

Proposed FY2011 City Budget Presented to Council

Jack Hamlett, Rosenberg City Manager, in accordance with Texas Statute and the City Charter, presented the proposed Annual Budget for the upcoming fiscal year (October 1, 2010, through September 30, 2011) to Council for their consideration at the July 27 Rosenberg City Council Workshop. The City's budget serves as a policy document for the City, establishing community priorities, goals and programs for the upcoming fiscal year. The budget contains appropriations necessary to achieve specific service levels, functions and activities essential to the accomplishment of the City's stated mission:

To provide citizens with an enhanced quality of life through public service that ensures the continuance of our small town values while maintaining standards of accountability and open-mindedness that are ethically and consistently applied.

This year's proposed budget implements numerous expenditure reductions to compensate for the financial impacts brought on by the economic slowdown which has impacted the City's revenues including sales tax, property tax, Municipal Court fines, and construction-related fees. Although short-term community growth has slowed, the demand for city services continues to increase along with staff workload.

The FY2011 Proposed Budget provides for the provision of necessary public services within available financial resources. Its recommendations are designed to provide for the needs of Rosenberg citizens as well as employees of the City. It is a very conservative budget that balances the necessity of maintaining municipal services while balancing decreasing revenues. The FY2011 Proposed Budget is very lean, but functional. It maintains the required and adequate reserve amounts for the end of FY2011. The total Proposed FY2011 Budget (excluding Capital Projects) is \$42,409,684 (\$546,988 or 1.3% less than FY2010).

The City's General Fund includes the provision of funding for basic services and debt service obligations for capital improvements. Its primary revenue sources are local sales tax and City property taxes. Overall, the Proposed FY2011 General Fund Budget projects revenues of \$20,737,060 (a decrease of 1.6% from FY2010), and proposes expenditures of \$21,440,509 (a 2.5% decrease from FY2010). Based on preliminary Fort Bend Central Appraisal District (CAD) figures for FY2011, the total property tax valuation is expected to decrease (due partially to the number of outstanding protests). Staff therefore, has not projected any increase in property tax revenues in the Proposed FY2011 Budget. Preliminary property valuations indicate that the Effective Tax Rate (the rate that would provide the City about the same amount of revenue received the previous year, on properties taxed in both years), will need to increase above the existing rate of \$0.50 adopted in 2009. Final CAD numbers will not be available until sometime in August. The FY2011 Proposed Budget continues the City's 1% Homestead Exemption previously adopted by City Council.

Because of the economic slowdown, the City's sales tax revenue for FY2010 has remained level with that of FY2009. The projection for FY2011 has been reduced by \$90,000 (a 1% decrease) from the FY2010 Budget. Additionally, projected Municipal Court revenues have been adjusted down by \$102,600 for FY2011 (a 12% reduction).

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Municipal facilities will be closed Monday, September 6, 2010, for Labor Day.

GARBAGE WILL NOT BE COLLECTED ON MONDAY, but will instead be picked up the next regularly-scheduled service day, Thursday, September 9.

All facilities will resume normal operations on Tuesday, September 7, 2010. Non-emergencies should be directed to police dispatch at (832) 595-3700.



Annual Sales Tax Holiday Stretches Back-to-School Budgets

School children will soon head back to the classroom; and Texas' annual Sales Tax Holiday will help outfit kids with tax-free clothes, shoes and school supplies they need for the new school year.

"From Aug. 20-22, shoppers will pay no state or local sales tax on many school supplies, school backpacks and most children's and adults' clothing and shoes priced at less than \$100," Texas Comptroller Susan Combs said. "As our economy continues to recover, this tax break will help families get more bang for their back-to-school bucks."

This year, Combs predicts shoppers will save \$59.3 million in state and local sales taxes during the Sales Tax Holiday, which takes place each year on the third Friday, Saturday and Sunday in August.



The tax holiday weekend has been an annual event since 1999.

To help families plan to make the most of the Sales Tax Holiday, lists of tax-free apparel and school supplies can be found on the Comptroller's website at http://www.window.state.tx.us/taxinfo/taxpubs/tx98_490/tx98_490.html.

Source: Texas Comptroller of Public Accounts - 1-800-252-5555

July Employees of the Month Recognized for Family 4th Efforts

Seven (7) City employees shared the honor of being named July Employees of the Month. Pictured below (from left to right) are Paul Rodgers, Parks Supervisor; Angela Fritz, Communications Director; Lydia Acosta, Recreation Programs Coordinator; Carolyn Kagy, Civic Center Manager; Camille Prat, Marketing/Tourism Assistant; and Aaron Slater, Patrol Lieutenant; with City Manager Jack Hamlett. Not pictured is Darren McCarthy, Parks and Recreation Director.

These employees were nominated for their efforts in coordinating the City's Family 4th Independence Day Celebration. In addition to months of planning ahead of time, these individuals each put in long hours the day of the event, along with crews from across the City, to ensure everything ran smoothly.

Thanks for your hard work and dedication!



Thank You 2010 Family 4th Sponsors

This year's Family 4th event was better than ever, thanks to the tremendous amount of local support received from sponsors including:

Platinum: City of Richmond and NewQuest Properties.

Gold: Gurecky Manufacturing Service, Inc.; Jones & Carter, Inc.; and Republic Services, Inc.

Silver: Kelly R. Kaluza & Associates, Inc.; Legacy Ford; Milton Brenner VFW Post 3903 & Ladies Auxiliary; Perdue, Brandon, Fielder, Collins & Mott, LLP; and Seatex Ltd.

Bronze: Allen Boone Humphries Robinson LLP; Amegy Bank; Bass Construction Company; Biotics Research Corporation; CL Realty; Ed deZavallos & David Edgar; Fort Bend County Judge Bob Hebert; IDC Engineering; La Casona Mexican Restaurant; Landtech Consultants, Inc.; Las Noticias de Fort Bend; OakBend Physical Therapy; Royal Neighbors of America; Schwartz, Page & Harding, LLP; and SouthWest Water Company.



Friends of the Festival: Ace Hardware-Rosenberg; American Legion Auxiliary Unit 271; Anco-Wessendorf Insurance; Another Time Soda Fountain & Café; Carolyn & Neil Banfield; Carol & Karl Baumgartner; Benjamin Franklin Plumbing; Bob's Taco Station; Danziger Investment Company; Davis-Greenlawn; Dostal's Designs; Elge, Inc.; GreenScape Associates; LJA Engineering, Inc.; McNutt Electric; Mayor & Mrs. Hilmar G. Moore; Ray Glass Company, Inc.; TF Harper & Associates; TRC Engineering; Texas Cowboy Church; Dr. & Mrs. Larry Wilkinson; Gina Foster; Jack & Liz Hamlett; and Lamar Meadows, Jr., DDS.

Donations for the City's 2010 event totaled \$35,550!

Rosenberg's Family 4th Independence Day Celebration is underwritten by the Rosenberg Convention and Visitors Bureau. For more information, please call 832-595-3525.

AUGUST BEAUTIFICATION AWARDS

Andrew & Patricia Kuba
1027 Klare Avenue

Charles & Carol Lindemann
1129 Tobola Street

Ben & Dorothy Rogge
2605 Cedar Lane

Alejandro & Amalia Salinas
1820 Old Creek Road

Dale & Mary Ann Wolfing
3620 Avenue P

Robert & Mary Glover
2615 B.F. Terry Boulevard

Mosquito Control Program

The City will continue its ongoing mosquito control program through September 2010. The at-least-weekly fogging covers all 125 miles of City streets.

The City has allocated approximately \$23,000 toward this program for FY2010. City officials are monitoring the situation and adjusting treatments as necessary.

Although these treatments help lessen the infestation, they cannot eliminate all mosquitoes. Residents are encouraged to take additional steps to help reduce the mosquito population including using over-the-counter pesticides and emptying, covering or disposing of all outside containers capable of retaining water. Residents are also encouraged to lessen their exposure to mosquitoes by avoiding outdoor activities at dawn or dusk and by applying mosquito repellent. Please see the June 2010 INSIDER article for further tips.

For further information regarding the City's program, please contact the Citizen Relations Coordinator at (832) 595-3301. Additionally, the Centers for Disease Control maintains detailed information on the prevention of West Nile Virus at www.cdc.gov/westnile/.



Texas Local Property Tax Basics

The Texas local property tax is just that - a local tax, assessed locally, collected locally and used locally. Local property tax is the largest single funding source for community services including public schools, city streets, county roads, police and fire protection and other vital programs. The governing body of each local government determines the amount of property taxes it needs to raise and sets its own tax rate.

Once appraisal records are approved, the chief appraiser of each County Appraisal District prepares an appraisal roll for each taxing unit. At this point, the taxing units must decide what services they will provide in the coming year and how much money they will need to cover these costs. The adopted tax rate for each taxing unit is the rate required to raise the necessary funds to cover these expenses based on the appraisal roll.

Taxing units hold budget hearings to discuss what services to provide in the coming year and how to pay for them. Concerned taxpayers should attend these hearings. If a governing body wants to increase its property tax rate above the effective or rollback rate, it must publish a quarter-page notice in a local newspaper, announcing special public hearings related thereto. These hearings give taxpayers an opportunity to voice their opinions about the proposed increase and ask questions of the governing body. Before the hearing's end, the governing body must set a date, time and place for the tax rate's formal adoption. The taxing unit then publishes another quarter-page ad announcing the meeting to adopt the tax rate.

"Truth-in-taxation" laws give taxpayers a voice in decisions affecting their property tax rates. The Effective Tax Rate would provide the taxing unit with about the same revenue it received in the previous year, on properties taxed in both years. If property values rise, the effective rate will go down, and vice versa. The Rollback Tax Rate, by contrast, would provide the taxing unit with about the same amount of tax revenue it spent the previous year for day-to-day operations, plus an extra 8% for operating money and sufficient funds to pay its debts in the coming year.

At print time, budget hearing dates have not yet been set for the City because the final appraisal roll from the Fort Bend Central Appraisal District has not yet been received. It is expected sometime in August.

Please contact the City Secretary's Office at (832) 595-3340 for meeting dates and agendas or visit www.ci.rosenberg.tx.us.

Source: Texas Comptroller of Public Accounts - www.window.state.tx.us/taxinfo/proptax/



Continued - Proposed FY2011 City Budget Presented to Council

The Proposed Budget includes two hundred and twenty-two (222) full-time positions, down from two hundred and thirty-seven (237) in FY2010. Given this 7% reduction in the overall number of employees, the City's goal is to provide the same amount of service to its citizens. Both the Fire and Police Departments are experiencing an increase in the number of service calls received. Therefore, the Proposed FY2011 Budget makes it a priority to maintain Public Safety staffing and service levels in order to provide adequate Police and Fire protection for Rosenberg residents. It is realistic, however, given the higher demand on the fewer number of employees in other service areas, to expect that the provision of some services may be slower than residents are currently accustomed to. There are no merit pay increases included in the FY2011 budget for any employee, however, the estimated 6.3% increase in the City's health insurance plan will be covered in the budget along with the funding of catch-up provisions for the Texas Municipal Retirement System to cover future retiree benefits.

Additionally, the Proposed FY2011 Budget maintains the City's commitment to continue its aggressive capital improvements program with "roll-over" funding included for: Bamore Road; the Seabourne Creek Drainage Project; the Dry Creek Drainage Project; FM 2218; the Seabourne Creek Park Water Reuse Project; Reading Road and Allwright Street Drainage; Homestead Subdivision Drainage; the Blume Road Project; Spacek Road Intersection Relocation; and North Side Sewer Improvements - Phase V.

In previous years, Water and Wastewater revenues were not adequate to cover both the Fund's operating expenditures and debt service obligations, however, the proposed FY2011 Water/Wastewater Fund Budget is a balanced one in which the proposed revenues will exceed the combined operating expenditures and debt service payments for the second consecutive year. The total Proposed FY2011 Water/Wastewater Fund Budget is \$8,321,878, reflecting a decrease of \$476,111 (5.4%) from FY2010. Although the Water/Wastewater Fund has improved significantly, it continues to be underfunded to meet future infrastructure needs. The City will need to continue to adjust rates to make the Fund self-supporting and cover costs associated with the surface water conversion project and continued capital improvements. Until the 2015 deadline for groundwater reduction, the City will need to continue annual increases in water and wastewater rates.

In the past, the City depended on a portion of the property tax revenue to subsidize debt obligations for the Water/Wastewater Fund. Since this fund is now self-supporting, and due to the fact that the City has retired some higher interest debt service obligations, the City is able to reduce the debt service portion of the property tax rate from \$0.27 in FY2010 to \$0.265 in FY2011. The additional \$0.005 was shifted in the Proposed FY2011 Budget to support the City's annual maintenance and operating expenditures instead of debt service obligations. This assists in maintaining a reasonable property tax rate adequate to support City services. The reduction in the debt service portion of the property tax rate is especially notable, given the fact that the City's annual debt service obligations have increased approximately \$2,000,000 since 2007.

The biggest challenge the City faces for FY2011 is maintaining the proposed budget within projected revenues as it strives to meet the increasing service needs of an expanding Rosenberg community. Now that staff has provided City Council with the Proposed FY2011 Budget, it becomes Council's charge to review the information provided, set the overall property tax rate, and determine the level of services to be provided to Rosenberg citizens in FY2011.

Council will consider the Proposed FY2011 Budget in workshop sessions on Saturday, August 7, 2010, beginning at 8 a.m. at the Civic Center (3825 Highway 36 South) and again on Thursday, August 12, 2010, at 6 p.m. at Rosenberg City Hall Council Chamber (2110 4th Street).

Interested individuals may view a copy of the FY2011 Proposed Budget in the City Secretary's office. For more information on public meetings, please visit www.ci.rosenberg.tx.us, or call the City Secretary's Office at (832)595-3340.

ROSENBERG DEVELOPMENT CORPORATION

Building Our Future

Bamore Road Reconstruction Project



Seabourne Creek Nature Park Enhancements



Welcome Sign Enhancements



Transportation Gateway Improvements

***Rosenberg is a great place to live, work and do business,
and the RDC is helping pave the way...***



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Neighborhood Park
Improvements



Seatex, Ltd. Relocation



Reading Road Interchange Construction
2000



Brazos Town Center Development

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