062,844 | \$ 3,064,340 | \$ 3,094,983 |
| Base Charges - Sewer | 2,022,051 | 2,023,878 | 2,044,117 |
| Consumption Charges - Water | 6,145,354 | 6,120,600 | 6,181,806 |
| Consumption Charges - Sewer | 8,152,131 | 7,360,022 | 7,433,622 |
| Fuel Adjustment | 512,503 | 483,323 | 488,156 |
| Sales to Other Entities - Water | 711,447 | 698,666 | 705,052 |
| Sales to Other Entities - Sewer | 438,644 | 329,493 | 332,788 |
| Late Payment Penalties | 301,780 | 296,339 | 299,303 |
| Disconnect Fees | 207,514 | 209,325 | 211,418 |
| Service Fees | 73,573 | 77,120 | 77,891 |
| Pretreatment Testing Chgs - Sewer | 15,149 | 13,771 | 13,909 |
| Industrial Surcharges - Sewer | 121,765 | 127,260 | 128,533 |
| TOTAL OPERATING REVENUES | 21,764,755 | 20,804,137 | 21,011,578 |
| <u>OPERATING EXPENSES</u> | | | |
| Personnel Services | 9,289,722 | 10,335,666 | 10,980,421 |
| Contractual Services | 3,117,982 | 3,811,565 | 3,800,060 |
| Maintenance & Supplies | 3,410,410 | 4,233,166 | 5,099,092 |
| Other Charges | 147,314 | 225,215 | 234,450 |
| Depreciation | 3,975,072 | 4,069,141 | 3,705,784 |
| TOTAL OPERATING EXPENSES | 19,940,500 | 22,674,753 | 23,819,807 |
| INCREASE (DECREASE) FROM OPERATIONS | 1,824,255 | (1,870,616) | (2,808,229) |
| <u>NON-OPERATING REVENUES</u> | | | |
| Impact Fees - Water | 417,123 | 248,904 | 251,390 |
| Impact Fees - Sewer | 492,589 | 325,523 | 328,778 |
| Investment Earnings | 174,540 | 60,000 | 100,000 |
| Tap Fees | 117,410 | 80,000 | 80,000 |
| Front Footage/Tie in Charges | 154,149 | 32,000 | 50,000 |
| Inspection Fees | 37,299 | 14,342 | 30,000 |
| Backflow Prevention Fees | 30,475 | 29,896 | 29,896 |
| Rental Income | 93,136 | 91,339 | 89,239 |
| Garbage Billing Fee | 75,000 | 75,000 | 75,000 |
| Miscellaneous | 1,725,023 | 188,163 | 188,245 |
| TOTAL NON-OPERATING REVENUES | 3,316,744 | 1,145,167 | 1,222,548 |
| <u>NON-OPERATING EXPENSES</u> | | | |
| Interest Expense | 392,141 | 520,360 | 487,725 |
| INCREASE (DECREASE) IN NET ASSETS | \$ 4,748,859 | \$ (1,245,809) | \$ (2,073,406) |

HWWS - Debt Service

The Harlingen Water Works Debt Service Fund is used to account for the accumulation of resources and the payment of revenue bond principal and interest from governmental resources when Harlingen Water Works Service is obligated in some manner for the payment.

DEBT SERVICE REQUIREMENTS TO MATURITY BY FISCAL YEAR SOURCE OF FUNDING - WATER & SEWER SYSTEM REVENUE

| FISCAL YEAR ENDING 09/30 | 2010B | | 2015A | | 2015B | |
|-----------------------------------|-------------------------|-------------|---------------------|---------------------|-------------------------|-------------------|
| | REFUNDING REVENUE BONDS | | REVENUE BONDS | | REFUNDING REVENUE BONDS | |
| | PRINCIPAL | INTEREST | PRINCIPAL | INTEREST | PRINCIPAL | INTEREST |
| 2023 | - | - | 530,000 | 290,912 | 255,000 | 77,238 |
| 2024 | - | - | 545,000 | 274,788 | 265,000 | 69,437 |
| 2025 | - | - | 560,000 | 258,212 | 275,000 | 61,338 |
| 2026 | - | - | 580,000 | 241,113 | 280,000 | 53,012 |
| 2027 | - | - | 595,000 | 223,487 | 295,000 | 44,388 |
| 2028 | - | - | 615,000 | 205,338 | 300,000 | 35,462 |
| 2029 | - | - | 635,000 | 186,587 | 320,000 | 26,163 |
| 2030 | - | - | 650,000 | 166,907 | 330,000 | 16,206 |
| 2031 | - | - | 675,000 | 145,781 | 340,000 | 5,525 |
| 2032 | - | - | 695,000 | 122,650 | - | - |
| 2033 | - | - | 720,000 | 97,887 | - | - |
| 2034 | - | - | 745,000 | 71,785 | - | - |
| 2035 | - | - | 775,000 | 44,234 | - | - |
| 2036 | - | - | 805,000 | 15,094 | - | - |
| | \$ - | \$ - | \$ 9,125,000 | \$ 2,344,775 | \$ 2,660,000 | \$ 388,769 |

| FISCAL YEAR ENDING 09/30 | 2019 | | TOTAL | TOTAL | TOTAL |
|-----------------------------------|---------------------|---------------------|----------------------|---------------------|----------------------|
| | REFUNDING BONDS | | DEBT | DEBT | PRINCIPAL & |
| | PRINCIPAL | INTEREST | PRINCIPAL | INTEREST | INTEREST |
| 2023 | 240,000 | 175,775 | 1,025,000 | 543,925 | 1,568,925 |
| 2024 | 250,000 | 163,525 | 1,060,000 | 507,750 | 1,567,750 |
| 2025 | 260,000 | 150,775 | 1,095,000 | 470,325 | 1,565,325 |
| 2026 | 280,000 | 137,275 | 1,140,000 | 431,400 | 1,571,400 |
| 2027 | 290,000 | 123,025 | 1,180,000 | 390,900 | 1,570,900 |
| 2028 | 305,000 | 108,150 | 1,220,000 | 348,950 | 1,568,950 |
| 2029 | 325,000 | 92,400 | 1,280,000 | 305,150 | 1,585,150 |
| 2030 | 340,000 | 75,775 | 1,320,000 | 258,888 | 1,578,888 |
| 2031 | 355,000 | 58,400 | 1,370,000 | 209,706 | 1,579,706 |
| 2032 | 370,000 | 44,900 | 1,065,000 | 167,550 | 1,232,550 |
| 2033 | 375,000 | 35,588 | 1,095,000 | 133,475 | 1,228,475 |
| 2034 | 385,000 | 26,088 | 1,130,000 | 97,873 | 1,227,873 |
| 2035 | 400,000 | 16,275 | 1,175,000 | 60,509 | 1,235,509 |
| 2036 | 410,000 | 5,638 | 1,215,000 | 20,732 | 1,235,732 |
| | \$ 4,585,000 | \$ 1,213,588 | \$ 16,370,000 | \$ 3,947,131 | \$ 20,317,131 |

HWWS - Wastewater

The Wastewater Collection department is responsible for the repair, replacement, and installation of sewer lines, lift stations and manholes; air testing sewer lines in new subdivisions to ensure compliance with local, state, and federal guidelines; and investigating and resolving customer complaints pertaining to sewer back-ups and sewer odors. When applicable, the department is called upon to assess any damages resulting from sewer blockages. The department video tapes sewer lines to check for needed repair or replacement; grouts sewer manholes; repairs damaged sewer lines, and broken force mains.

PROGRAM GOAL

To perform preventive maintenance on all wastewater collection lines and lift stations within the City to prevent inconvenience to customers. To keep personnel updated on revisions to local, state, and federal regulations. To handle customer complaints in an efficient and effective manner.

HWWS - Wastewater Revenues & Expenses

| | ACTUAL FY 2020-21 | BUDGET FY 2021-22 | APPROVED FY 2022-23 |
|--------------------------------------|----------------------|----------------------|------------------------|
| <u>OPERATING REVENUES</u> | | | |
| Base Charges - Sewer | \$ 2,022,051 | \$ 2,023,878 | \$ 2,044,117 |
| Consumption Charges - Sewer | 8,152,131 | 7,360,022 | 7,433,622 |
| Fuel Adjustment | 242,651 | 223,402 | 225,636 |
| Sales to Other Entities - Sewer | 438,644 | 329,493 | 332,788 |
| Late Payment Penalties | 163,344 | 155,055 | 156,606 |
| Pretreatment Testing Chgs - Sewer | 15,149 | 13,771 | 13,909 |
| Industrial Surcharges - Sewer | 121,765 | 127,260 | 128,533 |
| TOTAL OPERATING REVENUES | 11,155,735 | 10,232,881 | 10,335,211 |
| <u>OPERATING EXPENSES</u> | | | |
| Personnel Services | 4,716,793 | 4,822,866 | 5,088,371 |
| Contractual Services | 882,958 | 1,293,620 | 1,248,420 |
| Maintenance & Supplies | 1,377,468 | 1,848,446 | 2,114,100 |
| Other Charges | 72,270 | 113,650 | 117,650 |
| Depreciation | 2,194,817 | 2,114,134 | 1,870,390 |
| TOTAL OPERATING EXPENSES | 9,244,306 | 10,192,716 | 10,438,931 |
| INCREASE FROM OPERATIONS | 1,911,429 | 40,165 | (103,720) |
| <u>NON-OPERATING REVENUES</u> | | | |
| Impact Fees - Sewer | 492,589 | 325,523 | 328,778 |
| Investment Earnings | 87,231 | 30,000 | 50,000 |
| Tap Fees | 28,610 | 20,000 | 20,000 |
| Tie in Charges | 125,827 | 18,000 | 30,000 |
| Inspection Fees | 21,179 | 7,342 | 20,000 |
| Rental Income | 46,568 | 45,669 | 44,619 |
| Garbage Billing Fee | 37,500 | 37,500 | 37,500 |
| Miscellaneous | 359,748 | 139,000 | 139,000 |
| TOTAL NON-OPERATING REVENUES | 1,199,252 | 623,034 | 669,897 |
| <u>NON-OPERATING EXPENSES</u> | | | |
| Interest Expense | 196,649 | 260,749 | 243,862 |
| INCREASE IN NET ASSETS | \$ 2,914,033 | \$ 402,450 | \$ 322,315 |

HWWS - Waterworks

The Harlingen Waterworks System is a municipally owned enterprise operated by a Board of Trustees, which is appointed by the elected commission of the City of Harlingen. The operation of this system is financed with revenues generated from water and wastewater services. The General Manager, hired by the Utility Board of Trustees, is in charge of the overall day-to-day operations of the system. The mission of the Administration Department is to provide direction, leadership, and coordination of all System functions and activities. Under the guidance of the General Manager, the department develops proposed operating and capital budgets, as well as immediate and long-term capital improvement programs.

PROGRAM GOAL

To provide safe and sufficient water, to ensure environmental quality and public health, and to strive for higher levels of customer service. Provide a work environment that respects individual contributions in order to maintain quality personnel. Provide long range planning for continued growth.

HWWS - Waterworks Revenues & Expenses

| DESCRIPTION | ACTUAL FY 2020-21 | BUDGET FY 2021-22 | APPROVED FY 2022-23 |
|--------------------------------------------|----------------------|-----------------------|------------------------|
| <u>OPERATING REVENUES</u> | | | |
| Base Charges - Water | \$ 3,062,844 | \$ 3,064,340 | \$ 3,094,983 |
| Consumption Charges - Water | 6,145,354 | 6,120,600 | 6,181,806 |
| Fuel Adjustment | 269,852 | 259,921 | 262,520 |
| Sales to Other Entities - Water | 711,447 | 698,666 | 705,052 |
| Late Payment Penalties | 138,436 | 141,284 | 142,697 |
| Disconnect Fees | 207,514 | 209,325 | 211,418 |
| Service Fees | 73,573 | 77,120 | 77,891 |
| TOTAL OPERATING REVENUES | 10,609,020 | 10,571,256 | 10,676,367 |
| <u>OPERATING EXPENSES</u> | | | |
| Personnel Services | 4,572,929 | 5,512,800 | 5,892,050 |
| Contractual Services | 2,235,024 | 2,517,945 | 2,551,640 |
| Maintenance & Supplies | 2,032,942 | 2,384,720 | 2,984,992 |
| Other Charges | 75,044 | 111,565 | 116,800 |
| Depreciation | 1,780,255 | 1,955,007 | 1,835,394 |
| TOTAL OPERATING EXPENSES | 10,696,194 | 12,482,037 | 13,380,876 |
| INCREASE (DECREASE) FROM OPERATIONS | (87,174) | (1,910,781) | (2,704,509) |
| <u>NON-OPERATING REVENUES</u> | | | |
| Impact Fees - Water | 417,123 | 248,904 | 251,390 |
| Investment Earnings | 87,309 | 30,000 | 50,000 |
| Tap Fees | 88,800 | 60,000 | 60,000 |
| Front Footage | 28,322 | 14,000 | 20,000 |
| Inspection Fees | 16,120 | 7,000 | 10,000 |
| Backflow Prevention Fees | 30,475 | 29,896 | 29,896 |
| Rental Income | 46,568 | 45,670 | 44,620 |
| Garbage Billing Fee | 37,500 | 37,500 | 37,500 |
| Miscellaneous | 469,072 | 49,163 | 49,245 |
| TOTAL NON-OPERATING REVENUES | 1,221,289 | 522,133 | 552,651 |
| <u>NON-OPERATING EXPENSES</u> | | | |
| Interest Expense | 195,492 | 259,611 | 243,863 |
| INCREASE (DECREASE) IN NET ASSETS | \$ 938,623 | \$ (1,648,259) | \$ (2,395,721) |

Valley International Airport (VIA)

Valley International Airport as a component unit, which is a legally separate organization that the City of Harlingen must include as part of its financial reporting entity for fair presentation. A board separate from the City Commission controls this component unit. Revenues are generated by commercial use of the Terminal Building, Terminal Support, Airfield, and Industrial Park. The chief administrator of the Airport is the Director of Aviation who is appointed by the Airport Board. The Mayor and City Commissioners appoint members of the Harlingen Airport Board. Commercial airline service is provided by Southwest Airlines, United Airlines and American Airlines while seasonal service is provided by Sun Country Airlines. Air Cargo flights include Southwest Airlines, DHL Express and FedEx.

Vision Statement

Valley International Airport will be the finest aviation gateway in South Texas, providing global air access for the Rio Grande Valley through superior operations, safety, and quality air transportation services.

Mission Statement

Working closely and effectively with key stakeholders, the Harlingen Airport Board is committed to providing excellence in air transportation services by having accessible, functional, safe, and efficient operations and facilities; promoting aviation and non-aviation development and economic growth through careful analysis and implementation of strategic investments; and supporting innovative, entrepreneurial initiatives to provide excellent value to its customers and partners and to further enhance Valley International Airport as a self-sustaining enterprise.

Program Goals

Working closely and effectively with key stakeholders, the Harlingen Airport Board is committed to providing excellence in air transportation services by having accessible, functional, safe and efficient operations and facilities; promoting aviation and non-aviation development and economic growth through careful analysis and implementation of strategic investments; supporting innovative, entrepreneurial initiatives to provide excellent value to its customers and partners and to further enhance Valley International Airport as a self-sustaining enterprise.

Valley International Airport's current growth trend continues to support its goal of providing the RGV with the best air travel services both in terms of passengers and air cargo. With a strong financial base, room to expand and a business-oriented board of directors, it is well positioned to take advantage of opportunities as they develop.

Significant Accomplishments

- Navigating and Mitigating COVID-19 issues
- Reconstruct NW & SW Concrete Apron
- Tech Ops Building – FAA Lease
- Terminal seating
- Terminal Exterior repaint/refurbishment
- FIS Generator
- Acquired additional property for Runway 17R-35L extension

- SUPPS Expansion
- Truss Roof Repairs
- ICE Facility Refurbishment

Significant projects - In Process

- Continued negotiations - Air Service Development
- U.S. Designated Port of Entry Status
- RWY 17R Extend – Construction
- Parking Lot Improvements
- VIP Lounge refurbishments
- Passenger Boarding Bridges
- Control Tower (New)

Future Challenges/Projects

- Establish VIA as the RGV’s Regional Airport
- Address Air Carrier deficiencies
- Sustain and attract Air Carriers
- Negotiate new contracts – Parking, Leases
- Compliance with FAA Land and Lease Audit
- Marketing Harlingen Aerotropolis to prospective businesses
- Revenue diversification and expenditure controls
- Final FAA Certification of Engine Test Cell Facility

Financial Highlights

The Fiscal Year 2023 Budget reflects Valley International Airport's commitment to maintain a safe, secure, customer-friendly and self-sustaining facility.

Adopted Budget

Revenue for Fiscal Year 2023 is \$7,114,449, an increase of \$920,584 from the Current Year Budget. Significant differences include the following:

Operating Expense for Fiscal Year 2023 is \$8,247,853, a decrease of \$724,556 from the Current Year Budget. Significant differences include the following:

Operating expenses and local capital spending will be supplemented with COVID-19 grant funding of \$5,805,804.

Capital Expense and Improvement Projects

Capital Purchases total \$360,000, consisting of equipment and improvements for various airport departments including Fiber Lines – East side gates, Electrical Panels, Access Control – Gate 15 and a Pick-Up Truck with Accessories.

Capital Improvements include Runway Extension Project, Rehabilitation of Employee and Paid Parking Lots, Covered Parking for Paid Parking Lots, (3) Jet Bridge Replacements and a new Control Tower.

Cash Flow

Cash and Investment beginning fiscal year balances will approximate \$14,300,184. Cash sources are projected to be \$36,420,732 including \$22,063,841 in Federal Aviation Administration - Airport Improvement Program (FAA-AIP) grant reimbursements, \$1,619,969 in PFC receipts and \$5,805,000 in

COVID-19 grant funds. Cash uses are estimated to be \$45,792,853, including \$37,545,000 capital expense and improvements. Ending Cash and Investment balances will approximate \$4,928,063.

PERFORMANCE INDICATORS

| | ACTUAL FY 2021 | ESTIMATE FY 2022 | BUDGET FY 2023 |
|-----------------------------|-------------------|---------------------|-------------------|
| <u>EFFECTIVENESS</u> | | | |
| Total number of passengers | 248,242 | 408,224 | 410,625 |
| Cargo pounds | 86,705,906 | 76,153,968 | 76,000,000 |
| <u>EFFICIENCY</u> | | | |
| Airline cost per passenger | \$0.00 | \$2.14 | \$4.05 |
| <u>OUTPUT</u> | | | |
| Capital projects completed | 9 | 6 | 5 |

Capital Projects

| Capital Purchases | Proposed Budget |
|-----------------------------------|-------------------|
| Fiber lines - East side gates | \$ 100,000 |
| Electrical Panel | 50,000 |
| Access Control - Gate 15 | 50,000 |
| Pick-up Truck & Accessories (1) | 35,000 |
| Airport Radios | 35,000 |
| Ground Handling Lav Cart | 25,000 |
| Zero turn mowers (2) | 20,000 |
| Misc (computers, other equipment) | 45,000 |
| | - |
| Total Capital Expenses | \$ 360,000 |

VIA - Revenues & Expenses

| DESCRIPTION | ACTUAL FY 2021 | BUDGET FY 2022 | APPROVED FY 2023 |
|-------------------------------------------------|----------------------|----------------------|----------------------|
| REVENUES: | | | |
| Terminal Building | \$1,734,374 | \$2,930,689 | \$3,443,227 |
| Airfield | 311,410 | \$580,145 | \$841,413 |
| Industrial Park | 1,179,812 | \$1,374,346 | \$1,435,549 |
| Terminal Support | 795,166 | \$1,308,686 | \$1,394,260 |
| TOTAL OPERATING REVENUES | \$4,020,762 | \$6,193,865 | \$7,114,449 |
| EXPENSES: | | | |
| Personnel Services | \$3,995,930 | \$4,580,953 | \$4,746,132 |
| Contracted Services | 2,144,267 | \$2,734,093 | \$1,826,160 |
| Materials and Supplies | 586,809 | \$657,234 | \$774,419 |
| Other Expenses | 954,784 | \$1,000,129 | \$901,142 |
| TOTAL OPERATING EXPENSES | \$7,681,790 | \$8,972,409 | \$8,247,853 |
| OPERATING INCOME BEFORE DEPRECIATION | (\$3,661,028) | (\$2,778,543) | (\$1,133,404) |
| Depreciation Expense | 6,075,734 | 7,000,000 | 7,000,000 |
| Operating Income/(Loss) | (\$9,736,763) | (\$9,778,543) | (\$8,133,404) |
| Non-Operating Rev (Exp) | 25,418 | 9,079 | 29,000 |
| Capital Contributions | 17,240,128 | 19,917,583 | 29,488,810 |
| INCREASE IN NET ASSETS | \$7,528,783 | \$10,148,119 | \$21,384,406 |

Harlingen Economic Development Corporation (HEDC)

Harlingen Economic Development Corporation, Inc. (HEDC) is used to account for 75% of the special ½ cent sales tax with expenditures to promote economic and industrial activity within the City of Harlingen. The collection of ½ cent sales tax for economic and industrial purposes commenced during the fiscal year beginning October 1, 1990.

The Board of Directors is appointed by the City Commission and functions as the decision/policy-making body for activities related to this component unit subject to some prior Commission approval. Prior to fiscal year 2008, City management and City staff ran the HEDC operations. With the approval of the HEDC board, a director and three staff positions were hired in FY 2008 solely for the administration and operations of the HEDC.

| DESCRIPTION | ACTUAL FY 20-21 | BUDGET FY 21-22 | APPROVED FY 22-23 |
|---------------------------------|---------------------|---------------------|----------------------|
| REVENUES: | | | |
| Sales | \$5,517,059 | \$5,592,212 | \$6,245,876 |
| Rentals | 467,289 | 464,660 | 499,483 |
| CITY | 102,714 | 96,000 | 108,000 |
| Investments | 3,370 | 1,260 | 24,960 |
| Loans | | | - |
| Loan Principal | | | - |
| Various | 456,398 | 425,000 | 400,000 |
| Transfers | 799,406 | 687,105 | 3,476,782 |
| TOTAL REVENUES | 7,346,236 | 7,266,237 | 10,755,101 |
| EXPENDITURES: | | | |
| Administration | 1,094,689 | 1,555,707 | 1,781,034 |
| Marketing | 180,420 | 312,800 | 411,980 |
| Direct Business Incentive | 1,115,866 | 2,271,616 | 5,442,667 |
| Operations | 369,111 | 385,000 | 362,000 |
| Other | 203,687 | 374,500 | 395,000 |
| Debt Service | 2,755,983 | 2,270,613 | 2,261,959 |
| Other Finan Uses - Transfer | 96,803 | 96,000 | 120,000 |
| TOTAL EXPENDITURES | 5,816,559 | 7,266,236 | 10,774,640 |
| Excess Revenues Over/(Under) | 1,529,677 | 1 | (19,539) |
| Fund Balance Beginning of Year | 10,635,671 | 12,165,348 | 12,165,349 |
| END OF YEAR FUND BALANCE | \$12,165,348 | \$12,165,349 | \$12,145,810 |

The Harlingen Community Improvement Board (HCIB) is a separately chartered nonprofit 4B corporation. This fund administers 25% of the special ½ cent sales tax monies to foster economic development within the City. The Board of Directors is appointed by the City Commission and functions as the decision/policy-making body for all activities related to this fund.

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The Board of Directors is appointed by the City Commission and functions as the decision/policy-making body for all activities related to this component unit subject to prior Commission approval. Currently, City administration and staff handle the regular operations of the HCIB.

| DESCRIPTION | ACTUAL FY 20-21 | BUDGET FY 21-22 | APPROVED FY 22-23 |
|---------------------------------|--------------------|--------------------|----------------------|
| REVENUES: | | | |
| Sales Tax | \$1,839,020 | \$1,678,656 | \$1,968,907 |
| Investments | 1,957 | 4,400 | 50,800 |
| Various | 15,496 | - | - |
| TOTAL REVENUES | 1,856,473 | 1,683,056 | 2,019,707 |
| EXPENDITURES: | | | |
| Administration | - | 1,500,000 | 1,500,000 |
| Project Incentives | 1,233,746 | 1,305,852 | 8,219,884 |
| TOTAL EXPENDITURES | 1,233,746 | 2,805,852 | 9,719,884 |
| Excess Revenues Over/(Under) | 1,294,523 | (1,886,582) | (7,700,177) |
| Fund Balance Beginning of Year | 5,937,402 | 5,112,993 | (2,587,184) |
| END OF YEAR FUND BALANCE | 7,231,925 | 3,226,411 | (10,287,361) |

SUPPLEMENTAL & STATISTICAL

City of Harlingen - Major Employers for FY2022

MAJOR EMPLOYERS

Agriculture is still very important to the Harlingen economy, but Harlingen has diversified its employment market, adding the health care and telecommunications industries. Three of the top 10 employers in Harlingen are in the medical field. Health care and related services are destined to play a key role in the future of Harlingen with the Regional Academic Health Center, a branch of the University of Texas-San Antonio Health Science Center; the recent opening of the South Texas Veterans Administration Health Care Center at Harlingen and the physician-owned Harlingen Medical Center all being important elements. Finally, the newly created University of Texas – Rio Grande Valley includes a Medical School. Telecommunications is also a growing industry in Harlingen. Tapping into Harlingen’s talented and bi-lingual workforce are United Healthcare, Dish Network, Qualfon, Time Warner Cable and Advanced Call Center Technologies, all calling Harlingen, Texas home. Texas State Technical College in Harlingen is known for its technology programs.

10 Major Employers for the City of Harlingen

- 1 Harlingen CISD
- 2 Valley Baptist Medical Center
- 3 Advanced Call Center Technologies
- 4 HEB (3) Harlingen Locations
- 5 United HealthCare Services, Inc.
- 6 Harlingen Medical Center
- 7 Rio Grande State Center
- 8 Bee First Primary Home Care
- 9 Texas State Technical College
- 10 VA Texas Valley Coastal

Population Overview



TOTAL POPULATION

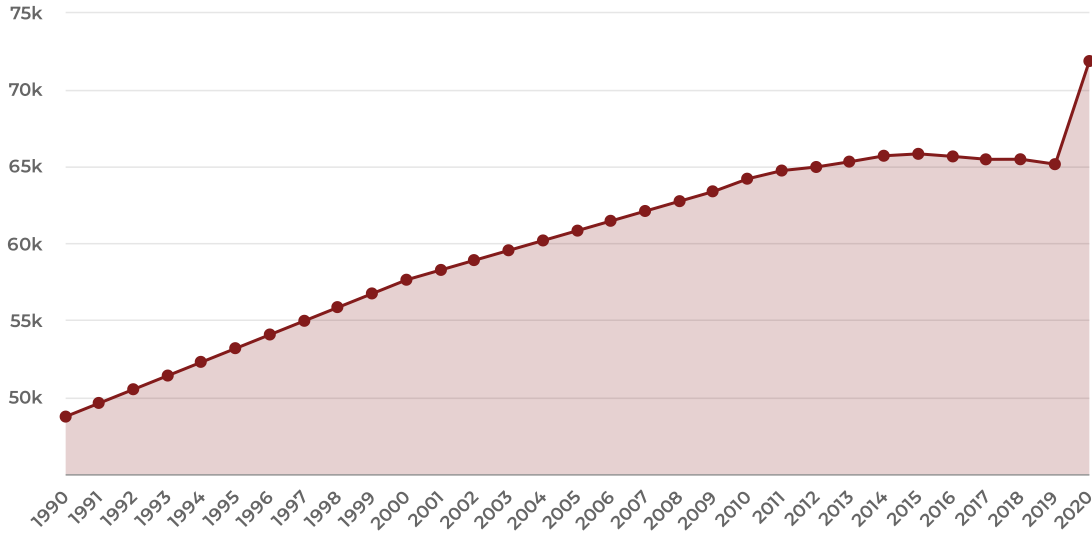
71,829

▲ **10.3%**
vs. 2019

GROWTH RANK

190 out of **1220**

Municipalities in Texas



* Data Source: Client entered data for year 2020



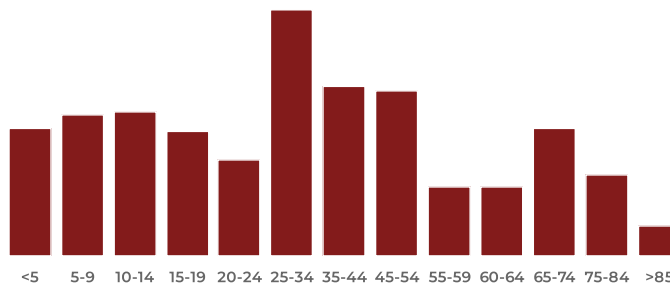
DAYTIME POPULATION

82,263

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

* Data Source: American Community Survey 5-year estimates

POPULATION BY AGE GROUP



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

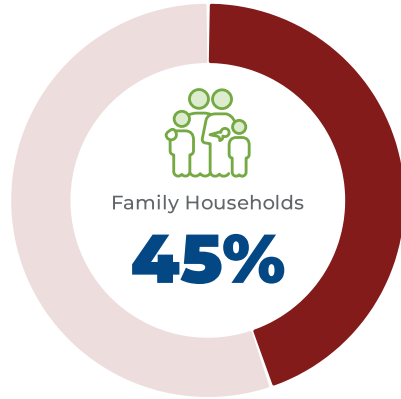
* Data Source: American Community Survey 5-year estimates

Household Analysis

TOTAL HOUSEHOLDS

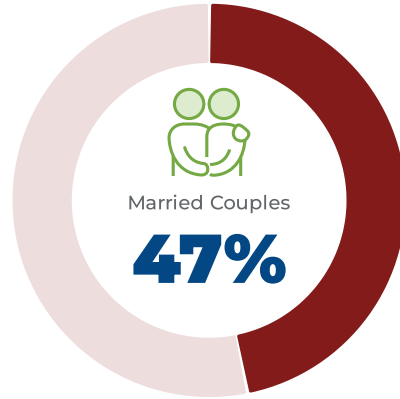
21,752

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



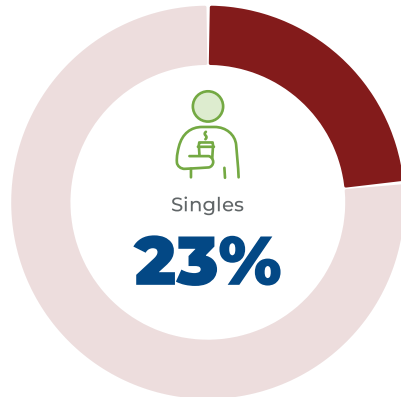
▼ **11%**

lower than state average



▼ **7%**

lower than state average



▼ **8%**

lower than state average



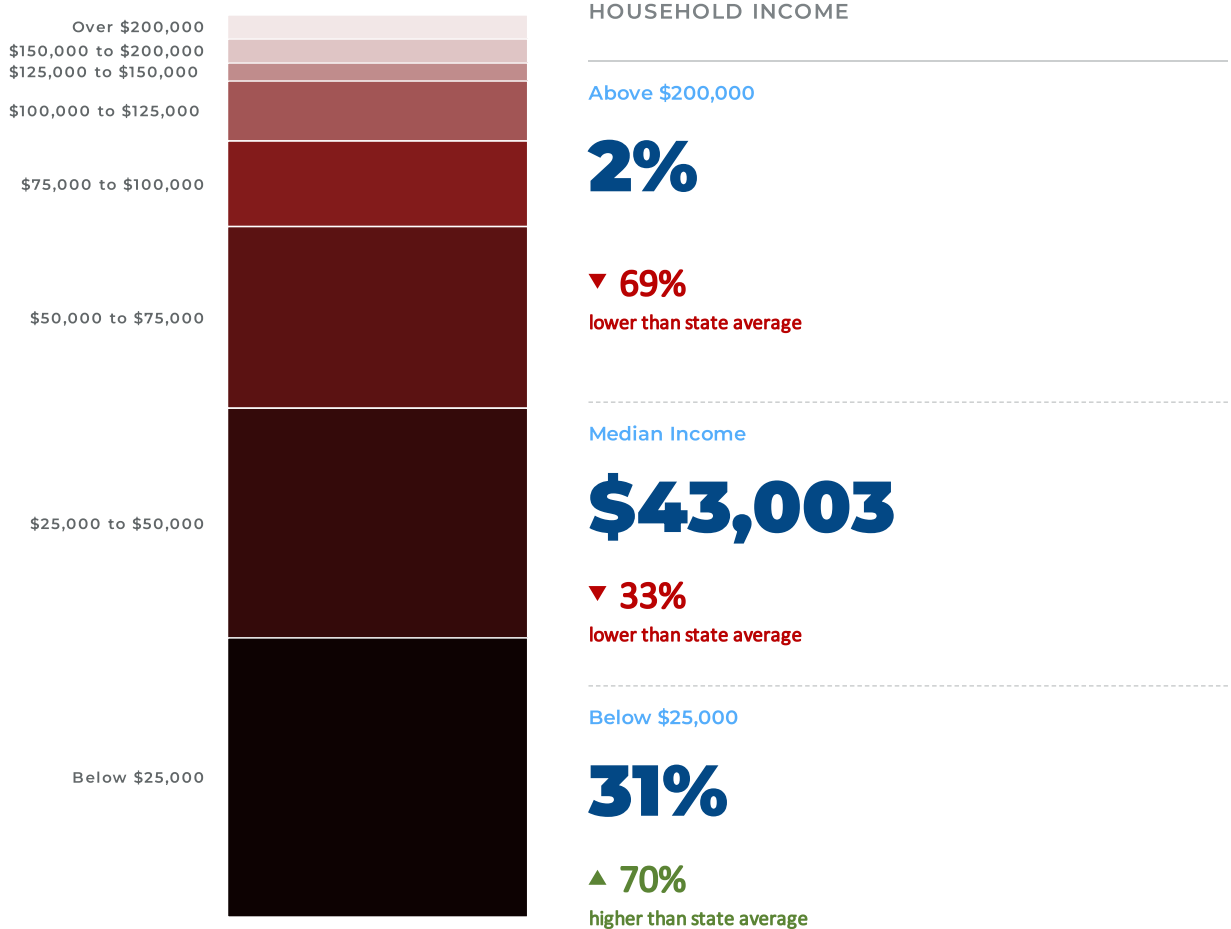
▲ **9%**

higher than state average

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

Economic Analysis

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



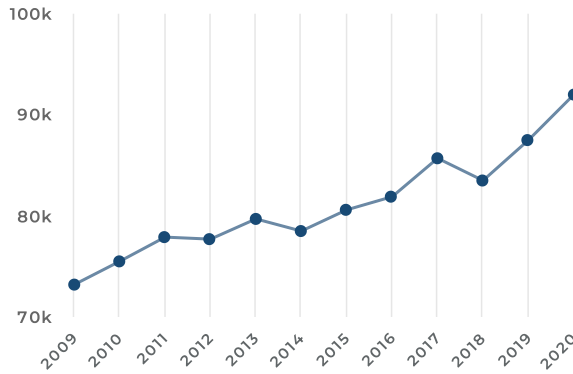
* Data Source: American Community Survey 5-year estimates

Housing Overview



2020 MEDIAN HOME VALUE

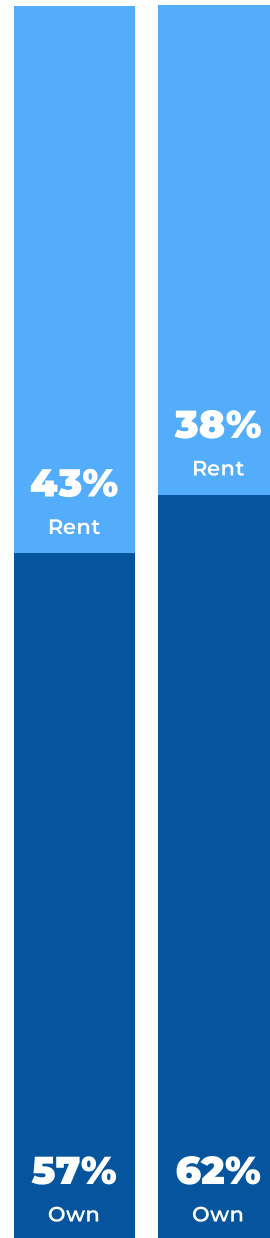
\$92,000



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

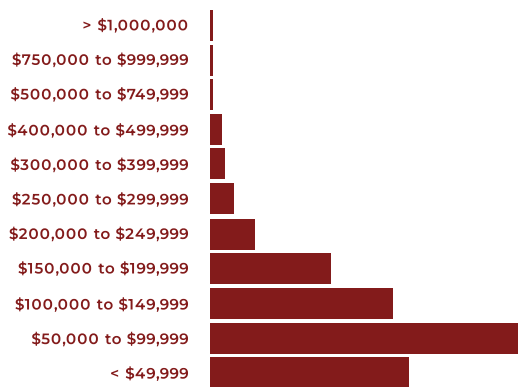
HOME OWNERS VS RENTERS

Harlingen State Avg.



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

HOME VALUE DISTRIBUTION



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

Capital Improvement Policy

A Capital Improvement Program (CIP) covering a five-year period, will be developed, reviewed, and updated annually. As resources are available, the most current year CIP will be incorporated into the current year's operating budget.

To be considered in the CIP, a project must have an estimated cost of at least \$5,000 in one of the fiscal years of the project. Projects may not be combined to meet the minimum standard unless they are dependent upon each other. Items that are operating expenses, such as maintenance agreements and personal computer software upgrades, will not be considered within the CIP.

The City will identify the estimated costs and potential funding sources for each capital project prior to inclusion in the CIP. The operating costs to maintain capital projects shall be considered prior to the decision to undertake the projects.

Capital projects and capital asset purchases will receive a higher priority if they meet a majority of the following criteria:

- It is a mandatory project.
- It is a maintenance project based on approved replacement schedules.
- It will improve efficiency.
- It will provide a new service.
- It is mandated by policy.
- It has a broad extent of usage.
- It lengthens the expected useful life of a current asset.
- It has a positive effect on operating and maintenance costs.
- There are grant funds available.
- It will eliminate hazards and improve public safety.
- There are prior commitments.
- It replaces an asset lost to disaster or damage.

The CIP will be presented on an annual basis to the City Commission for approval. Any substantive change to the CIP after that must be resubmitted for approval by the City Commission. This year the CIP includes unapproved and unfunded projects. As the project planning phase gets closer, all projects will be presented to the City Manager and subsequently to the City Commission for final approval.

Financial & Accounting Policies

PURPOSE

The City of Harlingen has an important responsibility to its citizens, taxpayers, and all customers to carefully account for public funds, to manage the City's finances wisely, and to plan for the adequate funding of services desired by the public. To facilitate this responsibility, certain financial policies have been developed and implemented within the parameters established by provisions of the Texas Local Government Code and the City Charter. The more significant of the City's accounting policies are described below.

FUND STRUCTURE AND BASIS OF ACCOUNTING

All fund structures and accounting standards of the City of Harlingen are in compliance with generally accepted accounting principles for local governments as prescribed by the Governmental Accounting Standards Board (GASB) and other recognized professional standards.

GOVERNMENTAL FUNDS

Governmental funds revenues and expenditures are recognized on the modified accrual basis. Revenues are recognized in the accounting period in which they become available and measurable while expenditures are recognized in the accounting period in which the liability is incurred, if measurable. Because the appropriated budget is used as the basis for control and comparison of budgeted and actual amounts, the basis for preparing the budget is the same as the basis of accounting. Budgets for the Community Development Block Grant Fund are legally adopted on an annual basis by entitlement year.

The governmental funds are used to account for general government operations and include the General Fund, Debt Service funds, Special Revenue funds, and Capital Projects funds.

General Fund

The General Fund is the Primary operating fund for government services and is used to account for all resources not required to be accounted for in another fund and not otherwise devoted to specific activities. Most of the financial transactions for the City are reported in this fund. The services provided by the City are classified according to activity and presented as operating departments in the budget.

Debt Service Fund

This fund type is used to account for resources used to service the principal and interest on long-term debt such as general obligation bonds and certificates of obligations.

Capital Projects Funds

Capital Projects funds are used to account for resources restricted for the acquisition or development of major capital equipment and structures. Financing sources are usually provided by transfers from other funds, bond issue proceeds, or grants-in-aid. Capital projects are generally tracked on a project-length basis. The required financing is not appropriated on an annual basis (or any other period-length basis) but is approved at the outset of the project.

Special Revenue Funds

This type is used to account for the proceeds of specific revenue sources that are legally restricted, committed or assigned to expenditures for specific purposes.

PROPRIETARY FUNDS

Proprietary Fund revenues and expenses are recognized on an accrual basis. Revenues are recognized in the accounting period in which they are earned and become measurable, while expenses are recognized in the period incurred, if measurable. The basis for preparing the budget is the same as the basis of accounting except for principal payments on long-term debt and capital outlays, which are treated as budgeted expenses. Depreciation and compensated absences are not recognized as budgeted expenses.

Proprietary funds are used to account for the City's activities, which are similar to commercial enterprise accounting, where the determination of net income is necessary or useful for sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the government (internal service funds). These funds include the Municipal Auditorium Fund, Sanitation Fund, Harlingen Arts and Heritage Museum Fund, Municipal Golf Course Fund, Motor Vehicle/Warehouse Fund, and Health Insurance Fund.

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses typically are the result from activities specific to a particular proprietary fund's operations. Operating revenues include charges for services. Operating expenses include costs of services as well as materials, contracts, personnel and depreciation. All other revenues and expenses are reported as non-operating revenues and expenses.

The City reports the following enterprise funds:

- The **Sanitation Fund** is used to account for the operations of the City's solid waste collections and public landfill operations within the City limits.
- The **Municipal Golf Course Fund** is used to account for the operation of the City's Municipal Golf Course.
- The **Municipal Auditorium Fund** is set up to account for the utilization of the City's auditorium and the Casa de Amistad facility for economic gain as well as the encouragement of the arts.
- The **Harlingen Arts and Heritage Museum Fund** is used to account for the operation of the City's museum.

In addition, the City reports the following internal service funds:

- The **Motor Vehicle/Warehouse Fund**, an internal service fund is used to account for the monies received in servicing motorized vehicles and other equipment required for various departments of the City together with those related costs associated with the maintenance and repair of such vehicles and equipment.
- The **Health Insurance Fund**, an internal service fund is used to account for the monies received in providing medical insurance to the City's employees and families through a medical benefit program of a commercial carrier.

FIDUCIARY FUND

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the government. When these assets are held under the terms of a formal trust agreement, either a pension trust fund, or a private purpose trust is used. The City is the trustee, or fiduciary, of the **Firemen's Relief and Retirement Fund**.

BUDGETARY INFORMATION

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for all governmental funds except for funds that need to be administratively closed and the capital projects funds which adopt project-length budgets. Formal budgetary integration is employed as a management control device during the year for the General, Debt Service, Community Development Block Grant, Tennis Court Revenue, Hotel/Motel Occupancy Tax, Convention/Visitors Bureau, Catastrophic Emergency Relief, Harlingen Downtown, Freetrade Bridge, Infrastructure, Lon C. Hill Library, and Tax Increment Financing Zones 1, 2 and 3 as well as for all enterprise and internal service funds. These budgets, except for the Community Development Block Grant Fund, are adopted on a basis consistent with accounting principles generally accepted in the United States of America (GAAP).

Unused appropriations for all of the above annually budgeted funds lapse at the end of each year.

Budgetary data for Capital Project Funds are budgeted over the life of the respective project and not on an annual basis.

Budgets for the Community Development Block Grant Fund are legally adopted on an annual basis by entitlement year. The budgets reflected in the budget book represent the current fiscal year's program budget plus any remaining unexpended prior year's program budgets. Unexpended appropriations do not lapse at the end of the fiscal year for the Community Development Block Grant Fund.

The City Commission approves, by ordinance, total budget appropriations by fund only. The City Manager is authorized to transfer budget amounts between departments within any fund; however, any revisions that alter total appropriations must be approved by the City Commission. Therefore, the legal level of budgetary responsibility is by total appropriations; however, for report purposes, this level has been extended to a functional basis (General Government, Public Safety, etc.)

BALANCED BUDGET

State law and the City Charter require a balanced budget for each fund. A balanced budget is defined as one in which the total resources available, including the prior year-ending resources plus projected revenues, will be equal to or greater than the projected expenditures.

REVENUES

The City will maintain a diverse and stable revenue system. In order to protect the City from revenue shortfalls and to maintain a stable level of service, revenues will be estimated realistically and conservatively, taking into account the volatile nature of various revenue streams. The analysis will include probable economic changes and their impacts on revenues, historical collection rates, and trends. The benefits of a revenue source should exceed the cost of administration and collection of that revenue.

Property Tax

All real and business personal property located within the City will be valued at 100% of the fair market value for any given year based on the current appraisal supplied by Cameron Appraisal District.

Sales Tax

Sales tax revenue will be used to fund the recurring operations of the General Fund, the Harlingen Economic Development Corporation (4A) activities, and the Harlingen Community Improvement Board (4B). Sales tax revenue fluctuates due to changes in economic conditions and will be closely monitored to ensure the needs of the City are met. The City's goal is to have balanced and reliable ongoing revenues for its General Fund operations without over-reliance on any single sales tax provider.

User Fees and Charges

For services associated with a user fee or charge, the direct and/or indirect costs of that service will be offset by a fee where possible. The City Commission determines how much of the cost of a service should be recovered by fees and charges.

Franchise Fees

Derived from major public utilities operating within the City, franchise fees are intended to reimburse the City for use of public streets and rights of way.

Hotel/Motel Occupancy Taxes

Taxes imposed on hotel room nights allowed by statutory and charter authority. The use of these revenues are limited by state law to specific tourism promotion activities. The revenues will be estimated using actual properties and occupancy rates and prior year revenue collections.

Non-Recurring Revenues

One-time or non-recurring revenues should not be used to finance current ongoing operations.

EXPENDITURES

Appropriations & Transfers

All expenses of the City will be made in accordance with the adopted annual budget or as legally amended. The legal level of control is at the fund level. The City Manager is authorized to transfer budgeted amounts among departments within any fund; however, any transfers or amendments that change the total expenditures of any fund must be approved by the City Commission.

Procurement

In accordance with state law and city ordinances, the City is to provide for the fair and equitable treatment of all persons involved in public purchasing with the City of Harlingen, to maximize the purchasing value of public funds in procurement, and to provide safeguards for maintaining a procurement system of quality and integrity while meeting all legally mandated federal, state, and local requirements. Competitive pricing will be sought in accordance with federal, state laws and local policies and guidelines to ensure the best value is obtained through the procurement of products and services.

CASH MANAGEMENT AND INVESTMENTS

The City Commission has formally approved a separate Investment Policy for the City of Harlingen that meets the requirements of the Public Funds Investment Act (PFIA), Section 2256 of the Texas Local Government Code. This policy is reviewed annually by the City Commission and applies to all financial assets held by the City and applies to all entities (excluding Valley International Airport and Harlingen Waterworks) managed by the City. The City will maintain cash management and investment policies and procedures to maintain the public trust through responsible actions as custodians of public funds.

Cash Management Philosophy

The City shall maintain a comprehensive cash management program to include the effective collection of all accounts receivable, the prompt deposit of receipts to the City's depository, the payment of obligations, and the prudent investment of idle funds in accordance with this policy.

Investment Objectives

The City's investment program will be conducted to accomplish the following listed in priority order:

- Safety of the principal invested
- Liquidity and availability of cash to pay obligations when due
- Maximize earnings (yield) to the greatest extent possible consistent with the City's investment policy

Fund Balance

The Governmental Accounting Standard Board (GASB) Cod. Sec. 1800.165 Classification and Terminology – Fund Balance Reporting provides for a hierarchy of five possible classifications for reporting fund balance as follows.

- **Nonspendable** fund balances are balances that cannot be spent because they are not expected to be converted to cash, or they are legally or contractually required to remain intact.

The spendable fund balances include restricted, committed, assigned and unassigned based upon the hierarchy of spending constraints.

- **Restricted** fund balances are constrained by external parties, constitutional provisions, or enabling legislation.
- **Committed** fund balances contain self-imposed constraints of the government from its highest level of decision making authority (the City Commission).
- **Assigned** fund balances contain self-imposed constraints of the government to be used for a particular purpose (the City Manager has the authority to assign funds for specific purposes).
- **Unassigned** fund balances of the general fund are those that have no constraints for any particular purpose.

DEBT

The City of Harlingen establishes policies concerning the issuance and management of debt. It is the intent of the policy that the City's debt be managed and monitored so as to enhance or maintain its credit rating with major ratings agencies.

CONDITIONS OF DEBT ISSUANCE

Debt should be issued for the purpose of meeting the needs of the community through funding of capital projects and equipment but without constituting an unreasonable burden to taxpayers. Long-term debt is only issued to finance the acquisition and/or construction of capital improvements.

TYPES OF DEBT

General Obligation Bonds

General Obligation Bonds may only be issued with a majority approval of a popular vote. The use of the proceeds from GO Bonds is limited to the acquisition or improvement of real property and other uses allowed by law and applicable bond ordinances. To the extent that property tax revenues are used to fund debt service, an increase to the property tax will be proposed.

Certificate of Obligations

Certificate of Obligations may be used to fund capital improvements or equipment that are not otherwise funded by general obligation or revenue bonds. With CO bonds, the voters have an option to petition for an election on whether the certificates should be issued. There is a forty-five (45) day notice period before a city can pass an ordinance to issue the certificates giving time for citizen input and time to gather signatures for a petition to call an election. To the extent that property tax revenues are used to fund debt service, an increase to the property tax will be proposed.

Refunding Obligations

Pursuant to the Government Code and various other financing statutes applicable in particular situations, the City Commission is authorized to provide for the issuance of bonds for the purpose of refunding any long-term obligation of the City.

Leases

Leases may be used to finance major capital purchases, other than infrastructure, including fleet, major system upgrades and large equipment purchases.

Other Obligations

There may be special circumstances when other forms of debt are appropriate and may be evaluated on a case-by-case basis. Such other forms include, but are not limited to limited tax notes, non-enterprise revenue bonds, bond anticipation notes, grant anticipation notes and judgment or settlement obligation bonds.

INVESTMENT OF BOND PROCEEDS

The City maintains in its Investment Policy document approved by the City Commission, the strategy and policies for investing bond proceeds. The City's Investment Policy complies, and will at all times comply, with the provisions of the Public Funds Investment Act, Chapter 2256, Texas Government Code, as amended. Interest on bond proceeds is restricted such that it may only be used to fund projects that have the same purpose as the purpose for which the bonds were originally issued. Construction proceeds are typically invested in short-term securities so that they are liquid. Interest & Sinking funds may be invested longer as they have to be maintained for the life of the issue.

FEDERAL REQUIREMENTS

The City will maintain written procedures to follow post issuance compliance rules, arbitrage rebate and other Federal requirements.

- Post issuance tax compliance rules will include records retention, arbitrage rebate, use of proceeds, and
- Continuing disclosure requirements under SEC Rule 15c2-12, MSRB standards, or as may be required by bond covenants or related agreements.

ACCOUNTING, AUDITING AND FINANCIAL REPORTING

Accounting

The City is solely responsible for the recording and reporting of its financial affairs, both internally and externally. The Finance Director is responsible for establishing the structure for the City's Chart of Accounts and for assuring that procedures are in place to properly record financial transactions and report the City's financial position.

Audit of Accounts

In accordance with the City Charter, an independent audit of the City accounts will be performed every year. The auditor is retained by and is accountable to the City Commission and will have no personal interest, directly or indirectly, in the financial affairs of the city or any of its officers. The auditing firm will serve for up to 5 years, at which time, the City will re-solicit proposals for these services if deemed necessary by the City Commission. The actual need to rotate an auditing firm will be considered, but only at the discretion of the City Commission in providing for the best financial oversight of the City.

External Reporting

Upon completion and acceptance of the annual audit by the City's auditors, the City will prepare a written Annual Comprehensive Financial Report (ACFR) which will be presented to the City Commission within 180 calendar days of the City's fiscal year end. The ACFR will be prepared in accordance with Generally Accepted Accounting Principles (GAAP).

Receivables Policy

All receivables of the City are accounted for, aged and collected at the earliest opportunity. Delinquent receivables are processed expediently and collection agencies are utilized when appropriate.

INTERNAL CONTROLS

The Finance Department is responsible for designing appropriate controls for the departments and the departments are responsible for implementation. Inherent in these responsibilities is the recognition that the cost of the internal control should not exceed the benefits expected to be derived. The objective of internal controls is to provide management with reasonable, but not absolute, assurance that assets are safeguarded from fraud and are recorded properly.

Department Policies

Where appropriate, this City will maintain appropriate policies to manage budgetary expenditures and control, procurements, personnel, and staffing management. These policies will be developed, updated, and approved by the City Manager as necessary.

Written Procedures

Wherever possible, written procedures will be established and maintained by the Finance Director for all functions involving cash handling and/or accounting throughout the City.

Acronyms

ARPA: American Rescue Program Act

ACCRA: American Chamber of Commerce Research Association

AD&D: Accidental Dead & Dismemberment

ADA: American Disabilities Act

AFIS: Automated Fingerprint Imaging System

AIP: Airport Improvement Program

BVP: Bulletproof Vest Partnerships

CAD: Computer Aided Dispatch

CASA: Court Appointed Special Advocate

CD: Community Development

CDBG: Community Development Block Grant

CEU: Continuing Education Units

CFC: Crime Fusion Center

CIP: Capital Improvement Program

CO: Certificate of Obligation

COBRA: Consolidated Omnibus Budget Reconciliation Act of 1985

COPS/UHP: Community Oriented Policing Services/Universal Hiring Program

CPA: Certified Public Accountant

CVB: Convention and Visitors Bureau

CVL: Crime Victims Liason

DDACTS: Data – Driven Approaches to Crime and Traffic Safety

DEA: Drug Enforcement Agency

DPS: Department of Public Safety

DWI: Driving While Intoxicated

EDC: Economic Development Corporation

EMS: Emergency Management Services

FAA: Federal Aviation Administration

FBI: Federal Bureau of Investigations

FEMA: Federal Emergency Management Agency

FMLA: Family Medical Leave Act of 1993

FTA: Federal Transit Act

FTE: Full Time Equivalency

FY: Fiscal Year

GAAP: Generally Accepted Accounting Principles

GAGAS: Generally Accepted Government Auditing Standards

GAS: Government Auditing Standards

GFOA: Government Finance Officers Association

GIS: Geographical Information Systems

GO: General Obligation

HCDC: Harlingen Community Development Corporation

HCIB: Harlingen Community Improvement Board

HCISD: Harlingen Consolidated Independent School District

HCVB: Harlingen Convention & Visitors Bureau

HEB: Howard E. Butt

HEDC: Harlingen Economic Development Corporation

HIDTA: High Intensity Drug Trafficking Area

HIFI: Harlingen Industrial Foundations, Incorporated

HPD: Harlingen Police Department

HSBMPO: Harlingen-San Benito Metropolitan Planning Organization

HUD: Housing and Urban Development

HVAC: Heating Ventilating Air Conditioning

HWWS: Harlingen Waste Water System

ICE: Immigration & Customs Enforcement

ISO: Insurance Services Office

JAG: Justice Assistance Grant

LEOSE: Law Enforcement Officer Standards and Education

MIS: Management Information Systems

MOU: Memorandum of Understanding

MPO: Metropolitan Planning Organization

MTP: Metropolitan Transportation Program

NIJ: National Institute of Justice

NOW: Negotiable Order of Withdrawal

OCDETF: Organize Crime Drug Enforcement Task Force

PEG: Public Education Grant

PFC: Passenger Facility Charge

PGA: Professional Golfer's Association

QTA: Quick Turn Around Facility

RGV: Rio Grande Valley

RMS: Records Management Systems

ROW: Right of Way

SRO: School Resource Officers

STEM: Science, Technology, Engineering and Mathematics

STEP/IDM: Selective Traffic Enforcement Program/Impaired Driving Mobilization

SUP: Specific Use Permit

SWAT: Special Weapons and Tactics

SWP3: Storm Water Pollution Prevention Program

TAC: Technical Advisory Committee

TBD: To Be Determined

TCEQ: Texas Commission on Environmental Quality

TCVC: Texas Crime Victim Compensation

TDHCA: Texas Department of Housing and Community Affairs

TDRA: Texas Department of Rural Affairs

TELFRA: Texas Local Firefighters Retirement Act

TFER: Texas Food Establishment Rules

TIF: Tax Increment Financing

TIRZ: Tax Increment Reinvestment Zone

TIP: Transportation Improvement Program

TML: Texas Municipal League

TMRS: Texas Municipal Retirement System

TPC: Transportation Policy Committee

TPWD: Texas Parks & Wildlife Department

TSTC: Texas State Technical College

TRU: Targeted Response Unit

TXDOT: Texas Department of Transportation

TXGLO: Texas General Land Office

UCR: Uniform Crime Report

UHP: Universal Hiring Program

ULV: Ultra Low Volume

UPS: Universal Power Supply

UPWP: Unified Planning Work Program

USDOT: United States Department of Transportation

UTHSCSA: University of Texas Health Science Center San Antonio

UTRGV: University of Texas - Rio Grande Valley

VAV: Variable Air Volume

VBLF: Valley Baptist Legacy Foundation

VIA: Valley International Airport

WWTP: Wastewater Treatment Plant

APPENDIX

Glossary

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Fund Accounting: Organizing financial records into multiple, segregated locations for money. A fund is a distinct entity within the municipal government in which financial resources and activity (assets, liabilities, fund balances, revenues, and expenditures) are accounted for independently in accordance with specific

regulations, restrictions or limitations. Examples of funds include the general fund and enterprise funds. Communities whose accounting records are organized according to the Uniform Municipal Accounting System (UMAS) use multiple funds.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Program: A combination of activities to accomplish an end.

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

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

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

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

Revaluation: The assessors of each community are responsible for developing a reasonable and realistic program to achieve the fair cash valuation of property in accordance with constitutional and statutory requirements. The nature and extent of that program will depend on the assessors' analysis and consideration of many factors, including, but not limited to, the status of the existing valuation system, the results of an in-depth sales ratio study, and the accuracy of existing property record information.

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

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

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

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

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

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

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

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

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

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

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

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

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